

PRIVATE & CONFIDENTIAL

Dear Sir/Madam,

RE: **LETTER OF OFFER – MPAY SPONSORED MERCHANT MPOS, QR, EDCPOS AND/OR INTERNET PAYMENT GATEWAY (“PROGRAMME”)**

We refer to your application to become our merchant. Subject to satisfactory outcome of our due diligence checks, we are pleased to welcome you onboard on the following terms and conditions. In addition to this letter, this arrangement is to be governed by an agreement (“MPAY Merchant Agreement”) between us that supplements the terms and conditions set out in this Letter of Offer (“Letter”).

1. Fees and Charges

Fees and charges applicable to the above Programme are as set out in Section 1 of Schedule 1. Other value-added charges are set out in Section 2 of Schedule 1.

2. Term

The Programme is for a period as set out in Section 3 of Schedule 1 commencing from the date of activation of your account (“Term” where it includes a renewed term). The Term will be automatically renewed upon expiry unless terminated earlier by either of us giving to the other party a written notice of such number of days as set out in Section 5 of Schedule 1 to terminate prior to expiry of the Term.

3. Risk Management

Single Transaction Limit and Monthly Transaction Limits are as set out in Section 4 of Schedule 1, and are subject to change at our discretion from time to time.

4. Chargeback/Dispute

You will accept responsibility for all chargebacks related to any disputes on payment transaction, and/or any items on the Card statement. (“Chargeback”). You shall immediately pay to us a sum to be determined by us in writing in relation to any potential loss resulting from any Chargeback or any contentious/disputed/fraudulent transaction(s).

Further, to prevent Chargeback due to late settlement, you are advised to perform settlement at least once a day on the day of transaction. In the event any such settlement is made later than seven (7) days from the date of transaction, we are entitled to withhold any settlement due to you for the relevant transaction until the technical window for Charge back is closed. MPay reserves its right to delay or suspend any payments subject to MPAY’s completion of satisfactory checks (Including but not limited to Anti-Money Laundering and Countering Financing of Terrorism legislations). Such reversal, delay or suspension shall be notified to the Master Merchant and/or Merchant in writing/by email as soon as reasonably practicable.

5. Card Particulars

It is your responsibility to ensure that in the case of ‘chip-and-sign’ Cards, all your Card customers sign on the approved sales receipt and verify the signature on the signature panel at the back of the Card. In the case of ‘chip-and-pin’ card acceptance mode, in addition to the security measures set out in paragraph 14.2, you are to ensure that all such Card customers insert their PIN for each transaction. “Card” in this letter shall mean MPay Balance, any other pre-paid, credit or debit payment card mentioned herein and shall include but not limited to such other pre-paid, credit or debit payment cards and all other payment instruments acceptance in Malaysia by way of all acceptance modes including but not limited to POS terminals, contactless modes, mobile modes, QR Codes, e-commerce, recurring, MOTO, FPX as and where applicable. In the event the approved sales receipt is not signed, we reserve the right to withhold any settlement until the relevant time window for Chargeback is effectively time barred. In relation to this, it is your further responsibility to inform your customer to enter the card number, expiry date, CVV/CVC/such other card security code, where applicable, and one-time PIN of the credit/debit card during each transaction.

6. Cancellation/Rejection Fee

A fee as set out in Section 6 (a) of Schedule 1 will be imposed in the event:

- (i) You withdraw or cancel your application before your account is activated.
- (ii) Your application is rejected.

7. Termination Costs

We reserve the right to retain all fees paid by you in advance to recover termination costs. Termination of this arrangement under this Letter or the Merchant Agreement shall not prejudice all our rights accrued prior to termination and will not relieve you of your obligations to pay any outstanding including but not limited to rental and/or support fee, license and service fees, and/or subscription fee up to the date the Term would have expired, interest and all other costs

including that relating to collection of overdue amounts. All payments made and/or owing by you to us, including advance payment for subsequent years' rental fee, support fee, subscription fee and/or delivery charges (if any) shall become immediately due and payable, and if already paid, shall be fully forfeited and not to be refunded to you.

8. **Direct Debit**

You shall authorise your bank with an irrevocable instruction to debit your bank account for monthly payment directly into our designated bank account all annual rental, support fee and/or subscription fee not collected by us in advance at the time of your acceptance of this letter, as well as such other fee as we shall prescribe from time to time.

9. **Indemnity**

You agree to provide details of your business to our satisfaction for compliance with the Anti-Money Laundering, Counter Terrorism Financing regulations, PCI DSS requirements and/or any other provisions applicable. Further, you agree and undertake to fully indemnify us for all losses, damages, claims, cost and expenses in respect of or in connection with any and all actions, suits, claims, demands and/or proceedings brought against us with respect to, in connection with or resulting from:

- (a) your performance of your obligations under this Letter; and
- (b) any claim brought by a customer with respect to your products and/or services provided by you
(Including but not limited to Refund)

10. **Refund**

If Merchant issues a refund of the payment received, MPAY retain its MDR or other relevant fees as stipulated in Schedule 1.

11. **Set-off**

You hereby irrevocably authorise us to set off any monies due and/or owing by you to us, including but not limited to any sums due to us, any unpaid Terminal rental fee, support fee, subscription fee and/or any other fee under the Programme that is owing, including Chargeback, with any monies (including any deposits) that are or as shall become due and/or owing by us to you, including any sums due to you as part of the settlement proceeds of payment transactions processed.

12. **Onsite Technical Support**

Onsite technical support is available for a minimum fee set out in Section 7 of the Schedule 1..

13. **Acceptance of the Payment Card**

We are also pleased to inform that you shall enjoy the privilege of selecting and requesting from your customer the type of payment options including but not limited to Card, available credit and/or debit and/or QR payments (whichever is applicable) that you wish to accept for payment. When your customer is about to make payment, besides the MPay Balance, you may also request for "MyDebit" or any other debit cards. Upon the customer presenting its Card or the QR user presenting its QR (whichever is applicable), you may select the payment option that has been readily made available on the MPAY Terminal under the Programme. In relation to the customers who proceed to checkout with their carts, they will be directed from your website to the checkout page and may then make payments via credit and/or debit and/or QR code that have been readily made available under the Programme.

To this effect you may, upon approval from MPAY and/or Sponsored Bank and/or QR Operator (being the bank and/or QR Operator that sponsors the Programme), display appropriate notices to inform your customers on the type of Card and/or payment options that your business would invite as first choice for payment. Such notice however should not have any negative or discriminatory effect on the other Card types that you agree to accept.

14. **Compliance & Security**

14.1 "Double Swiping" or Unauthorised Card Data Capture

Pursuant to the Personal Data Protection Act 2010 ("PDPA") and in compliance with the Payment Card Industry Data Security Standard or PCIDSS, except for those data or information allowed/consented in writing by the Sponsor Bank, MPay and/or QR Operator, you are strictly prohibited from capturing/storing/copying the data contained on the card and/or within the data storage elements on the card, namely the magnetic stripe and/or the "chip" data or that of the cardholder and/or the data of the QR user. "Double swiping" i.e. the capture of card data on other terminals or devices other than authorised and provided by MPay is strictly prohibited.

14.2 Security for "PIN Based" transactions.

Card transactions that require a Personal Identification Number ("PIN") to be keyed on the terminals or PIN Pads require a very high level of security and privacy from your end to ensure your customers are able to key in the PIN with full confidence that there are no risks to the PIN being copied/captured/compromised.

You should therefore ensure the following requirements are being complied with and diligently carried out at all times:

- i. That you provide proper space for the customer to key in the PIN in confidence;
- ii. That your cashier or staffs around the area "LOOK AWAY" when the customer enters the PIN;
- iii. That your staff ensure the other customers/persons stand at a reasonable distance away from and not "crowd around" the customer who is about to key in the PIN.

15. **Taxes**
- 15.1 Unless otherwise expressly stated, fees and all other sums payable or consideration to be provided under this Letter are exclusive of any applicable taxes or other sales or value added taxes.
- 15.2 All payments or other amounts payable to you are to be paid after deduction or withholding as required by applicable laws.
- 15.3 Any taxes or levies now or hereafter imposed by law or required to be paid in respect of any monies payable to or to be received by us and/or the Acquirer and/or QR Operator (whichever is applicable) on any expenses incurred or to be incurred by us and/or the Acquirer and/or QR Operator (except where prohibited by law) shall be borne by you.
- 15.4 All other taxes, duties or government charges now or hereafter imposed or levied in connection with this Programme shall be borne by you.
- 15.5 You hereby agree that we and/or the Acquirer and/or QR Operator reserve the right in our sole discretion and without prior notice to you to set-off any monies due to you and/or debit your banking account(s), where applicable, for any amounts due and payable by you to us and/or the Acquirer and/or QR Operator, and any taxes or levies payable by you. In the event such debiting causes your banking account(s) to be overdrawn, an interest at the *Acquirer's* prevailing rate(s) or an interest at current prevailing rate (where QR is applicable) shall be charged accordingly to you. Further, you shall have no claim whatsoever against the Acquirer in the event such set-offs cause cheques drawn on your banking account to be dishonoured.
16. **Schedules**
- Schedule 1 and 2 form the integral parts of this Letter, and in the event of any conflict between this Letter and the schedules, the following order of precedence shall apply for purposes of resolution of the conflict unless otherwise expressly agreed and provided in this Letter and the schedules:
- (i) Schedule 2;
 - (ii) Schedule 1; and
 - (iii) Letter.
17. **Specific Conditions**
- 17.1 The MPAY Terminal shall remain the exclusive property of MPAY and you will not sell, mortgage, assign, encumber or dispose of any interest therein. The ownership of the MPAY Terminal vests at all times with us and must therefore be returned to us in good working condition upon termination. In the event you fail to return the MPAY Terminal in good working condition, you shall be liable to pay us a compensation sum as set out in Section 6(b) of Schedule 1 per MPAY Terminal. In any event, as the MPAY Terminal will be in your possession until it is returned to us, you shall be fully responsible for loss (including theft) of the MPAY Terminal for whatever reason and you shall be similarly liable to pay us a compensation sum for loss of the MPAY Terminal at the same compensation sum as set out in Section 6(b) of Schedule 1 per MPAY Terminal. This term is applicable to Rental Package for MPAY PRO and/or EDCPOS only.
- 17.2 You must notify MPAY immediately on any incident involving the MPAY Terminal.
- 17.3 MPAY reserves all the right, title and interest in and to all intellectual property relating to the MPAY Terminal or any part thereof including, without limitation, all patent and industrial design rights, integrated circuit topography rights, copyright, trade secrets, trade names and trademarks. You acknowledge that parts of the MPAY Terminal contain confidential and proprietary information of MPAY and agree not to permit any part of the MPAY Terminal to be copied, replicated, stored, reverse-engineered, publicly disclosed or used for any purpose other than as expressly permitted by this Letter..
- 17.4 Fees chargeable for request in reactivation on other device shall be as set out in Section 6(c) of Schedule 1 per account.
- 17.5 By accepting the MPAY Terminal that is now provided to you based on your present requirement, you also agree that should you require us to replace the MPAY Terminal for any reasons whatsoever, including reasons of incompatibility with your mobile device or devices, we shall provide a replacement MPAY Terminal at a replacement cost as set out in Section 6(d) of Schedule 1 per MPAY Terminal.
- 17.6 You are expected to conduct your account actively upon activation. It is within our absolute discretion to decide whether your conduct of the account is inactive in which event we shall be at liberty to terminate the arrangement under this letter and the MPAY Merchant Agreement. Clause 7 shall apply accordingly.
- 17.7 MPAY shall not in any circumstances be liable to you or any third party for any consequential, incidental, special punitive or exemplary damages, economic loss or loss profits, opportunity or business regardless whether arising by statute, contract, tort (including negligence), or any other legal principle, regardless whether MPAY was made aware of the likelihood of such damages or loss occurring.
- 17.8 This Letter will be construed in accordance with and governed by the laws of the Malaysia and the parties agree to submit to the jurisdiction of the courts in Malaysia.
- 17.9 The Programme comes with a bundle of complimentary terminal paper rolls. Any request to replenish or for additional paper rolls shall be charged at such price determined by us at our discretion to be prevailing at the time of order,

SCHEDULE 1

Please refer to the attached document.

SCHEDULE 2

(Other terms and conditions)

All representations, warranties and covenants contained in your website as well as the webpages therein, or any advertisement or printer matter relating to the products or services offered therein shall be deemed to have been made by you and you represent and warrant to and covenant with us that the products and services offered by you and contained in your website as well as the webpages therein do not contravene any statutory provisions or restrictions (including but not limited to such prohibition against gaming, pirated products and pornography) and all laws, rules and regulations that govern such products and services or regulate and/or restrict how such products and services are to be marketed and sold by merchants have been fully complied with. We shall not be in any way liable for any claim whatsoever arising therefrom including but limited to such penalty imposed by such card issuing entity (including Mastercard and/or Visa which penalty is currently at USD500,000) on us for a breach by you of any of your representations, warranties and covenants contained herein or in the Merchant Agreement. You shall be liable to pay us the full sum of the penalty imposed on us and you shall indemnify and keep us fully indemnified against all loss, costs and expenses incurred by us as a result of your breach of any of your representations, warranties and covenants contained herein and in the Merchant Agreement.

Should you need any clarification, please feel free to contact our MPAY Call Center at 1700-81-6729.

We thank you again for giving us the opportunity to recruit you as our Merchant and hope that this card acceptance facility will help you grow your sales and business.

Yours faithfully,

ManagePay Services Sdn Bhd (200001014035 (516641-W))

[This Letter is computer generated and requires no signature. Please note that this Letter becomes legally binding between you and us as soon as you sign and return the copy of this Letter]