

## MERCHANT CARD SERVICE TERMS AND CONDITIONS



These Terms and Conditions govern your Merchant(s) participation in the Card Service for all your locations which are approved by us. By signing the Application, you agree to accept the Cards in accordance with these Terms and Conditions at all your locations which have been approved by us. You further agree to comply with and be bound by, our Operating Policies and Procedures as notified to you as such may be amended from time to time.

To demonstrate your agreement with these Terms and Conditions and, consequently make them legally binding between you and us, simply commence the acceptance of the Cards as payment for goods or service at any of your Merchant(s).

If you do not accept them, you should not submit Charges to us and must notify us immediately, returning all MBB materials to us. You agree to provide us with a list containing the names and addresses of all your locations and to give us regular updates of such list.

### 1. DEFINITIONS

Now it is hereby agreed as follows:

This expression...	Means...
"Agreement"	Collectively, the Application, the Merchant Card Service Terms and Conditions and addenda (if any).
"Application"	The form you have completed and submitted to us to participate in the Card Service.
"Authorisation"	The process of obtaining an authorization from MBB for a transaction which usually identified with an alpha numeric/ numeric code prior to completion of the transaction in which a Card is being utilized.
"Authorised Floor Limit"	The maximum amount specified from time to time by MBB to the Merchant being the total amount that the Merchant is authorised to accept by way of manual Sales Draft on charges to be made by Cardholder on any one (1) day for purchase of goods and/or services from each of the Merchant premises or its place of business or outlets independently and as further described in the Letter Of Offer(s).
"Business Day"	Any day on which MBB is opened for business in Kuala Lumpur.
"Cardholder"	Any person authorised by any Issuer to enjoy the Cards facilities whose name shall be embossed on the Card and where applicable, whose signature appears thereon as the authorised user.
"Card Service"	The MBB Card Service.
"Cards"	Credit Cards, Charge Cards, Debit Cards, Prepaid Cards and/or any other Cards to be issued by the Issuer from time to time with magnetic stripe features and/or embedded with the Europay, MasterCard, Visa ("EMV") compliant chip and any other chip cards to be accepted by the Merchant under the terms of this Agreement as further described in the Letter Of Offer.
"Charges"	Purchases which cardholders make in person, by mail, telephone or by any other method with the Cards and any amounts incidental to such purchases including taxes or duties, delivery charges and gratuities.
"Credit Voucher"	The relevant slips, forms or papers supplied by MBB to the Merchant for the purpose of charging the Merchant's account and crediting a Cardholder's account with the Issuer for the amount shown thereon.
"Charge Card"	A validly issued and unexpired charge card of American Express bearing the American Express name/trademark/service mark/logo and may include charge cards duly authorized by MBB bearing magnetic stripe features and/or embedded with the EMV compliant chip.

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This expression...	Means...
<b>“Credit Card”</b>	A validly issued and unexpired credit card of VISA/MasterCard/American Express/JCB bearing the VISA Card Program Marks or MasterCard Programme Marks or the American Express name/trademark/service mark/logo or JCB International Marks and may include new credit cards duly authorized by MBB bearing magnetic stripe features and/or embedded with the EMV compliant chip.
<b>“Debit Card”</b>	A validly issued debit card of KawanKu E-POS/Bankcard/VISA Electron/ Maestro/MEPS E-POS/China Unionpay Co. Ltd (CUP) bearing the KawanKu E-POS Marks or Bankcard Marks or VISA Electron Marks or Maestro Marks or China Unionpay Co. Ltd (CUP) Marks or MEPS E-POS Marks, validly issued by any banking or financial institution as the case maybe and may include new debit cards duly authorised by MBB.
<b>“Direct Credit Payment Service”</b>	Payment for Charges will be transmitted directly to your account with a bank or its financial services institution that you designate for this purpose, so long as the account holding institution participates in an electronic banking system accessible to us.
<b>“e-Commerce”</b>	Electronic Commerce is the exchange of goods and services for payment made between the Cardholder and Merchant when all of the transactions are performed via electronic communications.
<b>“Electronic Data Capture (EDC) Terminals”</b>	Any electronic terminal which is capable of reading magnetic stripe or chip on Cards.
<b>“Full Recourse”</b>	Our right to payment from you of the full amount of the Charge as set out in these Terms and Conditions.
<b>“Imprinter”</b>	A device used to imprint Credit Card’s data for the purpose of completion of a Sales Draft transaction under this Agreement
<b>“Issuer”</b>	Any bank or financial institution who are members of MasterCard International or Visa International or American Express Travel Related Services Company Inc., or JCB International or China Unionpay Co. Ltd (CUP) Marks or other organisation or institution who are authorised to issue Cards to which MBB is a member.
<b>“Letter of Offer”</b>	The letter(s) of offer in respect of this Agreement which was issued by MBB and duly accepted by the Merchant from time to time which letter(s) shall be an integral part of this Agreement.
<b>“Maybank” “MBB” “the Bank” “we” “us” “our”</b>	Malayan Banking Berhad (Company No. 3813-K), having its registered address at 14 <sup>th</sup> Floor, Menara Maybank, 100 Jalan Tun Perak, 50050 Kuala Lumpur.
<b>“Merchant” “You” “Your”</b>	Any retailer or other person, firm or corporation, its employees, servants or agents which pursuant to a Merchant Agreement agrees to accept or cause its offices, outlets and locations in Malaysia to accept Cards when properly presented.
<b>“Merchant Discount”</b>	Fee chargeable by MBB to the Merchant at the agreed rate in percentage of the value of the Cards’ transactions as further described in the Letter of Offer.
<b>“Merchant Number”</b>	The unique identification number assigned by MBB to the Merchant under the terms of this Agreement for each of the Payment Acceptance Facilities or/and outlets as the case may be as further mentioned in the Letter of Offer and/or Application.
<b>“Payment Acceptance Facilities”</b>	A facility granted by MBB to the Merchant under the terms of this Agreement as further described in the Letter Of Offer and may include any of the following :-
(a) <b>“Automatic Bill Settlement Services Transaction Acceptance”</b>	A Credit/Charge Card transaction performed after Cardholder had submitted an Enrollment Form to the Merchant.
(b) <b>“EDC Transaction Acceptance”</b>	A Card transaction performed through the use of EDC Terminals.
(c) <b>“Mail Order Transaction Acceptance”</b>	A Credit/Charge Card transaction performed via mail upon submission of an Authorisation Payment Form by Cardholder to the Merchant.

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This expression...	Means...
(d) <b>“Sales Draft Transaction Acceptance”</b>	A Credit/Charge Card transaction performed through the use of a manual Sales Drafts.
(e) <b>“Telephone Order Transaction Acceptance”</b>	A Credit/Charge Card transaction performed via telephone through the use of an Authorisation Payment Form.
<b>“Payment Plan(s)”</b>	The merchant payment plan(s) described in Clause 4.5.
<b>“PIN”</b>	In relation to a Cardholder, the Personal Identification Number which an Issuer has issued to the Cardholder which is to be used by the Cardholder to authorise any transaction.
<b>“Pin Pad”</b>	A device which is connected or is part of the EDC Terminal where the Cardholder authorises the transaction by entering his/her PIN on the Pin Pad.
<b>“POS Transaction Acceptance”</b>	A transaction performed at point-of-sales consisting of either EDC Transaction Acceptance or Sales Draft Transaction Acceptance.
<b>“Prepaid Card”</b>	A validly issued Prepaid Card issued by any banking or financial institution as the case maybe and may include new prepaid cards duly authorized by MBB.
<b>“Referral Response”</b>	A response received at the EDC Terminal during the Authorisation process which requires the Merchant to contact MBB for further instructions before completing the transaction.
<b>“Settlement Function”</b>	The procedures required of and carried out by Merchant via an EDC Terminal and an electronic imprinter for the purpose of transmitting data of charges to the Bank to enable the Bank to make payment to the Merchant.
<b>“Split Sales”</b>	Merchant avoid obtaining a single Authorisation by preparing two or more transaction receipt (splitting the transaction).
<b>“Transaction Slips”</b>	Any or all of the following :-
(a) <b>“ Authorisation Payment Form”</b>	The relevant forms, notices or papers used in connection with Mail Order or/and Telephone Order transactions upon which Cardholder has in writing authorised the Merchant, MBB and Issuer to charge the amount contained thereon to the Cardholder’s Credit/Charge Card account with the Issuer.
(b) <b>“Enrollment Form”</b>	The relevant forms, notices or papers used in connection with the Automatic Bill Settlement Services upon which Cardholder has in writing authorised the Merchant, MBB and the Issuer to charge the amount contained thereon to the Cardholder’s Credit/Charge Card account with the Issuer.
(c) <b>“Sales Draft”</b>	The relevant payment slips, forms or papers supplied by MBB to the Merchant to enable Merchant to accept and evidence the purchases or services incurred by the Cardholder through the use of Credit/Charge Card to be charged to the Cardholders’ account by manual intervention (as the case maybe to imprint the Credit/Charge Cards using the manual Imprinter and to manually record transaction information on the Sales Drafts).
(a) <b>“Sales Slip”</b>	The relevant charge slip generated electronically after the completion of each transaction arising from the use of EDC Terminal evidencing purchases or services incurred by the Cardholder through the use of the Cards to be charged to the Cardholder’s account.
<b>“Visa payWave Card”</b>	The Credit Card issued by any commercial banks which is capable of Contactless Payment System transactions.
<b>“Wave Reader”</b>	A device used for the purpose of completing a sales transaction when Cardholder flash or tap the Visa payWave Card on it.

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### 2. FACILITY

#### 2.1 Honouring The Cards

2.1.1 The Merchant agrees and confirms that it shall permit and accept payment by the Cardholders using any of the Cards as authorised by MBB pursuant to this Agreement as stated under the Letter of Offer and in accordance with the terms and conditions of this Agreement.

2.1.2 The Merchant agrees and confirms with MBB that it shall honour without discrimination Cards when properly presented to it as means of payment from Cardholder and shall maintain a policy that shall not discriminate among Cardholders seeking to make purchases of the Merchant's goods and/or services at the Merchant's premises or from the Merchant through the use of Cards.

2.1.3 The Merchant agrees not to charge Cardholder any additional fees, increase your price or otherwise discriminate against the Cards or Cardholder, and, if you do, we reserve the right to recover any such amount from you.

2.1.4 The Merchant will honour the Cards and will not attempt to impose any restrictions or conditions on the use or acceptance of the Cards.

#### 2.2 Payment Acceptance Facility

The Merchant hereby agrees to accept payment made by Cardholders through the use of Cards via the Payment Acceptance Facility granted by MBB to the Merchant under the terms of this Agreement as further described in the Letter Of Offer.

### 3. COMPLETION OF TRANSACTION

#### 3.1 POS Transaction Acceptance

When a Card is presented to the Merchant for payment, in accepting and honouring the Card, the Merchant shall ensure that the following acceptance procedures are strictly observed and complied with:-

(a) The Merchant shall examine the VISA Card Program Marks or MasterCard Marks or American Express Marks or JCB Marks or KawanKu E-POS Marks or Bankcard Marks or VISA Electron Marks or Maestro Marks or MEPS E-POS Marks or China Unionpay (CUP) Marks or any security or distinctive features of the Card;

(b) The Merchant shall ensure that the Card so presented is valid and unexpired;

(c) The Merchant shall ensure that the Card so presented have not been altered and mutilated;

(d) If the Card bears the photograph of the Cardholder, the Merchant shall ensure positive identification of the Cardholder and where there are doubts, the Merchant shall contact MBB for instructions; with the term set out in Clause 6.4;

(e) All transactions shall be drawn in Ringgit Malaysia only.

#### 3.1.1 EDC TRANSACTION ACCEPTANCE

3.1.1.1 For EDC Transaction Acceptance, the Merchant shall also ensure that the following acceptance procedures are strictly observed and complied with:-

(a) The Merchant shall process all transactions irrespective of the amount through the use of EDC Terminal at all times.

(b) The Merchant shall ensure all the Cards so presented for the transactions are inserted using the EDC terminal where an Authorization shall be granted or declined electronically online. Only an approved transaction shall be accepted by the Merchant. It is mandatory that the Merchant process all EMV chip card presented by the cardholder via EMV chip card acceptance procedures.

(c) When a signature based Card is being utilised, the Merchant shall obtain the signature of the Cardholder in the appropriate place on the Sales Slips and shall always compare to ascertain that such signature shall be identical to that appearing on the Cardholder's Card and if such identification is uncertain, or in the event of the signature differs or in the event the Merchant believes there to be a discrepancy in the signature, the Merchant shall contact MBB for instructions

(d) As prompted by the terminal, when a pin based Card is being utilized, the Merchant shall ensure that the cardholder enters his/her PIN via the PIN Pad/key pad to authorize the completion of charges and shall ensure that the cardholder's PIN is not compromised at all times.

(e) The Visa payWave Cardholder shall be allowed to flash or tap their Visa payWave Card on the Wave Reader to initiate processing of the payment transaction; and they shall not be required to hand their Visa payWave Card to the Merchant. The Merchant is not required to obtain the signature of the Cardholder on the Sales Slip.

(f) The Merchant shall ensure that all completed Sales Slips bear an electronic imprint which includes:-

(i) the name, validity/ expiry date of the Card and Card account number of the Cardholder;

(ii) the date of transaction(s);

(iii) the Authorisation code,

(iv) total price of the transaction,

(v) the Merchant's name and business address;

(vi) whether a transaction is EMV chip card or magnetic stripe card

(vii) The Application Identifier (AID)

(viii) The Transaction Certificate (TC)

(g) The Cardholder's copy of the completed Sales Slip is given to the Cardholder upon completion of each successful transaction.

(h) For those EDC terminals which are owned by Merchants, the Merchants shall take all necessary steps to ensure that the EDC terminals must be EMV chip compliant, the EMV software used must be in compliant to the Bank and the back end host system must be able to process EMV data. The installation and upgrading of EDC and host to EMV compliant standard is at the expense and cost of the Merchant.

3.1.1.2 In the event that any EDC Terminal malfunctions, breaks down or is disconnected or whenever the Merchant receives a Referral Response message from the EDC Terminal, all Authorisations and completion of the Credit Card transactions shall be carried out using the Sales Draft Transaction Acceptance stated herein under Clause 3.2.

3.1.1.3 In the event that any EDC Terminal is malfunctions, breaks down or is disconnected, the Merchant shall not accept any payment made by the Cardholder through the use of any Debit Cards.

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- 3.1.1.4 The Merchant shall carry or perform a Settlement Function on a daily basis following the date of transaction to enable MBB to capture all the transactions so as to allow MBB to make payment to the Merchant as mutually agreed between MBB and the Merchant as further described in the Letter of Offer. Failure on the Merchant's part to perform or carry out the Settlement Function on a daily basis as stated above will result in penalty charges being imposed by the Card Association i.e. Visa International, MasterCard International, American Express Travel Related Services Company, JCB International and China Unionpay Co. Ltd. In the event MBB becomes liable for such penalty charges and pays the same to Visa International, MasterCard International, American Express Travel Related Services Company, JCB International and China Unionpay Co. Ltd, MBB reserves the right to deduct and set-off the said penalty charges from any amount due and payable to MBB to the Merchant under the terms of this Agreement.
- 3.1.2 Sales Draft Transaction Acceptance**
- 3.1.2.1 Under the Sales Draft Transaction Acceptance the Merchant shall also ensure that the following acceptance procedures are strictly observed and complied with:-
- (a) the amount to be charged by any Cardholder shall be within and not exceeding the Merchant's Authorised Floor Limit, and in this connection, no split sales shall be allowed.
  - (b) in the event a Cardholder seeks to make a purchase transaction over and above the Merchant's Authorised Floor Limit, the Merchant shall seek Authorisation/approval from MBB and shall write, type or print legibly the Authorisation/approval code evidencing any Authorisation so obtained on the Sales Drafts before the completion of such transaction;
  - (c) the Sales Drafts shall be completed with the embossed data/legends of the Credit Card including the following:-
    - (i) the imprinted name, validity/expiry date of the Credit Card and Credit Card account number of the Cardholder using a suitable Imprinter;
    - (ii) the date of transaction(s);
    - (iii) the total price of the transaction(s) (including any applicable taxes)
    - (iv) the Authorisation/approval code, if any
    - (v) the Merchant's imprinted name, address or place of business; and
    - (vi) a description of goods sold or services rendered in detail sufficient to identify the transaction.
  - (d) the Merchant shall obtain the signature of the Cardholder in the appropriate place on the Sales Drafts and shall always compare to ascertain that such signature shall be identical to that appearing on the Cardholder's Credit Card and if such identification is uncertain, or in the event of the signature differs or in the event the Merchant believes there to be a discrepancy in the signature, the Merchant shall contact MBB for instructions.
  - (e) the Cardholder's copy of the completed Sales Draft is given to the Cardholder upon completion of each successful transaction.
- 3.1.2.2 Every Sales Draft shall be delivered directly by the Merchant to MBB not later than the third (3rd) Business Day following the date of transaction for payment.
- 3.2 Mail Order & Telephone Order Transaction Acceptance**
- 3.2.1 When a transaction is concluded by way of Mail Order or Telephone Order, in accepting and honouring the Credit /Charge Card, the Merchant shall ensure that the following acceptance procedures are strictly observed and complied with:-
- (a) In the event of Mail Order transaction, the Merchant shall ensure that the Authorisation Payment Form presented by the Cardholder is legibly completed with the following :-
    - (i) the Cardholder's Credit/Charge Card number and expiry date;
    - (ii) the transaction amount in Ringgit Malaysia (including applicable taxes);
    - (iii) the Cardholder's name, home/office address and home/office telephone number;
    - (iv) a description of goods sold or services rendered in detail sufficient to identify the transaction;
    - (v) the signature of the Cardholder.
  - (b) In the event of Telephone Order transaction, the Merchant shall based on the information given directly from the Cardholder complete the Authorisation Payment Form with the following :-
    - (i) the Cardholder's Credit/Charge Card number and expiry date;
    - (ii) the Cardholder's name, home/office address and home/office telephone number;
    - (iii) the transaction amount in Ringgit Malaysia (including applicable taxes);
    - (iv) a description of goods sold or services rendered in detail sufficient to identify the transaction.
  - (c) The Merchant shall accept only the Credit/Charge Card that is within the validity period expressed by the Cardholder and unexpired;
  - (d) In the event EDC Terminal is provided to the Merchant in connection with the Mail Order/Telephone Order Acceptance, the Merchant shall complete the Authorisation and charging of the Cardholder's account via the used of the EDC Terminal. If no EDC Terminal is provided to the Merchant in connection with the Mail Order/Telephone Order Acceptance, the Merchant shall seek Authorisation/approval from MBB and shall write, type or print legibly the Authorisation/approval code evidencing any Authorisation so obtained on the Authorisation Payment Form before the completion of such transaction.
  - (e) The Merchant shall retain proof that the Cardholder or the Cardholder's agent signed a carrier delivery receipt for merchandise delivered to the Cardholder's billing address or delivery address. You are responsible for ensuring delivery to the appropriate Cardholder's billing address or delivery address.
  - (f) If the goods are to be collected by the Cardholder, the Credit/Charge Card must be presented by the Cardholder upon collection and all the provisions of Clause 3.1 above, must be complied with; and

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(g) If a Cardholder notifies you or us of a dispute, complaint or query concerning a Charge made by Mail or Telephone Order and;

- (i) the Cardholder has not signed a Mail Order form for the goods or services; or
- (ii) you have not obtained a signed receipt confirming delivery of goods or services to the Cardholder's billing address;

then, in addition to any other rights we have under this Agreement, we are entitled to Full Recourse for the Charge. For the avoidance of doubt, we are entitled to Full Recourse whether or not we have given Authorisation of the Charge.

3.2.2 Every Authorisation Payment Forms shall be delivered directly by the Merchant to MBB not later than the third (3rd) Business Day following the date of the transaction for payment.

3.2.3 In the event of EDC Terminal is provided, the Merchant shall carry or perform a Settlement Function on a daily basis to enable MBB to capture all the transactions so as to allow MBB to make payment to the Merchant as mutually agreed between MBB and the Merchant as further described in the Letter Of Offer.

### 3.3 Automatic Bill Settlement Services Transaction Acceptance

3.3.1 When a transaction is concluded by way of Automatic Bill Settlement Services, in accepting and honoring the Credit Card, the Merchant shall ensure that the following acceptance procedures are strictly observed and complied with :-

(a) The Merchant shall ensure that the Enrollment Form presented by the Cardholder is legibly completed with the following:-

- (i) the Cardholder's Credit/Charge Card number and expiry date;
- (ii) the Cardholder's name, home/office address and home/office telephone number;
- (iii) a description of the service rendered or product sold;
- (iv) the signature of the Cardholder.

(b) the Merchant shall accept only the Credit/Charge Card that is within the validity period expressed by the Cardholder and unexpired.

3.3.2 Upon completion of the Enrollment Forms, the Merchant shall be entitled to present all the transactions in the form of computer magnetic tapes/diskette to MBB at agreed intervals for payment and charging of the Cardholder's account as further described in the Letter Of Offer.

3.3.3 All the charging to the Cardholder's Credit/Charge Card accounts under Automatic Bill Settlement Services shall be subject to the Authorisation/approval obtained from the respective Credit/Charge Card Issuers in which only transactions with the Authorisation/approval codes shall be paid by MBB to the Merchant.

## 4. PAYMENT BY MBB

4.1 Upon completion of a Settlement Function or receipt of Transaction Slips by MBB (whichever is applicable), MBB shall pay to or credit the account of the Merchant with the value of each successful Card's transactions less the Discount at the agreed rate as prescribed in the Letter of Offer. The Parties further agree that the Discount rate may be revised from time to time.

4.2 The Merchant shall be informed by written notice of the Discount to be charged for new cards.

4.3 Upon receipt of payment from MBB, the Merchant shall reconcile their sales records against the report provided by MBB or any other Merchant's reconciliation methods. If discrepancies or non-receipt of payment on any of the transaction item is detected, MBB is to be notified of the same. Such notification is to be submitted to MBB within a period of seven (7) days following the transaction date.

4.4 Payment by MBB to the Merchant shall be subject to refusal or chargeback by MBB in accordance with Clause 5 hereof or withholding or refusal of payment under Clause 6.6.

4.5 We offer the following merchant Payment Plans (applicable only to American Express Card Charges, submitted by the Merchant) and you may choose any one for which you are eligible. Your initial choice must be marked on your Application Form but can be thereafter be changed with reasonable written notice to us (at least 15 business days). The Payment Plan you choose will affect your Merchant Discount, so please read these options carefully.

(i) **Two Day Payment Plan;**

Under this plan, payment for Charges submitted either under a properly completed Charge Summary Form or electronically through Electronic Data Capture Terminals will be transmitted directly to your business bank account on the second business day after we receive such Charges. To receive payments directly to your bank account, you must enroll in and be approved for the Direct Credit Payment Service.

(ii) **Three Day Payment Plan;**

Under this plan, payment for Charges submitted either under a properly completed Charge Summary or electronically through Electronic Data Capture Terminals will be mailed to you within three business days after we receive such Charges from you. There are no prerequisites for enrolment in this plan if you receive cheque payment. A fee of RM3.00 will be charged for each payment by cheque which we agree to make. The Bank reserves the right to impose any additional charges from time to time. Alternatively, you can elect to have payments for Charges transmitted directly to your business bank account on the third business day after we receive such Charges. To receive payments directly to your bank account, you must enroll in and be approved for the Direct Credit Payment Service.

(iii) **Weekly/Fourteen/Monthly Payment Plan;**

Under these plans, payment for Charges submitted either under a properly completed Charge Summary or electronically through Electronic Data Capture Terminals will be mailed to you within seven, fourteen and thirty calendar days, respectively after we receive such Charges from you. There are no prerequisites for enrolment in these plans if you receive cheque payment. A fee of RM3.00 will be charged for each payment by cheque which we agree to make. The Bank reserves the right to impose any additional charges from time to time. Alternatively, you can elect to have payments for Charges transmitted directly to your business bank account on the seventh, fourteenth and thirtieth calendar day,

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respectively after we receive such Charges. To receive payments directly to your bank account, you must enroll in and be approved for the Direct Credit Payment Service.

All our payments are subject to our right of full recourse. You shall not be entitled to receive payments for or on behalf of any third party.

### 5. CHARGEBACK BY MBB

5.1

It is hereby expressly agreed that MBB shall be entitled to refuse payment to the Merchant or reject any Transaction Slips presented by the Merchant for payment or withhold payment on all or part of the amount of any transaction and further in the event where payment has been made by MBB to the Merchant, MBB may set-off against Merchant's sales proceed or debit the Merchant's banking account with MBB the relevant amount of whatever description and wherever located upon the occurrence of any of the following :-

- (a) the transaction is incomplete and was or has been discovered to be illegal;
- (b) The Merchant has performed a late Settlement Function or late submission of Transaction Slips for payment to MBB as mentioned hereinbefore.
- (c) the value of the Sales Drafts exceeds the Authorised Floor Limit (unless otherwise authorised by MBB) or if the transaction is found to be a Split Sale;
- (d) the transaction is found to be a duplicate transaction;
- (e) credit or refund to a Cardholder has not been processed even though the Merchant has issued a Credit Voucher or credit note to the Cardholder for the return of goods sold, service canceled, adjustment made, or otherwise;
- (f) the Cardholder's signature on the Transaction Slips, is missing or differs from the specimen signature on the Card of the Cardholder;
- (g) the copy of the Transaction Slips presented to MBB for payment differs from Merchant's or Cardholder's copy;
- (h) the entries on the Transaction Slips are incomplete or illegible;
- (i) the Card concerned is found to have expired or is invalid for any reason whatsoever;
- (j) the transaction is found to be one with a "Declined Authorisation" i.e. where the Merchant has been previously notified by MBB in response to an Authorisation/approval's request that the particular Card is not to be honoured;
- (k) the Sales Draft/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 disputed the transaction;
- (l) the Transaction Slips was prepared by use of a forged Card, or by other fraudulent means;
- (m) the transaction was not entered into nor authorised by the Cardholder;
- (n) the transaction involved is a cash disbursement, cash refund or cash payment which is without the approval from MBB ;
- (o) the Cardholder has lawfully repudiated or rescinded the contract with the Merchant and has declined payment on the Transaction Slips or any other charge form for any reason whatsoever;
- (p) the Merchant fails to fulfill MBB's request for transactions documents as stated in Clause 6.2.2 herein.
- (q) the Cardholder denies liability in respect of any transaction initiated or concluded by Mail Order or Telephone Order or Automatic Bill Settlement Services Transaction Acceptance irrelevant whether the Merchant has observed the terms and conditions of this Agreement or obtained an Authorisation from MBB.
- (r) the transaction has been performed by the Merchant without using the correct Merchant Number provided by MBB as stated under Clause 6.9.2 herein;
- (s) the transaction has been performed by the Merchant using the Card Acceptance Facility which is not granted to the Merchant under the terms of this Agreement;
- (t) the Merchant has failed to exercise the Card acceptance procedures set out in Clause 3 hereinbefore and as a result MBB has suffered loss;
- (u) The Merchant is identified by VISA International or MasterCard International or American Express Travel Related Services Company or JCB International or China Unionpay Co. Ltd or suspected by MBB to be the Point-Of-Compromise (Compromising Customer Account).

5.2

Where the Merchant's ratio of Credit Card counterfeit and/or fraud volume to Credit/Charge Card total sales volume exceeds **two per cent (2%)** or any percentage which might be set at the sole discretion of MBB for two (2) successive months, any Credit/Charge Card counterfeit and/or fraud transactions thereafter shall be eligible for charge back under Clause 5.1 above.

5.3

Notwithstanding the above mentioned clauses in the event of breach or any of the other provisions MBB reserves the right to terminate this Agreement, to refuse payment, to cause the Merchant to repay all payments whatsoever which have been made in the furtherance to this Agreement and all costs incurred in enforcing this Agreement.

### 6. SPECIAL CIRCUMSTANCES

#### 6.1 Credit Vouchers (Refund to the Cardholder)

6.1.1

Where an amount becomes owing by the Merchant to a Cardholder, whether for the return of merchandise, service cancelled, adjustment made or otherwise, the Merchant shall issue a Credit Voucher to MBB to the amount of credit in sufficient detail to identify the transaction as stated herein under Clause 6.1.2. The operations of this clause shall not in any way prejudice MBB's right under Clause 5.

6.1.2

The Credit Voucher shall be completed with the following:-

- (i) the Card account number and name of the Cardholder;
- (ii) the date of transaction(s);
- (iii) the amount of credit in Ringgit Malaysia;
- (iv) the Merchant's imprinted name, official stamp, address or place of business; and
- (v) a description of the merchandise so returned, service canceled, adjustment made or otherwise.
- (vi) authorised signatory of the Merchant.

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6.1.3 The Merchant shall deliver the said Credit Vouchers to MBB within the third (3rd) Business Day following the date of issuance thereby authorising MBB to credit the account of the Cardholder concerned and to debit the Merchant's account or set-off against the Merchant's sales proceed accordingly.

### 6.2 Merchant's Records

6.2.1 The Merchant shall at its own costs and capacity keep proper account and correct copies of all documents relating to the contracts between the Merchant and the Cardholder including Transaction Slips which are the "Merchant Copy" resulting from the use of the Cards, and shall allow MBB at any reasonable time to inspect and/or take copies of all such documents, accounts and Transaction Slips or any charge forms and shall preserve such documents and records for a period of at least ten (10) months from the transactions date.

6.2.2 The Merchant shall provide a legible copy of the relevant Transaction Slips or any related documents upon request made by MBB in writing to the Merchant for the purpose of Clause 5 and/or 6.6 hereof and shall be within any specific time required by MBB.

6.2.3 The Merchant is obliged to provide full cooperation toward any investigations or inquiries made by MBB relating to any of the transactions which is within the period of ten (10) months from the transaction date including furnishing and delivering of transaction documents to MBB.

### 6.3 Unsigned Sales Draft

Where a Cardholder has been undercharged for goods sold or services rendered by the Merchant, the Merchant may raise a new and unsigned Sales Drafts for the additional amount and produce the same to MBB for payment. Without prejudice to MBB's right under Clause 5 hereinabove or otherwise, MBB may, at its sole discretion, make payment to the Merchant for the additional amount less the Discount as stated in Clause 4.1 and to bill Cardholder accordingly.

### 6.4 Prohibited Transactions

6.4.1 The Merchant shall not accept the Card nor use its participation in the Card Service for purposes of transactions other than bona fide purchases by Cardholders of goods and services from you. This means, by way of example and not limitation, that the Merchant may not accept the Card for any of the following:

- (i) gambling goods or services;
- (ii) pornographic goods or services or prostitution;
- (iii) goods or services for which the provision thereof is illegal (e.g. drug trafficking);
- (iv) sales where the amounts charged do not correspond with the value of the goods or services purchased or rendered;
- (v) sales made under a name which is different from the name of the Merchant;
- (vi) sales made by a third party i.e. not the Merchant
- (vii) sales where you know or ought to know that the goods or services will be resold i.e. not for personal use of the Cardholder;
- (viii) cash;
- (ix) damages, penalties, fines, charges, costs or fees of any kind which are in addition to the value of the Charge for the goods or services originally purchased or rendered; or
- (x) amounts which do not represent a bona fide sale of goods or services at the Merchant.

6.4.2 The Merchant must not use its participation in the Card Service as a means of obtaining cash for yourself by seeking payment from us for transactions where you did not supply goods or services to a Cardholder.

### 6.5 Withholding of Payment

6.5.1 MBB shall have the right to withhold payment to the Merchant if any of the following circumstances occur:-

- (a) In the event that irregularities are detected in respect of the Transaction Slips presented or that MBB has reason to believe that the Transaction Slips presented have not been issued for legitimate transactions or being fraudulent or illegal, MBB is entitled to withhold payment until MBB has examined or verified acceptable supporting documentation specified in Clause 6.2 hereinbefore, and in the event the Transaction Slips are, in MBB's reasonable opinion, not valid, no payment shall be made by MBB.
- (b) The Merchant is identified by VISA International or MasterCard International or American Express Travel Related Service Company or JCB International or China Unionpay Co. Ltd or suspected by MBB to be the Point-Of-Compromise (Compromising Customer Account).

6.5.2 The terms in this Clause shall survive the termination of this Agreement.

### 6.6 Right to Set-Off and Consolidation

Notwithstanding any other rights available to MBB under this Agreement, MBB may at its absolute discretion, and at any time without notice or assigning reason thereof, set-off against Merchant's sales proceed or debit the Merchant's banking account with MBB of whatever description and wherever located for the purpose of Chargeback under Clause 5 or towards the reduction or discharge of any sum due to MBB by the Merchant under any of the terms of this Agreement. An interest at current prevailing rate of MBB will be charged to the Merchant in the event the recovered amount had caused the Merchant's banking account to be overdrawn.

### 6.7 Suspension

Notwithstanding any other rights available to MBB under this Agreement, MBB shall be entitled to suspend the Merchant from accepting any Cards' transaction under the terms of this Agreement with immediate effect for a period of time which shall be identified by MBB upon the occurrence of any of the following:-

- (a) In MBB's reasonable opinion that the Merchant is engaged in irregular or fraudulent or illegal transactions.
- (b) The Merchant is identified by VISA International or MasterCard International or American Express Travel Related Service Company or JCB International or China Unionpay Co. Ltd or suspected by MBB to be the Point-Of-Compromise (Compromising Customer Account).

## MERCHANT CARD SERVICE TERMS AND CONDITIONS

### 6.8 Merchant Number

6.8.1 Under the terms of this Agreement, MBB shall provide the Merchant with a Merchant Number for the following:-

- (a) each of the Payment Acceptance Facilities provided to the Merchant.
- (b) each of the Merchant's outlet including but not limited to place of business, shop, counter or temporary or permanent booth where Payment Acceptance Facilities is/are to be made available to Cardholders.

6.8.2 In the event the Merchant wishes to extend any of the Payment Acceptance Facilities to its new outlet(s) or to accept new Payment Acceptance Facilities under the terms of this Agreement, the Merchant shall obtain prior written approval from MBB and in the event MBB approves such request, MBB shall provide the Merchant with a Merchant Number for each of the Merchant's outlets and/or Payment Acceptance Facilities requested. The Merchant shall ensure that all Cards transactions transacted at any of the Merchant outlets and/or through any of the Payment Acceptance Facilities granted to the Merchant use/quote the correct Merchant Number assigned by MBB.

### 7. COVENANT BY MERCHANT

The Merchant hereby covenants with MBB as follows:-

7.1 It shall at all times observe the guidelines and procedures on the acceptance of Cards as instructed and required by MBB as set out hereinbefore including but not limited to the provisions in Clause 3 hereof;

7.2 Unless otherwise provided by any written law for the time being in force, it shall not impose or require Cardholder to pay any surcharge, commission, discount whether through any increase in price or otherwise, or any other term or condition whatsoever on any Cardholder desirous of using the Card.

7.3 It shall not require a minimum transaction amount below which the Merchant shall refuse to honour otherwise valid Card;

7.4 It shall include in the value of the Transaction Slips any tax or carrier charges required to be collected and shall not collect it separately in cash;

7.5 It shall observe and perform all obligations under its contract with the Cardholders including but not limited to the nature, quality and delivery of goods and service contracted to be sold and supplied to the Cardholders;

7.6 It shall not reveal, sell, purchase, provide or exchange Card account number or/and PIN (where applicable) and other information in any form obtained by reason of Cards transactions to any third party;

7.7 It shall obtain approval from MBB in writing prior to any publication or advertisement of promotional materials relating to the new credit/debit cards;

7.8 It shall adequately display any distinctive feature of any new credit/debit cards and VISA Card Programme Marks or MasterCard Marks or American Express Marks or JCB Card Marks or any such Marks for credit/debit that the Bank acquires from time to time and/or product names on promotional materials provided by MBB to inform the public that the Cards will be honored at the Merchant's premises, place or business or its outlets;

7.9 It shall, at all times maintain in good order and keep in safe custody all Transaction Slips, Credit Vouchers, Imprinters and/or EDC Terminals and/or PIN Pads supplied by MBB which shall remain MBB's property, and to return all such Transaction Slips, Credit Vouchers, Imprinters and/or EDC Terminals and/or PIN Pads forthwith to MBB upon demand and/or upon termination of this Agreement under Clause 19.

7.10 Where there is uncertainty or ambiguity in the terms of this Agreement or any guidelines or requirements pertaining to the use of the VISA Card Programme Marks or MasterCard Marks or American Express Marks or JCB Card Marks or Kawanku Marks or VISA Electron Marks or Maestro Marks or MEPS E-POS Marks or CUP Card Marks or any security or distinctive features of the new credit/charge/debit cards the Merchant shall countercheck with MBB for its construction and meaning and the same when given by MBB shall be final and binding.

7.11 The Merchant shall use its best endeavour to promote the use of Cards and to render its cooperation to MBB and Cardholders in connection with the use of the Cards.

7.12 It shall indemnify MBB should its employees or agents obtain with an intention to defraud the Card and/or the PIN from the Cardholder through any means;

7.13 It shall indemnify and hold MBB harmless from and against all liabilities, claims, damages, losses, costs and expenses whatsoever, arising out of or in any way connected to the Merchant's negligent act or omission in the operation of the Cards acceptance programme.

### 8. WARRANTIES BY MERCHANTS AS TO TRANSACTION SLIPS

The presentation of each Transaction Slips by the Merchant to MBB shall be a warranty by the Merchant:-

- (a) that every contract entered into by the Merchant with the Cardholders under which a charge is made under the Cards shall fulfill all statutory or other requirements for its validity and enforceability;
- (b) that at the time of the presentation of Transaction Slips, to MBB:-
  - (i) the Transaction Slips are authorised by the Cardholders and/or not obtained by any fraudulent means;
  - (ii) the value of the Transaction Slips evidence a bona fide sums due and owing from the Cardholder;
  - (iii) the value of the Transaction Slips shall not have been assigned or charged to any third party;
  - (iv) the Cardholder concerned shall not have sought to repudiate or rescind the contract;
  - (v) the Cardholder concerned shall not have acquired any right of set-off or counterclaim available against the Merchant in respect of the value of the Transaction Slips;
  - (vi) the Merchant shall not have agreed with the Cardholder for any extension of the contractual time for payment of the goods purchased and/or service rendered or for any waiver or modification of the terms of the contract;
  - (vii) that the particulars included in the Transaction Slips submitted to MBB shall be correct;

## MERCHANT CARD SERVICE TERMS AND CONDITIONS

- (viii) the Sales Drafts or Sales Slips have been imprinted with the Credit Card produced by the Cardholder;
- (ix) the Merchant has complied with the provisions set out in Clause 3 of this Agreement.

### 9. WARRANTY AND REPRESENTATION

The Merchant represents that statements furnished to MBB are all statements of facts within the actual knowledge of the Merchant and are correct and in order at all times.

### 10. INDEMNITY

Notwithstanding any other provisions of this Agreement, the Merchant agrees that it shall fully indemnify MBB for and against any loss or damage, costs and expenses including legal fees stated in Clause 20.3 which MBB may incur in enforcing or seeking to enforce the payment of the value on the Transaction Slips by the Cardholder and in enforcing the terms of this Agreement against the Merchant.

### 11. WAIVER

The waiver by MBB of any breach of any terms of this Agreement committed by the Merchant shall not prevent the subsequent enforcement of that term and shall not be deemed a waiver of any subsequent breach.

### 12. ASSIGNMENT

The Merchant shall not assign, subcontract or transfer this Agreement in whole or in part to any person or entity without our prior written consent. We shall be entitled to assign or subcontract this Agreement in whole or in part to any of our holding, subsidiaries or affiliate companies upon written notice to you.

### 13. DISCLOSURE OF INFORMATION

13.1 It is hereby agreed by the Merchant that MBB is authorised to disclose, divulge, reveal and/or provide any information concerning the Merchant including but not limited to the particulars herein to its agents, servant and/or subcontractor appointed/engaged by MBB or to any person/party for purposes connected with the products.

13.2 The Merchant hereby authorises MBB and/or its officers to make use of, disclose, divulge or reveal any information relating to its accounts for purposes of or in connection with any action or proceeding taken for the purpose of chargeback under Clause 5 or towards the recovery of monies due and payable by the Merchant to MBB.

### 14. NOTICES

14.1 Any notices, demands, invoices, permissions, claims or consent required, authorised, permitted or contemplated to be served or given hereunder shall be in writing signed by or on behalf of the Party concerned and shall be deemed to have been sufficiently served or given if served by hand or mailed by registered mail or sent by facsimile to the addressee and intended recipient hereinbefore mentioned. Any future change of address of the Parties within the period of this Agreement shall be duly notified to the other by giving one (1) month prior written notice.

14.2 Any notice sent by facsimile transmission shall be deemed served when dispatched and any notice served by prepaid registered post shall be deemed served five (5) days after posting. In proving the service of any notice, it will be sufficient to prove, in the case of a letter, that such letter was properly stamped, addressed and placed in the post or delivered personally or by courier, and in the case of a facsimile number of the recipient given above or subsequently notified for the purposes of this Agreement.

### 15. SERVICE OF LEGAL PROCESS

15.1 The Parties hereby agree that the service of any Writ of Summons or any legal process in respect of any claim arising out of or connected with this Agreement may be effected by forwarding a copy of the same by hand or by prepaid registered or ordinary post to the respective addresses of the Parties hereinbefore mentioned and such service shall be deemed to be duly served after the expiration of five (5) days from the date it is posted and, if delivered by hand, on the day it is delivered.

15.2 No change of address of either Party herein mentioned shall be affective or binding on either Party unless that Party has given to the other actual notice of the change of address and nothing done in reliance on sub-clause (1) above shall be affected or prejudiced by any subsequent change in the said address over which the other Party has no actual knowledge of at the time the act was done or carried out.

### 16. CERTIFICATE OF INDEBTEDNESS

A certificate signed by an officer of MBB as to the monies for the time being due and owing to MBB from the Merchant for chargeback or otherwise shall be conclusive evidence or proof that the amount appearing therein is due and owing and payable by the Merchant to MBB.

### 17. IMPLIED TERMS

Without prejudice to Clause 20.5, this Agreement embodies the entire understanding of the Parties and there are no provisions, terms, conditions or obligations, oral or written, express or implied, other than those contained herein.

### 18. CONFIDENTIALITY

Notwithstanding Clause 13, this Agreement and all matters pertaining hereto including but not limited to, all information relating to Cardholders shall be considered as confidential in nature and shall not be disclosed by the Merchant to any third party unless the said disclosure is mandatory by law. You shall keep confidential any information you receive from us that is not publicly available and this Agreement and its terms and conditions, including, without limitation, your Merchant Discount. You shall take all steps necessary to prevent the transfer or disclosure of Cardholder information to any third party and will not copy, reproduce or store in any form the names and addresses of Cardholders for any purpose whatsoever. For the avoidance of doubt, the obligations of this Clause 18 shall survive the termination or expiration of this Agreement.

### 19. TERMINATION

19.1 Notwithstanding any other provision in this Agreement, either Party may give not less than one (1) month notice in writing in advance to the other Party to terminate this Agreement if;

- (i) you become insolvent or enter bankruptcy, receivership or administration or make an assignment for the benefit of creditors generally;
- (ii) you suffer an execution, attachment, repossession of or foreclosure on all or substantially all of your assets;
- (iii) you cease all or a substantial portion of your business or operations;

## MERCHANT CARD SERVICE TERMS AND CONDITIONS

- (iv) you undergo a merger or substantial change in ownership or control; or
- (v) any event occurs, or series of events occur, whether related or not, which in our opinion may affect your ability or willingness to comply with any of your obligations under this Agreement or to the Cardholder(s) in question;
- (iv) any breach of default on the part of the Merchant under the terms of this Agreement and/or if MBB has reason to believe or at its absolute discretion is of the view that the Merchant has presented a fraudulent or counterfeit transaction for payment and/or where the Cardholder denies/disputes such transaction and/or the Merchant has been identified by VISA International or MasterCard International or American Express Travel Related Service Company Inc. or JCB International or China Unionpay Co. Ltd as engaging in the compromising of the Cardholder's accounts activity;

then in any such events, this Agreement shall terminate automatically and all debts and obligations owed to us shall be deemed immediately due and payable. We shall be entitled to maintain a reserve from payments due to you and/or take such other actions as we may be entitled to under this Agreement or under applicable law or equity;

- 19.2 Upon termination of this Agreement, MBB's obligation to reimburse the Merchant under Clause 4 shall cease on the effective date of any of such termination aforesaid, and MBB shall not be obliged or bound to make any payment on Transaction Slips presented thereafter.
- 19.3 Notwithstanding the aforesaid, MBB's rights and entitlement under this Agreement (including its rights and entitlement of Chargeback under Clause 5) hereof against the Merchant shall survive the termination of this Agreement for or relating to any Card transaction or Transaction Slips presented by the Merchant prior to the date of termination.

### 20. MISCELLANEOUS

#### 20.1 Compliance with Laws

This Agreement shall be governed by Laws of Malaysia and the Parties hereby agree to submit to the exclusive jurisdiction of the Malaysian Courts. You agree to comply with all laws, regulations and rules applicable to you.

#### 20.2 Notice Requirement

Where the merchant is a sole-proprietorship or a partnership, failure of the Merchant to notify MBB of the change as required hereunder shall result in the sole-proprietor or partners (as the case maybe) of the Merchant (as notified to MBB prior to the change) shall be liable for any loss or damage suffered by MBB therefrom.

#### 20.3 Costs

- 20.3.1 The Merchant agrees to pay legal fees (on a Solicitor and Client basis) and other costs and expenses incurred and/or suffered by MBB in connection with or incidental to this Agreement including the fees and stamp duty (if any) in connection with the preparation and execution of this Agreement.

- 20.3.2 The Merchant agrees to pay legal fees (on a Solicitor and Client basis) and other costs and expenses incurred and/or suffered by MBB in the lawful enforcement of MBB's rights and entitlement under this Agreement.

#### 20.4 Binding Effect

This Agreement shall be binding on the Merchant's personal representatives, heirs, successors in-title and legal assigns and on the successors in-title and assigns of MBB.

#### 20.5 Variation

Notwithstanding any other provisions herein, MBB reserves the right at all times to add, waive or vary any of these terms and conditions. Any such addition, waiver or variation shall become effective upon notification to the Merchant by any means MBB deems fit.

#### 20.6 Severability

The invalidity or non-enforceability of any of the provisions herein shall not substantially nullify the underlying intent of this Agreement and the invalid or unenforceable provisions shall be severable and the invalidity or non-enforceability of any terms or provisions herein contained which shall remain in full force and effect.

#### 20.7 Letter of Offer

The Letter of Offer issued by MBB to the Merchant in respect of this Agreement shall form part of this Agreement and shall be read, taken and construed as an essential part of this Agreement. In the event of inconsistencies between the terms of the Letter of Offer and this Agreement, the terms in the former would prevail.

#### 20.8 Merchant's Participation

This Agreement covers the Merchant's participation in the Cards' services for all the offices, outlets and locations of the Merchant in Malaysia at the date of this Agreement and such other offices, outlets and locations as may be agreed upon by MBB from time to time.

#### 20.9 Communication

All communication between the Parties pertaining to this Agreement shall be in the Bahasa Malaysia or English Language.

### 21. NEW CREDIT/CHARGE/DEBIT CARD

- 21.1 MBB reserves the right to issue any new credit/charge/debit card and to enter into agreements with other organisations or institutions issuing credit/charge/debit cards other than VISA International or MasterCard International or American Express Travel Related Service Company Inc. or JCB International or China Unionpay Co. Ltd (herein referred to as "the new credit/charge/debit cards").

- 21.2 The Merchant agrees that MBB is hereby authorised to issue the new credit/charge/debit cards to the Cardholders without the consent of the Merchant and, subject to the foregoing, the Merchant hereby agrees and confirms that upon receipt of written notification and/or written request from MBB, the Merchant shall honour without discrimination the new credit/charge/debit cards when properly presented to it as a means of payment the from Cardholder.

- 21.3 Upon such notification, the stipulations, terms and conditions of this Agreement shall apply mutatis mutandis to the new credit/charge/debit cards and shall be binding upon the Merchant for it full terms and effect thereof subject to any addition, variation or waiver expressed by MBB in the said notifications.

## MERCHANT CARD SERVICE TERMS AND CONDITIONS

- 21.4 In this Agreement, the Merchant is deemed to agree to the terms and conditions applying to the new credit/charge/debit cards and binding upon the Merchant immediately upon receipt by MBB of the express agreement in terms of such notification issued to the Merchant or where the Merchant has honoured the new credit/charge/debit cards presented by the Cardholder.
- 21.5 Such notification or request by MBB to the Merchant shall become effective from the date of receipt of such notification or request by the Merchant.
22. **AUTHORITY TO SIGN**  
You represent that the individual signing the Application is duly authorised on behalf of the Merchant to sign and bind the Merchant to the provisions thereof and hereof.

### ELECTRONIC DATA CAPTURE (EDC) TERMS AND CONDITIONS

These special EDC Terms and Conditions supplement and, where inconsistent with them, modify the Terms and Conditions and form part of your Agreement with us if we have supplied you with or agreed in writing to your use of point of sale computer terminals or other devices or systems designed to read the magnetic stripe and/or EMV chip, on or otherwise capture data electronically from Credit/Charge/Debit or other payment cards for purposes of processing card transactions.

#### 1. **MBB EDC TERMINALS**

The following provisions apply if we supply you with the EDC Terminal(s):

- (a) You agree to allow us to enter any of your premises to install, inspect, repair, service or remove the EDC Terminal(s) for any reason during business hours or at any other reasonable time.
- (b) You will not move or part with possession of the EDC Terminal(s). If you would like any EDC to be moved, you must notify us, and we will move the EDC Terminal(s), provided the proposed new location is acceptable to us in our discretion.
- (c) We will be responsible for maintenance and repair of the EDC Terminal(s). You agree to cooperate fully in our maintenance and repair efforts. Although we shall endeavor in good faith to keep the EDC Terminal(s) in good repair, we shall not be liable to you for our failure to do so or otherwise for the failure of the terminal(s) to operate properly.
- (d) The EDC Terminal(s) are and will remain our property at all times. The Merchant shall take reasonable care of them and return to us promptly upon our request. You also agree to take all necessary steps to prevent any person from acquiring any rights in the EDC Terminal(s), and to indemnify us against any loss and expense arising from the acquisition of such rights by any person. You further agree that you shall not, nor shall you permit any other person to, temper, reverse-engineer, or otherwise misuse the EDC Terminal(s).
- (e) The Merchant agrees to reimburse MBB an amount of RM1,500 for each lost or damaged EDC Terminal whether or not the lost or damaged resulted from causes within your control. This includes but is not limited to damage cause by:
  - (i) the use of EDC Terminal(s) for purposes other than those described in these Special EDC Terms and Conditions; or
  - (ii) alterations and attachments to the EDC Terminal(s) which were not previously authorised in writing by us; or
  - (iii) the acts or omissions of you, your employees, agents, other representatives or contractors; or
  - (iv) the negligent or otherwise improper care or operation of the EDC Terminal(s); or
  - (v) fire, theft, acts of God, or other causes.
- (f) The Merchant shall promptly make a police report in the event of any lost or damaged EDC Terminal(s).
- (g) The merchant agrees not to assign, transfer or sell the services provided by the EDC Terminal(s), not to allow any other party to use the EDC Terminal(s) or to benefit from the EDC Terminal(s), unless otherwise agreed to in writing by us.
- (h) The Merchant shall operate the EDC Terminal(s) only in accordance with the procedures and instructions advised to you by us from time to time. We agree to train your then current staff in the operation of the EDC Terminal(s) at the time of installation by us. You agree to train new staff at your own cost after the initial training.
- (i) You must give us at least 30 days prior written notice if you plan to sell, transfer, close or otherwise dispose of one or more locations at which our EDC Terminal(s) are installed or if you wish us to remove EDC Terminal(s) from such locations. Upon receipt of that notice, we may remove the EDC Terminal(s) from the applicable locations, and we may notify you that these Special EDC Terms and Conditions shall cease to apply to such locations or generally (except in relation to antecedent transactions) and we may take such other steps as we deem appropriate.
- (j) You agree to pay us for each terminal a monthly rental fee as specified on the Letter of Offer via direct debit, cheque payment or any other method acceptable to us and notified to you from time to time. We reserve the right to change these fees from time to time at our discretion with 30 days prior written notice to you.
- (k) The monthly terminal rental fee shall be non-refundable, even if you cease to have any EDC Terminal(s) supplied by us or upon termination of the Agreement.
- (l) The Merchant shall promptly inform us of any faults and/or breakdown in the EDC Terminal(s). You shall not by itself or by its agent or servant, repair or rectify or attempt to repair or rectify any such faults or breakdown in the EDC Terminal(s)
- (m) We shall not be responsible or liable in any way for any loss or damage suffered by the Merchant arising out of or due to the breakdown or faults or delay in response by the EDC Terminal(s).

#### 2. **THIRD PARTY EDC TERMINALS**

The following provisions apply if we agree in writing to your use of EDC Terminal(s) supplied to you by third parties for American Express Card transactions;

## MERCHANT CARD SERVICE TERMS AND CONDITIONS

- (a) We shall not be responsible for the operation of the EDC Terminal(s), including but not limit to the quality of their operation, their ability to communicate properly with our computer system, their maintenance, and any costs associated with them.
- (b) You shall comply with any request from us to modify or discontinue your electronic submission of American Express Card transaction data through use of the EDC Terminal(s).
- (c) You agree that all costs and expenses associated with such modification or discontinuance shall be borne entirely by the Merchant.

<b>PAYMENT CARD INDUSTRY DATA SECURITY STANDARD (PCIDSS) TERMS AND CONDITIONS</b>
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### 1. RESTRICTIONS REGARDING PROCESSING OF CARD TRANSACTIONS

1.1 The Merchant may only store the following information:

- Cardholder number
- Cardholder name
- Card expiry date
- Extended service code (used for Smart Card processing)

If you decide to store the Card Account Number (often referred to as the Primary Account Number "PAN" or Cardholder Number), it is your obligation to ensure security and protection by using encryption or other methodologies that precludes unauthorised individuals from deciphering the card number.

Under no circumstances may you store the CCV2 number, the PIN or the Magnetic stripe data.

1.2 You must ensure that your business, and any service provider who participates in the processing, transmission or storage of card payment details on behalf of your business, fully complies with the PCIDSS and completes the validation requirements compatible with their level.

1.3 You must ensure that your business and any service provider who, participates in the transmission, acceptance or storage of card payment details for your business on your behalf, fully complies with the PCI standard.

Upon request, you must disclose details of any service providers who facilitate transactions on your behalf to Maybank.

1.4 You must follow the Data Breach Procedures immediately upon suspected or known breaches on your system, or that of any service provider who has access to, stores or transmits credit card payment details. You must:

- Identify the cause of the event and immediately notify Maybank
- Isolate or unplug any affected systems from all networks involved in the Services
- Cease installing or making any changes to software related to the Services
- Tighten security controls pertaining to all networks relating to the Services
- Implement and follow the Disaster Recovery Plan
- Maintain a rigorous audit trail of all actions taken to isolate and rectify the event
- Commence calculating the gross potential exposure that may arise from such event and notify Maybank in writing of the results of such calculations as soon as possible, but within a 24 hour period

1.5 You must ensure that any software or hardware you purchase, create or otherwise utilise for the purpose of selling goods and/or services online does not retain its original password before employing it for the acceptance of credit cards. You must also ensure that all passwords are changed on a regular basis.

1.6 When approved for an e-Commerce Merchant facility, any transactions received from cardholders relating to the internet business for which it was approved, must be processed using your approved e-Commerce Merchant facility.

Full Disclosure: If you are approved as a merchant of Maybank, you must willingly, upon request and at pre-determined intervals, supply Maybank with full details of your Web Hosting Provider, Shopping Cart System, Secure Socket Layer ("SSL") provider and expiration date of SSL certificate. You must also disclose details of all service providers you engage with to enable the acceptance of credit card payments and their compliance with Payment Card Industry (PCI). You must also ensure that any service providers you engage to participate in the payment process has installed a SSL which meets Maybank requirements and that it is renewed prior to its date of expiration.

### 2. INDEMNITIES

2.1 You will indemnify us on demand against all losses, expenses and damages we may suffer:

- as a result of your failure to observe your obligations under the Agreement including any procedures set out in the Manuals;
- as a result of MasterCard, Visa or other card schemes imposing fees, fines or penalties on us in accordance with the Rules as a direct or indirect result of your failure to observe your obligations under the Agreement including any procedures set out in the Manuals;
- arising out of any dispute between you and a Cardholder;
- as a result of any error, negligence or fraud relating to a transaction by you, your servants, agents, employees or contractors;
- arising out of any damage to, or loss of the terminals we supply due to you, or your employees', neglect or misuse; or
- arising out of any dispute between you and the Terminal Supplier;
- as a result of any fees, fines or penalties that the Bank is required to pay pursuant to the rules, by-laws or regulations of any Card Scheme that the Bank is a member of or participates in, as a direct or indirect result of your failure to observe any of the procedures, requirements or obligations required to be complied with by you under any Card Scheme used in providing the Banking Services.

2.2 If your company has suffered a data compromise:

You will have to give Maybank and its agents full access to your systems and databases to facilitate a forensic analysis to ascertain:

- (i) What card data has been compromised;

## MERCHANT CARD SERVICE TERMS AND CONDITIONS

- (ii) What weaknesses in the system permitted the unauthorised access to the data base; and
- (iii) Whether card data was created, deleted, altered, copied or manipulated in any manner.

If you use the services of an external Service Provider, you will have to ensure Maybank and its agents are given full access to necessary outsourced components such as data bases, web hosting systems, etc.

All costs of the forensic analysis will be passed on to you.

In order to continue processing card transactions, you will have to undergo a full PCIDSS accreditation. All costs of this accreditation exercise will be borne by you.

- 2.3 Excessive Chargebacks: Maybank will notify you if your chargebacks in any particular category has or is in threat of exceeding the threshold. You must take immediate action to rectify the situation. Failure to resolve the cause of the problem will result in "Excessive Chargebacks fines" imposed by the Card Schemes which will be passed on to you.

2.4 PCIDSS accreditation program

- a. You are required to complete the PCIDSS accreditation program within 3 months of being granted the merchant facility, or within 3 months of our notification to you to comply with the requirement.
- b. Non completion of the PCIDSS accreditation program will place your facility in the non-compliant status. This non-compliant status will attract non-compliance fines from the Card Scheme which will be passed on to you.
- c. In the event that your organisation suffers a card data compromise incident and you have not complied with the PCIDSS accreditation program the Card schemes will levy heavy penalties. Maybank will pass these penalties on to you.
- d. All costs in relation to completion of the PCIDSS accreditation program will be borne by you.

2.5 Consent to share information

- a. Acceptance of these Terms and Conditions gives your consent to Maybank sharing details of a suspected and/or confirmed data compromise to law enforcement agencies, Bank Negara Malaysia and other relevant regulatory and/or statutory bodies and/or as required by any written law or regulations, Card schemes and other parties at Maybank's discretion. This consent is irrevocable and enduring.
- b. Maybank is obliged to report all data compromise events to card schemes, law enforcement agencies and/or other government regulators. Your acceptance of these Terms and Conditions confirms that you understand this obligation and grant irrevocable and enduring consent for Maybank to release details of the compromise to the aforementioned bodies.
- c. Your acceptance of these Terms and Conditions irrevocably confers upon Maybank the enduring right to contact all services providers that enable you to acquire credit card transactions. This clause is limited to the purpose of determining the extent of a data compromise, evaluating remedies to that data compromise and assessing your level of compliance with PCIDSS.

### SPECIAL TERMS AND CONDITIONS

#### (Applicable for Lodging and Car Rental Segment)

1. **AGREEMENT**

These Special Terms and Conditions govern the Merchant's participation in the Card Service for all your locations which are approved by us. In the event of conflict between the Special Terms and Conditions and the basic terms and conditions, the former shall prevail over the latter with respect to the following relevant businesses or matters only. If you are engaged, in any of the following industries/segments, you must comply with the following applicable provisions:

2. **LODGING**

2.1 **Authorisation**

When a Cardholder wishes to use the Card to pay for a lodging stay, at the time of check-in, you will obtain Authorisation for the full estimated amount of the Charge based upon the room rate and the number of days that the Cardholder expects to stay, plus taxes and other known ancillary amounts (Estimated Lodging Charge). The Merchant shall not overestimate this amount. If the Merchant fails to obtain such Authorisation for the Estimated Lodging Charge, and submit the Charge, and the Cardholder fails to pay the Charge for any reason, we shall have Full Recourse for the full amount of the Charge.

2.1.1 Upon check-out:

- (a) if the final Charge is no greater than the Estimated Lodging Charge plus 15% of the Estimated Lodging Charge, no further Authorisation is necessary.
- (b) if the final Charge is greater than the Estimated Lodging Charge by more than 15%, you will obtain Authorisation for any additional amount of the Charge which is greater than the Estimated Lodging Charge. If you fail to request such Authorisation for the additional amount, or request for Authorisation for the additional amount but Authorisation is declined, and the Cardholder fails to pay the Charge for any reason, we will have Full Recourse for the amount in excess of the Estimated Lodging Charge.

2.2 **No-Show**

You will accept Charges on the Card only if:

- (a) the Cardholder has guaranteed the reservation with his/her Card and you must inform the Cardholder that the accommodations will be held until the Merchant's check-out time the following day, unless cancelled by 6.00pm Malaysian time on the scheduled arrival date;
- (b) you have recorded the Card number, its expiry date and the Cardholder's billing address;
- (c) you have a documented "No-Show" policy which reflects common practice in your business and is in accordance with the prevailing law, which policy has been advised to the Cardholder at the time he/she makes the reservation. If the Cardholder does not honour his/her reservation, you shall submit a completed Sales Draft with the words "No-Show" on the signature panel; and

## MERCHANT CARD SERVICE TERMS AND CONDITIONS

- (d) you must inform the Cardholder that if he/she does not check-in by check-out time the following day after his/her scheduled arrival date and the reservation was not properly cancelled, the Cardholder will be charged for one night's lodging plus applicable tax.

### 3. CAR RENTAL

#### 3.1 Authorisation

When a Cardholder wishes to use the Card to hire a vehicle, you shall obtain Authorisation for the full estimated amount of the Charge (Estimated Rental Charge). The Estimated Rental Charge shall be determined by multiplying the rate (including insurance and other applicable charges) by the rental period reserved by the Cardholder. You shall not overestimate this amount and shall not include an amount for any possible damage to or theft of the vehicle. If you fail to obtain such Authorisation for the Estimated Rental Charge and submit the Charge, and the Cardholder fails to pay the Charge for any reason, we shall have Full Recourse for the full amount of the Charge.

3.1.1 Upon return of the vehicle, the following terms shall apply:

- (a) if the final Charge is no greater than the Estimated Rental Charge plus 15% of such Estimated Rental Charge, no further Authorisation shall be necessary.
- (b) if the final Charge is greater than the Estimated Rental Charge by more than 15%, you will obtain Authorisation for any additional amount of the Charge which is greater than the Estimated Rental Charge. If you fail to request such Authorisation for the additional amount, or request for Authorisation for the additional amount but Authorisation is declined, and the Cardholder fails to pay the Charge for any reason, we shall have Full Recourse for the amount of the Charge in excess of the Estimated Rental Charge.

3.1.2 We have the right to periodically monitor you or Merchant's compliance with the Authorisation procedures set forth above. If we notify you that the Merchant is not complying with these procedures, you agree to cure such non-compliance. If after 30 days from the date you were notified of the non-compliance, the Merchant continues to fail to comply with these procedures, then we shall have Full Recourse for the full amount of any Charges made at the Merchant during such continued non-compliance. For the purpose of this provision, "non-compliance" shall occur when more than five percent (5%) of the Merchant's Authorisation or more than five percent (5%) of your Authorisations do not comply with these Authorisation procedures.

#### 4. THIRD PARTY CHARGES

If you supply goods or services to someone other than the Cardholder ("Third Party Charges") and such goods or services are charged to the Cardholder's Card, then you do so entirely at your own risk. If the Cardholder notifies you or us of a dispute, complaint or query concerning the Charge, we shall have the right of Full Recourse in respect of such Charge, whether Authorisation was obtained or not.

## THE AMERICAN EXPRESS CORPORATE PURCHASING SOLUTION (CPS) TERMS AND CONDITIONS

These special Terms and Conditions supplement and, where inconsistent with them, modify the terms and conditions for all Charges made with the **American Express Corporate Purchasing Solution**.

### 1. CORPORATE PURCHASING SOLUTION (CPS)

The American Express Corporate Purchasing Solution (CPS) enables clients to make Charges either:

- by presenting the American Express CPS Card, or
- by using their CPS Account number without presenting a card.

An important difference between the American Express CPS and other American Express payment products is that CPS clients can make Charges without presenting a card.

### 2. DEFINITIONS

In this Section, **CPS Card** means the American Express Corporate Purchasing Solution Card and **CPS Account** means the account on which charges can be made, whether or not through use of a CPS Card.

2.1 **CPS Client** means the individual who presents or uses a CPS Card embossed with his or her name and/or is authorised to make Charges on the CPS Account of an organization by using its CPS Account number.

2.2 **CPS Charge** means a Charge on a CPS Account, whether or not a CPS Card is presented.

### 3. ACCEPTING CPS CHARGES

You must follow the instructions in the table below accepting CPS Charges and any other instructions we may issue from time to time. You must obtain Authorisation for all CPS Charges.

In this situation	Follow these procedures
CPS Card is physically presented	Same as for other American Express Cards. See Special EDC Terms and Conditions - Clause 3 and/or the basic Terms and Conditions - Clause 3
no CPS Card physically presented - Charge by client in person	Same as for other mail or phone Charges. See basic Terms and Conditions - Clause 3.2, plus obtain signature of CPS Client for the Charge as per rules for face to face transactions

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no CPS Card physically presented - Charge by phone or mail	Same as for other mail or phone Charges. See basic Terms and Conditions - Clause 3.2
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3.1 If you cannot reasonably determine the full or final amount of the CPS Charges at the time you request Authorisation, you must obtain Authorisation for the estimated amount of the CPS Charges. You must not overestimate this amount.

3.2 If the full or final amount of the CPS Charges is not greater than the estimated amount for which you have obtained Authorisation, you are not required to obtain further Authorisation.

3.3 If the full or final amount of the CPS Charges is greater than the estimated amount for which you have obtained Authorisation, you must obtain further Authorisation for the difference between the estimated and the full or final amounts of the CPS Charges. If you fail to obtain Authorisation for the difference, we will have Full Recourse for the amount.

#### 4. CPS DATA

In order to process CPS Charges, we may require you to provide us with additional data by electronic transmission, which is called **CPS Data**. This CPS Data may include the following:

- (i) the purchase price of the goods and services;
- (ii) description of other details of the goods or services supplied;
- (iii) CPS Cardholder reference information (eg. Purchasing Order number);
- (iv) CPS Client's Account information;
- (v) Other information we may require from time to time either generally or in respect of particular CPS Accounts.

#### 5. SENDING CPS CHARGES TO US

5.1 If we provide you with a separate merchant account number for CPS Charges you must:

- submit all CPS to us using your CPS Merchant Number and not your normal Merchant Number (if any);
- only use your CPS Merchant Number for CPS Charges and not for other American Express Charges.

5.2 If you use your CPS Merchant Number to submit and obtain payment from us for non-CPS Charges, we shall be entitled to adjust the Merchant Discount for such Charges to the correct amount by deduction or set-off from any amount due to you.

#### 6. CPS EQUIPMENT AND SOFTWARE

6.1 If we provide you with any electronic terminal, computer or other equipment or software to enable you to accept CPS Charges or provide us with CPS Date, you agree that:

- Electronic Data Capture (EDC) Terminal and Special EDC Terms and Conditions will govern your use of such terminal or equipment; and
- the following provisions will govern your use of such software.

6.2 **CPS Software** means computer software and associated documentation we provide you with to enable you to produce CPS Data or process CPS Charges.

6.3 CPS Software is provided with a non-exclusive non-transferable licence for use only at your locations we have approved. We do not grant any right, title or interest in the CPS Software to you. We either own the CPS Software or have obtained the right from a third party to provide it to you. You must not make any changes to the CPS Software without our express prior written approval. All changes to the CPS Software, even if they are made or suggested by you, shall belong exclusively to us.

6.4 The CPS Software includes our proprietary information. However, you may make and retain one (1) copy of the CPS Software including associated documentation, for each location approved by us solely for back-up and/or archival purposes. You must not use the CPS Software for any purpose other than processing CPS Charges or generating CPS Data in accordance with this Agreement. You must not modify the CPS Software nor disclose it to any third party without our express prior written approval.

6.5 Upon termination of the Agreement or if we request you to do so at any time, you shall return the CPS Software (including copies) to us, plus all associated documentation and copies thereof in good working condition, fair wear and tear always excepted.

We reserve the right to charge fees for providing you with CPS Software and/or to change or add to these software licensing conditions from time to time. If you keep or use the CPS Software after we notify you of any fees or charges, or if you continue to accept CPS Charges, you will be deemed to have agreed to them.

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