



MERCHANT AGREEMENT

THIS AGREEMENT is made on the date stated in **Part I of the First Schedule** between **AmBank (M) Berhad** (Company Registration No.196901000166 (8515-D)), a company incorporated in Malaysia with its registered office at 22nd Floor, Bangunan AmBank Group, No. 55, Jalan Raja Chulan, 50200 Kuala Lumpur ("**Bank**") and the Party whose particulars are described in **Part II of the First Schedule** ("**Merchant**") and (where applicable) the party whose name and description are stated in **Part III of the First Schedule** hereto ("**Sub-Merchant**").

The Bank, the Merchant and the Sub-Merchant (if any) shall hereinafter collectively referred to as "**Parties**" and individually as "**Party**".

RECITALS

- A. The Bank is a financial institution licensed under the Financial Services Act 2013.
- B. Both Merchant and Sub-Merchant are registered organisations and/or individuals that offers services and/or goods to customers.
- C. The Merchant and the Sub-Merchant, (where applicable) are desirous to use the payment acceptance facility(ies) to facilitate the payment of goods and/or services from customers through available channels including electronic means in accordance to the terms and subject to the conditions herein

1. DEFINITION

In this Agreement, the following words and expressions shall have the following meaning unless the context otherwise requires: -

Authorisation Centre	:	A centre operated by Bank to provide authorisation from the Card Issuer to the Merchant on a 24-hour basis.
AmBank Group	:	The Bank and/or any of its related corporations (including, without limitation, its holding company).
AmBank mTAP Application	:	mTAP, which is a fully featured mobile payment application that leverages NFC-enabled Android smartphones to accept contactless card payments.
AmBonus Points	:	All the points awarded to a Cardholder under the ' <i>AmBonus Rewards Programme</i> ' in accordance with the Bank's terms and conditions.
Approved Currency	:	The currencies applicable for DCC service, which shall be determined by the Processor.
Business Day	:	A day on which Bank is open for business in Malaysia excluding a national public holiday and designated weekend or holiday for the relevant state.
Calendar Day	:	A day in the Gregorian calendar.
Card	:	Credit cards, debit cards including MyDebit card, charge cards, prepaid cards and/or any other cards issued by the Card Issuer from time to time with magnetic stripe features and/or embedded with the Payment System Operator' compliant chip or any other chips that is to be accepted by the Merchant under the terms of this Agreement.

Card Issuer	:	Any entity and/or financial institution who are authorised and licensed to issue the Card.
Cardholder	:	Any person who or which is the authorised user of the Card.
Contactless Application	:	A contactless mobile application as approved by the Bank that reads and/or records the data of each contactless Transaction for the purposes of the terms and conditions herein.
Credit Slip	:	A document in the form and substance prescribed by the Bank to evident the refund of a Transaction.
DCC	:	Dynamic currency conversion feature that enables the Cardholder to undertake Transaction in the Approved Currency.
Deposit Summary	:	A document issued by the Merchant/Sub-Merchant to accompany Sales Slip and presented by the Merchant to the Bank for payment approval under the terms of this Agreement.
Direct Credit	:	A fund transfer system that allows funds to be directly credited to the recipient's designated bank account.
Electronic Data Capture (EDC) Terminal	:	A point-of-sale terminal, mechanical/electronic terminal, contactless reader/terminal or any other devices either manually, electronically or otherwise activated to read and/or record the Transactions.
eCommerce	:	Electronic commerce, which is the buying and selling of goods and services online via merchant website.
eWallet	:	An electronic wallet in the form of electronic device, online service or software programme that allows its registered user perform electronic transactions for the purchase of goods and/or services.
ePayment	:	A payment made via electronic means.
Foreign Card Transaction	:	A Transaction involving the Card of a Foreign Cardholder.
Foreign Cardholder	:	A Cardholder, whose Card is denominated in an Approved Currency, other than Malaysian Ringgit.
IBG	:	Interbank Giro, which is an electronic interbank fund transfer system
Intellectual Property	:	The Bank's rights in, without limitation, (i) patents, design rights, copyright (including rights in computer software), database rights, trademarks, service marks, logos, moral rights, trade or business names, domain names, confidential information and knowledge and rights protecting goodwill and reputation, in all cases whether registrable, registered or unregistered; (ii) all other forms of protection having a similar nature or effect anywhere in the world to the right described in (i); and (iii) applications for or registrations of any of the above rights described in (i) or (ii).
Input File	:	any electronic data storage file in a format mutually agreed upon by the Bank and the Merchant which contains mutually agreed particulars of the Recurring Payment Transactions.
Manual Sales	:	A document to evident a Transaction processed and/or completed without the use of a Terminal in form and substance as may be approved by the Bank pursuant to this Agreement and the same shall include a direct debit authorisation form.

MDR	:	Merchant Discount Rate, which is a rate charged to the Merchant on the amount of the Transaction processed by the Bank, as per Part VII of the First Schedule herein.
Merchant Application Form	:	The completed application submitted by the Merchant physically or electronically and in such form and manner as deemed acceptable by the Bank to participate in the Bank's services for the Merchant.
Merchant Rebate	:	The amount payable to the Merchant as an incentive for its participation in the DCC and will be calculated and taken into account in the form of MDR adjustment based on the agreed rebate percentage.
MyDebit	:	A domestic debit card scheme that allows its Cardholder to make payments for goods and/or services at participating Merchant's/Sub-Merchant's outlet(s), in-store or online nationwide or cross-border (that accepts the service) and any amount spent using MyDebit will be directly deducted from the Cardholder linked/nominated savings, current or transactional investment account, where applicable.
NFC	:	Near Field Communication is a short-range wireless technology used for contactless payment to enable the users to secure transactions, exchanges of digital contents and connect electronic device with a touch.
Operating Policies and Procedures	:	<p>A framework that captures the context of the services and provides a clear referral and assessment procedure in regard to the services provided by the Bank and/or the relevant scheme provided by the Payment System Operator at any particular time. This includes the following regulations, programmes, policies & procedures: -</p> <ul style="list-style-type: none"> (a) Visa International Operating Regulations; (b) Mastercard Operating Policies; (c) MasterCard Business Risk Assessment and Mitigation Programme; (d) Operational Procedures for MyDebit; (e) PayNet Operating Policies; and (f) Any regulations, programmes, policies and/or procedures issued, updated and/or revised by Payment System Operator from time to time.
Payment System Operator	:	<p>Organizations/associations that facilitates the payment transactions between the Card Issuer and the Merchant/Sub-Merchant and the Payment System Operators referred herein shall include: -</p> <ul style="list-style-type: none"> (a) MasterCard International Inc; (b) Visa International Worldwide Pte. Limited; (c) JCB International Co., Ltd; (d) UnionPay International Co. Ltd; (e) American Express Travel Related Services Company; and (f) Payments Network Malaysia Sdn Bhd (PayNet); and/or (g) Any other entity which shall be informed by the Bank to the Merchant/Sub-Merchant from time to time.
PIN	:	In relation to the Cardholder, a personal identification number that is used by the Cardholder to authorise a Transaction.
PIN Pad	:	An electronic device which is connected to the Terminal Device where the Cardholder authorises a Transaction by entering his/her PIN on such device.
Processor	:	The Bank's service provider that provides DCC service.

Purchase Amount	:	A purchase amount made or transacted in Ringgit Malaysia before it is converted into the Approved Currency.
Recurring Payment(s)	:	A payment model where the Cardholder authorize the Merchant to charge their Card automatically at regular intervals.
Recurring Payment Authorisation	:	The authorization by the Cardholder for Recurring Payments.
Recurring Payment Transaction(s)	:	The periodic provision of merchandise and/or services by the Merchant to the Cardholder with payment made to the Merchant periodically pursuant to the Recurring Payment Authorisation.
Sales Slip	:	A document to evident a Transaction processed by a Terminal Device and produced by a Printer in a form and substance approved by the Bank pursuant to this Agreement and it shall include sales draft, credit slip and terminal receipt. A Sales Slip typically captures the details of said Transaction including but not limited to the items/service purchased, the prices, the total costs, payment method and approval code.
Secure File Transfer Protocol	:	Network protocol that enables secure and encrypted file transfers between the bank and the merchant.
Settlement Function	:	The procedures required of and carried out (a) by the Merchant via a Terminal Device (b) automatically via mTap, eCommerce or recurring platform, for purposes of transmitting data of Transaction to the Bank to enable the Bank to make settlement to the Merchant.
Terminal Device	:	A physical device that allows the Cardholder to perform the purchase of goods and services using Cards.
Transaction	:	Any payment transaction and/or refund for the purchase of goods and/or services made between the Cardholder and the Merchant/Sub-Merchant, as the case may be, in a gross sum expressed in Ringgit Malaysia.
User ID	:	The unique identification code(s) assigned by the Bank for the Merchant for the purposes of accessing the AmBank mTAP Application.

2. CONSTRUCTION OF CERTAIN REFERENCES

Except to the extent that the context requires otherwise, any reference in this Agreement to:-

- 2.1 words denoting one gender include all genders;
- 2.2 words importing the singular number only include the plural number and vice versa;
- 2.3 the words "hereof", "herein", "hereto" or words of similar import wherever used shall refer to this Agreement as a whole and not to any particular clause only;
- 2.4 where an act is required to be done within a specified number of days after or from a specified date, the period is inclusive of and begins to run from the date so specified;
- 2.5 the invalidity or unenforceability of any provision herein shall not affect the validity of the other provisions hereof unless it deprives the affected party of the substantial benefit of the contract. In lieu of such invalid or unenforceable provision, a similar provision shall so far as legally possible be substituted thereof to give effect to the intent of the parties hereto;
- 2.6 words denoting the Merchant, unless expressly stated otherwise, shall be interpreted to include the Sub-Merchant; and

2.7 references to the recitals, schedules and appendixes are to the recitals, schedules and appendixes of this Agreement and the said recitals, schedules and appendixes shall be taken, read and construed as essential part of this Agreement.

3. PAYMENT ACCEPTANCE FACILITY

3.1 In accordance with the terms and the conditions herein and subject to the service(s) opted by the Merchant/Sub-Merchant in the Merchant Application Form, the Merchant/Sub-Merchant hereby agrees to accept payment made by Cardholders through the use of Cards via the following payment acceptance facility:-

- (a) Terminal Device;
- (b) Contactless Application and/or AmBank mTAP Application;
- (c) eCommerce Transaction; and
- (d) Recurring Payment.

3.2 In addition to the payment acceptance facility above, the Merchant/Sub-Merchant may subscribe to the following additional services provided by the Bank in accordance with the terms and subject to the conditions in this Agreement:-

- (a) Easy Payment Plan (EPP)

EPP is an instalment payment plan available for the Cardholders who make purchase of goods and/or services from selected merchants using the Cards.

- (b) Mail Order or Telephone Order

Mail order or telephone order is a transaction whereupon the Cardholders may initiate a purchase of goods and/or services via telephone, electronic mail, facsimile or other means of electronic communication from selected merchants using the Card.

- (c) DCC Programme

A feature that enables the Cardholders to undertake Transaction in Approved Currency from selected merchants using the Card.

- (d) AmBonus On-The-Spot-Redemption Programme (“**OTSR Programme**”)

A programme that allows the Cardholder to perform redemption of items/merchandises/goods and/or services at the participating merchants’ outlet by using AmBonus Points for payment of goods and/or services.

3.3 This Agreement, the Merchant Application Form and any letters issued by the Bank from time to time shall form and be construed as part of this Agreement. The Merchant/Sub-Merchant agrees that its participation of the services offered by the Bank will be in accordance with the Merchant Application Form.

4. TRANSACTION ACCEPTANCE MEDIUM

4.1 Terminal Device

- (a) In the event the Merchant/Sub-Merchant has opted to rent the Terminal Device from the Bank in accordance to the terms as specified in Part IV of the First Schedule, the Merchant/Sub-Merchant:-

- i) shall enroll to ePayment via IBG or Direct Credit, within thirty (30) calendar days from Bank’s notification on approval of the application. The Bank shall reserve its right to defer the

installation of Terminal Device until and unless the enrollment is completed by the Merchant. In the event that the Merchant fail to complete the enrollment with the stipulated time herein, the Bank then shall be entitled to terminate this Agreement and forfeit the non-refundable processing fees as stated in item (d), Part IV of the First Schedule;

- ii) shall pay deposit and fees as stipulated in Part IV of the First Schedule or any other fees as agreed between the Bank and the Merchant/Sub-Merchant in a timely manner;
- iii) shall allow the Bank or Bank's agent to enter any of the Merchant outlets to install, inspect, repair or remove the Terminal Device during business hour or at any other reasonable time;
- iv) shall be responsible to maintain and keep the Terminal Device in a good condition;
- v) shall ensure that the Cardholders are able to enter PIN on the PIN Pad at all times;
- vi) agrees and acknowledges that the Bank will not be liable for the failure of the Terminal Device to operate properly;
- vii) shall not move or assign or, allow any other party to use, the Terminal Device without the Bank's prior written consent;
- viii) shall operate the Terminal Device in accordance with the Bank's procedures and instruction;
- ix) shall prompt the Bank of any breakdown or faults of Terminal Device and the Merchant further acknowledge that the Bank will not be liable for any loss or damage suffered by the Merchant arising out from such faults or breakdown in the Terminal Device;
- x) shall only accept Transactions that is transacted within Malaysia only and the use of Terminal Device outside Malaysia is strictly prohibited;
- xi) shall return the Terminal Device and any accessories attached to the Terminal Device in good condition upon termination of this Agreement and be liable for any damages suffered by the Bank if the Terminal Device is returned in a faulty and unsatisfactory condition; and
- xii) shall be liable for the loss of the Terminal Device.

(b) The Bank:-

- i) will provide Terminal Device in good condition and will provide sim card (where applicable) to the Merchant;
- ii) has the right to deduct any fees outstanding from the Merchant's succeeding month's sale submission and in the event that the Merchant's sale submission is insufficient, the Bank may deduct the deposit paid and failure by the Merchant/Sub-Merchant to promptly maintain the deposit and satisfy the outstanding fees, where applicable, the Bank may proceed to terminate this Agreement;
- iii) has the right to vary the rental fees and the other fees associated with the Terminal Device from time to time at the Bank's discretion with prior notice to the Merchant/Sub-Merchant;
- iv) has the right to forfeit the non-refundable deposit as part of the costs for the Terminal Device if the said Terminal Device is lost or being returned damaged or faulty or in an unsatisfactory condition; and
- v) will not be liable for the failure of the Terminal Device to operate properly.

(c) In addition to clauses (a)(xi) and (b)(iv) above, in the event of lost, damaged, faulty or unsatisfactory

condition of the Terminal Device, the costs for the Terminal Device will be billed to the Merchant as specified in Part V of the First Schedule.

4.2 **Contactless Application/AmBank mTAP Application**

(a) In the event the Merchant/Sub-Merchant has opted for Contactless Application (at its own costs)/Ambank mTAP Application, the Merchant/Sub-Merchant:-

- i) shall ensure that only the users authorised by the Merchant have access to Ambank mTAP Application and to ensure that the authorised users shall comply with the terms and conditions herein.
- ii) agrees that the Intellectual Property rights in respect of Ambank mTAP Application shall at all times belong to and remain vested in the Bank and the Merchant/Sub-Merchant shall not infringe, misappropriate or commit any acts which constitute infringement or misappropriation of the Bank's intellectual property rights, and breach, violate or misuse the Bank's confidential information.
- iii) shall ensure that Contactless Application/Ambank mTAP Application is able to read the Cardholder's Card at all times.
- iv) shall ensure that the Contactless Application has NFC features.
- v) agrees that the Bank may discontinue, replace or upgrade the Contactless Application from time to time at its discretion with prior notice to the Merchant.

(b) In addition to the above, the Merchant/Sub-Merchant agrees and acknowledges that:-

- i) AmBank mTap Application may contain hyperlinks to a third parties' websites, which are not under the Bank's control. These hyperlinks are provided for Merchant's reference only and do not in any way represent the Bank's endorsement, recommendation or sanction of the same;
- ii) the Bank is not responsible and/or liable for the Merchant's access of the hyperlinks or any information or materials available therein;
- iii) the Bank is not responsible and/or liable for any form of transmission or communication between the Merchant and the third party(ies) or the Merchant's participation and use of information, materials, services or promotions vide these hyperlinks;
- iv) the Bank is not, at any time whatsoever, liable to the Merchant/Sub-Merchant or any other person for any loss or damage arising from any interruption or unavailability of AmBank mTAP Application or disruption of AmBank mTAP Application's access for any reason other than losses, damages or disruptions due to the Bank's own wilful default;
- v) the Merchant/Sub-Merchant is responsible for risks associated with the use of the internet medium and the Merchant/Sub-Merchant agrees not to hold the Bank responsible or liable for any loss, damages or any unauthorized access associated with the risks in using the internet medium;
- vi) shall only accept Transactions that is transacted within Malaysia only and the use of AmBank mTap Application outside Malaysia is strictly prohibited;
- vii) the Bank reserves the right to discontinue the Merchant's/Sub-Merchant's usage of the previous security codes for AmBank mTAP Application in the event there is a requirement to enhance or upgrade software; and

- viii) the Bank has the right to reject Merchant's/Sub-Merchant's instructions to the Bank related to AmBank mTAP Application and the discretion to terminate the Merchant's/Sub-Merchant's access to AmBank mTAP Application in the event that the Merchant/Sub-Merchant fails to upgrade or enhance the software or security codes as required by the Bank.
- (c) The Bank shall not be liable for any loss or damages incurred or suffered by the Merchant/Sub-Merchant or any third party by reason or arising from:-
- i) the Merchant's/Sub-Merchant's inability to perform any of the Transactions;
 - ii) any error, alteration, destruction of the instructions, data or information to or from the Bank through the AmBank mTAP Application;
 - iii) any cyber intrusion or cyber attack or cyber disruption carried out and/or caused by any person or party on any hardware, software or system used in relation to the AmBank mTAP Application, including but not limited to viruses, Trojan Horses, worms and/or macros or other harmful components or disabling devices that may suspend, disrupt or disable the AmBank mTAP Application or any part thereof;
 - iv) any restriction or prohibition on the access of the AmBank mTAP Application by any laws or regulations;
 - v) any default caused by an internet browser provider or by an internet service provider or their agents or sub-contractors;
 - vi) any breakdowns or malfunctions of any equipment, system or software used in connection with AmBank mTAP Application, whether belonging to the Bank or otherwise, including but not limited to any electronic terminal, server or system, telecommunication device, connection, electricity, power supply, telecommunications or other communications network or system;
 - vii) any use, misuse, purported use or misuse, loss, theft or unauthorized use of any of the security codes which include but not limited to the Merchant's/Sub-Merchant's User ID, password and/or such other security codes;
 - viii) devices in relation to the access of AmBank mTAP Application;
 - ix) purported use or misuse of AmBank mTAP Application;
 - x) the Merchant's/Sub-Merchant's failure to comply with the latest instructions, procedures and directions for access of the AmBank mTAP Application;
 - xi) the corruption or loss of any data or instruction or in the course of transmission thereof on the AmBank mTAP Application;
 - xii) any fraud, criminal act, offence or violation of any law or regulation in connection to the usage of AmBank mTAP Application; or
 - xiii) in addition to and without prejudice to clause 4.2(c)(iii) above, any failure of the system, server or connection in respect of the AmBank mTAP Application, which causes any error, omission, interruption, breach of security, computer virus, malicious code, corruption, delay in operation or transmission, transmission error or unavailability of access in connection with the Merchant's/Sub-Merchant's access to the AmBank mTAP Application.

Without prejudice to the aforesaid and for the avoidance of doubt, the Bank shall not be liable for any loss or damages incurred or suffered by the Merchant/Sub-Merchant or any third party by reason or arising from the Contactless Application provided that the Bank has exercised reasonable care in the performance of its obligation, if any, in respect of the Contactless Application.

4.3 eCommerce

- (a) Without prejudice to the other payment acceptance facility, Clause 4.3 shall be applicable to the Merchant/Sub-Merchant which opts to accept payments for eCommerce Transactions.
- (b) The Merchant shall at its own cost and expenses acquire a website and accept the Transaction through an electronic medium or using a computer network i.e. internet, when the Cardholders purchases good or services online from the Merchant via its Merchant website and/or any other online platform.
- (c) Subject to the provision of this Agreement, the Merchant shall; -
 - (i) disclose all terms and conditions of the sale i.e. the amount of the product or service, how the amount will appear on the Cardholders' statement, when the amount will be billed and what name will appear on the Cardholders' statement;
 - (ii) indicate its products and services;
 - (iii) highlight the total costs, including shipping, handling and applicable taxes to the Cardholders;
 - (iv) indicate the transaction currency;
 - (v) indicate the shipping practices;
 - (vi) indicate the estimated date of delivery of the merchandise/service to the Cardholders;
 - (vii) ensure the Merchant website's business policy and return policy is easily accessible by the Cardholders;
 - (viii) ensure that the Cardholders is able to accept the merchant's business policy and return policy before completing the order;
 - (ix) indicate its customer service phone number (with country code) and e-mail address for the Cardholders to resolve any Transaction problem;
 - (x) confirm the sale via e-mail or any other channel deemed appropriate to the Cardholders after the order has been placed;
 - (xi) keep the Cardholders notified of the shipping status of the ordered goods;
 - (xii) not provide gambling facility to the Cardholders;
 - (xiii) not transact on behalf of the Cardholders by entering Cardholder's credit card details into the payment gateway;
 - (xiv) ensure the Merchant website is owned by the Merchant; and
 - (xv) not allow any other company to share the eCommerce service or operate as a master Merchant to the Sub-Merchant.
 - (xvi) utilize the 3-D Secure and non-3D Secure for all eCommerce transactions and shall be responsible for all costs related to 3-D Secure and non-3D Secure. In utilizing 3-D Secure and non-3D Secure, the Merchant shall:
 - a) comply with MasterCard/VISA Mark/MyDebit specifications;
 - b) not use the Mark in a way that implies endorsement of any other product or service;
 - c) not use the Mark as an acceptance in any application; and
 - d) ensure all participating Sub-Merchant processes 3-D Secure and non-3D Secure Transactions comply with the Bank's requirement.

- (d) the Merchant acknowledges that all Intellectual Property rights in the 3-D Secure and non-3D Secure is owned by Visa/MasterCard/MyDebit respectively and shall not be copied, reproduced, modified, altered and/or amended in any manner or form. The Merchant further acknowledges that it is a mere licensee duly licensed to apply the 3-D Secure and non-3D application and that the license shall duly be revoked or terminated upon termination of this Agreement.
- (e) In utilizing non-3D Secure:
- (i) The Merchant agrees to bear all penalties imposed by any Brands (Visa, MasterCard, and MyDebit) on the Bank by reason of fraud or Chargeback rate in relation to its card transactions. Any amount notified by the Bank to the Merchant as a penalty (by providing reasonable particulars as how the amount is derived and to the extent that the Bank may properly disclose such details under the Brand rules) shall be set off against any sums then due and payable by the Bank to the Merchant, failing which the outstanding amount will be immediately due and payable by the Merchant to the Bank.
 - (ii) The Bank shall not be liable for any chargeback for all transactions (s) performed, processed, and settled.
 - (iii) The Bank at its sole and absolute discretion reserves the right to claim back any such amount mentioned in clause 4.3(e)(ii) above from the Merchant, less the assigned discount rate, for chargeback transaction performed which is/are reported as fraud/unauthorized/disputed.
- (f) The Merchant shall comply with MasterCard's Business Risk Assessment and Mitigation Program (BRAM) rules as below:
- (i) Shall not perform any illegal Transaction;
 - (ii) Damage the goodwill of Master Card or reflect negatively on the Master Card brand;
 - (iii) Violation of the BRAM compliance program as below:
 - a) Any Transaction that not in full compliance with law;
 - b) Any Transaction including an image which is patently offensive and lacks serious artistic value (such as images of nonconsensual sexual behavior, sexual exploitation of a minor, nonconsensual mutilation of a person or body part and bestiality), or any other material that MasterCard in its sole discretion, deems unacceptable for sale in connection with a MasterCard mark;
 - c) The Transaction for the Sub-Merchant that has infringed upon the intellectual property rights of another;
 - d) The illegal sale of prescription drugs;
 - e) The illegal sale of drugs as stipulated in the Controlled Substances Act (CSA);
 - f) The illegal sale of tobacco products;
 - g) The illegal sale of images of child pornography;
 - h) Internet gambling in jurisdictions where it is illegal;
 - i) The sale of modification chips; and
 - j) The sale of K2 and Salvia Divinorum.
- (g) The Merchant must comply with the local applicable laws and Visa International Operating Regulations (VIOR) on e-commerce business Transaction. In the event of any conflict between the VIOR and any local applicable law, the local law requirements shall prevail.
- (h) The Merchant shall comply with Payment Card Industry Data Security Standard (also referred to as "PCIDSS") rules as below:
- (i) Adhere to the PCIDSS requirement on data encryption;
 - (ii) Install and maintain a firewall configuration to protect cardmember data;

- (iii) Protect stored cardmember data;
- (iv) Use and regularly update anti-virus software or programs;
- (v) Restrict access to cardmember data by business need to know i.e. minimize the number of staff who can view account data; and
- (vi) Any new changes from time to time.

4.4 **Recurring Payment**

- (a) The Merchant shall electronically transmit Input File to the Bank as directed by the Bank in accordance with Bank's prevailing practice. The Bank shall process the Input File received from the Merchant and subject to the success/approval of the transaction, the Bank shall debit the Cardholder's Card Account accordingly.
- (b) The Bank shall not be obliged to verify the accuracy of the information contained in the Input File and the Merchant shall be responsible for all costs or losses incurred because of any errors.
- (c) Upon completion of the Input File processing, the Bank shall send to the Merchant the result of the Input File processing via Secure File Transfer Protocol or other means determined by the Bank. The result shall contain information on all successful transactions and unsuccessful transactions.

4.5 Notwithstanding to any provision under this Agreement, any eWallet acceptance under eCommerce platform, the Merchant is required to retain the original receipt and the relevant transaction record for at least five (5) years from the date of the transaction and for any request for retrieval by the Bank, the Merchant shall reply and provide copies of the receipts and relevant transaction records to the Bank within two (2) business day from the date of the receipt of request retrieval from the Bank.

4.6 Merchant agrees and confirms that it shall permit and accept payment by the Cardholder or eWallet user through any of the Cards authorised by the Card Issuer or eWallet without any discrimination against the Cards or Cardholder or eWallet or eWallet user.

4.7 Merchant agrees not to charge Cardholder and/or eWallet user with any additional fees, increase prices of goods and services or otherwise discriminate against Cardholder and/or eWallet user. In the event the Bank is made known that the Merchant is charging additional fees or increase in prices, the Bank may recover any such amount from the Merchant.

5. **ADDITIONAL RELATED SERVICES**

5.1 **Easy Payment Plan (EPP)**

- a) In the event the Merchant/Sub-Merchant has opted for EPP service, this clause and all related clauses herein will be applicable accordingly.
- b) EPP shall be valid from the commencement date of the EPP up to the termination of this Agreement or any other date as the Bank in its discretion determine with prior notice to the Merchant/Sub-Merchant.
- c) The eligibility of EPP shall be according to the Bank's instruction and/or notification from time to time.
- d) The Merchant/Sub-Merchant shall:-
 - i) ensure its sales and support personnel follow strictly the Bank's instruction and/or notification on the eligibility for EPP;
 - ii) take responsibility of dealing with and resolving all complaints and queries relating to the use of products sold and services offered by the Merchant/Sub-Merchant under the EPP while taking

all steps to protect the Bank's reputation and the relationship between the Bank and its Cardholders;

- iii) obtain prior written approval from the Bank for any promotion and advertising plans and material in respect of the EPP. Point of sales collaterals (if any) provided by the Bank must be prominently displayed at all participating outlets;
 - iv) ensure that goods and services sold and offered will not be subject to surcharge or mark-up in price. In such instance, the Bank will affect a chargeback of the surcharge or mark-up to the Merchant/Sub-Merchant; and
 - v) not allow cancellations and/or refunds to the Cardholder unless it is due to serious product default or quality issue which would render the products/services provided totally meaningless and/or non-functionable and cannot be resolved by exchange of goods or services.
- e) The Bank:-
- i) shall be responsible for the design, development, and production of marketing materials for the EPP;
 - ii) shall not reimburse the Cardholder in cancelled Transactions unless the Merchant has complied with the provisions herein, and until the sum(s) claimed by the Cardholder have been repaid to the Bank by the Merchant; and
 - iii) shall reserves its rights to reject any Transaction for the EPP.

5.2 **Mail Order or Telephone Order**

- a) In the event the Merchant/Sub-Merchant has opted for Mail Order or Telephone Order service, this clause and all related clauses herein will be applicable accordingly.
- b) Subject to the provision of this Agreement, the Merchant/Sub-Merchant shall:-
 - i) bear any losses and costs arising from the claims, Cardholder's dispute and complaints arising from any Transactions by the Cardholders and/or their respective Card Issuers and/or Payment System Operator to the Bank; and
 - ii) preserve all records pertaining to Sales Slips and/or Credit Slips delivered to the Bank including related invoices, purchase orders, delivery orders and other documents on which the charges are raised, for a period of at least two (2) years from the date of the Sales Slips and Credit Slips are delivered to the Bank.
- c) If the chargeback volume or fraudulent Transaction exceeds the predetermined fraud ratio under the Payment System Operators' rules, the Bank at its discretion may terminate the Mail Order or Telephone Order acceptance.

5.3 **DCC**

- a) In the event the Merchant/Sub-Merchant has opted for DCC service, this clause and all related clauses herein will be applicable accordingly.
- b) DCC service will be based on exchange rates as determined by the Processor.
- c) During the DCC validity, Foreign Cardholders will be offered a DCC option for any purchases made at Merchant's outlets and the Merchant acknowledges and agrees that a Foreign Card Transaction:-

- i) will be converted to the Approved Currency in which the Card is denominated based on the exchange rates in effect at the time of Transaction; and
 - ii) when converted, will be cleared through the applicable card association rules and/or regulations in the Approved Currency in which the card is denominated.
- d) DCC service will only be applicable for Visa/MasterCard Card or such other card association that has DCC service for Foreign Cardholder.
- e) The Merchant/Sub-Merchant hereby agree as follows:-
 - i) The Merchant/Sub-Merchant shall, based on the instruction and specifications from time to time provided by the Processor and/or the Bank, provide Foreign Cardholder with the ability to “opt-in,” or consent to participate in the DCC. In the event that a particular Foreign Cardholder elect not to ‘opt-in,” it is understood that the Processor will process this Foreign Card Transaction in Ringgit Malaysia. It is understood that any Foreign Card Transaction for which the Merchant fails to provide a Foreign Cardholder with the opt-in procedure as described herein may result in a chargeback as described in Clause 17 herein.
 - ii) The Merchant/Sub-Merchant shall comply with all instructions and specifications applicable to the DCC as provided by the Processor and/or the Bank from time to time. Without limiting the generality of the foregoing, the Merchant shall follow the DCC procedures, as may be amended by the Processor and/or the Bank from time to time.
 - iii) The Merchant/Sub-Merchant acknowledges that the timely presentment of Foreign Card Transactions is necessary for participation in the DCC service. Each Foreign Card Transaction must be presented to the Bank within twenty-four (24) hours of the completion of such Foreign Card Transaction. Notwithstanding the foregoing, Foreign Card Transactions submitted by the Merchant/Sub-Merchant related to the payment for hotel accommodation, lodging and cruise industries shall be submitted within twenty-four (24) hours after the Foreign Cardholder’s check out from the Merchant’s/Sub-Merchant’s premises, place of business or the relevant outlets. In the event the Merchant fails to present a Foreign Card Transaction within the specified time frame, the Bank may reduce the amount of the Merchant Rebate to the extent of the amount received by the Bank from the relevant card association as settlement of such Foreign Card Transaction is less than the Purchase Amount.
 - v) In the event that the Merchant/Sub-Merchant issues a credit to a Foreign Cardholder’s account for either partial or complete return or reimbursement of a Foreign Card Transaction, such credit or return Card Transaction will be processed in Ringgit Malaysia or the Approved Currency. In the event that such credit or return is processed in the Approved Currency, given the potential variances in exchange rates applied to the underlying Foreign Card Transactions and the associated credit or return, the Merchant/Sub-Merchant acknowledges that the final amount of the credit or return will likely differ from the original settlement amount received by the Merchant/Sub-Merchant for the Foreign Card Transaction in Ringgit Malaysia. Notwithstanding anything herein to the contrary, the Merchant/Sub-Merchant acknowledges that it will be responsible for the full amount of the credit or return.
 - vi) A chargeback incurred in connection with a Foreign Card Transaction will be transmitted to the Bank by the applicable card association in the Approved Currency and converted by such card association into Ringgit Malaysia at the relevant card association’s designated foreign exchange rate. Given the potential variances in exchange rate applied to the underlying Foreign Card Transaction and the associated chargeback, the Merchant/Sub-Merchant acknowledges that the final amount of the chargeback will likely differ from the original

settlement amount received by the Merchant/Sub-Merchant for the Foreign Card Transaction in Malaysian Ringgit. Notwithstanding anything herein to the contrary, the Merchant/Sub-Merchant acknowledges that it will be responsible for the full amount of the chargeback.

- vii) As an incentive for its participation in the programme, the Bank will pay the Merchant/Sub-Merchant a rebate amount or percentage as stated in Merchant Application Form of the Purchase Amount of the Foreign Card Transaction submitted by the Merchant/Sub-Merchant for processing under the DCC during the prior calendar month. The Merchant Rebate shall be denominated and paid in Ringgit Malaysia. If any Merchant Rebate is paid in respect of the amount of the Foreign Card Transaction submitted, and the amount of the Foreign Card Transaction submitted is subsequently deducted by any credit or return Transactions, chargeback, and/or Transactions which the Bank shall be entitled for reimbursement under this Agreement, such Merchant Rebate will be readjusted accordingly ("Adjusted Merchant Rebate"). The Merchant/Sub-Merchant shall refund the Bank of any excess of the Merchant Rebate paid by the Bank over the Adjusted Merchant Rebate, within fifteen (15) calendar days following the date on which a notification has been sent to the Merchant/Sub-Merchant for such refund in such manner as prescribed by the Bank in its notice, or the Bank shall be entitled to deduct such excess Merchant Rebate from any future payments of Merchant Rebate hereunder.

5.4 **AmBonus OTSR Programme**

- a) In the event the Merchant/Sub-Merchant has opted for AmBonus OTSR Programme, this clause and all related clauses herein will be applicable accordingly.
- b) If a Cardholder partially redeems the goods and/or services by using his available AmBonus Points, subject to the rates(s) as set out in the Merchant Application Form accepted by the Bank, the Cardholder may pay for the balance value of the goods and/or services by:-
 - i) charging the said balance fully to the Card; or
 - ii) fully in cash; or
 - iii) charging part of the said balance to his Card and the remainder in cash.
- c) Subject to the provision of this Agreement, the Merchant/Sub-Merchant shall:-
 - i) check the available Cardholder AmBonus Points from the Terminal before allowing the Cardholder to pay for or, redeem goods and/or services by using his AmBonus Points;
 - ii) print the Sales Slip in respect of a Transaction as evidence to show the Cardholder AmBonus Points required for the redemption of goods and/or services had been utilized and the balance AmBonus Points available to the Cardholder;
 - iii) ensure the OTSR Programme is competently implemented, managed and administered at the Merchant/Sub-Merchant outlet; and
 - iv) commit and procure the participation of all its employees in fulfilling the AmBonus OTSR Programme in accordance with terms and conditions of this Agreement.
- d) The Merchant/Sub-Merchant shall not:-
 - i) promote to a Cardholder any other on-the-spot redemption programme(s) offered by other banks / financial institutions which are in the business of issuing credit cards;
 - ii) solicit any Cardholder to apply or obtain any credit card for which is not issued by the Bank.

- iii) allow the redemption, wholly or partly, of any goods and / or services by a Cardholder if the Cardholder presents a Card other than his own or the Cardholder uses or intends to use his available AmBonus Points for partial redemption of goods and / or services and the balance value of goods and/or services by way of credit card(s) issued by other banks and / or financial institutions.
- f) The Bank shall pay the Merchant/Sub-Merchant for the AmBonus Points accepted by the Merchant/Sub-Merchant at the rate agreed in the Merchant Application Form.

6 DISPLAY OF SERVICE MARKS AND NAMES

- 6.1 As and when required by the Payment System Operator and/or the Bank, the Merchant/Sub-Merchant shall adequately and prominently display the trademarks, service marks, name, designs and any other promotional material of the Payment System Operator and/or the Bank at the Merchant's/Sub-Merchant's premises, places of business, its outlets and/or online platform to inform the public that the Card is acceptable for payment of such goods and/or services provided by the Merchant/Sub-Merchant.
- 6.2 The Merchant/Sub-Merchant shall adhere to the joint marketing promotional program(s) proposed by the Bank and/or the Payment System Operator from time to time for mutual business benefits. The cost or expense of producing such marketing or promotional materials shall be borne in part or in whole by the Merchant/Sub-Merchant unless otherwise agreed in writing.
- 6.3 The Merchant/Sub-Merchant shall not use the Bank's logo and/or trade name in any manner whatsoever without the Bank's prior written consent.
- 6.4 The Merchant and/or Sub-Merchant hereby expressly represents that all contents in the Merchant's and/or the Sub-Merchant's website and/or any advertisement or printed materials relating to the products and/or services offered therein shall be deemed to have been made by the Merchant/Sub-Merchant and the Bank shall not be liable in any claim whatsoever arising therefrom.

7. UNACCEPTABLE CARDS

- 7.1 The Merchant/Sub-Merchant shall ensure that the Card used for the relevant Transaction is valid and:-
 - (a) not expired;
 - (b) where applicable, the signature on the Sales Slip resembles the signature of the Cardholder on the Card;
 - (d) all material particular relating to the Cardholder has not been omitted from the Card;
 - (e) there is no declaration made by the Card Issuer that the Card is invalid on account of any reason whatsoever;
 - (f) the Card has not been altered, defaced, re-printed, or re-embossed on the face of it in any manner;
 - (g) the first four digits of the account number embossed on the face of the Card are identical to the pre-printed four digits appearing immediately below the aforesaid four digits of the account number;
 - (h) the Card bears the Payment Network's necessary marks or brand features (as applicable);
 - (i) the Card bears the genuine distinctive security features and/or holograms;
 - (j) where verification of the identity of the person presenting the Card is required by the Bank, the required identification papers can be produced and/or the identity can be verified accordingly; and

(k) the usage of the Card is properly authenticated which includes but not limited to the correct input of the PIN by the Cardholder.

7.2 The Merchant/Sub-Merchant shall seek verification in obtaining further direction from the Authorisation Centre before proceeding to complete Transaction if: -

- (a) the signature on the Sales Slip differs from the specimen on the Card;
- (b) the Merchant/Sub-Merchant has reason(s) to believe that the Card may be counterfeit or stolen;
- (c) there are suspicious circumstances surrounding the presentation of the Card or the proposed transaction; and/or
- (d) the Merchant/Sub-Merchant is unable to determine the validity of a Card presented to it, the Merchant/Sub-Merchant shall forthwith seek approval by contacting authorization centre. However, this is subject to positive verification by the Bank by means of an approval code and such other particulars deemed relevant by the Bank to evidence such authorization.

7.3 The Merchant/Sub-Merchant shall not present to the Bank records of Transactions that the Merchant/Sub-Merchant knows or should have known to be fraudulent or not authorised by the Cardholder. Within the scope of this rule, the Merchant shall be responsible for the action of his agents and/or while acting in his employment in processing the Transactions.

8. NEW BRAND CARD

8.1 The Merchant/Sub-Merchant agrees that the Bank may authorise the acceptance of new brand of Card issued by new/other Card Issuer without the consent of the Merchant and the Merchant hereby agrees and confirms that upon written notification and/or request in any manner or means the Bank deem fit, the Merchant/Sub-Merchant shall honour without discrimination the new brand of Card when properly presented to is as a means of payment from Cardholder.

8.2 Upon such notification, the terms and conditions of this Agreement shall apply *mutatis mutandis* to the new brand of Card and shall be binding upon the Merchant/Sub-Merchant for its full terms and effect thereof save for any inconsistency which arise from the use of the new brand of Card and subject to any addition, variation or waiver expressed by the Bank in the said notification and agreeable by the Merchant.

9. AUTHORIZATION

9.1 The Merchant/Sub-Merchant shall at all times obtain a valid approval code from the authorization centre through the Terminal.

9.2 The Merchant/Sub-Merchant shall only contact the authorisation centre for specific authorization if the following applies:-

- (a) the Merchant/Sub-Merchant does not have a Terminal to complete the Transaction;
- (b) the Merchant/Sub-Merchant is suspicious of the card presenter and/or has reason to suspect or believe that the Card may be a counterfeit or fraudulent or that the Transaction is not duly authorized by the Cardholder; or
- (c) the Terminal deployed at the Merchant's/Sub-Merchant premises is not functioning and that the Merchant/Sub-Merchant had already lodged a fault report with the Bank; or
- (d) the Merchant/Sub-Merchant has been informed through the Terminal to call the authorization centre for a valid approval code; or

- (e) the Card presented is faulty.
- 9.3 If a request for an approval code for a Transaction is declined, the Merchant/Sub-Merchant shall not complete the Transaction.
- 9.4 If a request for an approval code for a Transaction is declined or referred, the Merchant/Sub-Merchant shall not make repeated attempts to request an approval code for lesser amount.
- 9.5 Pursuant to Clause 9.2(b) and subject to Clause 9.4 above, the Merchant/Sub-Merchant shall use all reasonable and legal means and to comply with any instructions given by the authorisation centre to retain the custody of such Card and surrender the same, to the Bank immediately.
- 9.6 If the Merchant/Sub-Merchant fails to obtain an approval code from the Bank or if the Merchant/Sub-Merchant submits a Transaction after receiving a declined, referred or pick up card response for an authorization request, the submitted Transaction may be imposed a fine or a fee by the Card Issuer for which the Merchant/Sub-Merchant shall be made liable.
- 9.7 An approval code issued via the authorization centre only indicates the availability of credit on an account at the time the authorization is requested. It does not warrant that the person presenting the Card is the rightful Cardholder nor is it a promise or guarantee that the Merchant will not be subject to a chargeback.
- 9.8 The Bank shall not be obliged to effect payment to the Merchant/Sub-Merchant in respect of:
- (a) any charge for which an approval code was required but not obtained; or
 - (b) where the approval code on the Sales Slip does not correspond with the Bank's record of the relevant approval code issued.
- 9.9 The Bank's record of each approval code issued and of the amount authorized shall be conclusive against the Merchant/Sub-Merchant as to the matters abovementioned, subject to Merchant's/Sub-Merchant's compliance to Clause 4. However, the authorization of any charge by the Bank shall not constitute any warranty or representation by the Bank, or give rise to any variation, waiver or estoppel whatsoever against the Bank, in relation to the charge.

10. COMPLETION OF SALE TRANSACTION AND SETTLEMENT CUT-OFF-TIME

- 10.1 On each occasion a Sales Slip is drawn up as evidence of the Transaction between the Merchant/Sub-Merchant and the Cardholder, the Merchant/Sub-Merchant shall at the time of sale, verify the validity of the Card, have the particulars of the Card and the particulars of Merchant/Sub-Merchant imprinted on the Sales Slip by means of the EDC printer and have it completed to show the date of the Transaction, details and the prices of the goods and/or services. However, where the Printer is used, no imprinting of Sales Slip is required. Before a copy of the completed Sales Slip is handed over to the Cardholder, the Merchant/Sub-Merchant shall obtain and where applicable, verify the signature of the Cardholder on the Sales Slip.
- 10.2 The Merchant/Sub-Merchant shall confine the use of the Sales Slip to evidence sales against Cards and shall also complete such other documents in accordance with all statutory requirements, if any. It shall be the obligation of the Merchant/Sub-Merchant to ensure that the signature on each Sales Slip affixed thereon shall be similar to that shown on the Card PRIOR to the completion of the Transaction. Should the signature on the Card differ from the signature on the Sales Slip, the Bank shall refuse to make payment to the Merchant/Sub-Merchant for the amount shown on Sales Slip and the Merchant/Sub-Merchant agrees with the Bank that the decision of the Bank shall be accepted by the Merchant/Sub-Merchant as final and conclusive against the Merchant/Sub-Merchant.

- 10.3 Notwithstanding that the Bank may have inadvertently or on account of any other reason authorized payment to the Merchant/Sub-Merchant in respect of any Sales Slip which contains a discrepancy in the signature of the Cardholder, the Bank shall have the right to a restitution of such payment by way of debit of payment to the Merchant's/Sub-Merchant's Current Account as stipulated in **Clause 14** or other means of payment from the Merchant as the Bank may deem fit.
- 10.4 Upon completion of each Transaction as evidenced by the handing over of the completed Sales Slip to the Cardholder, the Merchant/Sub-Merchant shall not be permitted to make any alteration or amendment whatsoever in relation to the Sales Slip. Any purported alteration or amendment to the completed Sales Slip shall render the Sales Slip invalid for presentation to the Bank for payment.
- 10.5 Notwithstanding that the Bank may have inadvertently or on account of any other reason authorized payment to the Merchant/Sub-Merchant in respect of any Sales Slip which contains any alteration or amendment whatsoever, the Bank shall have the absolute right to claim back from the Merchant/Sub-Merchant by debiting the Merchant's/Sub-Merchant's account maintained with the Bank or other means as the Bank may deem fit.
- 10.6 The Merchant/Sub-Merchant shall not:-
- (a) request or prefer cash over the presentation of a Card unless it is with the written approval of the Bank; and/or
 - (b) receive any payment from a Cardholder with respect to charges for goods and/or services already included in a Sales Slip.
- 10.7 Settlement of Transactions are to be made within one (1) Calendar Day from the date of the Transaction and any delay by the Merchant/Sub-Merchant shall be subjected to the following conditions:-
- (a) after three (3) calendar days from the said Transaction date, the manual Merchant Discount Rate shall be applicable instead of the EDC MDR; or
 - (b) after six (6) calendar days from the said Transaction date, further to the imposition of the manual MDR, the payment for the settled Transactions will be withheld for a period of One Hundred and twenty-four (124) calendar days from the date the Transaction was settled. Payment shall only be effected after one hundred and twenty four (124) calendar days from the settlement date if the Card Issuer did not initiate chargeback to the Bank for the effected Transaction.

11. MULTIPLE SALE SLIPS

- 11.1 The purchase of goods and/or services made by the Cardholder on any one occasion from the Merchant/Sub-Merchant regardless of their aggregate values shall constitute a single Transaction. The Merchant/Sub-Merchant shall not be permitted to regularise/represent a single Transaction with any Cardholder by means of combining/ employing two or more Sales Slip to evidence a single Transaction.
- 11.2 A single Transaction may only be split and recorded in two or more Sales Slip when the goods and/or services are to be delivered or performed at a later date and one Sales Slip is completed to evidence the payment of a deposit and a second Sales Slip is completed to evidence the obligation of the Cardholder to pay for the balance.
- 11.3 In case where a single Transaction may be split, the Merchant/Sub-Merchant shall request and obtain from the Bank by telephone the Bank's specific authorisation (from the source or sources nominated by the Bank or through other alternative means acceptable to the Bank), to approve such authorisation and the Merchant shall record on the Sales Slip the authorisation code, the date of the Transaction, details and prices of the goods and/or services and as well as the word "deposits" or "balance" as appropriate PRIOR to the completion of the Transaction.

11.4 The Sales Slip containing the description "balance" shall not be presented to the Bank for payment until the goods have been delivered or the services rendered.

12. RETURN MERCHANDISE AND ADJUSTMENTS

12.1 In the event that the goods and/or services have not been received by the Cardholder or rejected by the Cardholder after receipt, or accepted by the Merchant/Sub-Merchant for return by the Cardholder, or where services have not been performed or cancelled, or where the price for the goods and/or services is disputed by the Cardholder, or where a price adjustment is to be made, the Merchant shall not make any cash refund, instead the Merchant/Sub-Merchant shall:-

- (a) take steps to reverse and/or render void the disputed amount already keyed in, where the Merchant/Sub-Merchant is provided with a Terminal and a Printer and provided that the Merchant has not activated the Settlement Function; or
- (b) take steps to reverse and/or render void the disputed amount already keyed in, where the Merchant/Sub-Merchant is provided with an access to bank payment getaway portal and provided that the Settlement Function has not been activated; or
- (c) raise a cancellation of Transaction to the Bank within seven (7) Business Days of their respective issuance date in the event that the Settlement Function has already been activated or if the disputed amount has been paid by the Bank to the Merchant/Sub-Merchant.

12.2 Without prejudice to the aforementioned, in respect of Transaction involving MyDebit, the Transaction must be submitted by the Merchant/Sub-Merchant within the same day of the Transaction intended to be cancelled. However, the retrieval of the approved Transaction data will depend on the capability of the following:-

- (a) whether the Bank can store and retrieve purchase Transaction data from their host; or
- (b) whether the original purchase Transaction data had been uploaded to the host; or
- (c) whether the original purchase Transaction data is uploaded and secured in the MyDebit system database.

12.3 The Merchant/Sub-Merchant agrees to pay the Bank forthwith the total amount shown on each Credit Slip raised less MDR and/or any other sums or monies which may have been charged thereto. The Merchant/Sub-Merchant further agrees that such sum may be refunded to the Bank either by the Bank debiting the Merchant's/Sub-Merchant's account maintained with the Bank (if applicable) or by the Bank raising a claim on the Merchant for the Merchant's/Sub-Merchant's settlement.

14. PAYMENT, FEES AND CHARGES

14.1 Payment to Merchant

- a) Subject to **Clause 14.2, 15** and **17** herein, in order for the Bank to effect payment to the Merchant/Sub-Merchant, the Merchant/Sub-Merchant is required to maintain an account with the Bank and any payments due from the Bank to the Merchant/Sub-Merchant shall be credited directly to the Merchant's/Sub-Merchant's account maintained with the Bank. Any payment due from the Merchant/Sub-Merchant to the Bank may be recovered by the Bank by way of the methods stipulated in **Clause 17**. For the avoidance of doubt and unless expressly stated otherwise herein, payment to the Merchant shall be considered effective and valid payment to the Sub-Merchant. The Merchant and the Sub-Merchant may indicate otherwise by stating the payment option to be made directly to the Sub-Merchant as provided in Part VI in First Schedule.

- b) All figures are subject to final audit and checking by the Bank, and the Merchant agrees that in the case of any inaccuracies the Bank may alter/amend the Deposit Summary accordingly without notice to the Merchant. All payments by the Bank in respect of the charges shall be made in Ringgit Malaysia and subject to the MDR agreed upon.
- c) Payment by the Bank does not constitute any confirmation from the Bank that the Transactions have been accepted according to the conditions and procedures stated herein or free of irregularity. The Bank reserves the right at its absolute discretion to claim back from the Merchant any payment made in accordance with **Clause 17**.
- d) It is hereby agreed that upon receipt of the statement of account the Merchant is deemed to have examined all entries in the statement. The Merchant hereby expressly covenants and undertakes with the Bank that it shall be the duty of the Merchant to report to the Bank in writing (within fourteen (14) calendar days from the date that the Merchant received or is deemed to have received the statement) of any error, discrepancy or inaccuracy of any kind whatsoever in the statement.
- e) If the Merchant for any reason whatsoever does not within the aforesaid fourteen (14) calendar days notify the bank in writing of any error, discrepancy or inaccuracy of any entry therein then the merchant shall be deemed to have accepted the entries contained therein made up to date of the last entry in the statement as correct, final and conclusive evidence of the facts contained therein and the statement shall be considered as conclusive as against the merchant and binding on the merchant and the merchant shall thereafter be precluded from making any claims against the bank by alleging that the said statement contains any error, discrepancy or inaccuracy.
- f) Any payment made by the Bank to the Merchant under this Agreement or any payment received by the Bank from the Merchant shall be made/received without prejudice to any claims, rights or remedies that the Bank may have against the Merchant or Sub-Merchant. Further, such payment shall not constitute any admission or acknowledgement by the Bank of the full compliance of the Merchant to the terms and conditions of this Agreement or the correctness of the amount so received/paid.
- g) Where a Card has been undercharged or erroneously charged for any Transaction, the Merchant may raise a new unsigned Sales Slip for the additional amount and present the same to the Bank for payment. Subject to **Clause 16**, the Bank may, at its discretion, make payment to the Merchant for the additional amount less the Merchant Discount and bill the Cardholder for the full amount.
- h) Any payment made by the Bank or due to the Bank shall always be subject to any other service or administrative charges which may be imposed by the Bank on the Merchant in respect of any service, or any actions undertaken by the Bank pursuant to this Agreement.

14.2 Withholding payment

14.2.1 The Bank reserves the right to withhold payment to the Merchant/Sub-Merchant in the event that any transaction presented through settlement to the Bank for payment by the Merchant/Sub-Merchant are determined by the Bank to contain Transactions not acceptable:-

- (a) according to conditions and procedures stated herein (save for sub-clause (b) below), for 120 days; or

- (b) if specifically due to any irregularity of whatsoever nature, manner or description (whether such irregularity is attributed to any act of forgery or otherwise), in which case the Bank will be required to examine and verify acceptable supporting documents and/or conduct investigations, for a period deemed reasonable and necessary by the Bank.

In furtherance to (b), in the event that the transaction are, in the Bank's opinion, not valid, no payment on the transaction shall be made by the Bank. Notwithstanding the foregoing, payment may be made by the Bank to the Merchant/Sub-Merchant provided such irregularity has been referred to and rectified by the relevant Cardholder in writing and provided any expenses incurred thereof by the Bank shall be borne by the Merchant/Sub-Merchant.

14.2.2 Without prejudice to Clause 14.2.1 above, the Bank shall also withhold payment to the Merchant/Sub-Merchant in the occurrence of the following circumstances: -

- (a) the Cardholder disputes over the goods sold and/or services rendered under the Transaction or alleges that the Merchant and/or the Sub-Merchant has breached the terms of the contract of sale or service entered into between the Merchant (and/or Sub-Merchant) and the Cardholder or any representation or warranty made by the Merchant (and/or the Sub-Merchant) to the Cardholder;
- (b) the Cardholder disputes or denies that the contract of sale or service with the Merchant (and/or the Sub-Merchant) was entered into by him, or that delivery of the goods sold and/or performance of the services rendered under the Transaction was received by him, or alleges that the Transaction has been effected without the Cardholder's consent or authority;
- (c) the contract of sale or service was entered into between the Merchant (and/or the Sub-Merchant) and the Cardholder in relation to the goods and/or services rendered under the Transaction is void or voidable at law or the use of the Card or the performance of any person's obligations under such contract of sale or service involves any illegal or unlawful act;
- (d) the Card used to effect the Transaction is a counterfeit or not a valid Card or the Cardholder alleges that the Transaction is in any way fraudulent or tainted or affected by fraud or forgery, but the Merchant and/or the Sub-Merchant still accepts said Transaction due to its failure to observe the provisions in relation to the acceptance of the Transaction in this Agreement;
- (e) payment of any Transaction has been mistakenly/wrongly made by the Bank or the Cardholder has mistakenly/wrongly effect the Transaction (for any reasons whatsoever);
- (f) no authorization and/or authorization code numbers has been sought by and/or granted to the Merchant for the Transaction pursuant to the terms of this Agreement (if required);
- (g) the Merchant does not furnish to the Bank the original or copy or printout of any statement, bill or invoice or other document or record relating to the Transaction upon request as required by the Bank;
- (h) Cardholder's name, Card or Card account number, validity period of the Card or any other required details were given incorrectly to the Bank for the authorization of any Transaction regardless of it being the Merchant's fault or neglect or otherwise;
- (i) chargeback is made for any Transaction or the Card Issuer refuses for whatever reason to honour any Transaction; or

- (j) the Merchant/Sub-Merchant has committed a breach of any of its obligations or undertakings under this Agreement or compromise any security measures or non-compliance of any guidelines issued by the Bank.

14.2.3 The Merchant/Sub-Merchant shall have no recourse whatsoever against the Bank to claim against the Bank for damages of any nature as a result of any payments being withheld by the Bank for the reasons stated above.

14.3 The Merchant/Sub-Merchant is able to carry out its cash management and access to its account by logging into the Bank's merchant portal that is available at <https://emerchant.ambank.com.my> and request for printed statement to be delivered via mail or collected at the Merchant's/Sub-Merchant's nearest AmBank Merchant Business Centre is chargeable by the Bank.

15. COLLECTION ITEMS

The Bank shall to the best of its ability endeavour to collect on behalf of the Merchant/Sub-Merchant the amount due on any Sales Slip which was generated but not in compliance with the conditions and procedures stated in this Agreement. The Bank may levy a fee for each Sales Slip successfully collected. The collection fee shall vary according to the Transaction amount of the Sales Slip but it shall not in any event exceed the collection fee payable by the Bank to the Card Issuer. The Bank shall not be obliged to pay the Merchant/Sub-Merchant the amount of any Sales Slip presented on collection basis in the event that the said amount has been collected by the Card Issuer and remitted to the Bank. The Bank shall be entitled to deduct the sum derived based on MDR as per Clause 16 below and the collection fee payable by the Merchant/Sub-Merchant to the Bank before remitting the balance sum to the Merchant/Sub-Merchant.

16. MERCHANT DISCOUNTED RATE (MDR)

16.1 Unless otherwise agreed to by the Bank in writing, the Bank shall charge the Merchant/Sub-Merchant a fee computed, at the MDR as stated in Part VII of the First Schedule herein on the amount of Transaction processed by the Bank, and/or the total value of each Sales Slip and Sales Slip of Manual Sales presented to the Bank for payment in accordance with this Agreement. The said MDR fee owed by the Merchant to the Bank shall be deducted by the Bank before the Merchant is paid on any occasion.

16.2 The MDR shall be subject to further review and the Bank shall have the right to vary or amend the MDR from time to time with prior notice.

17. CHARGEBACK

17.1 It is hereby expressly agreed that the Bank shall be entitled to refuse payment to the Merchant and where payment has been made by the Bank, effect a chargeback on the Merchant's account at any time the relevant amount, in any one or more of the following circumstances:

- (a) the Transaction is incomplete or was or has been discovered to be invalid or illegal or should have been declined for any reason whatsoever;
- (b) or if the Transaction is found to be a split sale or split Transaction unless it is in accordance with Clause 11 above;
- (c) the Cardholder's signature on the Sales Slip is missing or differs from the specimen signature on the Card of the Cardholder;
- (d) the copy of the Sales Slip presented to the Bank for payment differs from the Merchant's or Cardholder's copy;
- (e) the entries on the Sales Slip are incomplete or illegible;
- (f) the Card concerned is found to have expired or is invalid or should have been declined for any reason whatsoever;
- (g) the Transaction is found to be one with a "Declined Authorisation" i.e. where the Merchant has been previously notified by the Bank in response to an authorisation request that the particular Card is not to be honoured;
- (h) the Sales Slip does not bear an imprint of the embossed legends of the Card but which is hand written on and where the Cardholder has refused payment to the Bank;

- (i) the Sales Slip was prepared by use of a forged Card or a Card which the Bank believes to be forged or invalid for any reason whatsoever, or by other fraudulent means but the Merchant and/or the Sub-Merchant still accepts said Transaction due to its failure to observe the provisions in relation to the acceptance of the Transaction in this Agreement;
- (j) the Transaction was not entered into nor authorised by the Cardholder;
- (k) the Transaction involved is a cash disbursement, cash refund or cash payment;
- (l) the Cardholder has repudiated or rescinded any contract for sale or services with the Merchant and has declined payment on the Sales Slip for any reason whatsoever;
- (m) the Transaction has been disputed by the Cardholder; or
- (n) the Merchant is unable, refuses and/or neglects to produce the relevant Sales Slip and any required or pertinent documents relating to the Transaction within ten (10) days upon receipt by the Bank.

17.2 In cases where the Transaction involves services to be provided at a future date but the Merchant has become bankrupt and unable to provide the services, any chargeback is subject to the necessary records and evidence being furnished to the Bank by relevant party and that the matter is addressed within the allowable chargeback processing time-frame.

17.3 Notwithstanding the abovementioned clauses, in the event of any breach of the other provisions contained in this Agreement, the Bank reserves the right to terminate this Agreement immediately without notice and refuse payment of outstanding sums due to the Merchant and/or recover from the Merchant such sums paid by the Bank to the Merchant pursuant to this Agreement and all cost incurred by the Bank in enforcing this Agreement.

17.4 In the event of a breach by the Merchant of any of the terms of this Agreement, the Bank is authorised forthwith to debit the Merchant's account maintained with the Bank the total amount of the sale that is in breach less the sum derived based on MDR. If the account has insufficient funds available therein, the Bank reserves the rights to debit the account with the partial amount and/or deduct from subsequent sale proceed. The Bank shall have full recourse to recover any payment made to the Merchant for any Card transaction charged back in the event of any violation by the Merchant of this Agreement.

18. SURCHARGE AND MINIMUM TRANSACTION AMOUNT

18.1 The Merchant/Sub-Merchant shall only charge the Cardholder the displayed or listed price and undertakes that it will not under any circumstances levy a surcharge on a Cardholder to pay any part of the discount given by the Merchant/Sub-Merchant by any increase in price. The Bank reserves the right to claim back the surcharge amount by debiting the Merchant's/Sub-Merchant's account with the Bank or other means as the Bank may deem fit.

18.2 The Merchant/Sub-Merchant shall not impose minimum transaction amount from refraining Cardholder to pay for goods/services.

19. REPRESENTATIONS AND WARRANTIES

19.1 The Merchant/Sub-Merchant hereby warrants, represents and undertakes that all the information in the Merchant Application Form is true and accurate and shall comply with all pre-conditions and/or requirements set by the Bank as may be revised from time to time and THAT the Merchant/Sub-Merchant further warrants, represents and undertakes that it shall:-

- a) provide full cooperation to the Bank for the purposes of recruitment of the Merchant/Sub-Merchant by the Bank;
- b) comply with and adhere to the terms and conditions of any agreement the Merchant/Sub-Merchant has entered or will enter into with the Bank (or with any party under AmBank Group), including if applicable, the *Bank's General Terms and Conditions of Account & Services*, which shall be available at any branches of the Bank or at the Bank's official website;

- c) comply with and adhere to any Additional Terms and Conditional set out in Appendix 1 herein and all the updates made, from time to time, as notified by the Bank in such manner as the Bank may deem fit;
- d) read, understand and agree to be bound by the terms of this Agreement and the Additional Terms and Conditions herein The Merchant/Sub-Merchant understands that in the event of any inconsistency between the terms of this Agreement and the Additional Terms and Conditions in Appendix 1, the terms contained in the Additional Terms and Conditions shall prevail in so far as it relates to the relevant payment services unless expressly stated otherwise in this Agreement; and
- e) ensure its compliance with any Operating Policies and Procedures issued as required by laws, the regulators, authorities including and not limited the Payment System Operator.

19.2 Each Party warrants, represents and undertakes to each other that:-

- a) the Parties are free to enter into this Agreement and all actions, conditions and things required to be taken, fulfilled and done by each Party hereto (including, without limitation, the obtaining of any necessary consents or licenses or the making or filing of any registration) to enter into, exercise its rights and perform and comply with its obligations under this Agreement and to ensure that those obligations are legally valid, binding, and enforceable have been taken, fulfilled and done;
- b) each Party's entry into, exercise of its rights and/or performance of or compliance with its obligations under this Agreement do not and will not violate, conflict with any prior commitment or obligations nor exceed any power or restriction granted or imposed by:-
 - i) any written laws, regulations, authorisations, directives or orders to which that a Party is subject to;
 - ii) its constitutive documents, where applicable;
 - iii) any agreement to which that Party is a party or which is binding on it or its assets;
- c) each Party shall use its reasonable care to discharge its obligations hereunder with all due skill, care and diligence in accordance with its own established internal procedures; and
- d) each Party shall ensure compliance with all applicable laws, rules, ordinances, regulations governing the relevant industry, in relation to the performance of obligations under this Agreement.

20. SUSPENSION

- 20.1 The Bank may at any time, if it considers it reasonable to do so, suspend this Agreement by serving a written notice with immediate effect for a period of sixty (60) days on the Merchant/Sub-Merchant (referred to as "Suspension Notice") and in the event that the Suspension Notice is not revoked by the Bank after said sixty (60) Business Days from the date of the Suspension Notice, this Agreement shall be terminated on the next calendar day upon expiry of the said timeframe.
- 20.2 The Bank shall not be bound to give the Merchant/Sub-Merchant reason or reasons for the service of the aforesaid Suspension Notice nor shall it be responsible for any loss, whether consequential or otherwise or liable to indemnify the other party for any cost or damage arising out of the suspension of this Agreement.

21. TERMINATION

- 21.1 Either Party may at any time, without assigning any reasons whatsoever, terminate this Agreement by giving the other party at least thirty (30) calendar days prior notice in writing. Upon termination, the Merchant/Sub-Merchant shall not perform any transaction and the Bank shall not make any payment for any Transaction made after the termination date.
- 21.2 Without prejudice to the other provisions in relation to termination contained in this Agreement the Bank has the right to terminate this Agreement immediately without prior notice if the following events occur:-
- (a) the Merchant/Sub-Merchant commits a breach, delays or fails to perform any of the terms of this Agreement and such breach, delay or failure is not capable of being remedied, or if capable of being remedied, is not remedied within ten (10) Business Days from the date of the written notification of such breach, delay and/or failure;
 - (b) the Merchant/Sub-Merchant infringes or violates any law or regulation imposed by any relevant authorities including but not limited to Bank Negara Malaysia;
 - (c) the Merchant/Sub-Merchant has been charged or convicted of a criminal offence relating to fraudulent or illegal activity;
 - (d) the Merchant's/Sub-Merchant's nature of business (which has been declared and confirmed by the Merchant/Sub-Merchant and acknowledged by the Bank upon onboarding) has been changed and/or its business is suspended, withdrawn and/or terminated or that such business has ceased to be the core business of the Merchant/Sub-Merchant;
 - (e) the Merchant/Sub-Merchant commits any act of insolvency or where any distress or execution is levied against the Merchant/Sub-Merchant;
 - (f) in the case of a limited company, any change in the composition of its board of directors or its present shareholding structure without the PRIOR written consent of the Bank;
 - (g) in the case of partnership or sole proprietorship, any divestment by the sole proprietor of the business or a change in partners without the PRIOR written consent of the Bank;
 - (h) the Merchant/Sub-Merchant enters into or attempts to enter into the composition with creditors or in the case of a limited company goes into liquidation, unless the liquidation is a voluntary liquidation for the purpose of amalgamation or reconstruction on terms previously approved in writing by the Bank.
 - (i) the occurrence of the retirement, insanity or death of the principals of the Merchant/Sub-Merchant or the majority or controlling shareholders or partners of the Merchant/Sub-Merchant;
 - (j) there is imposition of new terms and conditions upon the Bank and/or its agent from time to time by statute or statutory instrument or by direction or request by Payment System Operator or by Bank Negara Malaysia or any other government authorities where the Bank is unable to fulfil its obligation and duties under this Agreement;
 - (k) the Bank has reasonable cause to believe that Transactions handled by the Merchant/Sub-Merchant contain irregularities arising from but not limited to acts relating to counterfeit, fraud and/or invalidated cards, but the Merchant and/or the Sub-Merchant still accepts said Transaction due to its failure to observe the provisions in relation to the acceptance of the Transaction in this Agreement; or

- (l) the Merchant/Sub-Merchant becomes “inactive” such that there are no Transaction activities for a period of six (6) consecutive months due to sales-related issues or any other issues otherwise as determined by the Bank.

For the avoidance of doubt and without prejudice to this Clause 21.2(l), upon the occurrence of “inactivity” on the part of the Merchant/Sub-Merchant for five (5) months, the Bank will give a notice and/or reminder in writing in respect of the same to the Merchant / Sub-Merchant. The “six (6) consecutive months” mentioned herein will only start running from the date of the said notice and/or reminder.

- 21.3 Notwithstanding the termination of this Agreement, either party’s rights and/or obligations and liabilities in relation to its respective rights and obligations under this Agreement which accrued prior to the date of termination shall continue to be effective and binding on the relevant parties.

22. EFFECT OF TERMINATION

- 22.1 Upon termination of this Agreement:-

- a) all rights granted by Parties to each other in this Agreement will terminate immediately;
- b) the Merchant/Sub-Merchant shall immediately cease using the Bank’s logo, name, trademarks and/or other proprietary materials in any mode or manner for any usage whatsoever; and
- c) all sums owing to the Bank by the Merchant/Sub-Merchant shall become due and payable forthwith whether a demand is being made by the Bank or not. Further, all properties belonging to the Bank including but not limited to documents, notices of relevance to this Agreement shall be returned forthwith by the Merchant/Sub-Merchant to the Bank at its own costs and expenses.

- 22.2 Cessation of Acceptance of Card at Outlet

- a) In addition to Clause 22.1 above, upon termination of this Agreement, the acceptance of the Card shall cease at all of the Merchant’s/Sub-Merchant’s outlets.
- b) Upon such cessation pursuant to Clauses 22.2(a) above, the Merchant agrees that:
 - (i) the Merchant shall cease to accept Card from Cardholders at the relevant outlet starting from the date of cessation which is the date of termination of this Agreement pursuant to Clause 21.2 and the Merchant shall at its own costs and expense and without prior request or demand from the Bank, immediately return the relevant equipment which may include the EDC Terminal, the Terminal swivel, Terminal base, ECR cable and any other properties belonging to the Bank which were supplied and/or installed by the Bank at the said outlet(s) or location(s) and the return shall be made no later than thirty (30) calendar days from the such cessation date; and
 - (ii) the Bank shall not be held liable for any liabilities, losses and/or damages which may be incurred and/or suffered by the Merchant caused by such cessation.

- 22.3 The Merchant/Sub-Merchant Identification Number (MID)

- a) The Bank shall assign an individual and separate MID for each of Merchant outlets. In the event this Agreement is terminated due to “inactivity” on the part of Merchant for a period of six (6) consecutive months, the Bank shall deactivate the Merchant’s account and the MID assigned by the Bank to the Merchant.
- b) Notwithstanding to 22.2(a) above, the Bank may at its discretion reactivate the Merchant’s/Sub-Merchant account and/or maintain the assignment of the MID to the Merchant within three (3) months following the termination of this Agreement for the purpose of reinstatement of the same

Merchant under a new Agreement with the Bank thereafter, provided that there are no changes to the business name or details, business ownership or nature of business of the Merchant and that the Merchant had fulfilled any pre-conditions or requirements necessary for the Bank to exercise such discretion.

22.4 Return of equipment, promotional and sale support materials

- a) Further to clause 22.1(c) above, all equipment and/or all promotional and sale support materials, supplies to the Merchant by the Bank under the Agreement shall remain the property of the Bank at all times and shall be surrendered to the Bank upon demand or termination of this Agreement.
- b) Save for reasonable wear and tear, the cost of repair and replacement of spare parts arising from negligent damage, unauthorised use, abuse or misuse of the equipment, promotional and sale support materials shall be borne by the Merchant/Sub-Merchant.

22.5 Notwithstanding any terms of this Agreement, the Merchant/Sub-Merchant shall continue to be liable to the Bank for any obligations under this Agreement prior to the termination date.

23. COMPLAINTS OR DISPUTE

23.1 The Bank is not responsible to Cardholders in any way for any goods and/or services supplied by the Merchant/Sub-Merchant. The Merchant/Sub-Merchant shall comply with all legal and statutory requirements imposed on it regarding their rights and obligations under this Agreement. Any legitimate and statutory disputes between the Merchant/Sub-Merchant and the Cardholder shall obligate the Merchant/Sub-Merchant to resolve such disputes amicably and promptly with the Cardholder. In the event both parties reach an amicable settlement, the Merchant/Sub-Merchant shall forward the details of the amicable settlement coupled with supporting documents to the Bank within seven (7) Business Days after the amicable settlement.

23.2 In the event that there is dispute raised by the Merchant/Sub-Merchant to the Bank, both parties agree that:

- (a) The parties shall cooperate at the first instance to resolve the dispute amicably.
- (b) The Merchant/Sub-Merchant shall provide the Bank with a written statement in relation to said disputes and the Bank shall acknowledge receipt of the same within two (2) Business Days from the date of receipt of such written statement.
- (c) The Bank shall within thirty (30) Business Days from the date of receipt of such written statement, provide a written decision to the Merchant/Sub-Merchant. In the event that the Bank requires longer period of time to address the dispute by the Merchant/Sub-Merchant, it shall inform the Merchant/Sub-Merchant prior to the expiry of the 30-day period in relation to the same.

24. INDEMNITY

The Merchant/Sub-Merchant hereby indemnifies and agrees to keep indemnified the Bank on a full indemnity basis against any and all claims, liabilities, penalties, expenses, costs, loss or damage of whatever nature (including legal costs on a full indemnity basis incurred by the Bank) suffered or incurred by the Bank arising directly or indirectly from:-

- (a) any transaction effected by the Bank while carrying out its obligations under this Agreement;
- (b) any claims by any party in respect of products & services sold and offered by the Merchant/Sub-Merchant;
- (c) the manner and/or means which is employed to retain the Card pursuant to this Agreement, by the Merchant/Sub-Merchant or its employees or agents, which is inconsistent with the instructions given by the authorization centre to the Merchant/Sub-Merchant and/or unreasonable and/or illegal; or

- (d) any breach of the terms and conditions herein or from any act or omission of the Merchant/Sub-Merchant or its agents, employees, contractors and/or any third-party service providers

25. FORCE MAJEURE EVENTS

- 25.1 Notwithstanding any other provisions of this Agreement, it is agreed that neither party shall be held liable for any costs, expenses or damages that may be incurred or suffered as a result of either party being unable to comply strictly with the terms and conditions of this Agreement due to the occurrence of an event of force majeure. The term “force majeure” shall mean any event or cause outside the control of the relevant party, including without limiting the generality of the foregoing:-
- (a) revolutions, civil commotions, riots, wars, terrorism, hostilities, sabotage, armed conflicts, embargoes;
 - (b) a contagious disease declared as pandemic by the relevant authority and/or state of emergency;
 - (c) explosions, accidents, Acts of God, natural catastrophes including but not limited to earthquake, floods, storms, landslides, fire;
 - (d) strikes, lockouts, labour disputes or other industrial disturbances (affecting the performance of this Agreement which causes or can reasonably be expected to cause either Party to fail to comply with its obligations under this Agreement;
 - (e) failure, explosions, breakage or accident to machinery, installations, transformers, electrical cables, lines, power generation plants, power stations, national electricity grid, high tension electricity cables or the like thereof; and
 - (f) the binding orders of or any interference of any government or governmental authority which has been resisted in good faith by all reasonable means, the denial, suspension or revocation of an applicable export and/or import permits.

26. ANTI-BRIBERY AND ANTI-CORRUPTION

- 26.1 The parties hereby acknowledge that the parties have zero tolerance towards all forms of bribery and corruption.
- 26.2 The Parties shall undertake to strictly comply with current laws and regulations in Malaysia relating to anti-bribery or anti-corruption including but not limited to the Malaysian Anti-Corruption Commission Act 2009 including all its amendments acts (“**MACCA**”) and shall have in place the necessary adequate procedures for meeting the standards and requirements in accordance with the MACCA.

27. ANTI-MONEY LAUNDERING AND COUNTER-TERRORISM FINANCING

- 27.1 The Merchant/Sub-Merchant hereby acknowledges that the Bank has entered into this Agreement in full reliance on the representations, warranties and undertaking by the Merchant/Sub-Merchant, that the Merchant/Sub-Merchant is not involved and shall not involve itself in any business or business transaction where monies used are received from unlawful activities as defined under the Anti-Money Laundering and Anti-Terrorism Financing Act 2001 (AMLATFA) or violate any laws relating to money-laundering as defined under AMLATFA.
- 27.2 The Merchant/Sub-Merchant shall disclose and furnish to the Bank any relevant information required upon request by the Bank and to the satisfaction of the Bank in a timely manner within the period specified by the Bank for the purposes of complying with the laws, rules, regulations, directives and guidelines of Bank Negara Malaysia and/or other governing authorities in the event of any

Transactions are found or suspected to violate any laws relating to money-laundering as defined under AMLATFA.

- 27.3 Pending receipt of such information by the Bank from the Merchant/Sub-Merchant and until received and verified thereof to the satisfaction of the Bank or the relevant authorities, the Bank shall not be obliged to proceed with any Transactions or (if applicable) accept any monies, funds or collateral (also referred to as "Assets") effected or implicated under AMLATFA. In relation to Assets already in possession of the Bank, the Bank shall be entitled (and authorised) if required by the relevant authorities to retain the Assets for the time being. Any Assets requested to be returned to the Merchant/Sub-Merchant shall be returned to the Merchant after the Bank receives satisfactory clearance from the relevant authorities.
- 27.4 The Merchant/Sub-Merchant agrees that in no event shall the Bank be liable for any direct, indirect, consequential or any losses whatsoever or howsoever arising or by reason of the Bank exercise of its duties under AMLATFA.

28. TAXES

The Merchant/Sub-Merchant agrees that any fee, price, value, revenue or similar amount due to the Bank from the supply of services by the Bank under this Agreement is inclusive of any taxes, including but not limited to goods and service tax and other taxes which now be or hereafter imposed by the Government of Malaysia.

29. CONFIDENTIALITY AND DATA PROTECTION

- 29.1 The Merchant/Sub-Merchant shall not publish and/or disclose any advertisement or information relating to this Agreement to any other person without prior written consent of the Bank. The Merchant/Sub-Merchant shall strictly keep confidential any information obtained under this Agreement regardless of whether it is related to the Bank and/or the Cardholder.
- 29.2 The Merchant/Sub-Merchant shall keep confidential all information or data and secure all systems and media containing any information or data (whether physical or electronic) relating to Cardholders, the Card accounts and the Transactions in a diligent manner, to prevent access by or disclosure to anyone other than the authorized personnel of the Merchant, the Sub-Merchant and/or the Bank. In addition, the Merchant/Sub-Merchant shall adhere to the requirements of Payment Card Industry Data Security Standard (also referred to as "PCIDSS") and agrees and undertakes to comply with the conditions specified in the PCIDSS including but not limited to maintaining all form of materials and/or records that contain accounts or Transaction information in a safe and secure manner with access limited to authorized personnel.
- 29.3 For the avoidance of doubt, the Merchant/Sub-Merchant is hereby not authorised and not entrusted to store the Cardholders' Card's name, number, and expiry date. However, the Merchant/Sub-Merchant must ensure the Cardholders' Card's name, number, and expiry date are secured and protected by using encryption or other similar methods to avoid unauthorised use of the said information. Under no circumstances shall the Merchant/Sub-Merchant store, keep and/or retain the CVV2/CVC2 number of the Card, the PIN or the data of the magnetic stripe of the Card. The violation of the abovementioned obligation is tantamount to a material breach of this Agreement and gives the absolute right to the Bank to terminate this Agreement immediately without prior notice.
- 29.4 In the event the systems and media being lost, stolen, damaged, tampered or compromised in any manner, the Merchant/Sub-Merchant shall immediately report and give written notice of such loss, theft, damage, tampering or compromise to the Bank.
- 29.5 Pursuant to this Agreement and to the extent that any of the Cardholder's personal data is being extended to the Merchant/Sub-Merchant by the Bank and/or collected and/or processed by the Merchant on behalf of the Bank, consists of "personal data" as defined in the Personal Data Protection Act 2010 (hereinafter referred to as "PDPA"), the Merchant agrees:-

- (a) not to conduct itself, and to procure that its personnel and subcontractor (as applicable) shall not conduct themselves, in such a manner as to cause the Bank to be in breach of its obligations (as a “data user”) as stated in the PDPA and to observe the Bank’s personal data protection requirements hereunder as may be modified from time to time;
- (b) to procure that its personnel agree, that it shall at all times comply with the provisions and obligations imposed by the PDPA and the principles set out in therein in storing and processing personal data;
- (c) to take all reasonable steps to protect the said personal data from any loss, misuse, modification, unauthorised or accidental access or disclosure, alteration or destruction;
- (d) to respond promptly to the Bank in order that the Bank may deal adequately with all enquiries received relating to personal data protection;
- (e) to return to the Bank (or if requested by the Bank, destroyed with written confirmation of the same) at the Bank’s request;
- (f) to promptly notify the Bank, in writing, when it becomes aware or reasonably ought to have become aware of any breach of its obligations under this Agreement that results in an actual or reasonably suspected unauthorised disclosure of personal data, whether on the part of itself or its agents, employees, contractors and/or any third-party service providers (as applicable) and of steps taken to repair the breach.

29.6 Where personal data is processed during the tenure of this Agreement, the Merchant/Sub-Merchant will: -

- (a) process personal data in accordance with instructions from the Bank whether general or specific in nature as set out in this Agreement or as otherwise notified by the Bank in writing from time to time;
- (b) process the personal data to the extent, and in such manner, as is necessary for the performance of the Agreement or as required by any law and/ or regulations in force;
- (c) ensure the reliability of any personnel having access to the personal data;
- (d) take appropriate technical and organisational measures to protect the personal data from any loss, misuse, modification, unauthorised or accidental access or disclosure, alteration or destruction, including by ensuring a level of security appropriate to the harm that might result from said acts and appropriate to the nature of the personal data;
- (e) permit the Bank and/or its representatives (subject to agreeable confidentiality undertakings), to inspect and audit the Merchant’s data processing activities and/or those of its agents and subcontractors (as applicable) to ensure compliance with the PDPA and this section;
- (f) not transfer, disclose, use or share the personal data with any third party without the Bank’s express written consent;
- (g) not transfer the personal data outside of Malaysia without the Bank’s express written consent;
- (h) return all personal data to the Bank (or if requested by the Bank, destroy the personal data and provide written confirmation of the same) upon the Bank’s request;
- (i) promptly notify the Bank, in writing, when it becomes aware or reasonably ought to have become aware of any breach of its obligations under this Agreement that results in an actual or reasonably suspected unauthorised disclosure of personal data, whether on the part of itself or its agents, employees, contractors and/or any third-party service providers (as applicable) and of steps taken to repair the breach; and
- (j) respond promptly to the Bank in order that the Bank may deal adequately with all enquiries received relating to personal data protection.

29.7 For the purpose of this section, to “process” personal data is to collect, record, hold and/or store personal data or carry out any operation or set of operations on the personal data as prescribed in the PDPA.

29.8 For the avoidance of doubt, the Merchant/Sub-Merchant shall procure and ensure that the provisions contained in this clause shall be equally applicable to its servants, agents, employees, contractors and/or any third party service providers engaged by the Merchant/Sub-Merchant.

30. PRIVACY NOTICE

- 30.1 The Merchant/Sub-Merchant is required to read and understand Privacy Notice of AmBank Group (which is available at www.ambankgroup.com) and the clauses herein, as may be related to the processing of the Merchant's personal information. For the avoidance of doubt, the Merchant/Sub-Merchant agrees to comply with that the said Privacy Notice and the said Privacy Notice shall be deemed to be incorporated by reference into this Agreement.
- 30.2 In the event the Merchant/Sub-Merchant provides personal and/or financial information relating to third parties, including but not limited to information relating to the Merchant's/Sub-Merchant's next-of-kin, dependents, authorized signatories, directors, shareholders, officers, and security parties for the purpose of the facility governed by the Agreement, the Merchant/Sub-Merchant:
- (a) confirms that the Merchant/Sub-Merchant has obtained their consent or are otherwise entitled to provide the information to the Bank and for the Bank to use it in accordance with this Agreement and to provide information on the Bank's products, services and/or offers (inclusive of the products, services and offers of the other entities within AmBank Group) which the Bank and/or entity within AmBank Group believe may be of interest and/or beneficial to them;
 - (b) agree to ensure that the personal and financial information of the said third parties is accurate;
 - (c) agree to update the Bank in writing in the event of any material change to the said personal and financial information; and
 - (d) agree to the Bank's right to terminate the Agreement immediately without notice should such consent be withdrawn by any of the said third parties.
- 30.3 Where the Merchant/Sub-Merchant instructs the Bank to effect any sort of cross-border transaction (including to make or receive payments), the details relevant to the cross-border transaction (including information relating to those involved in the said transaction) may be received from or sent abroad, where it could be accessible (whether directly or indirectly) by the Bank's agents abroad, overseas regulators and/or authorities in connection with their legitimate duties (e.g. the prevention of crime). In instructing the Bank and/or the Bank's agents to enter into any cross-border transaction on the Merchant's/Sub-Merchant's behalf, the Merchant/Sub-Merchant agrees to the above said disclosures on behalf of the Merchant/Sub-Merchant and others involved in the said cross-border transaction.
- 30.4 Subject always to any laws (including regulations, guidelines and/or obligations) applicable to the Bank (whether in or outside Malaysia), the Merchant/Sub-Merchant agrees that other companies in the AmBank Group, their merchants and strategic partners may contact the Merchant about products, services and offers, which the Bank and AmBank Group believe may be of interest or beneficial to the Merchant/Sub-Merchant.
- 30.5 The Bank and AmBank Group may communicate with the Merchant through various channels, including telephone, e-mail, electronic / mobile messaging, facsimile or post, using the contact information the Merchant/Sub-Merchant has provided.
- 30.6 The Merchant/Sub-Merchant may inform the Bank at any time if the Merchant/Sub-Merchant does not wish to receive marketing communications from the Bank, AmBank Group and/or their merchants and business partners, by contacting the Bank at the various channels given below:
- Customer Service Officer
Phone : 1300 80 8888 (Domestic) or (603) 2178 8888 (Overseas) [24 hours]
E-mail : customercare@ambankgroup.com
Post : Privacy, AmBank Contact Centre, P.O. Box No. 12617, 50784 Kuala Lumpur.
- 30.7 This clause shall be without prejudice to any other clause in this Agreement which provides for the disclosure of information.

31. RETENTION OF RECORDS

- 31.1 Other than provided otherwise under this Agreement, the Merchant/Sub-Merchant shall preserve all records pertaining to Sales Slips and Credit Slips delivered to the Bank including the related invoices, purchase orders, delivery orders and other documents on which the charges are raised, for a period of at least one and a half (1.5) years from the date of the Sales Slips and Credit Slips are delivered to the Bank.
- 31.2 The Merchant/Sub-Merchant shall also permit the Bank, its employees and/or its agents, at any time upon service of reasonable notice by the Bank, to examine any such documents. The Merchant/Sub-Merchant shall produce their copy of Sales Slip within ten (10) Business Days upon request by the Bank. Failing which, the Bank reserves the right to restitution of such payment by debiting the Merchant's/Sub-Merchant's account maintained with the Bank or other means as the Bank may deem fit.

32. RIGHT TO AUDIT AND ASSESSMENT

- 32.1 The Merchant/Sub-Merchant shall provide the Bank, the Bank's regulators and any party appointed by the Bank and/or the Bank's regulator with continuous and complete access to all records, files, data and information in relation to the payment channels and/or services at all times.
- 32.2 The Merchant/Sub-Merchant must be at their best effort to correct the practices identified by the Bank or the Bank's regulators and any party appointed by the Bank and/or the Bank's regulator as being deficient immediately upon being requested by the Bank to do so.
- 32.3 The parties agree that the Bank shall be allowed to conduct periodic assessment including customer quality service assessment which may include the practice of "mystery shopping" or audit on the Merchant/Sub-Merchant, to ensure that the Merchants adhere to the procedures for acceptance of Cards and authorisation process.

33. BRANDING AND INTELLECTUAL PROPERTY RIGHTS

- 33.1 Each Party shall retain all right, title, and interest (including all copyrights, patents, service marks, trademarks and other intellectual property rights) and unless otherwise provided under this Agreement, neither party shall acquire any interest in the other party's Intellectual Property.
- 33.2 Without prejudice to the generality of Clause 33.1 above the Merchant acknowledge that the Intellectual Property of the Cards shall remain at all times the property of the Bank and/or the Payment System Operator.
- 33.3 Unless AmBank's prior written consent has been obtained, the Merchant/Sub-Merchant shall not use any of Bank or Payment Network name, trade name, trademark, trade device, service mark, logo, symbol or any abbreviation, contraction or simulation thereof, in any advertising, marketing, promotional materials, publicity, client list, press release, case studies, references, Internet posting, or otherwise; or represent, directly or indirectly, that any product or service, is related to or has been approved or endorsed by the Bank.

34. SET-OFF

The Bank shall be entitled to consolidate or merge all or any of the Merchant's/Sub-Merchant's accounts held or maintained with the Bank and/or any entity within the AmBank Group including their branches and liabilities at any time with prior notice to the Merchant/Sub-Merchant and may transfer or set-off any sums in such account in or towards the satisfaction of the Merchant's/Sub-Merchant's liabilities to the Bank, whether actual or contingent, primary or collateral, joint or several. If any of the Merchant's/Sub-Merchant's liabilities are contingent, the Bank shall be entitled to set-off and transfer any sum outstanding to the credit of any of the Merchant/Sub-Merchant's accounts held or maintained with the Bank and/or any entity within the AmBank

Group including their branches towards the satisfaction of the Bank's contingent liabilities and in the event the Merchant's/Sub-Merchant's actual liabilities are less than the amount set-off by the Bank, the Bank shall refund such surplus amount to the Merchant/Sub-Merchant.

35. COMPLIANCE WITH LAW

The Merchant/Sub-Merchant shall comply with all applicable rules, guidelines, regulations, circulars and laws in Malaysia including but not limited any obligations imposed on the Bank or Card Issuer as merchant acquirer under the Financial Service Act 2013 and Islamic Financial Services Act 2013, regulatory requirements imposed by Bank Negara Malaysia in respect of merchant acquiring services and any service levels imposed by the Bank and codes of conduct applicable to the performance of the Merchant's/Sub-Merchant's obligations under this Agreement.

36. GOVERNING LAW & JURISDICTION

This Agreement shall be governed by and construed in accordance with the laws of Malaysia and the parties hereto submit to the exclusive jurisdiction of the courts in Malaysia.

37. ENDORSEMENT

The Merchant and/or Sub-Merchant agrees and undertakes that any endorsement or instrument for endorsement (such as company or business stamp) made or used by the Merchant and/or Sub-Merchant shall represent the Merchant and/or Sub-Merchant regardless of any inconsistency of details in the endorsement or instrument of endorsement, provided that such inconsistency is only due to typographical error, misspelling or omission. Such endorsement shall be deemed to have been made by the Merchant and/or Sub-Merchant, and in accepting it as such, the Bank shall not be liable in and shall be indemnified fully against any dispute or claim arising therefrom. Notwithstanding the foregoing, the Bank reserves the right to request from the Merchant to confirm, re-endorse or re-affirm or make any necessary declaration, ratification or amendment on such inconsistency as the Bank thinks fit from time to time and the Merchant shall not refuse such request.

38. ASSIGNMENT

38.1 The Merchant/Sub-Merchant shall not assign, transfer, subcontract or otherwise dispose of its rights and obligations in this Agreement without prior written consent of the Bank.

38.2 The Bank may assign this Agreement any person it deem fits and the Merchant shall be notified in writing by the Bank.

39. SUCCESSORS BOUND

This Agreement shall be binding upon the successors-in-title or permitted assigns of the Merchant/Sub-Merchant and the respective successors-in-title and permitted assigns of the Bank.

40. SEVERABILITY

Each of the provisions of this Agreement is severable and distinct from one another and if any one or part thereof is or becomes invalid, illegal or unenforceable the remaining provisions shall not be affected in any way.

41. CERTIFICATE OF INDEBTEDNESS

Any certificate signed by an authorized manager or officer of the Bank as to the monies for the time being due and owing to the Bank by the Merchant/Sub-Merchant for chargeback, full recourse or otherwise, shall be conclusive and binding evidence that such indebtedness is due and payable by the Merchant/Sub-Merchant to the Bank.

42. NOTICES AND LEGAL PROCESS

- 42.1 Save where otherwise provided, any notices to be given under this Agreement shall be in writing and delivered in the following manners:
- (a) ordinary mail to the address stated in First Schedule herein or to the place of business last registered with the Bank, whereby the noticed shall be deemed to be received by the Merchant three (3) calendar days after the date of posting; or
 - (b) facsimile, email or Short Messaging System (SMS) via contact number or electronic address provided or notified to the Bank, whereby such notice shall be conclusively deemed to have been sent immediately after successful transmission.
- 42.2 The Parties hereby agree that the service of any court papers such as Writ or Summons in respect of any claim arising from or connected with this Agreement may be effected on the Merchant by sending a copy of the same by registered post or by ordinary post to the parties' respective addresses stated in First Schedule herein or to the last known address as may be notified by the Merchant to the Bank and such postings shall be deemed delivered after three (3) Business Days from the date of posting.

43. VARIATION AND WAIVER

- 43.1 The Bank may amend the terms and conditions of this Agreement, whether in part or in whole, from time to time by providing twenty-one (21) calendar days prior notice to the Merchant through various channels and place including on the Bank's websites and/or by placing notices at the Bank's branches.
- 43.2 If the Merchant/Sub-Merchant is not agreeable to the amendments the Merchant shall notify the Bank in writing of the same within twenty-one (21) calendar days from the date of the notice by the Bank and the Merchant/Sub-Merchant must terminate its use of the payment channel services and/or the Terminals and its participants in the additional services, if applicable, which may be provided by the Bank to the Merchant/Sub-Merchant from time to time. If the Merchant/Sub-Merchant continues to use the payment channel services, the Terminals and/or the additional services after the amendments take effect, the Merchant/Sub-Merchant shall be deemed to have accepted such amendments.
- 43.3 Any provisions herein cannot be waived except in writing signed by the party granting the waiver.
- 43.4 The failure of the Bank to enforce any of the terms of this Agreement shall not be construed nor shall it be deemed to be a waiver of any rights the Bank may have of any subsequent breach committed by the Merchant/Sub-Merchant.

44. LANGUAGE

In the event of any discrepancy or conflict between the English and Bahasa Melayu versions of this Agreement, reference shall be made to the language of the Agreement signed by the Merchant and that version of Agreement shall prevail.

45. LEGAL ADVICE

The Merchant/Sub-Merchant shall obtain its own independent legal advice in respect of this Agreement and shall bear its own solicitors' fees and costs.

46. TIME

Time shall be of the essence in this Agreement.

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FIRST SCHEDULE

(Which is to be taken, read and construed as an essential part of this Agreement)

Part I : The _____ day of _____

Part II : Merchant Registered Name and Address:

Merchant Trading Name and Address:

In event of more than one (1) outlets, the subsequent outlets are as those specified in Appendix 2 (Merchant's Additional Outlet) herein.

Part III (Where applicable) : Sub-Merchant Registered Name and Address:

Sub-Merchant Trading Name and Address:

In event of more than one (1) outlets, the subsequent outlets are as those specified in Appendix 2 (Merchant's Additional Outlet) herein.

Part IV (Where applicable) : Charges for Terminal Rental

<input type="checkbox"/> NPS <input type="checkbox"/> Flat <input type="checkbox"/> Volume		<input type="checkbox"/> Non NPS	
Deposit (refundable)	RM	Deposit (refundable)	RM
Processing Fees (non-refundable)	RM	Processing Fees (non-refundable)	RM
Total	RM	Total	RM
Monthly Fee per terminal	RM		

Note :

- Payment is to make to AMBANK CARD SERVICES – CMSMBF for cheque issuance.
- For online transfer, please indicate “Company Registered Name” as payment reference.
- No cash or transfer to Relationship Manager personal account is allowed.
- For Volume NPS, in the event the Merchant fail to achieve a sales volume of RM _____ per month and the Merchant hereby irrevocably and unconditionally authorize AmBank (M) Berhad to deduct the said Monthly Fee from the Merchant succeeding month's sales submissions.

Part V (Where applicable) : Terminal Device cost

Type of Device	Cost per Unit
EDC Terminal	RM700.00
Terminal Swivel	RM300.00

Part VI (where applicable) : Direct Payment to Sub-Merchant : **YES** / **NO**

Part VII : Merchant Discount Rates (MDR)

Type of Acceptance	Domestic MDR (%)		International MDR (%)	Manual MDR (%)
	On-Us	Not On-Us		
Credit – Non Premium				
Credit – Premium				
Credit – Commercial / Business				
Debit or Prepaid Card				
MasterCard Buy Now Pay Later				
MyDebit				
JCB				
UPI				
MOTO				

eBilling				
OTSR				
eCommerce				
DCC				
DNQR - CASA - Credit Card				

***Kindly be informed that the prepaid MDR is the same as credit MDR.**

EPP Tenure	EPP MDR (%)	EPP Tenure	EPP MDR (%)
3 months		30 months	
6 months		36 months	
12 months		48 months	
18 months		60 months	
24 months			

For Caltex Fleet Cards	MDR (%)
• Caltex Star Card	
• Caltex Star Cash	
• Caltex Subsidy Card	

REMINDER: The Merchant is hereby reminded to read and understand the terms and conditions of this Agreement before signing below. If the Eligible Customers do not understand any of the terms and conditions stated herein, the Eligible Customer(s) are advised to discuss with any of the Bank's authorised representative.

IN WITNESS hereof the parties hereto have hereunder set their hands the day and the year first above written.

For and on behalf of the Bank

For and on behalf of the Merchant

(Authorized Signature)

(Authorized Signature)

Name : _____

Name : _____

Designation : _____

NRIC / Passport No. : _____

Designation : _____

Company Stamp

WITNESS

WITNESS

Name : _____

Name : _____

Designation : _____

NRIC / Passport No. : _____

Designation : _____

Appendix 1
(Additional Terms and Condition)

MyDebit

1. **MyDebit Services**

- 1.1 The Bank is a participant of the MyDebit service and the Merchant is a registered Merchant under the MyDebit service.
- 1.2 In consideration of the fees paid to the Bank, the Bank agrees to facilitate the participation of the Merchant in the MyDebit service in accordance with the Merchant Agreement.
- 1.3 The Merchant hereby agrees to observe all the minimum requirements as specified by the MyDebit Operator including any future revisions which will be communicated by the Bank to the Merchant.

2. **Payment Type**

- 2.1 The Merchant shall support MyDebit transaction that enables Cardmembers use their MyDebit Cards to pay directly from their bank account with POS terminal and a dual-interface which supports both contact and contactless transactions.

3. **Obligations of the Merchant**

3.1 The obligations of the Merchant are as follows:

- (a) The Merchant shall, at all times, comply with the Consumer Protection Act 1999 as the Merchant is prohibited to engage in misleading and deceptive conduct, false misrepresentation, and unfair claims in selling their products or services.
- (b) The Merchant shall not be involved or engaged in business activities that contravene the Laws of Malaysia.
- (c) The Merchant is prohibited from re-selling or acquiring any other sub-Merchant(s) into the MyDebit service or act as merchant aggregators for other Merchant(s), without the prior written consent of the MyDebit Operator and Bank.
- (d) The Merchants are not allowed to set a purchase limit.
- (e) The Merchant shall ensure that it does not impose any surcharge on a transaction made using MyDebit.
- (f) The Merchant shall open a Merchant account for the purpose of the transfer of funds to the Merchant.
- (g) The Merchants are prohibited from retaining any MyDebit Cards belonging to Cardmembers.
- (h) The Merchant shall not capture any of the Cards at their Terminals or kiosks at any point in time. In the event that the MyDebit Cards are captured due to technical reasons or any other reasons, the Merchants shall undertake to return the MyDebit Cards to the Bank for onward submission to the Issuer bank within 24 hours.

- (i) The Merchant shall take all reasonable actions necessary to ensure that all Terminals and PIN Pads operated at their premises are available for use by Cardmembers during MyDebit switch operating hours and that the Terminals and PIN Pads are utilized and have complied with the requirements set in the Operational Procedures for MyDebit.
- (j) The Merchant shall comply with the MyDebit Brand Guidelines at all times.
- (k) The Merchant shall prominently display MyDebit Logo and MyDebit service marks and to inform the public that MeDebit service is available at the merchant's premises and/or on all documentation issued and/or used in connection with the provision of the services in order to identify and promote MyDebit service.
- (l) To assist the Issuer and/or Bank with any inquiry undertaken in respect of misuse of the MyDebit service.
- (m) To accept and honour all MyDebit Cards when presented to Cardmembers at any Terminal displaying the logo and provide the goods and services on the same terms and conditions as those under which it supplies goods and services to persons purchasing goods or services by means other than by the MyDebit Cards.
- (n) To ensure the confidentiality and security of PIN entered at the Terminal.
- (o) To ensure that each sales and purchase transaction is confirmed by the Cardmember in a manner applicable to the Terminal.
- (p) To operate the Terminal in accordance with the Bank's direction and/or instructions.
- (q) Not to misuse or tamper with the Terminal in any way.
- (r) To notify the Bank of the Terminal failure within two (2) Business Days after becoming aware of the failure of the Terminal.
- (s) The Merchant must not make any warranties nor representations in respect of goods or services supplied which may bind the Bank, MyDebit Operator, Issuer or any other Participants in the MyDebit service.
- (t) For the purpose of sub-clause (q) above, the Merchant will be liable for any claims, damages, and expenses arising out of or caused to arise from misuse or unauthorised usage of the MyDebit Brand. In the event of such breach, this service shall be terminated accordingly. Upon termination, Clause 6.2.2 herein shall apply accordingly.
- (u) The Merchant shall consent and allow the Bank to disclose its information to MyDebit Operator, as may be reasonably required for the purpose of and in connection with providing the MyDebit service.
- (v) The Merchant shall ensure that their customers are aware that card payments can be made via MyDebit.
- (w) Sub-clause (s) above shall survive termination of this Agreement. Termination does not affect either party's rights accrued and obligations incurred before termination.

4. Obligations of Bank

4.1 The Obligations of the Bank are as follows:

- (a) Bank shall implement reasonable measures to detect, mitigate, resolve and prevent fraudulent acts, actual and suspected.
- (b) Bank shall ensure that the Merchants' business, activities, products and services do not contravene Malaysian laws.
- (c) Bank shall ensure that Merchants comply with all applicable requirements stipulated in the MyDebit OP and the Merchant Agreement.
- (d) Bank shall ensure that Merchants will take all reasonable actions necessary to ensure that all Terminals and PIN Pads operating at their premises are available for use by Cardmembers during MyDebit switch operating hours and that the Terminals and PIN Pads are utilized and complies with the requirements set in Operational Procedures for MyDebit of the MyDebit Operator.
- (e) Bank shall provide the necessary training to Merchants on an on-going basis.
- (f) Bank shall transparently disclose to Merchants the interchange rates of the debit card schemes and the true effective cost of the two priority network routing choices (either MyDebit Priority Routing or AID Priority Routing) and accurately provide all information necessary for the Merchant to make an informed decision on network routing.
- (g) Bank shall route the Merchant's debit transactions to the network with the lowest interchange cost and MDR in the event a Merchant does not decide on the preferred debit network routing and obtains the appropriate consent from their Merchant to disclose the information provided by the Merchant in Appendix IV and Appendix V of the MyDebit OP to the MyDebit Operator.
- (h) Bank shall complete and submit the "Acquirers Fair Pricing Declaration" in Appendix V of the MyDebit OP on a quarterly basis, furnishing all necessary information completely and accurately. Bank shall submit the "Acquirers Fair Pricing Declaration" to PayNet by 15 January, 15 April, 15 July and 15 October of every year, attesting that fair prices have been quoted to Merchants in the preceding quarter.
- (i) If there will be disruptions due to scheduled maintenance, Bank shall provide seven (7) Business Days advanced notice to Merchants and MyDebit Operator, clearly specifying the duration and period of disruption. Bank shall be subsequently required to provide Merchants with sufficient targeted reminders closer to the scheduled maintenance to ensure that all Merchants are aware of the disruption.
- (j) Bank shall inform Merchants when the system or equipment is not available for use or when there is a malfunction.
- (k) Bank shall ensure that their Merchants are paid in a timely manner in accordance to their agreement with the respective Merchants upon receiving the funds via the interbank settlement at MyDebit Operator.

- (l) The Bank shall take appropriate actions to ensure that Merchants do not impose any surcharge and/or minimum transaction amount for MyDebit transactions. The Bank shall disclose to cardholders any exemption given by an operator of a payment card network or Bank to impose a surcharge or minimum transaction amount when using MyDebit. The Bank shall ensure Merchants provide sufficiently clear and explicit information at the points-of-sale on the available channels for cardholders to lodge complaints on surcharging and minimum transaction amount practices.
 - (i) For the purpose of sub section (l), the Bank shall ensure that the Merchants who are exempted from the no surcharge or minimum transaction amount restriction to explicitly notify cardholders at the points-of-sale on:
 - a. their surcharge and/or minimum transaction amount practices; and
 - b. the available channel for the cardholder to lodge a complaint;
 - (ii) The Bank shall take immediate and appropriate actions on Merchants that do not disclose the information under sub section (l)(i) above or provide inaccurate, false or misleading information; and
 - (iii) The Bank shall also address complaints received from cardholders in a timely manner, including by providing justifications to the cardholders on cases where exemptions are given to Merchants to impose a surcharge or set a minimum transaction amount.

5. Indemnity

5.1 Subject to the Bank and the Merchant's compliance with Clause 5.3, each party ("Indemnifying Party") agrees to indemnify and hold the other party and its employees and agents harmless against any and all losses, expenses, claims, suits, demands, actions and proceedings including all reasonable legal and other related fees or charges ("Liability") which the other party may suffer or incur or for which the other party may become liable as a result of:

- (a) Any negligence, misrepresentation or fraud on the part of the indemnifying party, its employees, and agents with respect to the performance of its obligations or the exercise of any of its rights under this Agreement;
- (b) Any claim by a Cardholder, Bank, Issuer, MyDebit Operator or any other person for any breach by the Indemnifying Party of any applicable laws;
- (c) The failure of the Indemnifying Party to observe any of its obligations under this condition; or
- (d) Any use of the MyDebit Brand by the Indemnifying Party other than as permitted by the MyDebit Brand Guideline;
- (e) Except to the extent that such liability arises or is incurred by the other party by reason of any act or omission on its part mentioned in Clause 5.1 (a) to (d).

5.2 In the event a claim is made against a party in respect of which it is entitled to be indemnified pursuant to Clause 5.1, that party must:

- (a) Give notice of any such claim to the other party;
- (b) Consult with the other party in relation to any such claim;

- (c) Not to settle any claim without obtaining the prior written consent of the other, such consent not to be unreasonably withheld.
- 5.3 Bank is not liable to the Merchant for any loss or damage suffered by the Merchant as a result of the delay or disruption caused by any system failure beyond the Bank's reasonable control.
- 5.4 For the purposes of this clause, loss or damage includes any consequential or economic loss or damage,
6. Suspension and Termination
- 6.1 Suspension
- 6.1.1 Bank, as the case may be, reserves the right to suspend the participation of the Merchant in the MyDebit service by giving notice in writing specifying the suspension date and any conditions applicable to the suspension, under the following circumstances:
- (a) The Bank has determined that the Merchant breached this Agreement, or any applicable rules, guidelines, regulations, circular or laws;
 - (b) The Merchant fails to remedy the breach described in Clause 6.1.1 (a) to the Bank's satisfactions;
 - (c) The Bank have determined that the Merchant has inadequate operational controls or insufficient risk management processes, resulting in potential threats or risks to the stability, integrity, safety, security and efficiency of the MyDebit service;
 - (d) Court order affecting the legal status of the Merchant;
 - (e) An application is made to the court either voluntarily or involuntarily for an order that the Merchant be wound up;
 - (f) The Merchant is deemed unable to pay its debt and should be wound up under statutory laws; or
 - (g) The Merchant is suspected on reasonable grounds that it is facilitating, involved in, has committed or will commit fraudulent act(s) in connection with the MyDebit service;
 - (h) The Bank has received complaints from other Merchant(s), other acquirer(s), Issuer or Cardholder that the Merchant is engaging in fraudulent activity in connection with the MyDebit service; or
 - (i) The Merchant has been suspended from the MyDebit service by other acquirer(s) due to breach of provisions of this Agreement or the terms and conditions stipulated in the, or any applicable rules, guidelines, regulations, circular or law.
- 6.1.2 Upon suspension of the Merchant in the MyDebit service:
- (a) The services provided under MyDebit service will be suspended immediately;
 - (b) The Merchant will no longer be able to offer MyDebit service;
 - (c) The Merchant will stop accepting payments from Bank / MyDebit Operator (through DMS);
 - (d) The Merchant must cease all promotional and advertising that is related or can be perceived to be related to MyDebit service;

- (e) The merchant must remove all MyDebit Brand from the Merchant's marketing collaterals, channels and website; and
- (f) The Merchant must take all reasonable steps to comply with any directions of the Bank to minimise the impact on Cardholder of the suspension.

6.2 Termination

6.2.1 The Bank, as the case may be, reserves the right to terminate the services provided under the Merchant Agreement or the MyDebit service under the following circumstances, which includes, but not limited to:

- (a) The Merchant Agreement between the Merchant and the Bank is terminated or expired;
- (b) The Bank has determined that the Merchant has breached any of the condition stated herein, or the Merchant Agreement or the terms and conditions stipulated in the MyDebit Merchant Registration Form, or any applicable rules, guidelines, regulations, circulars or laws;
- (c) The Merchant fails to remedy or take adequate steps to remedy its default under the Merchant Agreement or any condition stated herein to the satisfaction of the Bank within a time period as specified in the notice of the default given by the Bank;
- (d) The Bank has determined that the Merchant has inadequate operational controls or insufficient risk management processes resulting in potential threats to the stability, integrity, safety and efficiency of the MyDebit service;
- (e) Court order affecting the legal status of the Merchant;
- (f) An application is made to the court either voluntarily or involuntarily for an order that the Merchant be wound up;
- (g) The Merchant is deemed unable to pay its debt and should be wound up under statutory laws; or
- (h) Bank's membership in the MyDebit service or RENTAS is terminated or suspended and the Merchant has not appointed a replacement acquirer;

6.2.2 Upon termination of this condition or the Merchant Agreement, the Merchant must cease all promotional and advertising that is related or can be perceived to be related to the MyDebit service.

6.2.3 Termination of the Merchant in the MyDebit service shall not extinguish any outstanding right or liability arising herein under or the terms in the Operational Procedures for MyDebit which is applicable to the Merchant as reflected herein.

7. Advertisement and Use of Logo

7.1 The MyDebit Operator owns all rights, titles and interest in the MyDebit Brand and the MyDebit Operator and/or the Bank may specify and may at any time amend the requirements relating to the use and/or display of the MyDebit Brand.

7.2 The Merchant shall comply with the requirements, process and/or guidelines prescribed by the MyDebit Operator based on the MyDebit Brand Guidelines.

- 7.3 The Merchant must use the appropriate denotation or legend of trademark registration or ownership in connection with MyDebit Brand, as required or consented to by the MyDebit Operator and/or the Bank.
- 7.4 The Merchant shall only use the MyDebit Brand for the sole purpose of publicising, indicating and advertising that the Merchant accepts payment requests through the MyDebit service.
- 7.5 The MyDebit Operator and/or the Bank have the right to direct the Merchant to make changes to their use of the MyDebit Brand to rectify any non-compliance or potential non-compliance.
- 7.6 The MyDebit Operator through the Bank, may at any time, in its absolute discretion, direct a Merchant to cease using the MyDebit Brand where such use is in breach of this Agreement or the terms in the Operational Procedures for MyDebit which is applicable to the Merchant as stipulated in this Agreement.
- 7.7 The Merchant must not use the MyDebit Brand in such a way to create an impression that the goods or services offered by the merchant are sponsored, produced, offered or sold by the owner of the MyDebit Brand. The Merchant must not adopt "MyDebit" or any other MyDebit Brand as any part of the name of its business or apply it to any goods or services offered for sale.
- 7.8 The Merchant must immediately on becoming aware of any infringement or potential infringement of the MyDebit Brand, notify the Bank.

8. Disclaimer

- 8.1 MyDebit Operator and Bank shall not be liable for any claims, actions, demands, costs, expenses, losses and damages (actual and consequential) including legal costs that are incurred or suffered by the Merchant arising out of or caused by the Bank in connection with the operations and services provided by the Bank in the MyDebit service. The Merchant agrees that it will communicate and resolve any dispute in relation to the aforesaid matters with the Bank.

9. Cardholder's Disputes/claims

- 9.1 If any disputes between the Cardholders and Merchants arises, the process used to resolve the disagreements among the Cardholders and Merchants shall be based on the Debit Card policy document by Bank Negara Malaysia.
- 9.2 The Merchant shall furnish information and assist the Bank to facilitate investigations related to Cardholder's disputed transactions, fraudulent transactions, and requests for refunds in accordance with the following process and timelines,
- 9.3 If a valid request to recover funds was received by the Merchant within sixty (60) Calendar Days to the Cardholder's MyDebit payment, the Merchant shall address the Cardholder's disputes / claims to the Cardholder's satisfaction.
- (a) The Cardholder may submit requests for refund to the Merchant after MyDebit payment has been made, for the following reasons:
- i) Goods or services purchased were not provided or rendered due to the Merchant's non-performance or insolvency;
 - ii) Cardholder's bank account was erroneously debited multiple times for a single purchase or charged with an incorrect amount by the Merchant.
- (b) Upon receiving a request for refund, the Merchant shall respond to all requests for refunds within seven (7) Business Days of receipt. The Merchant shall ensure that the refund claims are addressed within the seven (7) Business Days timeframe.

9.4 The merchant may provide concrete evidence to contest the claim. Evidence may include proof of delivery, certification from suppliers on the authenticity of goods, or other documentation to demonstrate the Merchant's performance of its obligations. If the Merchant is unable to furnish evidence within the timeframe specified in Clause 9.3 (b), or the evidence does not conclusively refute the Cardholder's refund claim, the Merchant is required to refund the purchase proceeds to the Cardholder within three (3) Business Days.

9.5 Evidence furnished by a Merchant to refute a refund claim is deemed to be sufficient if both the Issuer Bank and the Bank are fully satisfied that the Merchant has adequately demonstrated that the Merchant has performed its obligations.

9.6 If the Merchant is not able to adequately refute a refund claim in accordance with Clause 9.5, the Bank shall have the right to debit any of the Merchant's account(s) maintained with the Bank for the recover of the disputed sum, either entirely or partially.

10. Dispute Resolution

10.1 All decisions rendered by MyDebit Operator in response to complaints from the Merchant shall be binding on the Bank.

10.2 Referring allegations of non-compliance to MyDebit Operator does not preclude the right of the Merchant to take the dispute to the respective industry arbitration or mediation bodies.

11. Fraud and Security

11.1 The Merchant shall also comply with all applicable Laws of Malaysia in relation to fraud.

11.2 In the interest of safeguarding the integrity of the MyDebit service, the Merchant shall grant MyDebit Operator and/or the Bank the absolute authority to direct Merchants to take any measure that MyDebit Operator and/or the Bank deemed as necessary to detect, mitigate, resolve and prevent fraudulent acts, actual and suspected. The Merchants receiving such a directive shall promptly comply with the directive.

12. Definition and Interpretation

Unless the context otherwise requires or otherwise expressly stated herein, terms and expressions defined in the Merchant Agreement shall have the same meanings when used herein.

Term	Description
DMS or Direct Merchant Settlement	A system which facilitates settlement process directly to Merchant
Issuer	Financial Institution authorized by Bank Negara Malaysia to issue MyDebit cards.
MyDebit Brand	The Brand, icon, logo and marks for MyDebit
MyDebit Operator	Payments Network Malaysia Sdn Bhd (PayNet)
MyDebit	A domestic debit card scheme that allows Cardholders to make payments for good/services in-store, online store or withdraw cash at participating Merchants by debiting directly from the Cardholders nominated savings / current.

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Appendix 2
(Merchant's Additional Outlet)