

Payment Facilitator Terms and Conditions

These terms and conditions form the agreement (“Agreement”) between OCBC Bank (Malaysia) Berhad / OCBC Al-Amin Bank Berhad (“Bank”) and the Payment Facilitator:

1. DEFINITION OF TERMS

- 1.1 In this Agreement, unless the context otherwise requires, the following words and expressions shall have the following meaning:-
- “ADC” means Account Data Compromise event which would occur or likely to occur, as defined under the Standards;
- “Affiliate” means any person(s) or body, whether incorporated, including the Bank, participating in the VISA Credit/Debit Card Programme, MasterCard Credit/Debit Card Programme, MyDebit Card Programme and/or programme of any Card Associations and entitled to issue credit cards;
- “Authorisation” means the process in which the issuer, or a processor on the issuer’s behalf, approves or denies a Card Transactions;
- “Business Day” means a day (other than Saturday, Sunday or a Public Holiday) on which the Bank is open in Kuala Lumpur;
- “Banned and High Risk Industries” means any banned and high risk industries as determined by the Card Associations and / or the Bank from time to time. The Payment Facilitator is prohibited from recruiting sub-merchants who are involved in such industries. Please refer to Schedule C as attached for a non-exhaustive list of the banned and high risk industries;
- “Card” any validly issued and unexpired VISA credit or debit card bearing the VISA logo and/or other relevant service marks licensed by VISA International or any validly issued and unexpired MasterCard credit or debit card bearing the MasterCard logo and/or other relevant service marks licensed by MasterCard International, issued by any bank, financial institution or Card Association, with the name, Card validity period and Card account number of the Cardmember imprinted or embossed on the Card, which Card pursuant to this Agreement may be used by the Cardmember as a means of payment for purchases of and charges relating to the Merchandise and/or Services;
- “Card Associations” means VISA, MasterCard, MyDebit and/or any other card associations that the Bank may subscribe with from time to time;
- “Cardmember” means a holder of Card who makes purchases of Merchandise and/or Services from the Sub-merchant via the Sub-merchant’s Delivery Channels;
- “Card Transaction” means any payment transaction effected or to be effected by any Cardmember with the Payment Facilitator, over any of the Sub-merchant’s Delivery Channels, by the use of the Card, which definition shall include a reference to any payment transaction effected by the Sub-merchant and/or the Payment Facilitator requesting for payment by charging to the said Cardmember’s Card and his Card account the payment to be made, as contemplated by the payment instructions;
- “Card Transaction Date” means the date on which the Card Transaction is effected, or such other date as the Bank may in its discretion determine;
- “Chargeback Claim” means any sum claimed from the Bank or any refusal of any payment to the Bank by an Affiliate of any Card in relation to a Card Transaction for whatever reason;
- “Delivery Channels” means the conveniences made available by the Sub-merchant to which a Cardmember can purchase the Merchandise and/or Services;
- “Excessive Chargeback Programme” means a set of programmes provided by the Card Associations for the Bank to closely monitor, on an ongoing basis, its chargeback performance at the Payment Facilitator and (at the Bank’s sole discretion without being obliged so to do, in which event the Payment Facilitator shall render all assistance as the Bank may require) the Sub-merchant levels and to determine promptly when the Payment Facilitator or (at the Bank’s sole discretion without being obliged so to do, in which event the Payment Facilitator shall render all assistance as the Bank may require) the Sub-merchant has exceeded or is likely to exceed monthly chargeback threshold;
- “Malaysian Ringgit” Malaysian Ringgit or the sign “MYR” means the lawful currency of Malaysia.
- “Marks” means the names, logos, trade names, logotypes, trademarks, service marks, trade designations, and other designations, symbols, and marks, including but not limited to any one of the Card Associations’ brand marks and name marks, that any one of the Card Associations and/or its affiliates or subsidiaries own, manage, licence, or otherwise control and make available for use by the Bank and other authorised entities;

“MasterCard”	means MasterCard International Incorporated, a company organised under the State of Delaware having its office and principal place of business at 2000 Purchases Street, Purchase, NY10577-2509, United State of America of which the Bank is a member institution;
“Merchandise”	shall include every kind of movable property, software or information in forms of hard copy that cannot be delivered to the Cardmember via an on-line media as well as every kind of software, information or service in forms of soft copy that can be delivered to the Cardmember via an on-line media, which are legally identifiable and its availability shall not breach any laws, regulations, or by-law of Malaysia;
“Mobile Devices”	means a portable electronic device equipped with necessary support required for communication purposes, including but not limited to mobile phone, personal digital assistant (PDA) and laptop computer;
“Payment Facilitator”	means retailer, firm or any other person (pursuant to this Agreement) who agrees to facilitate transaction on behalf of the Sub-merchant and recruiting the Potential Sub-merchant that accepts Card via internet and/or Mobile Devices and/or any other Delivery Channels;
“Payment Facilitator Discount”	means the Payment Facilitator discount rate pricing as may be notified by the Bank to the Payment Facilitator;
“Payment Instructions”	means any instruction given by a Cardmember, whether contained in an electronic order form or otherwise, instructing and authorising the Payment Facilitator to charge to the said Cardmember’s Card and his Card account the amount of any payments due and payable to the Sub-merchant for Merchandise and/or Services provided or to be provided by the Sub-Merchant to the said Cardmember or at his request;
“Payment Card Industry-Data Security Standard (PCI-DSS)”	means a set of comprehensive requirements for enhancing payment account data security which was developed by the founding payment brands of the Payment Card Industry Security Standards Council to protect account data;
“Services”	means the services that can be provided and/or rendered to the Cardmember which are legally identifiable and its availability shall not breach any laws, regulations or by-laws of Malaysia;
“Specified Person”	means (a) the State of Israel or its governmental organisation, authority or agency; (b) a natural person who is a citizen or permanent resident of the State of Israel; (c) any person incorporated, established, or registered for purposes of incorporation or establishment, in the State of Israel or under its laws including such person’s direct subsidiary or branch outside the State of Israel; or (d) any unincorporated person which is formed in the State of Israel or under its laws or policy. The Bank may revise the definition of the Specified Person from time to time as may be directed by Bank Negara, by giving advance notice to the Payment Facilitator;
“Standards”	means any law, bylaws, rules, policies and the operating regulations and procedures of the Card Associations and the Bank, including but not limited to any manuals, guides or bulletins, as may be amended from time to time;
“Sub-merchant”	retailer, firm, corporation, establishment, society, body, club, association or any other entity who has been approved by the Bank (at its sole discretion) before the entering into a sub-merchant agreement with the Payment Facilitator whereby the Sub-merchant is authorised to accept Card Transaction. For the avoidance of doubt, the Bank reserves its rights not to approve to any retailer, firm, corporation, establishment, society, body, club, association or any other entity as sub-merchant without giving any reason for such disapproval;
“Valid Card”	means a Card which has a validity period imprinted thereon during which the Card Transaction Date falls or would fall; and
“VISA”	means Visa International Service Association, a company organised under the State of Delaware with its principal office at 3125 Clearview Way, San Mateo, CA94402, United States of America of which the Bank is a member institution.

1.2 In this Agreement, unless the context otherwise requires, words importing one gender shall include all other genders, words importing the singular number shall include the plural number and vice versa, references to “person” shall include references to a firm, society or card association, and references to parties and clauses shall be references to the parties and clauses of this Agreement.

1.3 The headings to the clauses shall not be taken into consideration in the interpretation or construction of this Agreement or any of its provisions.

1.4 The Terms and Conditions Governing Merchant Card Services shall apply, as if the Payment Facilitator being the "Merchant" referred therein. All Card Transactions mentioned hereunder shall be deemed "Card Transactions" under the Terms and Conditions Governing Merchant Card Services.

2. CARD TRANSACTION

2.1 The Payment Facilitator shall accept all Cards in payment only for purchases of and charges to the Merchandise and/or Services of the Sub-merchant and who would bill the Cardmembers through the Payment Facilitator and which agreement or arrangement was notified to and approved by the Bank, subject to the terms and conditions of this Agreement. The Payment Facilitator shall not require any Cardmember to pay any part of the Payment Facilitator Discount whether through an increase in price or otherwise or to pay any other charge or to require security from or otherwise impose any condition on a Cardmember in connection with any Card Transaction.

2.2 The Payment Facilitator shall observe all security measures whether or not prescribed by the Bank and/or any Card Associations in respect of the acceptance of any Card for payment of any Card Transaction, including but not limited to ensuring that any Card which is accepted is a Valid Card.

2.3 The Payment Facilitator shall publish the means for Payment Instructions to be given by any Cardmember who desires to make payments to the Sub-merchant with the use of a Card for the Merchandise and/or Services provided by the Sub-merchant via the Sub-merchant's Delivery Channels on its website or any related materials or media.

2.4 The Payment Facilitator shall seek authorisation from the Bank for each and every Card Transaction.

2.5 The Payment Facilitators shall comply with all instructions whatsoever given to the Payment Facilitator by the Bank in response to a request by the Payment Facilitator for payment in connection with any Card Transaction carried out pursuant to the Payment Instructions.

2.6 The Payment Facilitator may not infer any impropriety, wrongdoing, or lack of creditworthiness on the part of any Cardmember from the declining of any authorisation request made in respect of any Card Transaction attempted to be affected by the Cardmember pursuant to the Payment Instructions.

2.7 The Payment Facilitator must submit promptly at the Bank's request, records of Card Transactions submitted by a Sub-merchant and involving any Cardholder.

2.8 The Payment Facilitator shall only submit genuine Card Transaction with a bona fide Cardholder. The Payment Facilitator must not submit to the Bank any Card Transaction that:

- (a) the Payment Facilitator or Sub-merchant knows or should have known to be fraudulent, counterfeit, suspicious, wrongful or not authorised by the Cardmember, or that either know or should have known to be authorized by a Cardmember colluding with the Payment Facilitator or the Sub-merchant for a fraudulent, counterfeit, suspicious and/or wrongful purpose; and
- (b) represents the refinancing or transfer of an existing Cardmember obligation that is deemed to be uncollectible or arises from the dishonour of a Cardmember's personal cheque. The Payment Facilitator and the Sub-merchant are deemed to be responsible for the conduct of their employees, agents, and representatives.

2.9 The Payment Facilitator shall only accept Card Transaction from the Sub-merchant with which it has a valid and existing sub-merchant agreement.

2.10 The Payment Facilitator shall ensure that all Card Transactions arising from any international trade with or involving a Specified Person shall only be submitted for payment supported with evidence to the Bank's satisfaction that :

- (a) the trade is licensed under Customs Act 1967 or allowed in writing by a relevant authority exercising statutory power in Malaysia; or
- (b) if the trade does not fall under the preceding sub-clause (a) above, the payment arising from such trade is approved by Bank Negara in writing.

2.11 The Payment Facilitator must pay the Sub-merchant for all Card Transactions the Payment Facilitator submits to the Bank on the Sub-merchant's behalf. This obligation is not discharged with regard to a Card Transaction until the Sub-merchant receives payment from the Payment Facilitator, notwithstanding any payment arrangement between the Sub-merchant and the Payment Facilitator or between Payment Facilitator and the Bank.

2.12 All Card Transactions shall be in Malaysia Ringgit (MYR) unless the Payment Facilitator request in writing that the Bank accepts Card Transactions in some other currency and the Bank in its absolute discretion approves such request.

3. PAYMENT FACILITATOR'S SYSTEM

3.1 The parties acknowledge that the setting-up, maintenance, upgrading, security and integrity of the Payment Facilitator's computer system, and all costs thereof, and any other matters related thereto, shall be borne by the Payment Facilitator and are the Payment Facilitator's.

3.2 Notwithstanding clause 3.1, the Payment Facilitator and its agents shall keep all systems and media containing any information or data (whether physical or electronic) relating to Cardmembers, their Card accounts and transactions in a secure manner, to prevent access by or disclosure to anyone other than the Payment Facilitator's authorised personnel or the Bank. However, in the event that any of the aforesaid information or transaction data stored in any part of the Payment Facilitator's system is lost, damaged, theft or compromise to the Bank immediately upon the Payment Facilitator having notice thereof. Thereafter,

the Payment Facilitator shall, in consultation with the Bank, take immediate steps to remedy the situation and prevent its recurrence.

- 3.3 Notwithstanding clause 3.1, if the Payment Facilitator upgrades or changes the version or type of its software and/or hardware or any other part of its system, the Payment Facilitator shall inform the Bank such change prior to its implementation and conduct testing with the Bank's system soonest possible. The Bank shall not be liable for any loss or damage suffered by any party or any incompatibility between the Payment Facilitator's system due to such changes made by the Payment Facilitator.
- 3.4 The Payment Facilitator shall accept full responsibility, and the Bank shall not be liable in any way, for any claims, liabilities, expenses, costs, loss or damage of whatever nature brought against, suffered or incurred by or caused to any party whatsoever due to or arising out of or in connection with this Agreement or any breach or compromise of the security or integrity, or malfunction, of any encryption and identification software, any electronic code keys, any equipment provided to any party or the Payment Facilitator's system.
- 3.5 Notwithstanding clause 3.1, the Bank and/or any Card Associations shall be entitled to enter any of the Payment Facilitator's and/or the Sub-merchant's premises with or without prior notice to audit and inspect the software, hardware, system records, procedure and/or any other part of its system with a view to ascertaining whether the setting-up, operation, maintenance, security and integrity thereof or any other matter related thereto may adversely affect the Bank's and/or any Card Associations interests or the Bank's right under this Agreement. All costs and expenses incurred thereon shall be borne by the Payment Facilitator and shall be debited into the Payment Facilitator's account.

4. REPRESENTATIONS, WARRANTIES, UNDERTAKING AND COVENANTS BY THE PAYMENT FACILITATOR

The Payment Facilitator represents and warrants that it is validly existing, in good standing and has the full capacity, power and authority to enter into this Agreement. The Payment Facilitator hereby undertakes and covenants:

- 4.1 To ensure that :
 - (a) each of the Sub-merchants is and remains located in Malaysia throughout the duration of the Sub-merchant agreement with the Payment Facilitator. To clarify, the location of the Card Transaction shall be determined by the location of the Sub-merchant, not the location of the Payment Facilitator; and
 - (b) the business owner(s) or shareholder(s) of each Sub-merchant is/are not Specified Person(s).
- 4.2 To provide and to ensure that the Sub-merchant provides a full description of the Merchandise and/or Services available to the Cardmember including description of any guarantees and/or warranties granted by the supplier and/or manufacturer for such Merchandise and/or Services;
- 4.3 To ensure that the Sub-merchant list accurately the cost of the Merchandise and/or Services and the delivery and/or shipping charges in Malaysian Ringgit and the equivalent in such other foreign currency or currencies acceptable by the Bank;
- 4.4 To use and to ensure that the Sub-merchant uses the Bank's service only for its intended purposes of communicating and conducting business with the Cardmember;
- 4.5 To ensure that the Sub-merchant shall refrain from offering any Merchandise for sale and/or Services at a price lower than that which are not commercially reasonable or acceptable;
- 4.6 To ensure that the Sub-merchant shall made available and / or post on its website, only Merchandise and/or Services which the Sub-merchant has legal or legitimate rights to sell and market such Merchandise or perform such Services;
- 4.7 To ensure that any Card Transactions or any activities that are illegal or are deemed by the Card Associations in their sole discretion to be damaging or as having the potential to damage goodwill of the Card Associations or as reflecting negatively on the Marks shall not be submitted;
- 4.8 The Payment Facilitator shall not, and shall ensure that its Sub-merchants do not, undertake or engage in any dealing or transaction with a Specified Person. The Payment Facilitator represents and warrants that it has established systems, internal controls and due diligence processes to effectively detect and deter any dealing or transaction with or involving a Specified Person, whether by the Payment Facilitator or by any of its Sub-merchants;
- 4.9 To monitor on an ongoing basis the Card Transactions and upon detection of such Card Transactions with or involving a Specified Person, to immediately notify the Bank about and carry on investigation into such Card Transactions together with suggested remedial actions to prevent recurrence and report to the Bank on a timely basis;
- 4.10 Any use of a Mark by the Payment Facilitator in acceptance advertising, acceptance decals, or signs, must be in accordance with the Standards, including the Card Associations' reproduction, usage, and artwork Standards, as may be in effect from time to time. The Payment Facilitator acknowledges that its use or display of any Mark will terminate effective with the termination of this Agreement or upon notification by the Card Associations to discontinue such use or display. The Payment Facilitator further acknowledges that its use or display of the Mark does not give it any ownership or interest in the Mark;
- 4.11 To monitor on an ongoing basis the Card Transactions and use of the Marks of each of the Sub-merchants for the purpose of deterring fraudulent, counterfeit, suspicious and/or other wrongful activity and to be ensure ongoing compliances with the Standards;
- 4.12 That before entering into, extending or renewing a sub-merchant agreement with a Potential Sub-merchant, to verify the Potential Sub-merchant that it is a bona fide business, has sufficient safeguards in place to protect Cardmember and Card

Transaction permitted by the Standards to be captured from authorised disclosure or use, complies with applicable laws, and that each Card Transaction submitted by the Sub-merchant will reflect bona fide business between the Sub-merchant and the Cardmember. The Payment Facilitator further undertakes and covenants that it must not enter into, extend or renewal sub-merchant agreement with any entity which is involved in the Banned and High Risk Industries;

- 4.13 To maintain on an ongoing basis the names, addresses and URLs of each of the Sub-merchants and notify the Bank immediately of any changes;
- 4.14 To be financially liable for all Card Transactions and liable for all acts, omissions, cardmember disputes, and other Cardmember service-related issues caused by the Sub-merchant;
- 4.15 To be responsible and financially liable for each Card Transaction submitted by the Sub-merchant, or for any disputed Card Transaction, or credit;
- 4.16 Not to transfer or attempt to transfer any of the Payment Facilitator's financial liability by way of asking or requiring Cardmembers to waive their dispute rights;
- 4.17 Not to permit the Sub-merchant to transfer or attempt to transfer any of the Sub-merchant's financial liability by way of asking or requiring Cardmembers to waive their dispute rights;
- 4.18 Not to become a sub-merchant of any other payment facilitator;
- 4.19 Not to become a payment facilitator for another payment facilitator;
- 4.20 To provide the Bank and/or the Card Associations with the necessary information, documents and records of the Card Transaction, Cardmember, Sub-merchant and the Payment Facilitator and assistance required or requested by anyone of the to maintain compliance with the Standards and laws immediately upon request by the Bank and/or the Card Associations at any reasonable time;
- 4.21 Not to enter into any sub-merchant agreement with a Potential Sub-merchant who has been terminated by the Payment Facilitator or the Bank earlier;
- 4.22 Not to enter into any sub-merchant agreement with a Potential Sub-merchant who has been blacklisted by the Bank and/or any Card Association unless prior approval by Bank has been obtained;
- 4.23 Not to deposit any money into the account of another payment facilitator regardless whether such payment facilitator is located within or outside Malaysia;
- 4.24 To manage the Sub-merchants and the Payment Facilitator acknowledges that the Bank shall not be asked to deal with any of the Sub-merchants directly. For the avoidance of doubt, the Bank may refuse attending to any enquiries from the Sub-merchants;
- 4.25 Not to present to the Bank any Card Transactions from any party other than the Sub-merchants by any manner including but not limited to routing such transactions through any of its Sub-merchants;
- 4.26 To enter into sub-merchant agreement with each Sub-merchant and the sub-merchant agreement must not contain any terms that conflict when the Standards nor interfere with or lessen the right of the Payment Facilitator, the Bank, or the Card Associations to terminate the said sub-merchant agreement at any time and at the same time, ensure that the sub-merchant agreement must contain terms and conditions as required in the Standards, including but not limited to the following:
 - a) on an ongoing basis, the Sub-merchant must promptly provide the Payment Facilitator with its current address of each of its offices, all "doing business as" (DBA) names used by the Sub-merchant and a complete description of Merchandise sold and Services provided;
 - b) in the event of any inconsistency between any provision of the Sub-merchant agreement and the Standards, the Standards will govern;
 - c) the Payment Facilitator is responsible for the Card acceptance policies and procedures of the Sub-merchant and may require any changes to its website or otherwise that it deems necessary or appropriate to ensure that the Sub-merchant remains in compliance with the Standards governing the use of the Marks;
 - d) the sub-merchant agreement automatically and immediately terminates if the Card Associations de-register the Payment Facilitator or if the Bank ceases to be a member of the Card Associations for any reason;
 - e) the Payment Facilitator may, at its discretion or at the direction of the Bank or Card Associations, immediately terminate the sub-merchant agreement for activity deemed to be fraudulent, counterfeit, suspicious, or otherwise wrongful by the Payment Facilitator, the Bank or Card Associations, including but not limited to:
 - i. fraudulent, counterfeit, suspicious and/or wrongful activity;
 - ii. presenting Card Transaction that does not result from an act between a Cardmember and the Sub-merchant;
 - iii. entering into a payment facilitator agreement under a new name with the intent to circumvent the provisions of the Standards;
 - iv. activity that causes the Bank repeatedly violate the Standards;
 - v. activity that has resulted in the Card Associations prohibiting the Payment Facilitator from participating in any programme of the Card Associations; and
 - vi. any other activity that may result in undue economic hardship or damage to the goodwill of the system of the Card Associations.

- f) the Payment Facilitator may terminate the Sub-merchant agreement immediately without notice if any of the following events shall occur;
- i. irregular Card Transactions by Sub-merchant, excessive Chargeback Claims, non compliance with any applicable data security standards, as determined by the Payment Facilitator, any Card Associations, the Bank, or an actual or suspected data security breach, or any other circumstances which, in the discretion of the Payment Facilitator, the Bank and/or any Card Associations, may increase the risk exposure of such parties or otherwise present a direct or indirect financial or security risk to such parties;
 - ii. a violation by the Sub-merchant of any laws and/or Standards; or
 - iii. the Sub-merchant processes more than US\$1,000,000.00 (United State Dollars One Million) for Visa Card and US\$1,000,000 (United State Dollars One Million) for Mastercard Card annually (based upon the date its account is approved) for any Cards and does not enter into merchant agreement directly with the Bank within 2(two) years.
 - iv. Any failure by the Sub-merchant to comply with any laws or regulations, including but not limited to the obligations described in clause 4.24(p) below.
- g) the Sub-merchant has received, understands, acknowledges and agrees:-
- i. to comply with all applicable Standards;
 - ii. that the Card Associations are the sole and exclusive owners of their respective Marks;
 - iii. not to contest the ownership of the Marks for any reason;
 - iv. the Card Associations may at any time, immediately and without advance notice, prohibit the Sub-merchant from using any of the Mark for any reason;
 - v. the Card Associations have the right to enforce any provision of the Standards and to prohibit the Sub-merchant and/or its merchant from engaging in any conduct which the Card Associations deem could damage or could create a risk of damage to the Card Associations, including damage to reputation, or that could adversely affect the integrity of the Card Associations systems;
 - vi. the Sub-merchant will not take any action that could interfere with or prevent the exercise of this rights by the Card Associations;
- h) the right of the Payment Facilitator (at its own discretion of the Bank and/or the Card Associations) to suspend and/or terminate the sub-merchant agreement indefinitely or immediately (either voluntary or involuntary);
- i) the Sub-merchant undertakes that the Merchandise and Services shall be in full compliance with all laws applicable to the Sub-merchant, the Payment Facilitator, the Bank, the Card Associations, the Cardmember, the Cards and the Standards;
- j) the Sub-merchant must ensure that the Cardmember understands each party's responsibility under the Card Transaction, including delivery of the Merchandise and/or provision of the Service and for customer service and dispute resolution, all in accordance with the terms applicable to the Card Transaction;
- k) the Sub-merchant shall at all times cooperate with the Payment Facilitator, the Bank and/or any Card Associations and provide such parties with all necessary information, documents and assistance required or requested by them to maintain compliance with the Standards and laws;
- l) in the event that the Merchandise and/or the Services are categorised as "high risk business", the Sub-merchant shall, in addition to the abovementioned provisions, agree in the following;
- i) to be responsible for ensuring that the Card Transactions are not fraudulent, counterfeit, suspicious and/or wrongful. If the Card Transaction is fraudulent, counterfeit, suspicious and/or wrongful, the Sub-merchant will be liable for any loss suffered by the Payment Facilitator, the Bank and/or the Card Associations arising from such fraudulent, counterfeit, suspicious and/or wrongful Card Transaction;
 - ii) in the event the Sub-merchant suspects any Card Transactions to be a fraudulent, counterfeit, suspicious and/or wrongful transaction and/or if such Card Transactions involve a material transaction value (which amount shall be informed by the Payment Facilitator to the Sub-merchant from time to time) , the Sub-merchant must perform credit card verification with the Cardmember and to submit the relevant verification document to the Payment Facilitator with three (3) Business Days after the Card Transaction Date, falling which; the Sub-merchant shall reverse the Card Transaction;
 - iii) shall perform secret key verification in the Sub-merchant's online shopping cart system for all instant downloadable items or activation of services;
 - iv) the Sub-merchant shall resolve directly with the Cardmember, any claims or complaints made by the Cardmember in respect of any purchase of the Merchandise and/or Services;
- If the Merchandise and/or Services of the Sub-merchant concern *inter alia* any one of the following, the Sub-merchant shall be categorised as engaging in "high risk business":
- a) Digital item, for example IDD card, mobile reload card, digital music, video, information, software, instant downloadable item and eBook;
 - b) Event such as one-time seminar, conference, expo, and online ticket; and
 - c) Fast Moving Consumer Goods, for example pharmaceuticals, consumer electronics, packaged food products and drinks.
- m) The Sub-merchant undertakes that none of the Merchandise and Services shall relate to timeshare, membership, telemarketing, unlicensed investment scheme, unlicensed multi-level marketing scheme and etc. as stipulated in the Standards.
- n) The Sub-merchant acknowledges that the Bank is entitled not to pay the Payment Facilitator or to credit the Payment Facilitator's account if in the absolute discretion of the Bank any of the events stipulated in Clause 10.1 below has occurred and that the Sub-merchant shall have no right of recourse against the Payment Facilitator and/or the Bank.
- o) The Bank and/or any Card Associations shall be entitled to enter any of the Sub-merchant's premises with or without prior notice to audit and inspect the software, hardware, system records, procedure and/or any other part of its system with a view to ascertaining whether the setting-up , operation, maintenance, security and integrity thereof or any other matter related thereto may adversely affect the Bank's and/or any Card Association's interests or the Bank's right under this Agreement. All costs and expenses incurred thereon shall be borne by the Payment Facilitator and shall be debited into the Payment Facilitator's account.
- p) The Sub-merchant shall not undertake or engage in any dealing or transaction with a Specified Person. The Sub-merchant shall monitor on an ongoing basis the Card Transactions and upon detection of such Card Transactions with

or involving a Specified Person, to immediately notify the Payment Facilitator about and carry on investigation into such Card Transactions together with suggested remedial actions to prevent recurrence and report to the Payment Facilitator on a timely basis;

- 4.27 That the sub-merchant agreement must not contain any terms which conflict with any Standards, including but not limited to allowing the Sub-merchant to require a Cardmember to waive a right to dispute a Card Transaction. In addition to the foregoing, the sub-merchant agreement shall be consistent with this Agreement and the Terms and Conditions Governing Merchant Card Services. The sub-merchant agreement shall render the Sub-merchant subject to obligations to the Payment Facilitator as those a Merchant (as defined in the Terms and Conditions Governing Merchant Card Services) to the Bank under the Terms and Conditions Governing Merchant Card Services.
- 4.28 To regularly ensure that each of the Sub-merchants is provided with all materials necessary to effect the Card Transactions in accordance with the Standards.
- 4.29 Not to sell, purchase, provide, exchange or in any manner disclose Card account number, Card Transaction, or personal information of or about a Cardmember to anyone other than to the Bank, the Card Associations, or in response to a valid government demand. This provision applies to Card imprints, terminal identification numbers (TIDs) (if relevant), carbon copies, mailing lists, tapes, databases files, and all other media created or obtained as a result of a Card Transaction.
- 4.30 At all times, to comply with the requirements set forth in the Standards in relation to all other matters not specifically provided in this Agreement, including but not limited to:
- (a) the submission of the Sub-merchant's applications and registration to the Bank and/or the Card Associations;
 - (b) monitoring the Sub-merchants' accounts, sales and chargeback activities;
 - (c) the data protection programme;
 - (d) the fraud control rules and maintaining a total chargeback-to-interchange sales volume ratio below the threshold set by the Card Associations.
- 4.31 To be responsible for staying apprised of all applicable changes to the Standards and maintaining compliance with the Standards. Standards may be available on websites of the Card Associations.

5. CHARGEBACK

- 5.1 The Bank shall process the chargeback received provided that the chargeback complies with the rule imposed by the Card Associations (not including for any transaction by fraud, quality of goods and/or services provided by the Sub-merchant, failure by the Payment Facilitator with its internal process and non-compliance with the procedure).
- 5.2 The Bank shall have full recourse to recover any payment made to the Payment Facilitator for any Chargeback Claim in the event of any breach or violation by the Payment Facilitator of the terms and conditions of this Agreement.
- 5.3 The Payment Facilitator may withhold amounts payable to the Sub-merchant for chargeback reserves or similar purposes.
- 5.4 The Payment Facilitator acknowledges that the Bank shall be entitled to, on an ongoing basis, closely monitor the chargeback performance at the Payment Facilitator level pursuant to the Standards including but not limited to the Excessive Chargeback Programme.

6. DATA SECURITY AND PROTECTION

- 6.1 The Payment Facilitator must ensure the security and confidentiality of the Cardmember information at all times and to protect the Cardmember information from any unauthorised access or the use of such confidential information that could result in substantial harm to the Cardmember and violation of the Standards, including without limitation, the PCI-DSS. The Payment Facilitator shall also ensure that the Sub-merchant comply with PCI-DSS and the Payment Application Data Security Standard (PA-DSS).
- 6.2 Any compliance exercise (including but not limited to self-assessment questionnaire, onsite reviews by qualified security assessor, or network scans by approved scanning vendor and compliance status reports) as and when deemed necessary for the Payment Facilitator by the Card Associations will be undertaken accordingly and paid fully by the Payment Facilitator.
- 6.3 In the event of any breach in security which results in unauthorised use of the confidential information maintained by the Payment Facilitator, the Payment Facilitator must disclose such event to the Bank immediately.
- 6.4 The Payment Facilitator must ensure that:
- (a) a terminal or other device at the Point of interaction (POI) does not display, replicate, or store any Card-read data except Card account number, expiration date, service code or Cardmember name;
 - (b) before discarding any media containing Card, Cardmember or Card Transaction data, including such data as account numbers, personal identification numbers (PINs), credit limits, and account balances, the Payment Facilitator must render the data unreadable; and
 - (c) access to Card, Cardmember or the Card Transaction data stored in computers, terminals, and PCs is limited and controlled by establishing data protection procedures that include, but are not limited to, a password system for Computer Remote Terminal access, control over dial-up lines, and any other means of access.
- 6.5 In the event that the system or environment of the Payment Facilitator is compromised or vulnerable to compromise (at the time the ADC Event or Potential ADC Event occurred), the Payment Facilitator is fully responsible for resolving all outstanding

issues and liabilities to the satisfaction of the Card Associations notwithstanding any subsequent change in the Bank's relationship with any such Payment Facilitator after the ADC Event or potential ADC Event occurred.

- 6.6 The Payment Facilitator must notify the Bank and the Card Association immediately when the Payment Facilitator becomes aware of an ADC Event or potential ADC Event in or affecting any system or environment of the Bank or the Payment Facilitator. The Payment Facilitator is deemed to be aware of an ADC Event when the Payment Facilitator first become aware of an ADC Event. The Payment Facilitator is deemed to be aware of an ADC Event or potential ADC under circumstances that include, but are not limited to, any of the following:
- (a) the Payment Facilitator is informed, through any source, of the installation of existence of any malware in any of its systems or environments, no matter where such malware is located or how it is introduced;
 - (b) The Payment Facilitator receives notification from the Card Association or any other source that the Payment Facilitator has experienced an ADC Event or a potential ADC Event; or
 - (c) The Payment Facilitator discovers or, in the exercise of reasonable diligence, should have discovered a security breach or unauthorised penetration of its own system or environment.
- 6.7 When the Payment Facilitator becomes aware of an ADC Event or potential ADC Event, the Payment Facilitator must take the actions as stipulated in the attached Schedule A, unless otherwise directed in writing by the Card Associations.
- 6.8 The Payment Facilitator must be able to demonstrate to the satisfaction of the Card Associations the existence and use of meaningful physical and logical security controls of any communications processor or other device used to connect the Bank's processing systems to the worldwide network of the Card Association and all associated components, including all hardware, software, systems and documentation (collectively, the "Service Delivery Point Equipment") located on-site at the Payment Facilitator's facility. Front-end communications processors include the Card Associations interface processors (MIPs), network interface units (NIUs), and debit interface units (DIUs). The controls must meet the minimum requirements described in the attached Schedule B, and preferably will include the recommended additional parameters.

7. AUDIT, INSPECT OR INVESTIGATE

- 7.1 The Payment Facilitator and/or the Sub-merchant must cooperate with the Bank and the Card Associations with regard to clause 3.5 of this Agreement.
- 7.2 The Payment Facilitator must conduct background investigation of any party whom the Payment Facilitator intends to sign sub-merchant agreement with ("Potential Sub-merchant") including but not limited to credit check of the owner, partners or principal of the business of the Potential Sub-merchant and inspection of the Potential Sub-merchant's premises or websites and records (at least one of the premises or websites if the Sub-merchant has more than one) to ensure that it has the proper facilities, equipment, inventory, agreements and personal required and if necessary, license or permit and other capabilities to conduct business.
- 7.3 In furtherance to clause 7.2, the Payment Facilitator shall retain all records concerning the investigation and credit check on any entity with which it has entered into a Sub-merchant agreement for a minimum period of two years after the date the sub-merchant agreement is terminated or expired and the Payment Facilitator shall provide such records to the Bank immediately upon request by the Bank.
- 7.4 The Payment Facilitator and/or the Sub-merchant will be subjected to an audit with regards to the program/standards in relation to fraud control provided by the Card Associations and the Bank and shall act promptly according to the prescribed manner as required in the Standards.

8. WEBSITE REQUIREMENTS

- 8.1 The website operated by the Payment Facilitator and/or Sub-merchant must contain:
- a) Marks in full colour to indicate Card acceptance;
 - b) Complete description of the Merchandise;
 - c) Return/refund policy;-
 - i. A 'click to accept' or other acknowledgement button accepting the policy, is used by the Cardmember;
 - ii. Purchase terms and conditions must be displayed to the Cardmember during the order process either:-
 - a. On the same screen as the checkout screen indicating the total Card Transaction amount;
 - b. Within the sequence of web pages accessed by the Cardmember before the final checkout.
 - d) Cardmember service contract, including email address and local or internationally accessible telephone number;
 - e) Address of the Payment Facilitator's and/or Sub-merchant's permanent establishment (a fixed place of business through including the Payment Facilitator outlet country, either:-
 - i. On the same screen view as the checkout screen used to present the final Card Transaction amount;
 - ii. Within the sequence of web pages the Cardmember accesses during the checkout process.
 - f) Card Transaction currency, which should be MYR;
 - g) Export restriction (if known);
 - h) Delivery policy;
 - i) Consumer data privacy policy;
 - j) Security capabilities and policy for transmission of payment card details; and
 - k) Legal restriction (if known).
- 8.2 The Payment Facilitator must ensure that the Payment Facilitator's name and/or logo be prominently displayed and clearly identified on the Sub-merchant's website and the Payment Facilitator's payment gateway (if applicable) as the payment

facilitator responsible for the Card Transaction and as the billing descriptor that will appear on Cardmember's statement at all point of interaction for purchases made at the Sub-merchant's website.

- 8.3 The Payment Facilitator shall ensure that the Bank is promptly informed of any security breach, suspended fraudulent card account numbers or any suspicious activities that may be connected with attempts to commit a security breach or to use fraudulent card account numbers in the Payment Facilitator's security system or at the Payment Facilitator's website.
- 8.4 All representative contained in the Payment facilitator's and/or the Sub-merchant's website, as well as the webpage therein, or any advertisement or printed matter relating to the Merchandise and/or Services offered therein shall be deemed to have been made by the Payment Facilitator and/or the Sub-merchant and the Bank shall not in any way be liable for any claim whatsoever arising therefrom.
- 8.5 Neither party may use the other's logo or trade name in any manner whatsoever (whether on the Payment Facilitator's website or in any other media or materials) without the latter's prior written approval. Under no circumstances shall the use of the Bank's logo imply that the Bank endorses, sponsors, certifies, or in any way guarantees the Sub-merchant's Merchandise and/or services.
- 8.6 The Bank reserves the right to participate, at any time and from time to time, in promotions with any other vendors or suppliers featured on the Sub-merchant's website and the Payment Facilitator shall cause the Sub-merchant to consent to such participation.

9. PAYMENT BY THE BANK

- 9.1 The Payment Facilitator shall submit all Card Transactions effected by Cardmember with the Payment Facilitator to the Bank for settlement, except for those that are not genuine Card Transaction or not with bona fide Cardmember or falls under clause 2.8(a) or (b) above. The Bank shall during the term of this Agreement and in accordance with its prevailing practice at the relevant time, process the Payment Facilitator's request for payment.
- 9.2 The Bank agrees to pay to the Payment Facilitator an amount of each charge less the Payment Facilitator Discount calculated in the manner and at the rate from time to time notified to the Payment Facilitator by the Bank.
- 9.3 The Bank shall make payment to the Payment Facilitator in respect of charges as follows:
- a) If the Payment Facilitator maintains an account with the Bank, by credit to the account designated by the Payment Facilitator. Any payments due from the Bank to the Payment Facilitator shall be credited directly to the Payment Facilitator's current or banking account maintained with the Bank, typically within three (3) Business Days following the Business Day after the date of settlement of the Card Transaction through the interchange; or
 - b) If so agreed between the bank and the Payment Facilitator, by transfer to a specified account of the Payment Facilitator with another bank in Malaysia.
- 9.4 Pursuant to clause 9.3, the Bank shall be entitled at all times charge the Payment Facilitator a service charge or administrative fee or such other charges as the Bank deems fit in respect of any service provided or any action taken by the bank.
- 9.5 All payments by the Bank in respect of the charges shall be made in Malaysian Ringgit or the equivalent amount in Malaysian Ringgit as may be agreed to between the parties hereto time to time.
- 9.6 If the Bank is entitled to payment or reimbursement from the Payment Facilitator of any amount under this Agreement it may at its discretion give effect to such entitlement by any one or more of the following methods:
- a) deduction of the relevant amount (or any part thereof) from any account whatsoever of the Payment facilitator held with the Bank, without limitation to the Bank's rights of set-off, transfer and application of funds at law;
 - b) deduction of the relevant amount (or any part thereof) from any subsequent payments to the Payment Facilitator;
 - c) billing the Payment Facilitator for the relevant amount or the remaining balance as appropriate. Any such billing shall be payable upon receipt, for which purpose deemed receipt pursuant to clause 24 of this Agreement shall be effective.

10. NON-PAYMENT, EARMARKING AND/OR DEBITING BY THE BANK

- 10.1 The Bank reserves the right not to pay the Payment Facilitator or to credit the Payment facilitator's account or if such payment has been made, to earmark and/or debit the Payment Facilitator's current or banking account maintained with the Bank for the total amount of the relevant Card Transactions less the Payment Facilitator Discount (without further reference to the Payment Facilitator), if in the absolute discretion of the Bank any of the following events has occurred and the Payment Facilitator acknowledges that it shall have no right of recourse against the Bank for doing so:
- a) Merchandise is returned or service not rendered for any reason whatsoever;
 - b) The Cardmember disputes the quality, quantity, use or fitness of the Merchandise sold and/or performance or quality of the Services rendered under the Card Transaction, or alleges that the Sub-merchant has breached the term and contract of sale or service entered between the Sub-merchant and the Cardmember or any representation or warranty made by the Sub-merchant to the Cardmember;
 - c) The Cardmember disputes or denies that the contract of sale or service with the Sub-merchant was entered into by him, or that delivery of the Merchandise sold and/or performance of the services rendered under the Card Transaction was received by him, or alleges that the Payment Instruction has been given or altered without his consent or authority;
 - d) Sale of any Merchandise and/or the performance of any services involves a violation of any law or the rules or regulations of any government agency, local or otherwise, notwithstanding that the Bank was on notice of any discrepancy at the time when payment was made;

- e) The Card Transaction is not submitted for settlement by the Payment Facilitator;
 - f) The Payment Facilitator does not furnish to the Bank the original or copy or printout of any statement, bill or invoice or other document or record relating to the Card Transaction forthwith upon request as required by the Bank;
 - g) A Chargeback Claim relating to the Card Transaction is received by the Bank or the issuer or an Affiliate of any card refuses for whatever reason to honour any Card Transaction;
 - h) The Bank is of opinion that there is any fraud, forgery or suspicious circumstances surrounding any Card Transaction:
 - i) There has been a breach by the Payment Facilitator or the Payment Facilitator is suspected, expected, assumed or believed to be in breach of any other obligations under this Agreement, or of any security measures or guidelines issued by the Bank, or of any other agreement entered into between the Payment Facilitator and the Bank, or of any other obligation whatsoever owed by the Payment Facilitator to the Bank, whether or not related to this Agreement;
 - j) Non-compliances by the Payment Facilitator with regards to the Card Transaction that may damage the goodwill of the Card Associations or reflect negatively on the Marks.
 - k) If this Agreement is terminated by the Bank for any reason whatsoever.
- 10.2 The Payment Facilitator agrees that the Bank reserves the right at its absolute discretion to claim back from the Payment Facilitator any payments made to the Payment Facilitator and that such sum of moneys may be refunded or repaid to the bank either by the Bank earmarking/debiting the Payment Facilitator's banking accounts maintained with the Bank or by the Bank exercising its right of set-off or by the Bank raising a claim on the Payment Facilitator for the Payment Facilitator's immediate settlement thereafter.

11. REFUNDS AND REBATES

Where a request for repayment under a Card Transaction has been submitted by the Payment Facilitator to the Bank if the Sub-merchant accepts a return from a Cardmember of any Merchandise sold under the Card Transaction or agrees to make a refund or provide a rebate to a Cardmember of the amount of the Card Transaction or any part thereof for any reason, or if the Cardmember validly cancels the Card Transaction or claims a refund or rebate to which he is entitled of all or part of the amount with the Bank to effect such refund or rebate to the Cardmember's Card account, the payment shall if the Bank so requires, pay to the Bank on demand the amount of any refund or rebate granted to the Cardmember.

12. PAYMENT FACILITATOR DISCOUNT RATE

Unless otherwise agreed to by the Bank in writing, the Payment Facilitator shall pay to the Bank a Payment Facilitator Discount at the rate as notified from time to time by the Bank on the total value of each Card Transaction presented to the Bank for payment in accordance with this Agreement. The Payment Facilitator Discount and other sum of moneys (if any) owing by the Payment Facilitator to the Bank shall be deducted by the bank before the Payment Facilitator is paid on each occasion. The Payment Facilitator hereby acknowledges that the Bank may set the Payment Facilitator Discount rates for the respective cumulative value of the Card Transactions for a specified period of time. The Payment Facilitator further acknowledges in the event Payment Facilitator fails to achieve the minimum total value of the Card Transaction as stipulated in the notification from the Bank, the Bank may elect to terminate this Agreement in accordance with clause 19.2 below.

13. ANTI-MONEY LAUNDERING

- 13.1 The Payment Facilitator shall ensure that monies involved in any Card Transaction and in this Agreement shall come from a lawful source of activity and not unlawful activities as defined under the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 ("AMLATPUA").
- 13.2 The Payment Facilitator and/or the Sub-merchant shall give notice to the Bank if the Card Transaction was made on behalf of the Cardmember and:
- (a) Upon request by the Bank, the Payment facilitator agrees and undertakes to and shall ensure that the Sub-merchant agrees and undertakes to provide verification of the identify of the beneficiary and such other information as the Bank may require including but not limited to certified true copies of any authorisation to act or documents that may be required for the purpose of verifying the information provided by the Payment Facilitator and/or the Sub-merchant, which copies may thereafter be retained by the Bank; and
 - (b) the Payment Facilitator shall declare and certify and procure such declaration and certification from the Sub-merchant that the necessary "know your-client" checks have been conducted including but not limited to the identify, existence, address and nature of the business of the beneficiary and that the monies, funds or collections are from a lawful source of activity and not unlawful activity as defined under AMLATPUA.
- 13.3 The Payment Facilitator and the Sub-merchant shall disclose and furnish to the Bank any information required or deemed necessary and to the satisfaction of the Bank in a timely manner within the period specified by the Bank, whether or not for purposes of complying with laws, rules, regulations, directives and guidelines of Bank Negara and or given, made or established by the Bank.
- 13.4 The Payment Facilitator shall not and shall ensure that the Sub-merchant does not use the payment made via Card Transaction for money laundering or violate any laws relating to money laundering as defined under AMLATPUA.
- 13.5 In no event shall the Bank be liable for any direct, indirect, consequential or any losses whatsoever or howsoever arising or by reason of the Bank's exercise of its duties under the laws for the time being in force, in particular but not limited to its statutory duties under AMLATPUA.

14. BREACH BY THE PAYMENT FACILITATOR

In the event of a breach or violation by the Payment Facilitator of any of the terms of this Agreement, the Payment facilitator agrees that the Bank is authorised at its sole and absolute discretion (without further reference to the Payment Facilitator) to forthwith deduct from subsequent Card Transactions submitted to the Bank for payment and/or earmark debit the Payment Facilitator's current or banking account maintained with the Bank, for the total amount of the Card Transactions that is in breach less the Payment Facilitator Discount. The Payment Facilitator shall, as against the Bank, solely bear the amount debited by the Bank. If the Payment Facilitator's current or banking account shall have insufficient funds available therein, the Bank reserves the rights to earmark and/or debit the Payment Facilitator's current or banking account partial amount and/or deduct from subsequent Card Transactions submitted to the Bank for payment (without further reference to the Payment Facilitator). The Bank shall have full recourse to recover any payment made to the Payment Facilitator for any Card Transaction charged back in the event of any breach or violation by the Payment Facilitator or terms and conditions of this Agreement.

15. ASSIGNMENT

The Payment Facilitator may not assign the whole or any part of the benefit of this Agreement without prior written consent of the Bank. No payments made by the Bank or any other actions of the Bank whatsoever shall constitute a waiver of this condition. Any payments made by the Bank following breach of this condition shall be deemed to be payments to the Payment Facilitator.

16. INTERNATIONAL BUSINESS

The Payment Facilitator shall ensure that the Sub-merchant does not export or re-export any of the Merchandise and/or Services it lists for sale or is available, without the appropriate approval from the relevant authorities and foreign government licences and will comply with all applicable export or import control laws of whatever jurisdiction, including without limitation, restriction on the export of encryption software and the export or import Merchandise and/or Services to and from embargoed countries.

17. INDEMNITY

The Payment Facilitator agrees to defend, indemnify and keep indemnified and to hold harmless the Bank, its officers, shareholders, employees, agents, and representative, and the successors, heirs and assigns of the foregoing, from and against any and all claims, demands, actions, causes of action, suits, proceedings, losses, damages, costs and expenses (including but not limited to reasonable solicitor's fees and costs incurred) arising out of or in connection with any obligation of the Payment Facilitator hereunder, or the use by the Payment Facilitator of the services of the Bank, including without limitation the provision by the Payment Facilitator of, or the use or possessions by any Cardmember or any person acquiring from any Cardmember of, the Merchandise and/or Services, or any act, error or omissions of the Payment facilitator in connection therewith:

- a) Product liability claims;
- b) Claim arising from alleging inaccurate or incomplete information by the Sub-merchant or that any such information infringes the intellectual property rights of any third party;
- c) Claims that any of the Merchandise infringes any intellectual property rights of any third party;
- d) Damages arising from any violation of any applicable law or regulation;
- e) Any libel, invasion of privacy, or disparagement claims;
- f) Any violation of rights of any third party by the Payment Facilitator and/or the Sub-merchant;
- g) Damages arising from any violation of the Standards by the Payment Facilitator and/or the Sub-merchant.

18. INTERRUPTION OF SERVICE

The Bank's sole obligation in the event of interruption of service to be provided under the Bank's credit card acceptance programme shall be to restore such service as soon as reasonably possible. The Bank shall not in any circumstances be liable for any loss, damage, inconvenience, injury, embarrassment, or loss of reputation howsoever incurred or suffered by the Payment Facilitator and/or the Sub-merchant for such interruption of service.

19. TERMINATION AND SUSPENSION

19.1 Termination by the Payment Facilitator:

The Payment Facilitator may terminate this Agreement at any time by giving thirty (30) Business Days written notice to the Bank. Notwithstanding such termination, the Payment Facilitator's liability to the Bank continues to subsist and shall be without prejudice to the Bank's right and remedies for any antecedent breach by the Payment Facilitator prior to the termination.

19.2 Termination by the Bank or the Card Association:

The Bank may terminate this Agreement immediately (either voluntary or involuntary) if:

- (a) The Payment Facilitator fails, neglects or defaults in performing any of its obligations under this Agreement of which such failure neglect or default, at the sole discretion of the Bank, is incapable or remedy;
- (b) The Payment Facilitator fails, neglects or defaults in performing any of its obligations under this Agreement of which such failure neglect or default, at the sole discretion of the Bank, is capable of remedy but the Payment Facilitator fails to remedy the failure neglect or default within ten (10) Business Days of receiving notice specifying the failure neglect or default and requiring the default to be remedied;
- (c) The Payment Facilitator or its employees or agents have acted fraudulently or wrongfully or have otherwise misused the program and/or rights pursuant to this Agreement;

- (d) In the Bank's sole and absolute discretion decides that the Payment Facilitator has presented a fraudulent, counterfeit or suspicious Card Transaction for payment or where the Cardmember denies/disputes such Card Transaction;
- (e) Any step is taken for the winding-up, dissolution, liquidation or restructuring or a petition for winding-up or bankruptcy (whether voluntary or otherwise) is presented against the Payment Facilitator;
- (f) A receiver and/or manager have been appointed over the Payment Facilitator for any reason whatsoever;
- (g) The Payment Facilitator enters into any composition or arrangement with or for benefit of the creditors of the Payment Facilitators or allows any judgement against the Payment Facilitator to remain unsatisfied for a period of ten (10) Business Days or has any distress or execution or other process of court of competent jurisdiction levied upon or issued against any property or asset of the Payment Facilitator and such distress or execution or other process, as the case may be, is not satisfied by the Payment Facilitator within (5) Business Days thereof;
- (h) The Payment Facilitator ceases or threatens to cease to carry on its business;
- (i) There is any change in the major shareholders or management of the Payment Facilitator;
- (j) The Payment Facilitator serves any customer sentence, becomes insane or dies;
- (k) The Payment Facilitator defaults on any account or accounts or facilities it has with the Bank or any other financial institution or Card Associations;
- (l) The Payment Facilitator or any of its employees is known or suspected to be involved in any fraudulent or any unlawful activity whether or not relative to the Payment Facilitator's business;
- (m) In the Bank's opinion that there has been a material change in the Payment Facilitator's business;
- (n) In the Bank's opinion that there has been an unacceptable level of incident of fraudulent or counterfeit transaction or suspicious transaction through the Payment Facilitator; or
- (o) Any of the Sub-merchant of their employees or agents have acted fraudulently or wrongfully or have otherwise breached any terms and conditions of the sub-merchant agreements.

For avoidance of doubt, the Payment Facilitator's liability to the Bank shall continue to subsist and shall be without prejudice to the Bank's rights and remedies for any antecedent breach by the Payment Facilitator prior to the termination.

Upon receipt of the notice of termination by the Payment Facilitator, the Payment Facilitator must immediately submit all claims for payment for processing by the Bank.

- 19.3 The Bank may at its sole and absolute discretion or at the request of the Card Associations, at any time suspend immediately and/or indefinitely (either voluntary or involuntary), including but not limited to the operation of this Agreement by serving a verbal and/or written suspension notice ("Suspension Notice") on the Payment Facilitator. Further suspension and/or termination of this Agreement which shall be at the sole discretion of the Bank will be communicated to the Payment Facilitator via a verbal and written notification.
- 19.4 Upon receipt of a written request from the Bank and/or the Card Association that any of the Sub-merchant's conduct of activity which is deemed to be in breach or inconsistent with or fall short of or exploitive of any loophole in the Standards, the Payment Facilitator shall terminate the sub-merchant agreement with such Sub-merchant immediately, failing which it will be an event of default under this Agreement and that the Bank shall be entitled to terminate this Agreement pursuant to Clause 19.2 above.
- 19.5 The Bank may suspend the Sub-merchant's Merchant Identification (which is usually known as "MID") whereby all card activities in respect of such Sub-merchant will be suspended for any period of time and that the Bank is not liable to provide any reason whatsoever to the Payment Facilitator not the sub-merchant in respect of such suspension. The Bank shall not be liable for any loss or damage suffered by the Sub-merchant and/or the Payment Facilitator due to such suspension.
- 19.6 The Bank and Card Associations shall not be bound to give to the Payment Facilitator any reasons whatsoever for the service of the Suspension Notice and/or suspension of the card activities of any of the Sub-merchant nor shall it be liable to indemnify the Payment Facilitator nor the Sub-merchant for any losses, cost or damage arising out of the operations of this Agreement.
- 19.7 Notwithstanding the provision in clause 19.2, the Bank may terminate this Agreement at any time by giving at least seven (7) days written notice to the Payment Facilitator stipulating the date upon which the termination shall take effect without assigning any reasons thereto.

20. SURCHARGE

The Payment Facilitator and/or Sub-merchant, unless otherwise provided by any written law for the time being in force, shall not impose or require Cardmember to pay any surcharge commissions, Payment Facilitator Discount, or any other contemporaneous finance charge in connection with the Card Transaction whether through any increase in price or otherwise, or any other term or condition whatsoever on any of the Cardmember desirous of using the Card as opposed to any other method of payment.

21. DEPOSIT

Upon the execution of this Agreement, the Payment Facilitator shall pay to the Bank a deposit sum as required by the Bank ("Deposit") as security for the due observance and performance by the Payment Facilitator of the terms and conditions of this Agreement. In the event of default on the part of the Payment Facilitator in the observance at performance of any of the covenants herein contained, the Bank shall be entitled to retain the whole or any part of the Deposit as may be reasonably necessary to remedy the breach and refund the balance if any to the Payment Facilitator upon the termination of this Agreement. In the event that the Deposit is insufficient to remedy any breach, the deficient amount shall be recoverable from the Payment Facilitator as a debt due to the Bank. If the Payment Facilitator shall have duly performed and observed all its covenants herein contained, the Deposit shall be refunded free of interest to the Payment Facilitator upon the termination of this Agreement.

22. AMENDMENT

- 22.1 The terms and conditions of this Agreement may be amended by the Bank as its sole and absolute discretion at any time and from time to time by notice from the Bank to the Payment Facilitator.
- 22.2 Any such amendment shall be deemed to be effective and binding on the Payment Facilitator on receipt (for which purpose deemed receipt pursuant to clause 24 shall be effective).

23. CONFIDENTIALITY

- 23.1 The Payment Facilitator shall not in any manner howsoever disclose or procure the disclosure of any information obtained from the Cardmember and/or the Bank by reason of the Payment Facilitator's participation in the credit card acceptance programme to any person or company other than the Bank without the Cardmember's and/or the Bank's prior written consent
- 23.2 The Bank will be entitled to disclose information concerning the Payment Facilitator and its affairs, including that related to any Sub-mercants to any agent or subcontractor appointed by or engaged by the Bank, to the Card Associations or to any person, for any purpose. The Payment Facilitator warrants to the Bank that all necessary consents have been obtained by the Payment Facilitator for the Bank to disclose the information.
- 23.3 This clause 23 shall continue in force even after the termination of this Agreement.

24. NOTICES

- 24.1 All notices required to be served under this Agreement shall be in writing and shall be sufficiently served on the Payment Facilitator if it is left at or sent by prepaid ordinary post and/or facsimile number and/or other electronic addresses of the Payment Facilitator last known to the Bank and on the Bank if it is left or sent by prepaid ordinary post facsimile number or electronic mail to its place of business or such other address as may be notified by the Bank and shall be deemed to have been received if delivered, at the time of delivery or if sent by prepaid ordinary post, on the third day immediately after the date of posting or if by facsimile or other electronic addresses, on the day of transmission thereof.
- 24.2 In relation to the payments which it makes in respect of Card Transaction, the Bank may delay sending notices to the Payment Facilitator concerning changes in the manner in which, and the rate at which, the Payment Facilitator Discount is calculated until the end of the month in which any such change occurs. The Payment Facilitator shall not raise any objection by reason on the date upon which such notice is given.

25. EXPENSES

The Bank shall be entitled to take such action as it thinks fit to enforce this Agreement and the Payment Facilitator shall afford the Bank a complete indemnity in respect of all costs and expenses incurred by the Bank in respect of any such enforcement action, including all legal charges and expenses.

26. EFFECTIVE DATE

This Agreement shall only take effect from the date agreed between the Payment Facilitator and the Bank.

27. STAMP DUTY

The Payment Facilitator shall be liable to pay all stamp duty and expenses in connection with the preparation and execution of this Agreement.

28. LAW

This Agreement shall be governed and construed in accordance with the Laws of Malaysia. The parties submit to the non-exclusive jurisdiction of the Malaysian courts.

29. INDULGENCES

The Bank may at any time without in any way affecting this Agreement grant to the Payment Facilitator any time indulgence or waiver or consent or release.

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SCHEDULE A

ACTIONS TO BE TAKEN BY THE PAYMENT FACILITATOR WHEN THE PAYMENT FACILITATOR BECOMES AWARE OF AN ADC EVENT OR POTENTIAL ADC EVENT

1. Immediately commence a thorough investigation into the ADC Event or Potential ADC Event.
2. Immediately, and no later than within twenty-four (24) hours, identify, contain, and mitigate the ADC Event or Potential ADC Event, secure Card account data and preserve all information, in all media, concerning the ADC Event or Potential ADC Event, including:
 - i. preserve and safeguard all potential evidence pertinent to a forensic examination of an ADC Event or Potential ADC Event;
 - ii. isolate compromised systems and media from the network;
 - iii. preserve all Intrusion Detection System, Intrusion Prevention System logs, all firewall, Web, database and events logs;
 - iv. document all incident response actions; and
 - v. refrain from restarting or rebooting any compromised or potentially system or taking equivalent or other action that would have the effect of eliminating or destroying information that could potentially provide evidence of ADC Event or Potential ADC Event.
3. Within twenty-four (24) hours, and on an ongoing basis thereafter, submit to the Bank and Card Associations all known or suspected facts concerning the ADC Event or Potential ADC Event, including, by way of example and not limitation, known or suspected facts as to the cause and source of the ADC Event or Potential ADC Event.
4. Within twenty-four (24) hours and continuing throughout the investigation and thereafter, provide to the Bank and Card Associations, in the required format, all account numbers and expiration dates associated with the Card Associations account data that were actually or potentially accessed or disclosed in connection with the ADC Event or Potential ADC Event and any additional information requested by the Bank and Card Associations. This obligation applies regardless of how or why such account numbers were received, processed or stored, including, by way of example and not limitation, in connection with or relating to a credit, debit (signature or PIN-based) proprietary, or any other kind of payment Transaction, incentive or reward program.
5. Within seventy-two (72) hours, engage the services of a Qualified Incident Response Assessor ("QIRA") to conduct an independent forensic investigation to assess the cause, scope, magnitude, duration and effects of the ADC Event or Potential ADC Event. The QIRA engaged to conduct the investigation must not have provided the last PCI compliance report concerning the system or environment to be examined. Prior to the commencement of such QIRA's investigation the Payment Facilitator must notify the Card Associations of proposed scope and nature of the investigation and obtain preliminary approval of such proposal by the Card Associations or, if such preliminary approval is not obtained, of a modified proposal acceptable to the Bank and Card Associations.
6. Within two (2) business days from the date on which the QIRA was engaged, identify to the Bank and Card Associations the engaged QIRA and confirm that such QIRA has commenced its investigation.
7. Within three (3) business days from the commencement of the forensic investigation, ensure that the QIRA submits to the Bank and Card Associations a preliminary forensic report detailing all investigate findings to date.
8. Within twenty (20) business days from the commencement of the forensic investigation, provide to the Bank and Card Associations a final forensic report detailing all findings, conclusions and recommendations of the QIRA, continue to address any outstanding exposure, and implement all recommendations until the ADC Event is resolved to the satisfaction of the Bank and Card Associations. In connection with the independent forensic investigation and preparation of the final forensic report. The Payment Facilitator shall not engage in any conduct that could or would influence, or undermine the independence of, the QIRA or undermine the reliability or integrity of the forensic investigation or final forensic report. By way of example, and not limitation, the Payment Facilitator must not take any action or fail to take any action that would have the effect of:
 - i. precluding, prohibiting or inhibiting the QIRA from communication directly with the Card Association;
 - ii. permitting the Payment Facilitator to substantively edit or otherwise alter the forensic report; or
 - iii. directing the QIRA to withhold information from the Card Associations

Notwithstanding the foregoing, the Bank and Card Associations may engage a QIR on behalf of the Payment Facilitator in order to expedite the investigation. The Payment Facilitator on whose behalf the QIRA is so engaged will be responsible for all costs associated with the investigation.

Forensic Report

The Payment Facilitator must ensure that the QIRA retain and safeguard all draft forensic report(s) pertaining to the ADC Event and, upon request of the Bank and Card Associations, immediately provide to the Bank and Card Associations any such draft. The final forensic report must include the following, unless otherwise directed in writing by the Bank and Card Associations:

- i. A statement of the scope of the forensic investigation including sources of evidence and information used by the QIRA.

- ii. A network diagram, including all systems and network components within the scope of the forensic investigation. As part of this analysis, all system hardware and software versions, including Point-of-Sale (POS) applications and versions of applications, and hardware used by the compromised entity within the past twelve (12) months must be identified.
- iii. A payment Card Transaction flow depicting all Points of Interaction (POS) associated with the transmission, processing and storage of the Card Associations account data and network diagrams.
- iv. A written analysis explaining the method(s) used to breach the subject entity's network or environment as well as method(s) used to access and exfiltrate the Card Associations account data.
- v. A written analysis explaining how the security breach was contained and the steps (and relevant dates of the steps) taken to ensure that the Card Associations account data are no longer at risk of compromise.
- vi. An explanation of investigate methodology as well as identification of forensic data sources used to determine final report findings.
- vii. A determination and characterisation of the Card Associations account data at risk of compromise, including the number of the Card Associations accounts and at risk data elements (magnetic stripe data-Track 1 and Track-2, Cardholder name, primary account number [Pan], expiration date, CVC 2, PIN, and PIN block).
- viii. The location and number of the Card Associations accounts where restricted account data (magnetic stripe data-Track 1 and Track-2, Cardholder name, primary account number [Pan], expiration date, CVC 2, PIN, and PIN block), whether encrypted or unencrypted, was or may have been stored by the entity that was the subject of the forensic investigation. This includes restricted the Card Associations account data that was or may have been stored in unallocated disk space, backup media and malicious software output files.
- ix. A time frame Card Transactions involving the Card Associations accounts determined to be at risk of companies. If Card Transaction date/time is not able to be determined, file creation timestamps must be supplied.
- x. A determination of whether a security breach that exposed payment card data to compromise occurred.
- xi. On a requirement-by-requirement basis, a conclusion as to whether, at the time the ADC Event or Potential ADC Event occurred each applicable PCI Security Standards Council requirement was complied with. For the avoidance of doubt, as of the date of the publication of these Standards, the PCI Security include the PCI DSS, PIN Entry Device (PCI PED) Security Requirements, and Payment Application Data, Security Standard (PA-DSS).

the Bank and Card Associations may require the Payment Facilitator to cause a QIRA to conduct a PCI gap analysis and include the result of that analysis in the final forensic report.

SCHEDULE B

MINIMUM SECURITY REQUIREMENTS

At a minimum, the Payment Facilitator must put in place the following controls at each facility housing Service Delivery Point Equipment.

1. Each network segment connecting the Sub-merchant and the Payment Facilitator to the Bank's processing systems and the network device of the Card Associations must be controlled tightly, as appropriate or necessary to prevent unauthorised access to or from other public or private network segments.
2. The connectivity provided by each such network segment must be dedicated wholly and restricted solely to the support of communications between the Sub-merchant / Payment Facilitator and the Bank's processing systems / Card Associations.
3. The Payment Facilitator must replace each vendor-supplied or default password on the Bank's processing system, each network device of the Card Associations, and any device providing connectivity between them with a "strong password." A strong password contains at least eight characters, uses a combination of letters, numbers, symbols, punctuation, or all, and does not include a name or common word(s).
4. The Payment Facilitator must conduct regular periodic reviews of all systems and devices that store the Card Associations account information to ensure that access is strictly limited to appropriate personnel of the Payment Facilitator on a "need to know" basis.
5. The Payment Facilitator must notify the Bank and Card Associations within 30 business days of any change in the personnel designated to administer the network device of the Bank and Card Association.
6. The Payment Facilitator must maintain and document appropriate audit procedures for each the network device of the Bank and Card Associations. Audit reports must be maintained and accessible to the Bank at least one year, including a minimum of 90 days in an easily retrieved electronic format.
7. The Payment Facilitator must ensure that the software employed in any system or device used to provide connectivity to the Bank and the worldwide network of the Card Associations is updated with all appropriate security patches, revisions, and other updates as soon after a release as is practicable.
8. The physical location of the Service Delivery Point Equipment must be accessible only by authorised personnel of the Payment Facilitator. Visitor access must be controlled by at least one of the following
 - a. Require each visitor to provide government-issued photo identification before entering the physical location; and/or
 - b. Require each visitor to be escorted to the physical location by authorised personnel of the Payment Facilitator.
9. If the physical location of the Service Delivery Point Equipment provides common access to other devices or equipment, then the network device of the Bank and Card Associations must be stored in a cabinet that is locked both in front and the rear at all times. Keys to the cabinet must be stored in a secured location.
10. The Payment Facilitator must have documented procedures for the removal of Service Delivery Point Equipment from the physical location.

SCHEDULE C

BANNED AND HIGH RISK INDUSTRIES

(the list is non-exhaustive)

1. Direct Marketing—Travel-Related Arrangement Services
2. Direct Marketing—Outbound Telemarketing Merchants
3. Direct Marketing—Continuity/Subscription Merchants
4. Direct Marketing—Other Direct Marketers—not elsewhere classified
5. Key-entry Telecom Merchant providing single local and long-distance phone calls using a central access number in a non-face-to-face environment using key entry
6. Telecommunication Services including but not limited to prepaid phone services and recurring phone services,
7. Computer Network/Information Services,
8. Drugs, Drug proprietors, and Druggists Sundries
9. Dating and Escort Services
10. Gambling—Horse Racing, Dog Racing
11. Buyers Club/Membership clubs
12. Credit Counselling/Credit repair services
13. Credit protection/Identify thief protection
14. Internet pharmacies/Internet pharmacy referral site
15. Multi-level marketing business
16. Outbound telemarketers
17. Direct-marketing-Subscription merchants
18. Rebate-based business and up-selling merchants
19. Illegal downloads of movies, music, computer and video game or software
20. Counterfeit pharmaceutical products
21. Counterfeit tobacco products (e.g. cigarettes, cigars)
22. Counterfeit designer/luxury goods
23. Firearms/weapons/Ammunition
24. Fireworks and hazardous materials
25. Miracle Cures
26. Currency and forex
27. Pornography, adult content and services
28. Escort Services
29. Sexually oriented materials or services
30. Items or downloads infringe or violate copyright, trademark, right of publicity or privacy or any other propriety right under the laws of any jurisdiction
31. Pyramid or Ponzi scheme, matrix program and other “get rich quick” schemes
32. Telemarketing
33. Time sharing
34. Gold/Silver bar
35. Investment Scheme
36. File sharing services
37. Items promote hatred, racism, religious persecution or contain offensive content
38. Items encouraging illegal activity
39. Human remains and body parts
40. Unlicensed Multi-level marketing
41. Stolen goods including digital and virtual goods
42. Items that are considered obscene
43. Associated with purchases of annuities or lottery contracts, lay-away systems, off-shore banking or transactions to finance or refinance debts funded by a credit card
44. Another Payment Facilitator
45. Associated with the sale of traveller’s checks or money orders
46. Cheque cashing businesses
47. Provide certain credit repair or debt settlement services, credit transactions or insurance activities
48. Involve the sales of products or services identified by government agencies to have a high likelihood of being fraudulent
49. Gambling, gaming and/or any other activity with an entry fee and a prize, including but not limited to casino games, sports betting, horse or greyhound racing, lottery tickets, other ventures that facilitate gambling, games of skill (whether or not it is legally defined as a lottery) and sweepstakes
50. Involve rebate-based and up-selling business
51. Non–face-to-face tobacco product Merchants
52. Non–face-to-face Outbound Telemarketing
53. Non–face-to-face Travel-Related Arrangement Services
54. Cyberlocker Merchants
55. Stocks/ Securities Merchants
56. Cryptocurrency Merchants
57. Quasi cash

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