

(This document is required to be executed on Rs.100 stamp paper)

AGREEMENT WITH MERCHANT ESTABLISHMENT

This Agreement is executed aton this.....day of20.....between SAPTAGIRI GRAMEENA BANK, a Regional Rural Bank incorporated under the RRB Act 1976, carrying on the business of banking and having its Head Office at 19-565/11,3rd Floor, Vishal Mega Mart upstairs, Opp Venkateswara theatre,Vellore Road,Chittoor - 517 002 and among other places a branch at (hereinafter called the 'Bank', which term shall mean and include its successors and assigns) of the ONE PART

and

-----a body corporate under the Companies Act, 1956/partnership firm under Indian Partnership Act, 1932/sole proprietorship having its registered office/principal place of business at

_____ represented by its authorized signatory _____(hereinafter called the Merchant Establishment/Merchant, which term shall mean and include its successors and assigns) of the OTHER PART

The aforesaid persons shall hereinafter be individually referred to as a "PARTY" and collectively as "PARTIES".

NOW THIS AGREEMENT WITNESSETH AND IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

1 DEFINITIONS

- 1.1. **"Authorization"** shall mean the process by which the Bank and/or its business associates approve and confirm to the Merchant whether the Valid Card of the Card holder/customer has the required credit limit/funds (as the case may be) to make payments for a transaction and includes approval flashed on the point of sale terminal or on the mobile application screen at the Premises;
- 1.2. **"Card holder/customer"** shall mean a person holding a Valid Card or UPI handle ID/ Aadhar No. linked to bank account and making payment using that Valid Card or UPI handle Id or Aadhar No linked with an account ;
- 1.3. **"Card Organization"** includes VISA, MasterCard, NPCI and any other card organization acceptable to Service Provider, M/s.MRL Posnet Pvt. Ltd. (a unit of M/s.Worldline India Pvt. Ltd) and/or its business associates or the Bank offering credit, debit or any other card programme to Issuers;
- 1.4. **"Charge Slip"** shall mean the receipt printed/generated out by the POS terminal/QR APP on successful completion of an Authorization of a charge;
- 1.5. **"Data Sheet"** shall mean a sheet annexed to this agreement which contains all Merchant details required to provide Card Transaction Services.
- 1.6. **"Issuer"** means a licensee of a Card Organization issuing a card;
- 1.7. **"Valid Card"** shall mean a card issued by an Issuer, bearing signature of the holder whose name is embossed on the same but shall not include (i) a card listed on a current Warning Notice or (ii) an expired card or a card not yet operational or (iii) a card that cannot be used in India or (iv) a damaged or torn card;
- 1.8. **"Valid Charge"** shall mean the charges which has been incurred at the Premises and has been Authorized by MRL or its business associates;
- 1.9. **"Warning Notice"** means a notice or any other communication issued by the Bank or any Card Organization informing the Merchant of any lost, stolen, invalid and cancelled cards.
- 1.10. **"MRL"** means **M/S. MRL Posnet Pvt. Ltd.** (a unit of M/s.Worldline India Pvt. Ltd) a company incorporated under the Companies Act, 1956 and having its registered office at at Sunny Side Central Block, 1st Floor, No.8/17 Shafee Mohammed Road, Nungambakkam, Chennai – 600 034, hereinafter called Service provider for POS acquirer business and QR acquirer solution.
- 1.11. **"Service Provider"** will to take up the work of setting up, managing and operating Point of Sale (POS) Terminal business and development, implementation and merchant on boarding for QR acquirer solution at present.
- 1.11. **"Merchant/Merchant Establishment"** means any Merchant or Merchant establishment in India engaged in the sale of goods or services and where POS terminal/ QR APP is capable of being installed in the place of business.

- 1.12 **Merchant Discount Rate (MDR)** means the service charge in percentage (%) on the transacted amount payable by the merchant establishment for the transactions performed in POS terminals /QR APP.
- 1.13 **Monthly Rental** means the rental charges payable per POS Terminal by the merchant establishment on a monthly basis for the POS terminal installed at Merchant Establishment.
- 1.14 **Transaction Processing (monthly) Charges** means the charges payable to Service Provider by Merchant establishments on monthly basis for the conduct of transactions applicable only for terminals supplied under one-time cost model.
- 1.15 **QR Code** means quick response code containing the bill details and other merchant details such as Account number, IFSC Code Aadhaar number, UPI handle ID of the merchant in encrypted form for the customer to scan and make the payment.
- 1.16 **Mobile Application** most commonly referred to as mobile app means a type of application software designed to run on a mobile device, such as a smartphone or tablet computer.
- 1.17 **QR code Customer** means those who make digital payments through their payment interface provided by their respective Banks.

2 EQUIPMENT

Pos Machines can be supplied to the Merchants / Establishments under Out Right Purchase Model / Rental Model / any other Model based on market requirement.

- 2.1. In order to provide the Merchant Services, the Bank through any of the Service Providers may provide the Merchant with certain equipment and products including those specified in the Application ("**Equipment**") that are necessary for the provision of the Merchant Services. The Merchant shall acknowledge the receipt of such Equipment in a form and manner acceptable to the Bank and / or the Service Providers, as the case may be and each such acknowledgement shall be deemed to be a part of this Agreement and shall be construed to form a part of this Agreement. The Merchant shall be solely responsible and liable for the safekeeping, custody and maintenance of the Equipment. The terms and conditions in relation to the provisions for installation, usage and operation of the Equipment are specified hereunder. The Merchant shall use the Equipment only for providing Card Transaction Services and for no other reason whatsoever.

3 CARD TRANSACTION SERVICES

- 3.1. **Submission of Charges:** The Merchant shall submit all Charge Slips related to the transactions undertaken by Card holder/customers at the Premises, to the Bank on a regular basis. However, any charge slips received by the Bank more than twenty-one (21) days after the charges are incurred shall be subject to recourse against the merchant. By presentation of the Charge Slips and any other credit form, or other information and documents relating to Card Transactions, the Merchant represents and warrants that: (i) all statements

and data contained therein, are true, correct and complete; (ii) the Merchant has supplied or will arrange to supply or caused to be supplied the services or goods to which the transaction information relates to and for the amount stated therein; (iii) no other Charge Slip has been or will be issued or presented in respect of the same Card Transaction; (iv) the Merchant agrees to retain the Charge Slips and the bills/invoices pertaining to the charges for a period of one (1) year from submission date and make them available to Bank on request;

- (v) as and when the Bank requests for a particular Charge Slip, the same shall be handed over to the Bank within fifteen (15) days of the request; (vi) the relevant Charge Slip represents a genuine business transaction undertaken by the Card holder/customer using a Valid Card in respect of which the Merchant has to, or will, duly discharge all of the Merchant's obligations; and (vii) in case of any claim or dispute is made by any Card holder/customer relating to any transaction, the Merchant shall retain the charge slip pertaining to the specific transaction till the dispute is finally settled to the satisfaction of the bank; (viii) in respect of such disputed, Card Transactions, the Merchant shall also save and retain images of the transactions that might have been captured by CCTV Surveillance Camera installed by the Merchant, if any, till such dispute is finally settled for the purpose of investigation.

3.2. **Acceptance of Charges and Payment:** The Bank hereby agrees to accept without recourse all Valid Charges and the Merchant agrees to accept payment less the amount calculated at the Merchant Discount Rate (MDR) as specified in the Application/Data sheet and the applicable service taxes, cess and other statutory levies that are payable in respect of the Merchant Discount Rate, including but not limited to service tax and education cess on the total amount listed on the Charge Slips signed by the Card holder/customer. Subject to the terms of this Agreement, the Bank shall pay to the Merchant on the day the Bank receives the Charge Slips, (except under circumstances beyond the reasonable control of Bank) an amount equivalent to the Valid Charges specified in the Charge Slips presented by the Merchant at the Bank's offices after deducting the amount calculated at the Merchant Discount Rate (Card Transaction Reimbursement Amount). The Bank shall make such payment by crediting the amount to the Merchant's account.

3.3. **Charges Payable by Merchant Establishment :** In consideration of the services being rendered by the Bank through the service provider and/or its business associates, the merchant hereby authorizes the Bank to deduct the amount calculated at Merchant Discount Rate (plus taxes as applicable) from the payment to be made to the merchant. It is clarified that the merchant discount rate shall mean the service charges in percentage as specified in the Application/Data sheet and intimated by the Bank, in writing, to the merchant. The merchant hereby agrees that the Bank may from time to time increase or decrease the merchant discount rate under intimation to the merchant in writing. Further the merchant hereby agrees to pay the Bank the various other applicable charges viz. monthly rental on POS terminal/s under rental model and monthly transaction processing charges under one-time cost as specified in the Application/Data sheet. Bank reserves its rights to recover the charges to the debit of Merchant account or out of the settlement proceeds.

3.3.1 **Fixed charges:** If any equipment/solution/connectivity is provided by Bank to Merchant under Rental Model/ any other model requiring collection of fixed charges, such charges shall be collected from the merchant on

monthly/quarterly/half- yearly/yearly basis towards usage cost of the equipment/solution/connectivity and its maintenance.

3.3.2 **Recurring charges:** Recurring charges shall be charged either fixed amount per transaction or as a percentage on the value of transaction, based on the costs associated with the transaction mode of Merchant Acquisition.

3.3.3 **Lost machine charges:** In case the POS machine is lost/stolen, Rs.10,000/- will be payable by the merchant towards lost terminal charges.

Bank reserve its rights to revise the charges referred in the Application/Data sheet from time to time and will be intimated to Merchant Establishment in writing.

4 CHANGE OF OWNERSHIP/BUSINESS

4.1 The Merchant shall immediately notify the Bank of any sale, assignment, lease or transfer in any way of the Merchant's all or any significant or material part of its assets. The rights obtained under this Agreement by the Merchant are not assignable without prior written approval of the Bank. Where the Merchant proposes to change the nature of business or merchandise sold or services provided by the Merchant, which may result in the Merchant Category to be changed in the books of the Card Organizations, the Merchant shall use the Equipment: (a) only after such change is informed to each of the Bank; and (b) upon receipt of acceptance, in writing, thereof from the Bank.

5 PROMOTIONAL MATERIAL

5.1. The Merchant shall during the Term of this Agreement, display such symbols, names, promotional materials on its Premises, place(s) of business, establishment(s) as may be required by the Bank and/or Service Provider. Notwithstanding anything contained herein, the Merchant irrevocably authorizes the Bank and/or Service Provider to include the Merchant's name in any catalogue or any other promotional material as may be prepared or produced by the Bank and/or Service Provider pertaining to acceptance of Merchant Services or the sales, marketing or promotion of any service offerings.

6 COMPLIANCE

6.1. The Merchant hereby confirms and acknowledges that merchant shall comply and has complied with all applicable laws of the land and further acknowledges that the Bank shall have no obligation to verify whether or not the Merchant has acted in accordance therewith.

6.2. The Merchant hereby also confirms and acknowledges that merchant is aware of and agrees to abide by the guidelines of the Card Organizations/RBI/Government & other Regulatory bodies.

- 6.3. **The Merchant shall not deploy any other payment applications in the Equipment which has the capacity to capture card number or card details**
- 6.4. In the interest of Card holder/customers and security of Card Transactions, the Merchant agrees to comply with Payment Card Industry (PCI) Data Security standards and arrange to encourage deployment of Payment Application Best Practices (PABP) compliant applications in the Equipment.
- 6.5. The Merchant shall capture only the transactions done at the Premises in the Equipments deployed and on no account, the Merchant shall capture any transactions done on other establishments or capture the card data including CCV number for the purpose of skimming, duplicating and fabricating the cards.

7 TERMS AND CONDITIONS FOR EQUIPMENT

7.1. **Responsibility for damages:**

Rental Model:

The Merchant shall be responsible for all damages to the Equipment and/ or all losses or damages or claims arising out of negligence, misuse of the Equipment and/ or default by the Merchant in fulfillment of its obligations under this Agreement or default in payment for any telecommunication devices attached to/ inbuilt within / embedded in the Equipment (“**Defaults**”). Upon the occurrence of any of the above defaults (without prejudice to the other rights and remedies available to the Bank in terms of this Agreement or under applicable laws), the Bank shall be entitled to recover the cost of the equipment and/or any loss or damage which the Bank may incur or suffer by reason of such default from the merchant.

One-time Cost Model:

The Merchant shall be responsible for all damages to the Equipment and/ or all losses or damages or claims arising out of negligence, misuse of the Equipment and/ or default by the Merchant in fulfillment of its obligations under this Agreement or default in payment for any telecommunication devices attached to/ inbuilt within / embedded in the Equipment (“**Defaults**”). In any of the above cases, the Merchant will be solely responsible to bear the service charges/charges for spare parts.

- 7.2. **Installation of point of sale terminal:** The Merchant hereby expressly agrees and consents for installation of the Equipments at the Premises by the Service Provider and undertakes that it has obtained all the necessary approvals in respect of installation of Equipments at the Premises, if any, to enable the processing of Card Transaction and/or Merchant Services, during the Term of this Agreement, at the Premises.

- 7.3. **Merchant’s Responsibilities:** The Merchant hereby agrees, undertakes and covenants to do following:

- a) Be responsible for the cost of any electricity consumed by the Equipment and data line charges, if any, payable in connection with it;

- b) Retain in its possession and for its exclusive use the Equipment provided in terms of this Agreement and keep the same in good and safe condition. Merchant shall control the use of the Equipment such that any transaction using the Equipment shall be deemed to be authorized and sanctioned by the Merchant;
- c) Not alter or otherwise tamper with the programme or the components in the Equipments;
- d) Ensure that all times during the business hours at least two (2) members/staff/employees of the Merchant, who have been trained by MRL and/or the Service Provider to operate the Equipments, are available at the Premises;
- e) Report promptly to the Service Provider any fault in the operation of the Equipments or misuse of the equipment.;
- f) The Merchant who has availed POS terminal at monthly rental model shall not: (a) sell, assign, transfer, lease or otherwise dispose of any Equipment deployed or provided by the Bank and/or the Service Provider; (b) mortgage, charge, hypothecate, create or permit to exist any liens or other security interests over any Equipments deployed or provided by the Bank and/or the Service Provider; (c) remove, conceal or alter any markings, tags or date attached to the Equipments or any part thereof indicating the Bank and/or the Service Provider ownership of such Equipment; (d) remove or relocate the Equipment without obtaining the prior written confirmation of the Bank ; (e) cause or allow the Bank and/or the Service Provider's right to access, repossess or dispose of the Equipments deployed or provided by the Bank pursuant to this Agreement or otherwise to be encumbered in any way or otherwise jeopardized by any act or omission of the Merchant or its servants, representatives or agents or because of any other factor within the Merchant's control; (f) permit any third party to perform any kind of maintenance services on the Equipments deployed or provided by the Bank and/or the Service Provider including but not limited to services for any modifications, enhancement or software/engineering changes to the Equipments deployed or provided by the Bank and/or the Service Provider, without the prior written consent of the Bank;
- g) Permit the authorized representatives of the Bank and/or the Service Provider to carry out physical inspections or audits of the Equipments deployed or provided by the Bank and/or the Service Provider anytime during business hours, with or without notice;
- h) Make good the Bank the loss or damage arising out of (a) negligence or misuse of the Equipments deployed or provided by the Service Providers and /or (b) breach of the aforesaid obligations, undertakings or covenants with regard to the Equipments.
- i) Ownership of Equipment:

Rental Model:

The Merchant hereby acknowledges, agrees and confirms that the Equipments deployed or provided by the Bank and/or the Service Provider are the exclusive properties of the Bank and/or the Service

Provider, as the case may be, and shall be surrendered to the Bank and/or the Service Provider, as the case may be, on demand during the Term of this Agreement and/or immediately upon any termination or expiry of this Agreement. Under no circumstances shall the Merchant claim any right, title or interest in or to the Equipments provided by the Bank and/or the Service Provider, for any reason whatsoever. The Merchant shall be responsible for the maintenance of the Equipment deployed or provided by the Service Providers and for the secrecy of any software and keys (embedded into the POS terminal) and shall neither allow or facilitate any piracy, nor violate any copyright/trademark relating to any software or other intellectual property rights.

One-time Cost Model:

The Merchant hereby acknowledges, agrees and confirms that the Equipments deployed or provided by the Bank and/or the Service Provider are the exclusive properties of the Merchant. The Merchant shall be responsible for the maintenance of the Equipment and for the secrecy of any software and keys (embedded into the POS terminal) and shall neither allow or facilitate any piracy, nor violate any copyright/trademark relating to any software or other intellectual property rights.

j) Reservation of Rights:

Rental Model:

The Bank reserves the right to withdraw at any time, and from time to time, the Equipments or any part thereof, deployed or provided by the Bank and/or the Service Provider at anytime from the Premises, in its sole discretion, for any or no reason and without assigning any reason whatsoever, and its decision shall be final and binding upon the Merchant, without any demur, protest or objection from the Merchant.

k) The merchant shall be solely responsible and liable for the safe keeping of password and & other credentials.

8 TERMS AND CONDITIONS FOR CARD/ CARDLESS TRANSACTION

8.1. **Authorization process:** The Merchant shall obtain an Authorization from the Service Providers for any and every charges incurred by the Card holder/customer in the following manner:

a) On the presentation of the card by a Card holder/customer for the purpose of payment, the Merchant shall verify and confirm that: (a) the card is a Valid Card; (b) the card is an original card and the same bears the logo, name of the issuing bank, a genuine hologram of the issuing Card Organization and such other details as may be stipulated by the Service Provider from time to time; (c) the card is not mutilated or altered card; (d) if the card is a photo card, the Merchant should also verify that the photograph on the card matches with the Card holder/customer; and (e) the signature panel strip on the card is duly signed and the signature

appearing therein tallies with that of the Card holder/customer inscribed on the charge slip.

- b) Upon completion of the aforesaid verifications and for the purpose of obtaining the Authorization, the Merchant shall do the followings:

b.1) In case of POS Transactions, the merchant shall swipe the Valid Card in the POS Terminal/ device and enter the details of the transactions / card as being requested. Upon the Authorization of a particular charge ("**Valid Charge**"), the Merchant shall obtain signature of the Card holder/customer on the Charge Slip (on both Merchant's copy as well as the Card holder/customer copy) ("**Online Charge Slip**") which shall specify the charged amount and the name of the Card holder/customer and such other details as may be provided by the Service Providers. Thereafter, the Merchant shall verify the Card holder/customer's signature on back panel of Valid Card with the signature of the said Card holder/customer on the Charge Slip. In the event of mismatch of the Card holder/customer signature, the Merchant shall follow procedure as laid down by the Service Providers in the Merchant Operating Instructions or otherwise from time to time.

b.2) In case of QR based transactions, the merchant will generate the QR code for the customer to scan and authorize the transactions. Upon the authorization of a particular transaction, the customer will receive the charge slip on his/her mobile phone as an SMS. The charge slip will be stored centrally and the merchant can view the transaction details at any point time

- c) The Merchant may also be required to obtain prior approval by contacting MRL and/or the Service Providers by telephone ("**Approval**") in the following cases: (a) the amount of a charge incurred on a Valid Card exceeds the limit as mentioned in Application/Data Sheet hereto (the "**Single Charge Floor Limit**"); (b) the amount of a charge or series of charges incurred on a Valid Card/s on a single day exceeds the limit as mentioned in Application/Data Sheet hereto (the "**Total Charge Floor Limit**"); (c) the Merchant believes the card may be counterfeit/stolen/lost; or (d) there are suspicious circumstances surrounding the presentation of the Valid Card. The Merchant hereby agrees that MRL may from time to time increase or decrease the Single Charge Floor Limit and Total Charge Floor Limit.

8.2. **Splitting of Charge Slip**: The Merchant shall not split one single invoice charge into two (2) or more Charges Slip(s) as the same shall not be acceptable to MRL and/or the Service Providers.

8.3. **Undertaking and Acknowledgement**: The Merchant hereby agrees that this Agreement shall be applicable in respect of each and every Card Transaction at the Premises. Further, the Merchant undertakes to honour and accept every Valid Card when properly presented as payment by Card holder/customer for all transactions. The Merchant shall only undertake online Card Transactions and shall not undertake offline transactions. The Merchant shall not engage in such acceptance practices or procedures that discriminate against, or discourage the use of VISA/MasterCard cards in favour of any other card that is also accepted by the Merchant or other payment mode accepted by the Merchant. Further, the Merchant acknowledges that any purchase from it by the Card holder/customer creates a direct obligation on MRL and/or the

Service Provider to pay the Merchant and the Merchant agrees not to bill the Card holder/customer directly. The Merchant agrees that the prices charged to Card holder/customer will not exceed the prices charged to the general public for the relevant goods and services.

- 8.4. **Dispute pertaining to Authorization and/or Approval:** In case of any disputes regarding Authorization and/or Approval given by MRL and/or the Service Providers or regarding any details pertaining thereto (whether as to card number, expiry date of a Valid Card, amount, date and the time of charges, time at which Authorization and/or Approval is given or any other details whatsoever), the decision of MRL and/or the Service Providers to grant or refuse Authorization and/or the Approval and the details mentioned by MRL and/or the Service Providers shall be final and binding on the Merchant.
- 8.5. **Suspect Charges:** The Parties hereby agree that in the event that MRL and/or the Service Provider determines that the charges have been fraudulently incurred or charged either on a non-Valid Card or a counterfeit card or non card based fraudulent transactions where MRL and/or the Service Provider has reason to investigate or cause to be investigated any charges, MRL and/or the Service Provider will be entitled at any time by giving notice to set-off and adjust outstanding of the Merchant, against all payments due to the Merchant and such set-off and/or adjustments shall be final and binding on the Merchant. Further, where MRL and/or the Service Provider has reason to believe that any charges have been fraudulently incurred or charged either on a non-Valid Card or a counterfeit card or any non card based fraudulent transactions or where MRL and/or the Service Provider has reason to investigate or cause to be investigated any charges (hereinafter referred to as “**Suspect charges**”), MRL and/or the Service Provider shall be entitled to withhold the payment pertaining to such Suspect Charge(s) for a period not exceeding 6 (six) months from the due date of payment in terms of this Agreement. Provided that if before expiry of 6 (six) months from the due date of payment in terms of this Agreement, MRL and/or the Service Provider determines after due enquiry and investigation that the charge is a Valid Charge and not a Suspect Charge, MRL and/or the Service Provider shall release such withheld payment to the Merchant Account. Provided further that if within the said period of 6 (six) months MRL and/or the Service Provider or the Bank, Police or any other authorities, determine after due enquiry and investigation, that any Suspect Charges is not a Valid Charge, MRL and/or the Service Provider shall be entitled not to pay the same at all and the Merchant agrees and undertakes not to raise any claims thereto.
- 8.6. **Charge-backs:** The Merchant agrees that any charges Authorized and/or Approved or accepted by MRL, Bank and/or the Service Provider in terms of this Agreement or any Service Agreement, which proves to be uncollectible, and which was incurred in any of the circumstances, as set out hereunder, shall be the exclusive financial responsibility of the Merchant. The Merchant agrees to the non-payment by MRL, Bank and/or the Service Provider of such charges or the charging back of such uncollectible charges (as the case may be) by MRL, Bank and/or the Service Provider, without any demur or protest: (a) any charge which is not a Valid Charge and/or which is made by a card or non card based transaction, which is not Valid at the time of incurring of the charge by the card holder/customer; (b) any charge which was incurred by a card holder outside the date indicated as “valid through” on the Card holders’ Valid Card; (c) any charge incurred outside the territory authorized for the use

of a Valid Card; (d) any charge incurred involving the forgery of the Card holder/customer's signature on the Charge Slip; (e) any charge incurred which involves a charge form incomplete or illegible as to the Card holder's name, the number of the Valid Card or the validity date of the Valid Card; (f) If a customer orders and receives a product or service from a merchant, but informs the issuer Bank that he/she did not authorize the charge; (g) any charge received by MRL, Bank and/or the Service Provider more than twenty one (21) days after a Card holder/customer incurred the charges and were authorized and/or Approved by MRL, Bank and/or the Service Provider in terms of this Agreement;(g) any charge that was previously billed and paid directly by the Merchant to the Card holder/customer; (h) any charges without prior Authorization and/or the Approval of MRL, Bank and/or the Service Provider; (i) any charges for merchandising or services which is in excess of the advertised price;(j) any charges for undelivered merchandise or service; (k) any charges with respect to which a Card holder/ customer refuses to pay because the merchandise or services purchased from the Merchant were not as promised or the merchandise was defective or services were deficient in any respect; (l) any charges with respect to which the Merchant has not resolved a Card holder/customer's complaint or request for an adjustment; (m) where the Merchant is a partnership firm or a proprietary concern and the partner/the proprietor is, in his individual capacity, a Card holder/customer holding a Valid card, such partner/ proprietor shall not use his Valid Card for the purchase of goods or for supply of any services and thereby seek to utilize the payments received from MRL and/or the Service Provider against such purchases for funding the Merchant. Such charges shall not constitute a Valid Charge and MRL and/or the Service Provider shall not be liable to make payment to the Merchant in respect of such charge; (n) the Card Transaction is for any reason unlawful or unenforceable; (o) signature on the Charge Slips (which are required to be signed by the Card holder/customer) is forged or the Card holder/customer alleges the signature to be forged signature on the Valid Card used for the Card Transaction; (p) Merchant's copy of the Charge Slip or any other document required to be signed by the Card holder/customer in relation to the Card Transaction and presented to MRL, Bank and/or the Service Provider for payment is incompatible with the copy provided to the Card holder/customer; (q) price charged to the Card holder/customer with respect to the products/merchandise/ services is in excess of the price charged by the Merchant while receiving payments in cash for the same products/merchandise/goods/services; ® all or any part of the products/merchandise/goods /services covered by the Card Transaction are returned or rejected, and the Card Transaction is validly cancelled or terminated by a Card holder/customer; (s) even though the sale price was in excess of the Single Charge Floor Limit or the Total Charge Floor Limit, as the case may be, and no prior Approval was obtained from MRL, Bank and/ or the Service Provider for carrying out such Card Transaction; (t) MRL, Bank and/or the Service Provider has requested evidence in relation to a Card Transaction, which the Merchant has failed to provide; or (u) Card Transaction which involves violation of these terms and conditions or any Merchant Operating Instructions.

- 8.7. **Advances and/or Refunds:** In case any Valid Charges of any Card holder/customer are required to be credited back to such card holder/customer, the Merchant will not allow such card holder/customer to cash any cheque

and/or the Merchant will not make any cash advances/refunds and account reversal directly to such card holder/ customer.

8.8. **Deactivation of POS:**

8.8.1: **Deactivation Request by Merchant:**

Rental charges will be deducted from merchant's account till the date of receipt of deactivation request at Head Office.

8.9. **Additional Terminal:**

If the merchant requires additional POS terminal, only POS application (excluding agreement) may be submitted to Head Office. One agreement is sufficient for any number of terminals.

9 **Cash @ POS**

CASH@POS refers to the facility by which a debit card/pre-paid holder is permitted to withdraw cash at Point of Sale (POS) terminals.

- I. The minimum and maximum amount of withdrawal will be as per RBI guidelines.
- II. Cash withdrawal scheme will be made available to all debit cards/pre paid-cards issued in India i.e. cards issued by Saptagiri Grameena Bank and other Banks
- III. The convenience fee will be recovered by the card issuing Bank from the account of the card holder and the merchant shall not collect any charges whatsoever from the cardholder.
- IV. The Cash@POS facility is available irrespective of whether the card holder makes a purchase or not.
- V. Any incentive to merchant will be as per RBI guidelines.
- VI. Any display material given by the Bank with reference to the cash withdrawal facility should be displayed prominently in the merchant premises.
- VII. The chargeback rules applicable for purchase-only transaction at POS would also be applicable for cash withdrawal at POS.
- VIII. The Bank has the right to withdraw the facility of Cash@POS at its own discretion.

10 **EMI @ POS**

- EMI facility is applicable on Credit cards only
- EMI acceptance can be enabled for all Merchant categories except specified categories as given below:

Nature of Business	MCC
Precious Stones and Metals, Watches and Jewellery	5094
Clock, Jewellery, Watch and Silverware Stores	5944
Clock, Jewellery and Watch Repair Shops	7631
Fuel Dispenser, Automated	5542
Fuel Dealers–Coal, Fuel Oil, Liquefied Petroleum,wood	5983
Money Send Intracountry	6536
Money Send Intercountry	6537
Money Send Funding	6538
Funding Transaction (Excluding MoneySend)	6539
Wire Transfer Money Orders, Money Transfer (M)	4829

Package Stores–Beer, Wine and Liquor	5921
Real Estate Agents and Managers–Rentals	6513
Gambling–Horse, Dog Racing, State Lottery	9754
Government-Licensed Casinos (Online or Internet Gambling)	7801
Gambling Transactions,Betting (Sportsbook, fantasy, social gaming; when regulated and not covered by other MCCs) (D)	7995
Service Stations (With or Without Ancillary services)	5541
Petroleum and Petroleum Products	5172
Other Services–Not Elsewhere Classified	7299
Real Estate Agents and Managers–Rentals	6513
Securities–Brokers and Dealers	6211

- The facility is presently enabled only for Select Bank’s credit cards (may vary from time to time) as given below:
 1. State Bank of India
 2. Punjab National Bank
 3. Central Bank of India
 4. Kotak Bank
 5. HSBC Bank
 6. ICICI Bank
 7. RBL Bank
 8. IndusInd Bank
 9. HDFC Bank
 10. Yes Bank
 11. Axis Bank
 12. Standard Chartered Bank

11 AMAZON PAY

All transaction related operations and chargeback rules applicable for purchase-only transaction at POS would also be applicable for Amazon Pay transactions.

12 SODEXO

Separate agreement to be executed between Sodexo and the merchant. Clearing and settlement process will be done by Sodexo. Bank is in no way responsible for Sodexo related transactions, dispute/settlement.

Applicable only for following MCC:

Sodexo Category Id	Sodexo Category Name	MCC Code	Sub category
1	Canteen / Caterers	5811	Others (Caterers, Canteens etc.)
2	Fast Food	5814	Fast Food restaurants & Food court
4	Ice Cream Shop	5451	Ice Cream Stall / Shop
5	Others / Miscellaneous	2741	Others
6	Super Market	5411	Kirana / Provision store /

			Supermarket
7	Coffee Shop	5999	Tea / Coffee / Fruit Juice stall
8	Fruits & Vegetables	5199	Fruits and Vegetables
9	LFE/SFE	5499	Food Stall
10	Restaurant	5812	Restaurant
11	Sweets / Dry Fruits / Dairy Product	5441	Sweet shop
12	Bakeries & Confectioners	5462	Bakery and Dairy
13	Juice Shop	5999	Tea / Coffee / Fruit Juice stall
14	Pizzeria	5814	Fast Food restaurants & Food court

13 FORCE MAJEURE

13.1. If a Party's performance of any of its obligations under this Agreement is hindered or delayed by a force majeure event even after such Party having taken reasonable care and such force majeure event was not caused as an action of such Party, then such Party will be excused for such non-performance for as long as such force majeure event continues. The Party affected by the force majeure event is to immediately notify the other Party of the occurrence and details of the force majeure event. If the force majeure event continues for a continuous period exceeding one hundred and eighty (180) days, the Parties shall mutually agree on the future course of action. However, despite all efforts made by the Parties in good faith, if the force majeure event continues for a further one hundred and eighty (180) days, the Bank shall have the right to terminate this Agreement by giving the other Party a notice of termination in writing.

14 CONFIDENTIALITY

14.1. All information and material provided by the Bank and/or Service Provider/s ("Owner") to the Merchant in connection with, pursuant to or in terms of this Agreement and / or any Services Agreement shall be deemed to be 'confidential information' for the purposes of this Clause. Further, all the information provided by a customer to the Merchant for undertaking the Merchant Services shall be kept confidential and shall be deemed to be confidential information for the purpose of this Clause. The Merchant shall hold all such information and materials in confidence and shall not in any manner whatsoever disclose, duplicate, publish, release, transfer or otherwise make available such confidential information to, or for the use or benefit of, any person or entity without the prior written consent of the Owner. In the event that the Merchant is required to disclose any of such confidential information pursuant to applicable law, it shall intimate the Owner, in writing, within twenty four hours of receipt of such requirement, so that the Bank may take appropriate action to protect the confidential information and shall cooperate with the Owner in this regard.

15 TERM

15.1. The term of this Agreement shall be for a period three (3) years from the Effective Date (the "**Initial Term**"), unless earlier terminated in accordance with this Agreement. This Agreement shall be automatically renewed for a further period three (3) years from the expiry of Initial Term (each such successive term, ("**Renewal Term**") unless written notice of termination is given by either Party not less than [Ninety (90)] days prior to the end of the Initial Term or any Renewal Term. The Initial Term and Renewal Term, as the case may be, are referred to as "**Term**".

16 TERMINATION

16.1. The Agreement may be terminated only for the reasons specified herein:

- (A) Immediately by the Bank without prior notice to the Merchant, in the event of
 - (i) A breach by the Merchant of the terms of this Agreement; or
 - (ii) Where the Merchant is disentitled to honor a Valid Card; or
 - (iii) Where any of the statements or particulars given by the Merchant are found to be untrue or false or in the event of any fraud or misrepresentation by the Merchant; or
 - (iv) Where a petition of winding up, act of insolvency and bankruptcy is admitted against the Merchant.
 - (v) In case the terminal is non-transacting for more than one month and/or rent/transaction processing (monthly) charges is due for one month, terminal will be deactivated without any prior intimation. If the terminal needs to be re-activated, all the pending rent due has to be paid by the merchant.
- (B) The Bank shall be entitled to terminate this Agreement by providing the Merchant with seven (7) days written notice in the event of
 - (i) Bank is of the view that the risks involved in continuing with the Agreement outweigh the benefits; or
 - (ii) In the event of Bank receiving any customer complaints, this termination shall take place forthwith on notice of the same being provided to the Merchant.
- (C) The Bank shall be entitled to terminate this Agreement without any further notice to the Merchant, if the Merchant does not agree with any variation or amendment suggested by the Bank to this agreement or fails to respond to the same within ten (10) days of receipt of notice of such amendment or variation. The view of Bank in respect of such termination shall be final and binding on the Party.

17 CONSEQUENCES OF TERMINATION

17.1. Upon termination or expiry of this Agreement: the Merchant shall forthwith, but no later than seven (7) days, present all due Charge Slips to the Bank which relates to the Card Transactions prior to expiration of the Term or termination of the Agreement and subject to the terms of this Agreement, the

Bank shall make the payments in respect of such due Charge Slips, provided however, where any refund claimed by the Bank exceeds the amount due to the Merchant, the difference thereof shall be a debt due from the Merchant to Bank and be forthwith recoverable by action.

18 INDEMNITY

18.1. The Merchant will indemnify, keep indemnified and hold harmless of the Bank from and against any claims, charge backs, demands, actions, suits or proceedings, liabilities, losses, costs, expenses, taxes, legal fees or damages asserted against or incurred or suffered by the Bank on account of acts or omissions of the Merchant in connection with the sale of goods and/or services (by the Merchant), the performance of this Agreement, breach of a contract or duty by the Merchant, misuse of the equipments provided by MRL the service provider or any other service provider nominated by the bank, commission of any fraud, or breach of any of the representations or warranties of the Merchant or the same becoming false or untrue. Further, the indemnity provided herein shall survive the termination/cancellation hereof in so far as it pertains to events that transpired during the subsistence hereof.

19 GENERAL

- 19.1 The Bank shall always be entitled to enter into arrangements with any one or more of other Credit Card organizations whether in India or abroad, inter alia providing for issue of Credit Cards by the Bank and/or one or more of such organizations in association with each other and also authorizing such other organizations in association to deal and transact with the Merchant with regard to any of the functions to be performed by the Bank under this agreement. When the merchant is intimated by the Bank about such arrangements, the Merchant shall be bound to honour such cards also under this agreement subject however to any stipulations which may be made by the Bank specially in this behalf.
- 19.2 The Merchant agrees to collect the photocopy of the passport & stamped Visa for transactions for cards issued by the Banks outside India towards card transaction authentication.
- 19.3 The Merchant hereby undertakes to take the sole responsibility for all the transactions routed through them.
- 19.4 The Merchant undertakes to make good/repay all amounts incidental to the transactions in case of any chargeback & penalties levied by VISA/MASTERCARD International & NPCI (RuPay).
- 19.5 The Merchant confirms that if there are any disputed Credit Card transaction amounts claimed by any other bank, the Merchant takes sole responsibility to repay the entire amount, if any, due to chargeback/penalties claimed by other banks.
- 19.6 The Bank is at liberty to recover by debiting the account and if the balance does not suffice, the Merchant will repay the amount immediately.
- 19.7 Nothing in this Agreement is intended, or will be construed, to constitute or establish a joint venture, partnership or fiduciary relationship between the Parties, and no Party may act for or on behalf of the other Party, except as

otherwise expressly provided herein. Each Party is acting as an independent contractor in the performance of its obligations under this Agreement.

- 19.8 Each Party will promptly notify the other Party of any legal or regulatory proceeding or any threat of a legal or regulatory proceeding of which it becomes aware with respect to any matters that are the subject of this Agreement.
- 19.9 This Agreement, including its Schedules, constitutes the entire understanding between the Parties with respect to the subject matter hereof and supersedes all prior written and oral proposals, understandings, letters of intent, agreements and representations, all of which are merged herein. Any amendment or modification of this Agreement must be in writing and executed by each of the Parties hereto except for changes mandated by Applicable Law or by a Regulatory Body for which The Bank gives Merchant written notice. Each Schedule attached to this Agreement is incorporated into this Agreement by reference to such Schedule.
- 19.10 Each Party will assist, cooperate, execute documents and take such actions and provide such further assurances as to effect the transactions contemplated by this Agreement. This Agreement and the rights and obligations expressed in this Agreement will not be abrogated, prejudiced or affected by the granting of time, credit or any indulgence or concession by either Party to the other Party or to any other person or by the exercise by either Party of any of its rights hereunder or by any compromise, release, abandonment, waiver, variation, relinquishment or renewal of any rights of either Party. Neither Party may be deemed to have waived any of its rights, powers or remedies under this Agreement unless the waiving Party expressly approves such waiver in writing. No waiver may be construed to be an ongoing waiver of subsequent situations. This Clause shall survive the termination or expiration of this Agreement.
- 19.11 If any provision hereof is for any reason determined to be invalid, that provision will be deemed modified so as to be enforceable to the maximum extent permitted by law consistent with the intent of the Parties as herein expressed, and such invalidity will not affect the remaining provisions of this Agreement, which will continue in full force and effect.
- 19.12 This Agreement may be executed in any number of counterparts each of which will be an original, with the same effect as if the signatures were upon the same instrument.
- 19.13 Neither Party may make any public announcement relating to the other Party, the terms of this Agreement or its performance hereunder without the other Party's prior written consent.
- 19.14 If any inconsistency exists between the terms of this Agreement and the Rules, the Rules take precedent.

20 MISCELLANEOUS

- 20.1. The Parties to this Agreement are independent parties and nothing in this Agreement shall make them joint ventures, partners, employees, agents or other representatives of the other party hereto and neither party shall make any representation that suggests otherwise.
- 20.2 All amendments or modifications to this Agreement shall be in writing and shall be duly executed by the authorised representatives of each of the Parties

20.3. All rights and remedies hereunder shall be cumulative and may be exercised singularly or concurrently.

21 NOTICES

21.1. All notices or communications to be issued under or pursuant to the terms of this Agreement shall be in the English language and shall be issued in either of the following modes:

- i. Hand delivery, with due acknowledgement; or
- ii. Courier, with proof of delivery; or
- iii. Facsimile transmission, e-mail or comparable means of communication to the relevant Parties.

Any notice to be sent to MRL will be sent to its head office (as specified above), any notice sent to the Merchant will be sent to the address as specified in Application/Data Sheet, and any notice to be sent to the Bank will be sent to the Head office of the Bank (as specified above), followed by the communication also being sent by delivery of hand or courier to the relevant Party. Any change in the address, telephone number, telecopy number or email id for notification purposes shall be notified to the other Party within 15 (fifteen) days of the change.

22 ASSIGNABILITY

- 22.1 Either Party may from time to time delegate the performance of any of its obligations under this Agreement to an Affiliate or subsidiary subject to the prior written consent of the other Party which consent shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing each Party will remain liable to the other Party for the performance of such obligations.
- 22.2 In the event a Party wishes to subcontract, sublicense, assign, license, franchise or in any other manner attempts to extend or transfer to any third party any right, duty or obligation it has under or pursuant to the terms of this Agreement it must first obtain the prior written consent of the other Party which consent shall not be unreasonably withheld, conditioned or delayed. In any event the Party will remain jointly and severally liable for all of its obligations under this Agreement so assigned, delegated or subcontracted.
- 22.3 This Agreement will be binding on and inure to the benefit of the Parties hereto and their respective successors and permitted assigns. There are no third party beneficiaries to this Agreement.

23 INTELLECTUAL PROPERTY RIGHTS

- 23.1 Each Party shall own their respective Intellectual Property and nothing contained herein shall be construed as granting or implying any transfer of rights from one Party to the other Party in the Intellectual Property owned by a Party prior, during or subsequent to this Agreement.
- 23.2 For the avoidance of any doubt all Intellectual Property Rights and other Proprietary interests in and to Bharat QR merchant acquirer solution, and all documentation, content and materials comprising Bharat QR merchant acquirer solution belonging to Bank, and the Payment Services or otherwise provided by the Bank hereunder (including, without limitation, any

modifications, enhancements, updates, new versions, derivatives works and improvements to the foregoing) shall be and remain the Merchant acknowledges and agrees that it acquires no right of title or ownership in or to the foregoing items pursuant to this Agreement.

24 GOVERNING LAW AND ARBITRATION

- 24.1 This Agreement shall be governed by and construed in accordance with the laws of India.
- 24.2 Any dispute, controversy or claims arising out of or relating to this Agreement or the breach, termination or invalidity thereof, shall be settled by arbitration in accordance with the provisions of the Indian Arbitration and Conciliation Act, 1996 except where the Parties fail to jointly appoint a Presiding Arbitrator in accordance with Clause 15.3 below.
- 24.3 The arbitral tribunal shall be composed of three arbitrators, one appointed by the Merchant, one by the Bank and the Presiding Arbitrator to be appointed jointly by the Parties.
- 24.4 The place of arbitration shall be at Chittoor and any award whether interim or final, shall be made, and shall be deemed for all purposes between the Parties to be made, in Chittoor.
- 24.5 Submitting to arbitration may be considered as an additional remedy and it does not preclude the parties seek redressal/other legal recourse.

25 RIGHT OF DISCLOSE

The Bank will be entitled at any time to disclose any/all information concerning the Merchant within the Knowledge and possession of the Bank to any party including VISA, Mastercard or Rupay who may in turn inform to any concern in connection with Credit Card acceptance facility provided by the Bank any time.

Nevertheless, nothing contained herein shall restrict the Bank from disclosing any/all information pertaining to the merchant within the possession of the Bank to the statutory authorities on their demand.

IN WITNESS WHEREOF the Parties hereto has put their respective signatures to this Agreement through the hands of their authorized signatories

For and on behalf of SAPTAGIRI GRAMEENA BANK Branch Manager		For and on behalf of (Merchant Establishment) (Authorised signatory)	
Name		Name	
Title		Title	

Witnesses:

- 1. _____
- 2. _____