

MPAY SPONSORED MERCHANT AGREEMENT



This Agreement is made the date set out in Section 1 of Schedule 1 between:

ManagePay Services Sdn Bhd (Company No: 516641-W), incorporated in and under the laws of Malaysia with its registered address at 16-A (1st Floor), Jalan Tun Sambanthan 3, Brickfields, 50470 Kuala Lumpur of the first part (hereinafter referred to as “MPay”)

AND

the party whose name and particulars are as stated in Section 3 of **Schedule 1** (hereinafter referred to as “Sponsored Merchant”) of the second part.

RECITALS

1 MPay is engaged in the business of providing payment solutions and services, including but not limited to merchant recruitment and deployment of EDCPOS terminals & mobile POS payment acceptance devices for card-present transactions, and 3DSecure e-Commerce payment gateway method for card-not-present transactions. MPay owns and operates in Malaysia a network of Card Acceptance Equipment which enable a Sponsored Merchant to electronically authorise, capture and submit card charges at the point of sales and which are capable of connecting multiple Card Acquirers for authorisation and submission of charges.

2 The Sponsored Merchant is engaged in the business of selling merchandise and/or services that accept Card for payments.

NOW IT IS HEREBY AGREED AS FOLLOWS:

1 DEFINITIONS

1.1 In this Agreement, unless there is a specific provision to the contrary or where the context otherwise requires, the following expressions shall have the following meanings:

WORD	MEANING
Account	the banking account maintained with MPay and/or Acquirer nominated by Sponsored Merchant from time to time for the purpose of crediting the Reimbursement;
Acquirer	an institution and/or such other Card Scheme member such as MasterCard International Inc. (“Mastercard”), Visa International Service Association (“VISA”), and MyClear respectively to process Card transactions from merchants for payment of good and services;
Authorisation Code	a six (6) digit approved number received from the card issuing bank as described in Clause 11.5 and 11.6;
Card	a payment card that includes a Prepaid Card and/or Credit Card and/or Debit Card used by the Cardholder in a Sales Transaction, and includes a Designated Payment Instrument;
Card Scheme	a payment corporation or network of corporations such as MPay, and/or MyClear and/or Mastercard and/or VISA, as the case may be, who by themselves or through its members, act as Issuer and Acquirer in respect of Cards;
Card Acceptance Equipment	all electronic equipment such as electronic draft capture (EDC) terminals and printers, cardholder identification devices (if any), any smart device attached with a chip reader, magnetic stripe or combination of both, with or without PinPad or Printer, which is capable of reading magnetic stripe or chip on Cards and other equipment supplied or approved by MPay for the purpose of processing and authorising Card transactions;
Card Acceptance Materials	all EDC Slips or e-Sales Slips, settlement reports and other relevant documents or forms supplied or approved by MPay for the purpose of evidencing payment of Sales Transactions to be debited from the Debit Card or debited directly from the Cardholder's account and/or to be charged to the Credit Card by the Cardholder;
Card Association	an association comprising issuers of Card;
Cardholders	holders of Card who use their Card to purchase merchandise or services offered by the Sponsored Merchant;
Card Recovery Bulletin	a notice supplied by Acquirer on a fortnightly basis containing particulars of VISA/Mastercard Cards or such other Card Scheme member Cards as the case may be, which are lost, stolen, blocked, cancelled or invalid;
Chargeback	an immediate deduction from the settlement account of the Sponsored Merchant of such amount to be paid by the Sponsored Merchant to MPay and/or Acquirer upon the circumstances set out in this Agreement;
Charges	any amount in Ringgit Malaysia to be debited from the Prepaid Card or debited directly from the Cardholder's account and/or to be charged to the Credit Card and/or Debit Card by the Cardholder for purchases of goods and/or services from the Sponsored Merchant;
Combined Warning Bulletin	a notice supplied by Acquirer containing particulars of VISA/Mastercard Cards and such other Card Scheme member Cards as the case may be, which are lost, stolen, blocked, cancelled or invalid;
Credit Card	a validly issued payment card including Mastercard or VISA Cards bearing distinctive service marks, designs and styles as may from time to time be determined and issued by the Issuer and/or Card Scheme member and shall where the context so permits include any one or more or all of the aforesaid cards;
Daily Limit	the maximum amount of Sales Transaction for any single day as shall be determined and so authorised by MPay and/or Acquirer at its absolute discretion for the Sponsored Merchant to execute, such Daily Limit and any revision thereof to be notified by MPay to the Sponsored Merchant from time to time;
Debit Card	a validly issued payment card including Mastercard Electronic and/or VISA Electron and/or MyDebit Cards bearing distinctive service marks, designs and styles as may from time to time be determined and issued by the Issuer and/or Card Scheme member and shall where the context so permits include any one or more or all of the aforesaid cards;
Designated Payment Instrument	a designated payment instrument as defined in Financial Services Act 2013 (Act 758) and shall include MPay Balance and such other designated payment instruments issued by

	corporation licensed by BNM and/or such other instruments MPay shall issue from time to time;
EDC Slip	a document from time to time supplied to enable Sponsored Merchant to record Charges and to evidence a Sales Transaction between the Sponsored Merchant and the Cardholder;
e-Commerce	the exchange of goods and services for payment made between the Cardholder and Sponsored Merchant when all of the transactions are performed via electronic communications;
e-Sales Slip	the relevant charge slip generated electronically after the completion of each transaction arising from the use of mobile devices evidencing purchases or services incurred by the Cardholder through the use of the Cards to be charged to the Cardholder's account;
Floor Limit	such sum in Ringgit Malaysia as determined by MPay and/or Acquirer as the maximum value of goods and/or services that the Sponsored Merchant may apply to the Cardholder without a specific authorisation;
Guarantor	a guarantor (or guarantors) who guarantees the performance of all the obligations of the Sponsored Merchant under this Agreement and who indemnifies MPay against any loss or damage suffered by MPay as a result of MPay entering into this Agreement;
Hot Card List	a list supplied by Acquirer from time to time containing particulars of Cards which are being improperly used;
Issuer	a corporation duly licensed by Bank Negara Malaysia to issue a designated payment instrument and includes a corporation authorised by a Card Scheme member such as Mastercard or VISA or MyClear to issue Cards;
Letter Of Offer	the letter from MPay to the Sponsored Merchant dated the day more particularly set out in Section 2 of Schedule 1 and includes such other letter as shall be issued by MPay to the Sponsored Merchant in substitution thereof or as supplemental thereto;
MPay Balance	a Designated Payment Instrument issued by MPay for which MPay also acts as Acquirer and Issuer;
Merchant Discount	the amount chargeable by MPay and/or Acquirer as the case may be to the Sponsored Merchant at the rate set out in the Letter of Offer, which rate may be reviewed from time to time by MPay and/or Acquirer, of the successful Card transaction which sums shall be deducted from the amount of Charges presented to MPay and/or Acquirer before payment to the Sponsored Merchant of the balance of such Charges;
Monthly Limit	the maximum amount of Sales Transaction in a calendar month as shall be determined and so authorised by MPay and/or Acquirer at its absolute discretion for the Sponsored Merchant to execute, such Monthly Limit and any revision thereof to be notified by MPay to the Sponsored Merchant from time to time;
MyClear	Malaysian Electronic Clearing Corporation Sdn Bhd (412829-K), operator of MyDebit;
MyDebit	Malaysia's domestic debit card scheme, which allows point-of-sale payments using automated teller machine (“ATM”) cards issued by banks in Malaysia;
Party	either MPay or the Sponsored Merchant, and “Parties” shall refer to both;
PDPA	Personal Data Protection Act 2010 (Act 709) of Malaysia;
Pin	password number or personal identification number which function as a key for the Cardholder to enable and authorise a Card transaction;
Prepaid Card	a validly issued payment card that has a stored value as a result of the Cardholder preloading funds to the card bearing distinctive service marks, designs and styles as may from time to time be determined and issued by the Issuer and/or Card Scheme member and shall where the context so permits include any one or more or all of the aforesaid cards;
Red List	a list provided by MyClear to Sponsored Merchant by electronic means from time to time, containing information of Debit Card which are being improperly used, lost, stolen, cancelled, unauthorised, invalid or suspected to be involved in any act of fraud or a breach of authorisation and approval security;
Reimbursement	the value of the Sales Transaction minus Merchant Discount and any other charges (if any) reimbursed by MPay and/or Acquirer as the case may be to the Sponsored Merchant;
Restricted Card List	a notice supplied by VISA/Mastercard or such other Card Scheme member on a periodical basis containing particulars of VISA/Mastercard Cards or such Card Scheme member Cards which are lost, stolen, blocked, cancelled or invalid;
Risk Alert List	the Card Recovery Bulletin, the Restricted Card List, the Combined Warning Bulletin and the Hot Card List (but not limited to) which are printed or in any other form of notices (e.g. facsimile, telephone advice telex) containing particulars of Credit Card which are lost, stolen, blocked, cancelled, “hot” or were being improperly used;
Rules	rules, by-laws, regulations and guidelines of Card Associations and/or Card Scheme including procedures and requirements as set out and/or published and amended from time to time;
Sales Transaction	a transaction entered into by a Cardholder with a Sponsored Merchant;
Settlement Function	a function in Card Acceptance Equipment when manually or automatically activated that will transmit a batch of Card transactions to MPay and/or Acquirer for reconciliation and payment;

1.2 INTERPRETATIONS

1.2.1 words denoting one gender include all genders and words denoting the singular include the plural and vice versa;

1.2.2 words denoting persons include corporations and vice versa;

1.2.3 any reference to a sub-paragraph, paragraph, sub-clause, clause or part is to the relevant sub-paragraph, paragraph, sub-clause, clause, or part of and to this Agreement and any reference to this Agreement or any of the provision hereof includes all amendments and modifications made to this Agreement from time to time in force;

1.2.4 any reference to a statutory provision includes any modification, consolidation or re-enactment thereof for the time being in force, and all statutory instruments or orders made pursuant thereto;

1.2.5 the word "Ringgit Malaysia" and abbreviation "RM" means the lawful currency of Malaysia;

1.2.6 any reference to 'pay' or cognate expressions includes payments made in cash or by way of bank drafts or cheques or effected through inter-bank transfers to the account of the payee;

1.2.7 any reference to "writing" or cognate expressions includes communications effected by telex, facsimile transmissions or other comparable means;

1.2.8 if any period of time is specified from a given day, or the day of a given act or event, it is to be calculated inclusive of that day;

1.2.9 "Business Day" means a day on which MPay and/or Acquirer is open for business in Kuala Lumpur ;

1.2.10 Headings in this Agreement are inserted merely for convenience of reference and shall be ignored in the interpretation and construction of any of the provision herein contained;

1.2.11 Any reference in this Agreement to: (i) any other agreement or document shall be construed as a reference to such other agreement or document as the same may have been, or may from time to time be, amended, varied, novated or supplemented; and (ii) an act, a statute or treaty shall be construed as a reference to such act, statute or treaty as the same may have been, or may from time to time be, amended or, in the case of a statute, re-enacted.

2. CONSIDERATION

2.1 In consideration of the mutual covenants and the premises herein, MPay and the Sponsored Merchant hereby agrees to enter into this Agreement on the terms and conditions herein set out.

3 WARRANTIES AND UNDERTAKING

3.1 MPay warrants and undertakes that:

3.1.1 it has power to enter into this Agreement and is not under any disability, restriction or prohibition which might prevent it from performing or observing any obligation under this Agreement;

3.1.2 it has obtained all necessary and relevant licences, approvals, consents, permissions, permits and other certificates required by any statute, rule and regulation and/or authority and necessary for the carrying on of its business in the places and in the manner in which such business is now carried on;

3.1.3 the licenses, approvals, consents, permissions, permits and certificates issued by any ministry and/or authority and/or board are valid and subsisting, and there is no reason, nor any fact or circumstance which, to the best of its knowledge, would likely give rise to revocation, suspension, invalidation, cancellation or non-renewal of such licences, approvals, consents, permissions, permits or certificates;

3.1.4 it ensures compliance to Payment Card Industry Data Security Standard (PCI DSS) and Payment Application-Data Security Standard (PA-DSS) on data security of the MPay gateway, or data security within any software it provides to Sponsored Merchants in relation to its Card transaction processing.

3.2 The Sponsored Merchant warrants and undertakes that:

3.2.1 it has power to enter into this Agreement and is not under any disability, restriction or prohibition which might prevent it from performing or observing any obligation under this Agreement;

3.2.2 it has a valid licence or other appropriate authority to operate its place of business and/or websites under the laws of Malaysia;

3.2.3 no Card shall be accepted on terms less favourable than the terms under which the Sponsored Merchant accepts any payment card;

3.2.4 it shall inform MPay and/or Acquirer of any change in ownership, constitution, name, address, or composition of board of directors of the Sponsored Merchant;

3.2.5 it shall:

- a) not knowingly perform any illegal transaction ;
- b) submit transactions which are valid to MPay and/or Acquirer;
- c) comply fully with Rules;
- d) promptly supply MPay and/or Acquirer and/or the Card Associations with any information upon request;
- e) not submit a transaction before shipping or providing the goods or services to the Cardholder, except in the case of a deposit transaction or an advance deposit transaction;
- f) clearly set out the terms and conditions of its sales or services on its website, if any;
- g) allow MPay and/or Acquirer to immediately stop processing Sponsored Merchant's transactions if Sponsored Merchant has in any way breached any obligation under this Agreement;
- h) allow MPay and/or Acquirer to conduct an onsite investigation of the Sponsored Merchant at any time to investigate the Sponsored Merchant's compliance with Rules;
- i) not accept Cards or any other payment type for the purchase or trade of child abuse imagery or any other illegal goods or services, including but not limited to those so determined by MPay and/or Acquirer or Card Associations from time to time;
- j) not in any way incorrectly identify the relevant good or service sold or in any way attempt to mislead MPay and/or Acquirer and/or the Card Associations as regards the subject matter of each transaction;

4 MERCHANT DISCOUNT

4.1 The Sponsored Merchant hereby agrees that MPay and/or Acquirer shall be entitled to charge the Merchant Discount for each and every Sales Transaction.

4.2 MPay and/or Acquirer reserves the right to review and vary the Merchant Discount and any changes in respect of the Merchant Discount shall be effective on the day falling THIRTY (30) days after date of notification to the Sponsored Merchant.

5 DISPLAY MATERIALS AND PROMOTION

5.1 The Sponsored Merchant shall adequately display appropriate trademarks, logos, names and other promotional materials of the Issuer, Acquirer and/or Card Scheme member provided by MPay and/or Acquirer as the case may be so as to inform the public the Cards that will be honoured by the Sponsored Merchant.

5.2 The Sponsored Merchant shall not use any trademark, logo, name and other intellectual property right owned by or licensed to MPay and/or Acquirer for the Sponsored Merchant's advertising and promotional campaign without the prior written approval from MPay and/or Acquirer.

5.3 The Sponsored Merchant shall not make any statement, cause or permit to be done anything that may damage any trademark, logo, name and other intellectual property right owned by or licensed to MPay and/or Acquirer.

5.4 The Sponsored Merchant hereby irrevocably authorises MPay and/or Acquirer, at the discretion of MPay and/or Acquirer, to include the Sponsored Merchant's name and addresses in advertising and promotional campaigns undertaken by MPay and/or Acquirer or any other financial institutions in respect of any Card acceptance programme.

6 HONOUR OF THE CARD

6.1 Subject to the provisions of this Agreement, the Sponsored Merchant shall permit the Cardholders to charge their Card as payment for the purchases of goods and/or services supplied by the Sponsored Merchant without requesting from the Cardholders any advance or additional payment.

7. SPONSORED MERCHANT'S DUTY IN RESPECT OF UNACCEPTABLE CARD

7.1 The Sponsored Merchant shall be under duty to seek verification from MPay and/or Acquirer before proceeding to complete any Sales Transaction if:

7.1.1 the Card has been damaged, altered, defaced, re-embossed or re-printed in any manner;

7.1.2 the Sponsored Merchant is suspicious or should have been suspicious that the Card may be counterfeit or stolen;

7.1.3 the Card does not bear genuine distinctive service marks, designs and styles of Issuer or Card Scheme member and/or distinctive hologram of Issuer and/or Card Scheme member such as VISA and/or Mastercard or any other recognisable mark;

7.1.4 any of the particulars relating to the Cardholder has been omitted from the Card;

7.1.5 the Cardholder information (if any) has not been embossed or encoded;

7.1.6 the Card has expired;

7.1.7 the Card has a post-dated validity date (if any);

7.1.8 the signature on the Card does not resemble the signature on the EDC Slip or e-Sales Slip;

7.1.9 the photograph of the Cardholder (if any) on the Card does not appear to be of the person using the Card;

7.1.10 identification could not be produced to verify identity of person using the Card;

7.1.11 the Card number appearing on the Card Acceptance Equipment does not match the number on the Card;

7.1.12 there is any other reason to put the Sponsored Merchant on enquiry as to the validity of the intended Sales Transaction.

7.2 In the event that the Sponsored Merchant is unable to determine the validity of a Card presented, the Sponsored Merchant shall forthwith seek approval from MPay and/or Acquirer by telephone or through any other alternative means acceptable to MPay and/or Acquirer. If MPay and/or Acquirer verifies that the Card is valid, the Sponsored Merchant shall record Acquirer's personnel details to evidence such authorisation before performing a Sales Transaction through the use of Card Acceptance Equipment.

7.3 In the event that the Card presented by Cardholder has been declared invalid, cancelled, reported lost or otherwise deemed unacceptable by MPay and/or Acquirer, such Card shall be rejected by the Sponsored Merchant.

7.4 The Sponsored Merchant shall only process Debit Card transactions through the use of the Card Acceptance Equipment provided by MPay and/or Acquirer and not any other mode and manner.

7.5 The Sponsored Merchant is prohibited to retain any Debit Card of any Cardholder. In cases of Credit Card the Sponsored Merchant may only retain such Credit Card upon obtaining the MPay and/or Acquirer's prior written consent.

7.6 The Sponsored Merchant shall indemnify MPay and/or Acquirer against all liabilities, claims, losses or expenses whatsoever in respect of any refusal of any Card by the Sponsored Merchant in the course of carrying out its obligations hereunder.

7.7 The Sponsored Merchant acknowledges that MPay and/or Acquirer has the right to evaluate from time to time the risks emanating from the Sponsored Merchant's transactions, such evaluation to include transaction monitoring, velocity checking and to assign risk parameters as may be necessary including restricting the number of times a particular card may be used within a predetermined period of time, prohibiting specific transactions from settling that may be deemed fraudulent, performing appropriate so called data scrubbing to ensure all transactions submitted for payment are valid transactions for products or services provided.

8 RED LIST

8.1 The Sponsored Merchant shall at all times be deemed to have received the latest Red List immediately upon the transmission by MyClear to the Sponsored Merchant directly notwithstanding that Sponsored Merchant may not actually receive it for any reason whatsoever including but not limited to a lack of storage capacity in the Card Acceptance Equipment. In the event it is reasonably obvious that the Red List in the possession of is out of date, the Sponsored Merchant shall be responsible to verify and inform MyClear or/and Acquirer via MPay that it has not received the latest Red List. MPay and/or Acquirer shall not be liable for any loss and damages suffered by the Sponsored Merchant as a result thereto.

9 RISK ALERT LIST

9.1 The Sponsored Merchant shall check the current Risk Alert List ("RAL") or Card Recovery Bulletin ("CRB") or Restricted Card List ("RCL") or Hot Card Notice ("HCN") supplied by MPay and/or Acquirer to the Sponsored Merchant from time to time prior to the completion of any transaction and shall not accept any Card listed in the RAL, CRB or RCL or HCN.

9.2 Any RAL sent by prepaid ordinary post to the Sponsored Merchant at the address herein shall be deemed to be received THREE (3) days from the date of posting thereof ("the effective date"). It shall be the responsibility of the Sponsored Merchant to verify and inform MPay and/or Acquirer if the relevant RAL in the possession of the Sponsored Merchant is reasonably obvious that it is out of date. MPay and/or Acquirer shall not be liable for any loss and damages suffered by the Sponsored Merchant as a result thereto.

10 FLOOR LIMIT

10.1 Where the Sponsored Merchant has been provided with EDC POS terminal, and/or any other Card Acceptance Equipment, the Floor Limit of the Sponsored Merchant shall be ZERO (0) in the absence of any specific authorisation and/or written authorisation from MPay and/or Acquirer to the Sponsored Merchant. In the event of any equipment/line failure, the Sponsored Merchant shall on each occasion request and obtain from MPay and/or Acquirer by telephone, specific authorisation and/or written authorisation.

10.2 Where the Sponsored Merchant has not been provided with EDC POS terminal, the Floor Limit shall be such sum to be assigned by Acquirer, at the Acquirer's sole and absolute discretion, to the Sponsored Merchant or to each of the Sponsored Merchant's outlet(s) in writing from time to time. In the event that the value of the Sales Transaction of a Cardholder is in excess or deemed to be in excess of the Floor Limit, the Sponsored Merchant shall on each occasion request and obtain from Acquirer by telephone, a specific authorisation. If the amount of the Sales Transaction is below the assigned Floor Limit, the Sponsored Merchant shall check the Card number against the RAL before accepting the Card. The Floor Limit may be varied at the sole discretion of MPay and/or Acquirer by giving the Sponsored Merchant written notice, and such variation shall be effective immediately upon receipt by the Sponsored Merchant of notification.

11 COMPLETION OF SALES TRANSACTION

11.1 Before processing a Sales Transaction, the Sponsored Merchant shall at the time of Sales Transaction, verify the validity and the particulars of the Card.

11.2 The Sponsored Merchant must always ensure that it provides a secure environment for the Cardholder to enter its Pin or generally to perform payment transactions so that the Cardholder is confident its Pin and other details are not

compromised before performing any Card transaction. Any multiple Sales Transaction that occurred without the re-entry of Pin is prohibited.

11.3 When a Sales Transaction is done via EDC POS Terminal, printed EDC Slip shall be the evidence of a Sales Transaction between the Sponsored Merchant and the Cardholder. After the EDC Slip is printed, the Sponsored Merchant needs to ensure the particulars of the Card and the particulars of the Sponsored Merchant is legibly imprinted on the EDC Slip complete with date of transaction and prices before a copy of duly completed EDC Slip is handed over to the Cardholder.

11.4 Upon completion of each Sales Transaction as evidenced by the handing over of the completed EDC Slip to the Cardholder, the Sponsored Merchant shall not be permitted to make any alteration or amendment whatsoever in relation to the EDC Slip. If MPay and/or Acquirer is of the view that there is any alteration or amendment or attempted alteration or amendment to the completed EDC Slip, MPay may withhold payment of the Reimbursement to the Sponsored Merchant. The decision of MPay and/or Acquirer on any of the foregoing matters shall be deemed to be final and binding on the Sponsored Merchant.

11.5 When a Sales Transaction is done via mobile devices, e-Sales Slip will be generated electronically after the completion of each transaction evidencing purchases or services incurred by the Cardholder through the use of the Cards to be charged to the Cardholder's account, the Sponsored Merchant needs to ensure that the following acceptance procedures are strictly observed and complied with:

- a) key-in product description;
- b) key-in the amount of the transaction, swipe or insert the Card, as appropriate, to capture relevant Cardholder details;
- c) if the transaction is approved by the issuing bank, Sponsored Merchant shall ensure that relevant Authorisation Code is obtained and displayed on the mobile device screen;
- d) require Cardholder to sign on the mobile device screen to complete the transaction;
- e) compare Cardholder's signature on the mobile device screen with that on the Card; in the event of the signature differs or in the event the Sponsored Merchant believes there to be a discrepancy in the signature, the Sponsored Merchant shall contact MPay and/or Acquirer for instructions, and request Cardholder to key-in its email address in order for the relevant copy of the e-Sales Slip to be sent to its mailbox provided that the Sponsored Merchant is to provide a manual transaction receipt if the Cardholder does not have or does not provide its e-mail address.
- f) When a Sales Transaction is concluded by way of e-Commerce transaction via the internet on the SSL platforms or FPX or JOMPAY or Masterpass or Secure Card On File or any other mode of card not present transaction, in accepting and honouring the Card, the Sponsored Merchant shall ensure that the following acceptance procedures are strictly observed and complied with:

11.6 When a Sales Transaction is concluded by way of e-Commerce transaction via the internet on the SSL platforms or FPX or JOMPAY or Masterpass or Secure Card On File or any other mode of card not present transaction, in accepting and honouring the Card, the Sponsored Merchant shall ensure that the following acceptance procedures are strictly observed and complied with:

11.6.1 to ensure and accept only transactions with prior Authorisation Code obtained from MPay and/or Acquirer;

11.6.2 delivery of goods sold or services rendered shall comply with the terms agreed between the Sponsored Merchant and the Cardholder;

11.6.3 the Sponsored Merchant's refund policy is clearly stated on the Sponsored Merchant's Website;

11.6.4 the transaction receipts for all completed Card transactions is produced and delivered to the Cardholder via the Sponsored Merchant's Website;

11.6.5 the Sponsored Merchant shall deliver to the MPay and/or Acquirer within SEVEN (7) Business Days any credit voucher being refunded to be posted to the Cardholder;

11.6.6 to ensure the billing amount is correctly processed;

11.6.7 the Sponsored Merchant shall accept and honour any return of goods by the Cardholder when properly presented in accordance with refund policy under Rules.

11.7 When a Sales Transaction is done by using QR Codes, it could either be using (i) Customer Scan Merchant QR (CSMQ) or (ii) Merchant Scan Customer QR (MSCQ).

11.7.1 For CSMQ transaction, the Sponsored Merchant is to ensure the followings:

- a) the Sponsored Merchant validates payment on Card Acceptance Equipment and a QR Code is generated;
- b) the Cardholder scans the QR Code with the payment instrument;
- c) 6 digits security pin will be prompted for the Cardholder to validate the payment;
- d) Cardholder's screen will show that the payment is completed;
- e) the Sponsored Merchant will receive notification that payment is completed;
- f) physical Sales Slip will be generated.

11.7.2 For MSCQ transaction, the Sponsored Merchant is to ensure the followings:

- a) the Sponsored Merchant will key in the product description and amount of the transaction and tap "PAY" on Card Acceptance Equipment;
- b) the Sponsored Merchant will scan the QR Code generated from Cardholder's payment instrument;
- c) the Sponsored Merchant shall obtain and record the relevant Authorisation Code upon successful transaction;
- d) physical Sales Slip will be generated or request Cardholder to key-in its email address in order for the relevant copy of the e-Sales Slip to be sent to the Cardholder's mailbox.

11.8.1 Notwithstanding anything herein written, in selling products and/or services online, processing and/or accepting Card orders using a shopping cart, web hosting company or other internet means or generally engage in e-Commerce transactions, the Sponsored Merchant is to ensure that its website now display all of the information listed below:

- a) a complete description of the goods and/or services offered;
- b) its business and contact information, including business address, telephone number and alternate contact information (including email address and fax number). The address displayed must match the physical address of the business;
- c) the currency in which the transaction will be conducted;
- d) customer service telephone and alternative contact number;
- e) delivery standards, including delivery method (i.e., FedEx, UPS, USPS, etc.) and time standards i.e., product will arrive within three business days). Both domestic and foreign import/export shipping time standards must be included (if applicable);
- f) its country of origin;
- g) Card Association and/or Card Scheme logos;
- h) terms and conditions, as well as export and/or legal restrictions (including for international transactions, if applicable) which must be displayed on either the same screen as the checkout screen (where the total purchase amount is displayed), OR within the sequence of web pages the Cardholder accesses during the checkout process;
- i) clear and concise privacy policy, including what information is collected, how it is tracked and with whom it is shared and all other requirements under the PDPA;
- j) its cooling off period/refund/return policy described in full detail;
- k) a "Click Here to Accept" function;
- l) contact information for the web hosting service.

11.8.2 The Sponsored Merchant should also state the website's security method for the transmission of payment data (eg SSL Secured 128 bit).

11.8.3 All information mentioned in Clauses 11.7.1 and 11.7.2 must be available to enable the Cardholder to review all information prior to completing a sale and have the option to cancel the sale. A sale may be left pending or the merchant account terminated by the Card Association if a Sponsored Merchant's website does not display all the required information

11.9 It is the Sponsored Merchant's obligation to ensure that the Settlement Function is activated and the daily settlement report is printed out successfully every day before 23:30:00. The Sponsored Merchant hereby agrees that after 23:30:00 and/or after activation of Settlement Function, all completed Sales Transactions of the day shall be subject to the Merchant Discount and any other relevant deductions from the total Charges presented.

11.10 The Sponsored Merchant shall ensure that all Sales Transactions are processed in accordance with the procedures as stipulated by MPay and/or Acquirer from time to time and to the satisfaction of MPay and/or Acquirer.

12 AFTER SALES ADJUSTMENTS FOR DEBIT CARD TRANSACTION

12.1 In the event that after sales adjustment is needed for any dispute or rejection of goods and/or services by MyClear Card Cardholders, the Merchant shall arrange a refund to MyClear Cardholder in such manner and condition as may be directly agreed to between both parties without any reference to or any involvement whatsoever of MPay and/or Acquirer.

13 AUTHORISED TRANSACTION LIMIT

13.1 If the Charges of a single transaction or multiple Sales Transactions exceed the Daily Limit and/or Monthly Limit, the Sponsored Merchant shall obtain authorisation from MPay and/or Acquirer via telephone and/or in writing.

14 REIMBURSEMENT

14.1 Subject to the Sponsored Merchant's due compliance with the terms herein and without prejudice to any of MPay and/or Acquirer's rights, MPay shall pay the Reimbursement by directly crediting into the Sponsored Merchant's settlement account. All amounts of Reimbursement are subject to the final audit and checking by MPay and/or Acquirer and all settlement payments by MPay and/or Acquirer in respect of the claims for Reimbursement shall be made in Ringgit Malaysia (RM).

14.2 Reimbursement by MPay and/or Acquirer does not constitute confirmation that the Sales Transactions are accepted according to the conditions and procedures stated herein or are free of discrepancies, irregularity or any violation.

14.3 The Sponsored Merchant agrees that MPay and/or Acquirer as the case may be reserves the right to seek reimbursement from the Sponsored Merchant in respect of the Reimbursement and such sum of monies shall be refunded or repaid to MPay and/or Acquirer on demand either by debiting Sponsored Merchant's account or MPay and/or Acquirer exercising its right to set-off or by raising a claim on the Sponsored Merchant or by any other means, as MPay and/or Acquirer shall deem fit.

14.4 The Sponsored Merchant agrees that MPay and/or Acquirer as the case may be reserves the Right to claim back from the Sponsored Merchant any extra charges and any other payment due from the Sponsored Merchant to MPay and/or Acquirer may be recovered on demand by any manner stipulated in this Agreement.

14.5 It is the Sponsored Merchant's obligation to carry out reconciliation on the daily settlement report after the initiation of Settlement Function and reconcile the statement report from MPay and/or Acquirer. If the Sponsored Merchant fails to highlight any discrepancy by submitting a written request to MPay and/or Acquirer within FIVE (5) Business Days following the date of Sales Transaction which is stated on the EDC Slip, e-Sales Slip and/or all other supporting documentation required by MPay and/or Acquirer, the Sponsored Merchant agrees that MPay and/or Acquirer shall not be held liable for any loss or damage incurred thereby by the Sponsored Merchant.

14.6 The Sponsored Merchant shall not change or terminate the settlement account unless FIFTEEN (15) days prior written notice has been given to MPay and/or Acquirer and the change shall not take effect without written consent from MPay and/or Acquirer. MPay and/or Acquirer shall not be liable for any loss or damage suffered by Sponsored Merchant arising as a consequence of late presentation.

14.7 The Sponsored Merchant is under duty to inform MPay and/or Acquirer of any error in the settlement account and payment details and MPay and/or Acquirer shall not be liable for any loss or damage incurred by the Sponsored Merchant arising as a consequence of the Sponsored Merchant giving incorrect details of the settlement account to MPay and/or Acquirer.

14.8 The Sponsored Merchant agrees that MPay and/or Acquirer shall not be liable or obliged to pay, refund or transfer the electronic money value stored in any lost, damaged or stolen Card Acceptance Equipment.

14.9 MPay and/or Acquirer shall have a lien on, and shall at any time, have the right to consolidate and set-off (as well before as after demand hereunder) any or all of the monies now or hereinafter standing to the credit of the Sponsored Merchant and/or the Guarantor with MPay under this Agreement or otherwise, with all monies owing and/or any of the liabilities of the Sponsored Merchant and/or the Guarantor, whether under the Letter of Offer or any other letters of offer and/or under this Agreement or any other agreement or agreements with MPay, and/or transfer any sum or sums standing to the credit of any one or more of such accounts in or towards the satisfaction of any of the said monies owing by and/or liabilities of the Sponsored Merchant and/or Guarantor Party.

15 RECORDS AND STATEMENT REPORTS

15.1 The Sponsored Merchant shall keep all records pertaining to Card Acceptance Materials and all other documents including but not limited to relevant purchase orders, delivery orders and invoices and other documents on which the Charges are raised for a period of SEVEN (7) years from the date of the Sales Transactions. Upon request, the Sponsored Merchant shall deliver these records to MPay and/or Acquirer and/or its appointed agent at any time upon service of reasonable notice to examine any of such documents, failing which, MPay and/or Acquirer reserves the right to claim from the Sponsored Merchant any payment or extra payments made to the Sponsored Merchant.

15.2 The Sponsored Merchant agrees to submit the EDC Slips or e-Sales Slip and Card Acceptance Materials exclusively to MPay and/or Acquirer not later than the next Business Day from the date of request. MPay and/or Acquirer reserves the right not to accept any EDC Slips or e-Sales Slip and Card Acceptance Materials tendered after the due date and MPay and/or Acquirer is not obliged to effect Reimbursement to the Sponsored Merchant and shall not be liable for any loss or damage suffered by the Sponsored Merchant.

15.3 If there is any discrepancy between the Sponsored Merchant's records and reports and that of MPay's and/or Acquirer's, the Sponsored Merchant agrees that statements and reports issued by MPay and/or Acquirer shall be final and conclusive against the Sponsored Merchant.

16 WITHHOLDING OF REIMBURSEMENT

16.1 If MPay and/or Acquirer has any reason to suspect that the Sponsored Merchant's use of any EDC Slip, e-Sales Slip and/or Card Acceptance Materials is not in compliance with the conditions and procedural guidelines stated in this Agreement or any guidelines and requirements as may be stipulated by MPay and/or Acquirer from time to time, or contains any discrepancy or irregularity of whatsoever description, (either fraud, forgery or otherwise) or any Charges of goods and/or performance of services violated any law or rule of any governmental agency, local or otherwise, MPay shall be entitled to withhold the Reimbursement until MPay and/or Acquirer has examined and verified all supporting documentation and/or conducted investigations and is thereafter satisfied with the outcome of the investigation and that the use of Card does not violate any law or rule of any governmental agency,

local or conditions and procedures stated in this Agreement or the Rules or any procedures and requirements as may be stipulated by MPay and/or Acquirer from time to time.

16.2 If MPay and/or Acquirer, in its sole and absolute opinion, thinks that through the outcome of the investigation, the Card and/or Sales Transaction is not conducted in compliance with the conditions and procedures stated in this Agreement or any procedures and requirements as may be stipulated by MPay and/or Acquirer from time to time, or violates laws or rules of any governmental agency, local or otherwise; or any Charges of goods and/or performance of services violates laws or rules of any governmental agency, local or otherwise, the Sponsored Merchant agrees that MPay and/or Acquirer shall not be obliged to effect the Reimbursement to the Sponsored Merchant until the resolution of the disputed Reimbursement and MPay and/or Acquirer shall not be liable for any loss (consequential included) or damage suffered by the Sponsored Merchant.

17 CHARGEBACK

17.1 In the event MPay and/or Acquirer discovers that the Sponsored Merchant has breached and violated any of the terms and conditions of this Agreement and/or its conduct of business is against any procedure and requirement as may be stipulated by MPay and/or Acquirer from time to time, MPay and/or Acquirer shall be entitled at its sole and absolute discretion to effect a Chargeback or set-off from the Sponsored Merchant's other banking account maintained with MPay and/or Acquirer for the total amount of the of the wrongful EDC Slip or e-Sales Slip and to impose any additional fee payable to MPay and/or Acquirer. If the Sponsored Merchant's banking account has insufficient funds, MPay and/or Acquirer shall have full recourse to recover by exercising its right to set-off the Chargeback or by raising a claim on the Sponsored Merchant or by any other means as MPay and/or Acquirer shall deem fit.

17.2 When the Sponsored Merchant's ratio of the total Prepaid/Credit Card counterfeit and/or fraud transactions to total Prepaid/Credit Card sales volume exceeds two per centum (2%) or any per centum which might be set from time to time at the sole discretion of the Card Associations or MPay and/or Acquirer for TWO (2) successive months, any or all Credit/Charge Card counterfeit and/or fraud transaction shall be eligible for Chargeback.

17.3 When the Sponsored Merchant's Chargeback ratio is equal to or more than zero point three per centum (0.3%) of their overall number of transactions, or any per centum which may be set from time to time at the sole discretion of the Card Associations or MPay and/or Acquirer, the Sponsored Merchant shall be subject to and liable for any monetary penalty as shall be imposed by the relevant Card Associations from time to time at the Card Associations' discretion.

18 CARD ACCEPTANCE MATERIALS AND EQUIPMENT

18.1 The Sponsored Merchant agrees to bear all installation fees for any telecommunication facilities and/or any other requirements, as well as any other operating charges. MPay and/or Acquirer accepts no responsibility and gives no warranty for the Card Acceptance Equipment and the Card Acceptance Materials other than as stated in this Agreement.

18.2 The Sponsored Merchant agrees to take all necessary precautions to prevent and shall immediately notify MPay and/or Acquirer of any theft, loss, damage, unauthorised use, abuse or misuse of all Card Acceptance Materials and Card Acceptance Equipment supplied to the Sponsored Merchant.

18.3 All Card Acceptance Materials and Card Acceptance Equipment supplied to the Sponsored Merchant including card acceptance software and architecture under this Agreement shall at all times remain the property of MPay. The Sponsored Merchant hereby agrees and undertakes to surrender or procure the surrender to MPay upon demand or termination of this Agreement all such Card Acceptance Materials and Card Acceptance Equipment. Save for reasonable wear and tear, the Sponsored Merchant agrees and undertakes to bear the cost of repairs and/or replacement of equipment and/or spare parts arising from any theft, loss, negligent damage, unauthorised use, abuse or misuse of the aforesaid equipment.

18.4 The Sponsored Merchant shall allow MPay or its representatives to install, inspect, repair, service or remove the Card Acceptance Equipment at any reasonable time. Upon completion of installation, repair, service or removal of the Card Acceptance Equipment, the Sponsored Merchant must acknowledge acceptance of such installation, repair or service or removal in writing.

18.5 The Sponsored Merchant must notify MPay or its representatives of any Card Acceptance Equipment failure within ONE (1) Business Day after becoming aware of the failure of the Card Acceptance Equipment. MPay shall not be liable for any loss (including consequential) or damage suffered by the Sponsored Merchant.

18.6 The Sponsored Merchant is under duty to prevent tampering of the Card Acceptance Equipment, which includes illegal modifications, or reverse engineering to the Card Acceptance Equipment or removal, concealment or alteration of any marking attached to or in the Card Acceptance Equipment which indicate the ownership of the Card Acceptance Equipment. The Sponsored Merchant agrees that it shall notify MPay immediately it discovers such dereliction of duty and be liable for any damage, loss, and costs arising as a consequence of such dereliction.

18.7 The Sponsored Merchant shall not assign or sub-lease any Card Acceptance Materials and Card Acceptance Equipment or allow third party to acquire rights in or over or use any of the Card Acceptance Materials and Card Acceptance Equipment without the prior written consent from MPay. In the event of such a breach, the Sponsored Merchant agrees that it shall be liable to pay a penalty to MPay at such amount as MPay shall in its discretion determine. MPay also reserves a right in such circumstances to also terminate this Agreement.

18.8 The Sponsored Merchant shall only operate the Card Acceptance Equipment in accordance with MPay payment gateway and instruction as set out or established by MPay from time to time.

18.9 The Sponsored Merchant shall promptly inform MPay in the event the Card Acceptance Equipment is faulty to facilitate servicing and/or repair of the equipment.

19 SURCHARGE

19.1 The Sponsored Merchant hereby agrees that it shall not under any circumstances levy a surcharge on the Cardholder to pay for any part of the Merchant Discount by any increase in the display or listed price for the provisions of goods and/or services. Upon receipt of any documentary evidence to that effect, MPay and/or Acquirer shall have full recourse to recover the surcharge amount from the Account or by any other means, as MPay and/or Acquirer shall deem fit.

20 CASH DISBURSEMENT

20.1 The Sponsored Merchant shall not under any circumstances make any cash advances to any Cardholder by performing Sales Transactions without prior approval in writing by MPay and/or Acquirer. The Sponsored Merchant shall not at any time accept Card to exchange EDC Slip or e-Sales Slip for cash or cheque payment.

21 SHARING OF CARD ACCEPTANCE EQUIPMENT AND CARD ACCEPTANCE MATERIALS

21.1 The Sponsored Merchant hereby agrees MPay may enter into an agreement or arrangement with another bank or party to share the use of the Card Acceptance Equipment and Card Acceptance Materials at any of the Sponsored Merchant's outlets by written notification from MPay and all the conditions and procedures in this Agreement shall similarly apply.

22 SUSPENSION

22.1 MPay and/or Acquirer may at its sole and absolute discretion at any time suspend the operation of this Agreement by serving a written notice to the Sponsored Merchant of the suspension and if the suspension is not revoked by MPay and/or Acquirer within SEVEN (7) Business Days from the date of said notice, this Agreement shall be deemed to be terminated.

22.2 MPay and Acquirer shall not be bound to give the Sponsored Merchant any reason whatsoever for the suspension or termination nor shall it be liable to the Sponsored Merchant for any loss (consequential included) or damage arising out of the suspension or termination of the operations of this Agreement.

23 TERMINATION, DEFAULT AND CROSS DEFAULT

23.1 This Agreement may be terminated by either Party giving the other Party THIRTY (30) days prior notice in writing to terminate this Agreement.

23.2 Without prejudice to any other provisions of this Agreement, MPay shall, at its sole and absolute discretion, have the right to forthwith terminate this Agreement if:

23.2.1 the Sponsored Merchant is in breach of any of the terms and conditions of this Agreement or abandons or repudiates this Agreement;

23.2.2 the Sponsored Merchant fails to comply or proceed with the execution of any of its duties and obligations under this Agreement;

23.2.3 the Sponsored Merchant goes into liquidation or a provisional liquidator is appointed in respect of the Sponsored Merchant (other than a voluntary liquidation for the purposes of amalgamation or reconstruction while solvent);

23.2.4 an administrator or receiver or receiver and manager is appointed over any part of the assets or undertaking of the Sponsored Merchant;

23.2.5 the Sponsored Merchant becomes insolvent or is unable to pay its debts as they fall due or enters into any composition or arrangement with its creditors or makes a general assignment for the benefit of its creditors;

23.2.6 the Sponsored Merchant being a company becomes insolvent or threatens or passes a resolution to wind-up or is in jeopardy of become subject to any form of insolvency proceedings;

23.2.7 the Sponsored Merchant being a proprietorship or partnership, dissolves, threatens or resolves or in jeopardy of dissolving;

23.2.8 any execution or distress is levied or enforced against the property of the Sponsored Merchant;

23.2.9 the Sponsored Merchant's business activities remain inactive for a period of THREE (3) consecutive months;

23.2.10 the Sponsored Merchant or its employees, servants or agents, in the sole and absolute opinion of MPay and/or Acquirer, is involved in any suspicious or fraudulent activity;

23.2.11 the Sponsored Merchant, being a proprietor, dies;

23.2.12 the Sponsored Merchant is in breach of any Shariah requirement (whenever applicable) as set out in Appendix 1.

23.2.13 any indebtedness under any account or accounts, whether with MPay or otherwise, of the Sponsored Merchant or the Guarantor or of any of its subsidiaries or associate companies or parent company that becomes due and is not paid or is capable of being declared due before its stated maturity or any guarantee or similar obligation of the Sponsored Merchant or the Guarantor or any of its subsidiaries or associate companies or parent company is not discharged at maturity or when called or the Sponsored Merchant or the Guarantor or any of its subsidiaries or associate companies or parent company of the Sponsored Merchant or the Guarantor goes into default under, or commits a breach of, any instrument or agreement relating to any such indebtedness, guarantee or other obligation or when the security of such indebtedness becomes enforceable.

23.3 If this Agreement is terminated under any of the provisions of this Agreement:

23.3.1 the Sponsored Merchant shall immediately cease using Card Acceptance Materials and Card Acceptance Equipment and return or procure the return to MPay all Card Acceptance Materials and Card Acceptance Equipment supplied to the Sponsored Merchant by MPay under this Agreement and all confidential information, documents and copies thereof and all other materials relating to the Card in the possession, custody or control of the Sponsored Merchant, failing which penalties shall be imposed by MPay on the Sponsored Merchant;

23.3.2 the Sponsored Merchant shall remain liable to pay to all sums agreed to be paid under this Agreement which have accrued and are due and owing to MPay and/or Acquirer prior to such termination;

23.3.3 subject to the provisions of this Agreement, all Parties shall be discharged from any future obligations.

23.4 The termination of this Agreement for whatever reason shall not affect the accrued rights of the Parties arising in any way out of this Agreement as at the date of termination and in particular but without limitation the right to recover damages against the other for any antecedent breach and all provisions which are expressed to survive this Agreement shall remain in force and effect.

24 COMMUNICATIONS AND MAINTENANCE

24.1 Any communications, documents and information updating to be given under this Agreement by the Sponsored Merchant to MPay and/or Acquirer pursuant to this Agreement shall be in writing in English or Bahasa Malaysia.

24.2 The Sponsored Merchant hereby agrees that any notice from MPay and/or Acquirer to the Sponsored Merchant shall be deemed to have been duly served upon and received if:

24.2.1 delivered by hand, at the time of delivery;

24.2.2 sent by original or registered post or courier, within two days of posting;

24.2.3 transmitted via facsimile, at the time of transmission;

24.2.4 transmitted via electronic mail, at the time of transmission;

24.2.5 transmitted via Card Acceptance Equipment electronic notice, at the time of transmission, at the address or electronic mail address or facsimile transmission number set out in this Agreement.

24.3 The Sponsored Merchant hereby agrees that advance notice from MPay to the Sponsored Merchant is not necessary for any changes, maintenance or restoration of the Card Acceptance Equipment and MPay's payment system.

25 DISCLOSURE OF INFORMATION

25.1 The Sponsored Merchant hereby agrees that MPay and/or Acquirer shall be entitled to disclose any information concerning the Sponsored Merchant to any appointed agents or subcontractor including its employees for any purpose in connection with any operation of Card services and products.

25.2 The Sponsored Merchant hereby authorises and consents that MPay and/or Acquirer shall be entitled to disclose any information concerning the Sponsored Merchant and its business transactions including its Cards customers to any of its agent, subcontractors or employees which may be necessary to facilitate the use of Card or for the purpose of recovering any payment due and owing from the Sponsored Merchant to MPay and/or Acquirer.

25.3 Without prejudice to Clause 25.1 and 25.2 above, the Parties shall not, at all times, disclose confidential information acquired in consequence of this Agreement, either relating to any of the Parties or the Cardholder, except for information which they may be entitled or bound to disclose under compulsion of law or where requested by regulatory agencies or to their professional advisors where requested by regulatory agencies or to their professional advisors where necessary for the performance of their professional services.

25.4 The obligation of the Parties in this Clause shall continue without limit in point of time but shall cease to apply to any information coming into the public domain otherwise than by breach by any of the obligations under this Agreement.

26 FORCE MAJEURE

26.1 MPay and/or Acquirer shall not be liable to the Sponsored Merchant for any failure to perform, or for any delay in performing any of its obligations under this Agreement, where the failure or delay is occasioned by any act or cause beyond its reasonable control including but not limited to fire, flood, earthquake, epidemic, accident, explosion, casualty, lock-out, civil disturbance, riot, act of public enemy, natural catastrophe, embargo, war or act of god.

27 AMALGAMATION

27.1 The liabilities and obligations created by this Agreement shall continue to be valid and binding for all purposes whatsoever notwithstanding any change by amalgamation or reconstruction or otherwise which may be made to the Sponsored Merchant or MPay and/or Acquirer whether past, present or future.

28 NON WAIVER OF RIGHTS

28.1 All the rights, powers and remedies of the Parties hereunder shall remain in force notwithstanding any neglect, forbearance or delay in the enforcement thereof and no Party shall be deemed to have waived any of its rights or any provision of this Agreement or any notice given hereunder unless such waiver is in writing.

28.2 The rights and remedies provided in this Agreement are cumulative, and are not exclusive of any rights or remedies of the Parties provided at law, and no failure or delay in the exercise or the partial exercise of any such right or remedy or the exercise of any other rights or remedy shall affect or impair any other right or remedy.

29 ASSIGNMENT

29.1 The Sponsored Merchant shall not without the prior written approval from MPay and/or Acquirer assign, transfer, mortgage, charge or pledge this Agreement or any of the rights, interests, entitlements, obligations under this Agreement or any part thereof.

29.2 The Sponsored Merchant shall not, without prior written consent from MPay and/or Acquirer, transfer, sell, mortgage, assign, charge or otherwise dispose or part possession or control of its ownership or shareholding in its business or company or any part thereof. The Sponsored Merchant agrees to continue to be fully liable and to keep MPay and/or Acquirer fully indemnified against all damages, losses, claims and expenses whatsoever which MPay and/or Acquirer may suffer by reasons of such actions until such transferee, mortgagee, assignee, charges or person taking possession or control has entered into a new agreement with MPay and Acquirer or provides suitable documentation in form and substance acceptable to MPay and/or Acquirer agreeing to be bound by all the terms and conditions of this Agreement or any procedures and requirements as may be stipulated by MPay and/or Acquirer from time to time.

29.3 MPay and/or Acquirer may assign, charge, transfer or otherwise deal in any or all of its rights and obligations under this Agreement and the Sponsored Merchant hereby agree and consents to all such dealings.

30 MISCELLANEOUS

30.1 MPay and/or Acquirer shall not be responsible to the Cardholders in any way or manner whatsoever for any goods and/or services supplied by the Sponsored Merchant.

30.2 MPay and/or Acquirer is entitled to set-off any amount owed by the Sponsored Merchant to MPay and/or Acquirer, whether under this Letter of Offer and/or this Agreement or otherwise, with the amounts owed by MPay and/or Acquirer to the Sponsored Merchant.

30.3 The Sponsored Merchant agrees that MPay and/or Acquirer shall not be liable to the Sponsored Merchant for any loss or damage arising whether directly or indirectly by the failure and malfunction of any system and/or Card Acceptance Equipment including any error attributed to the computer systems and applications employed by MPay and/or Acquirer.

30.4 Knowledge or acquiescence by any Party of, or in, any breach of any of the provisions of this Agreement shall not operate as, or be deemed to be, a waiver of such provision and, notwithstanding such knowledge or acquiescence, it shall not preclude the Party from insisting compliance of any such rights and remedies under this Agreement, and at law, and to require strict performance of all of the provisions of this Agreement.

30.5 In the event that any term and condition or stipulation contain hereunder shall be held to be invalid, void, prohibited, illegal or unenforceable, it shall not in any way affect the remaining provisions of this Agreement.

30.6 The Parties hereto agree that this Agreement shall come into force on the date of this Agreement irrespective of the diverse dates upon which the Parties may have executed this Agreement respectively.

30.7 Nothing in this Agreement shall be construed as establishing or creating a relationship of master and servant or principal and agent nor shall it constitute a partnership between the Sponsored Merchant and MPay and/or Acquirer.

30.8 The Sponsored Merchant agrees to pay legal fees, on a solicitor and client basis, and other costs and expenses incurred by MPay and/or Acquirer in the enforcement of MPay's and/or Acquirer's rights and entitlements under this Agreement on a full indemnity basis. Sponsored Merchant further undertakes to immediately pay all costs and expenses incurred by or imposed on MPay and/or Acquirer.

30.8.1 as a result of Sponsored Merchant's failure to observe its obligations under this Agreement and all policies and procedures set out in manuals and guidelines in connection with this Agreement;

30.8.2 as a result of Issuer or Acquirer or Card Scheme member such as VISA or Mastercard imposing fees, fines or penalties in accordance with the Rules as a direct or indirect result of Sponsored Merchant's failure to observe its obligations under the Agreement including any policies and procedures set out in manuals and guidelines in connection with this Agreement;

30.8.3 arising out of any dispute between Sponsored Merchant and a Cardholder;

30.8.4 as a result of any error, negligence or fraud relating to a transaction by Sponsored Merchant, its servants, agents, employees or contractors;

30.8.5 arising out of any damage to, or loss of the Card Acceptance Equipment, Card Acceptance Material and/or MPay's properties caused by the neglect, misapplication or misuse of Sponsored Merchant, its servants, agents, employees;

30.8.6 as a result of any fees, fines or penalties that the MPay and/or Acquirer is required to pay pursuant to the Rules or any requirement of any other Card Association that MPay and/or Acquirer is a member of or participates in, as a direct or indirect result of Sponsored Merchant's failure to observe any of the Rules required to be complied with by Sponsored Merchant used in providing such services.

30.9 The Sponsored Merchant further agrees to indemnify MPay and/or Acquirer if the Sponsored Merchant suffers a data compromise as a result of:

a) card data having been compromised;

b) weaknesses in the system permitted the unauthorised access to the data base;

c) the manner card data was created, deleted, altered, copied or manipulated.

30.10 Excessive Chargebacks: MPay and/or Acquirer will notify Sponsored Merchant if its Chargebacks in any particular category determined by MPay and/or Acquirer has or is in threat of exceeding the threshold as shall be determined by MPay and/or Acquirer in its discretion. Sponsored Merchant must take immediate action to rectify the situation. Failure to resolve the cause of the problem will result in "Excessive Chargebacks fines" imposed by the Card Associations which shall be passed on to and be borne by Sponsored Merchant.

30.11 Time wherever mentioned shall be of the essence of this Agreement.

30.12 This Agreement is binding on the personal representatives, heirs, and successors in title and permitted assigns of the Parties.

30.13 This Agreement shall be governed by, and construed in accordance with the laws of Malaysia.

31 REVIEW AND AMENDMENT

31.1 MPay may at its sole and absolute discretion (or in consultation with such authoritative Shariah body where it concerns Shariah principles, if applicable) review the terms and conditions of this Agreement or add new terms and conditions from time to time. Any such change shall be effective upon TEN (10) Business Days' notification to the Sponsored Merchant in accordance with the provisions of this Agreement and in the event the Sponsored Merchant is not agreeable to the amended or additional term and condition, this Agreement shall be deemed terminated immediately after the said TEN (10) Business Days and the provisions of Clauses 23.3 and 23.4 shall apply.

32 COMPLIANCE OF LAWS

32.1 The Parties shall comply with the PDPA and any written law with which they may be required to comply respectively including any Act, Enactment or ordinance or any by-law, rule, regulation or other subsidiary legislation under the PDPA, Enactment or ordinance or any direction, order, requirement or instruction given by any authority competent to do so under any written law.

33 ISLAMIC FINANCIAL SERVICES ACT 2013 ("THE ACT")

33.1 Sponsored Merchant and MPay are fully aware that the Acquirer is subject to the banking secrecy requirements stipulated under the Act and shall undertake to preserve banking secrecy throughout the duration of this Agreement with the Acquirer.

34 LETTER OF OFFER

34.1 The Parties hereby agree that the Letter Of Offer shall be deemed to form part of this Agreement and in the event any of the terms and conditions in the Letter Of Offer contradicts the terms and conditions of this Agreement, the terms and conditions of the Letter Of Offer shall be prevail for purposes of interpretation of this Agreement.

Appendix 1 (where applicable)

(a) Avoid acquiring any merchant under the Non halal merchant category codes (MCC):

MCC CODE	DESCRIPTION
5813	Bars, cocktail, lounges, discotheque, night club, taverns
5921	Package stores, beer, wine, liquor
5973	Religious goods stores
7261	Funeral services and crematories
7273	Dating, escort service
7297	Massage parlours
7298	Health and beauty spas (non-halal only)
7995	Betting (including lottery tickets, chips and gaming casinos, off-track betting and wagers at race tracks.)
6010	Manual cash disbursement (Genting casino)

- (b) Avoid acquiring any high risk merchant as stipulated under guidelines from the Issuer and/or Card Scheme member such as VISA or Mastercard such as online pharmacy, online gambling, online pornography, money-laundering and upscale trend merchants.
- (c) Avoid acquiring any merchants that are deemed to be involved in risky and unlawful activities as categorised by Malaysian government and other regulatory bodies.