

Terms & Conditions:

Definitions

- A. When used in this agreement, unless the context requires otherwise, each of the term set forth herein below shall have their meanings as indicated below:
- I. 'Alert' shall mean an email and/or SMS message sent to the e-mail address or mobile phone number of a Customer.
 - II. 'Application Form' means each application form that Bank Alfalah Limited asks the Merchant Establishment to submit when applying for the provision of Services, any attached Pricing Schedule, and any attached addendum.
 - III. 'Code of Conduct' means the code of conduct, instructions, guidance or manuals made available by us that include information and requirements relating to the Services, as amended from time to time.
 - IV. 'Valid Card' shall mean the following category of cards:
 - An unexpired 1Link PayPak /MNet/ /VISA/Mastercard/UnionPay/JCB/American Express card issued by Bank Alfalah Limited or any other bank designated to issue such card with an assigned Number Digit which is not listed in any Bank Alfalah Limited Notice or circular or other written communication including but not limited to any Bank Alfalah Limited 1Link PayPak /MNet/ /VISA,/Mastercard/UnionPay/.JCB/American Express card current Warning Bulletin as an invalid card and which bears the signature of the person/Customer, whose name may be embossed/printed on the card authorised;
 - Government Relief Payment cards issued by Bank Alfalah Limited or any other bank designated to issue such card with an assigned Number Digit, which is not listed in any Bank Alfalah Limited Notice or circular or other written communication including but not limited to any Bank Alfalah Limited card current warning bulletin as an invalid card and which bears the signature of the person/Customer, whose name may be embossed/printed on the card; and any other debit or prepaid card that has been issued by Bank Alfalah Limited or that has been deemed acceptable by Bank Alfalah Limited and that has been issued by any other bank designated to issue such card with an assigned Number Digit, which is not listed in any Bank Alfalah Limited Notice or circular or other written communication including but not limited to any Bank Alfalah Limited card current warning bulletin as an invalid card and which bears the signature of the person/Customer, whose name may be embossed/printed on the card.
 - V. 'Cardholder' or 'Member' or shall mean a person holding a valid Bank Alfalah Limited VISA./MasterCard/1Link PayPak /MNet/Union Pay/ American Express Card/ JCB Card / Government Relief Payment Cards/any other Debit/Prepaid card that has been issued by Bank Alfalah Limited or by other bank designated to issue such card and whose name appears on the card and includes any duly authorised Supplementary Cardholder (and includes their successors-in-interest).
 - VI. 'Customer' shall mean a person who has ordered goods and or/ Services from the Merchant Establishment and makes payment through QR Code Transaction and E-Transaction.
 - VII. 'Counterfeit Card' shall mean an instrument or device embossed, printed or otherwise bearing Bank Alfalah Limited VISA/Mastercard/UnionPay/American Express Card/ JCB Card/ 1Link PayPak /MNet/Union Pay / government Relief Payment Cards/any other Debit/Prepaid card that has been issued by Bank Alfalah Limited or by other bank designated to issue such card so as to purpose to be Bank Alfalah Limited VISA/Mastercard/UnionPay/American Express Card/JCB Card/1Link PayPak /MNet/Union Pay/ / government Relief Payment Cards/any other Debit/Prepaid card issued by a member or affiliate but that is not because the embossing or printing thereon was not authorised or because the Bank Alfalah Limited VISA./Mastercard/ UnionPay/American Express Card/JCB Card/1Link PayPak -/Mnet/Union Pay/ Government Relief Payment Cards/any other debit/Prepaid card has been altered or prefabricated even though it was validly issued initially and includes any card that is fake or a genuine card that has been tampered with or a genuine card with a different magnetic strip or with a magnetic strip that has been tampered with.
- B. The phrase Bank Alfalah Limited VISA,/Mastercard/UnionPay/American Express Card/JCB Card in any other clause of the Merchant Establishment Agreement shall be replaced with 'Bank Alfalah Limited VISA/Mastercard/1Link PayPak/MNet/union Pay/American Express card/JCB card/ government Relief Payment Cards/any other Debit/Prepaid' and shall be read as such and any obligations and rights that are attendant upon Bank Alfalah Limited VISA,/Mastercard/UnionPay/American Express Card/1(B Card shall be deemed as legally binding upon the new categories of 1Link PayPak/MNet/Union Pay/ JCB Card/ government Relief Payment Cards/any other Debit/Prepaid cards with immediate effect from the date of signing of this Addendum.
- C. Bank Alfalah Limited shall be absolutely entitled at its sole discretion from time to time to add, delete or modify any of the terms and conditions contained herein by way of an addendum to this Merchant Establishment Agreement, or to assign all or any of its rights and obligations under this 'Merchant Establishment Agreement' to any third party, by written intimation thereof to the 'Merchant Establishment':
- I. 'Business Day 'shall mean a day on which State Bank of Pakistan is open for business in Pakistan.

- II. 'Valid Charge' is a charge made through a Valid Card either at POS Terminal or at Merchant Platform and within the maximum amount of Floor Limit authorised under Clause 6 of this agreement or, in the event no such Floor Limit has been approved, only such charges that have been specifically authorised by Bank Alfalah Limited through electronic means, that in every instance are charged by a Cardholder on a Sales Slip acceptable to Bank Alfalah Limited bearing an imprint of the valid card and bearing the same signature as that on the reverse of the Valid Card.
- III. 'Sales Slip' means the form or slip for electronic approval provided by Bank Alfalah Limited to the 'Merchant Establishment' that holds, when utilized, the imprint of a valid card and the signature of the Cardholder corresponding to the signature appearing on the reverse of such Valid Card.
- IV. 'Digital Slip' means the record of a Transaction made by Cardholder on Merchant Platform that records including, but not limited to, the following information:
- (a). Card number and name of the Cardholder;
 - (b). Date & time of Transaction;
 - (c). Name of Merchant Establishment;
 - (d). Goods and services purchased by Cardholder on Merchant Platform
- V. 'Credit Voucher' shall mean the invoice form used for the purpose of consummating a sale by means of 'Bank Alfalah Limited Card' which is credited to the account of Cardholder in pursuance of the terms hereof. The 'Credit Voucher' shall be in the form as may be supplied from time to time by Bank Alfalah Limited to the 'Merchant Establishment'
- VI. "Merchant Platform" means website, mobile app or any other web based or online platform developed by Merchant Establishment to offer its products or services to Cardholders.
- VII. 'Warning Bulletin' shall mean the List, supplied from time to time by Bank Alfalah Limited containing the particulars of 'Restricted Cards' and any lost, stolen and/or cancelled cards.
- VIII. 'Restricted Card' shall mean the 'Bank Alfalah Limited VISA/Mastercard/American Express Card/ 1Link PayPak/MNet/Union Pay/JCB Card/ Government Relief Payment Cards/any other Debt/Prepaid or Credit card in respect of which usage has been restricted.
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- IX. 'POS Terminal' shall mean electronic payment processing terminals placed by Bank Alfalah Limited at the 'Merchant Establishment' in connection with this agreement and also include SPOS Terminals (enablement of POS via ____ enabled Mobile Phones).
- X. 'Card associations' or 'card association' shall mean VISA, MasterCard, American Express, JCB, and China Union Pay or any other Card Association as intimated by Bank Alfalah Limited to the Merchant Establishment from time to time, respectively or any one of them as the context so requires.
- XI. 'VISA' shall mean VISA Inc. a corporation incorporated under the laws of the state of Delaware, USA, having its headquarter at One Market Plaza, San Francisco, California, 94404, USA and includes VISA Europe Limited and its wholly owned affiliates and subsidiaries.
- XII. 'Master Card' shall mean MasterCard International Incorporated, a corporation incorporated under the laws of the state of Delaware, USA, having its headquarter at 2000 Purchase Street, Purchase, New York, 10577, USA.
- XIII. 'China Union Pay' shall mean China Union Pay Co. Ltd a corporation incorporated under the laws of China, having its headquarters at 6F, CUP Mansion, No. 36 Hanxio Road, Pudong New District, Shanghai, 200135, China.
- XIV. 'AMEX' shall mean American Express having its headquarter at 200 Vesey Street, Manhattan, New York City, NY 10285; United States.
- XV. 'EDC' shall mean electronic data capture in respect of a card Transaction through the use of a POS terminal or on Merchant Platform for submitting and validating card Transactions through switch.
- XVI. 'Pick up' shall mean a card pickup message appearing on a POS terminal when an issuer wants the merchant to seize a card or take into possession to return the same to the issuer.
- XVII. 'Card Transaction' means a Valid Charge made by a Cardholder in order to purchase goods or services from Merchant Establishment.
- XVIII. "E-Transaction" means a bonafide electronic transaction between Merchant and Cardholder in which any Valid Card is used for payment of goods and services over the internet or for refunds or other money adjustments pursuant to a transaction
- XIX. "Merchant Account" means a Bank Account of the Merchant Establishment wherein all the payments pertaining to the Transaction will be deposited or received.
- XX. "E-Payment Gateway" means a system that provides electronic commerce services to Merchants for the Authorization and settlement of E-Transaction
- XXI. "Proximity QR" shall mean the IT systems which enable the acceptance of payment services by the Bank.
- XXII. "QR Code" shall mean a machine-readable code consisting of an array of black and white squares, containing information relating to a Transaction ID.

- XXIII. "QR Code Transaction" shall mean a Customer payment made through the reading of a QR Code by a mobile phone camera.
- XXIV. "Reversal" shall mean the reversal of a QR Code Transaction in accordance with the Reversal Policy.
- XXV. "Reversal Policy" shall mean the policy applied by the Bank Alfalah Limited in relation to reversals of transactions through 'Proximity QR Team' as outlined in Annexure "A" to this Addendum.
- XXVI. "Services" shall mean the QR payment services, Card acceptance, and E-Payment Gateway services provided by the Bank Alfalah Limited to the Merchant Establishment in accordance with this Agreement.
- XXVII. "Transaction" shall mean Card Transaction, QR Code Transaction and E-Transactions.
- XXVIII. "Transaction ID" shall mean the unique identification number generated by Proximity QR upon receipt of Customer payment against a receipt or communication of purchase by the Customer from the Merchant Establishment.

I. PROVISIONS RELATING TO CARD ACCEPTANCE SERVICES

1. Charge Privilege

The Merchant Establishment agrees to always permit a 'Cardholder' to charge the purchase of goods and avail the services normally sold by the Merchant Establishment until the validation of Merchant Establishment Agreement. The Merchant Establishment acknowledges that any Valid charges by the 'cardholder' create a direct obligation on Bank Alfalah Limited to pay it (subject to the provision of Clause 7 hereunder) and the Merchant Establishment agrees not to bill the 'Cardholder' for the amount of such Valid Charge. The Merchant Establishment agrees that the prices charged to 'Cardholder' will not exceed prices charged to any of its other Customers.

2. Acceptance of Charges

Bank Alfalah Limited agrees to accept without recourse all Valid Charges, subject to Clause 7 hereinafter and the Merchant Establishment agrees to accept payment for each such Valid Charge in the amount given on the Sales Slip or Digital slip less discount of _ percent {this can change during the course of this 'Merchant Establishment Agreement' if there is a change in the percentage then the 'Merchant Establishment' will be informed accordingly with the affected change), which shall be binding on the 'Merchant Establishment'.

3. Submission of Charges

All charges payable by Bank Alfalah Limited in respect of the Card Transactions entered into by the Cardholders, would be intimated to Bank Alfalah Limited within 2 days from the time of such Card Transaction and Bank Alfalah Limited liability in respect of the settlement of such charges, in terms of this Agreement, would not extend beyond the said 2 days. However, the Merchant Establishment shall retain the Sales Slip, Digital Slip and the bill and invoices in respect of the Card Transactions, for the period of 365 days from the date of the Card Transaction and shall make the same available to Bank Alfalah Limited, as and when requested by Bank Alfalah Limited.

4. Payment of Charges

- A. Subject to the provision of the sub clause (b) hereinafter, and without prejudice to the right conferred by clause 7 hereinafter Bank Alfalah Limited agrees to pay for all valid charges received at their offices within 3 days of receipt, and except under the circumstances beyond the reasonable control (or as mentioned in the clause 5 (b)) of Bank Alfalah Limited, payment of any charges by Bank Alfalah Limited shall be without prejudice to any subsequent claim by Bank Alfalah Limited that such charge was not a Valid Charge. Bank Alfalah Limited will be entitled at any time and without any notice to set off and adjust outstanding of the 'Merchant Establishment: or of any partner or major shareholder (i.e. beneficially owning or controlling shareholding equal to or in excess of fifty percent of such 'Merchant Establishment') or proprietor thereof who executes this agreement on behalf of the 'Merchant Establishment' against all payments due from Bank Alfalah Limited to the 'Merchant Establishment'; provided further, that in the event the 'Merchant Establishment' fails for whatever reason to reimburse Bank Alfalah Limited forthwith, for any amount demanded hereunder as chargebacks, or otherwise, Bank Alfalah Limited will have the right to recall all finances provided or committed by Bank Alfalah Limited to the 'Merchant Establishment' or to any partner or major shareholder or proprietor thereof as aforesaid and to enforce and to appropriate any security charged to Bank Alfalah Limited in connection with provisions of such finances in order to retire any outstanding due if any payable by such 'Merchant Establishment' to Bank Alfalah Limited hereunder.
- B. Where Bank Alfalah Limited has reason to believe that any charges have been fraudulently incurred or charged either on an invalid card or a Counterfeit Card or in violation of the provisions hereof or where Bank Alfalah Limited has reason to investigate or cause to be investigated any charges (hereinafter referred to as 'Suspect Charge'), Bank Alfalah Limited shall be entitled to withhold payment for a period not exceeding 6 months from the due date of payment under sub-clause (a) above provided that if before expiry of 6 months, Bank Alfalah Limited determines after due inquiry and investigation that the charge is a Valid Charge and not a Suspect Charge, Bank Alfalah Limited shall release such withheld payment. Provided further that if within the said period of 06 months Bank Alfalah Limited determines after inquiry and investigation that any Suspect Charge is not a Valid Charge, Bank Alfalah Limited shall be under no obligation or liability to affect such payment.

- C. The Merchant Establishment agrees and acknowledges that where international card has been used at “Merchant Establishment” location or on Merchant Platform, Foreign currency rates will be settled in PKR as per Bank rates applicable at the relevant time.

5. Floor Limit

For each Card Transaction, ‘Merchant Establishment’ will need to seek authorization from Bank Alfalah Limited for the same, though Bank Alfalah Limited, in its absolute discretion, may specify a Floor Limit under which the ‘Merchant Establishment’ need not seek prior authorization from Bank Alfalah Limited before conducting the Card Transaction. Splitting of one Card Transaction or charge into two or more Sales or Digital Slips will not be acceptable to Bank Alfalah Limited (and a determination by Bank Alfalah Limited of the existence of such splitting of charges shall conclusively bind the ‘Merchant Establishment’). The ‘Merchant Establishment’ executing this agreement has been assigned the Floor Limit of Rs. - (Rupees-only) until otherwise notified or withdrawn by Bank Alfalah Limited, meaning that the ‘Merchant Establishment’ shall not be authorised to entertain any charge and or other purchases of goods and services (in aggregate or individual Card Transaction through use of Bank Alfalah Limited VISA./Mastercard/UnionPay/1Link PayPak/ JCB Card/ American Express card by a ‘Cardholder’ equal to or in excess of the Floor Limit except with the prior specific authorization of Bank Alfalah Limited).

6. Acceptance of Charges with Recourse-charge Back

The ‘Merchant Establishment’ agrees that any charge accepted by Bank Alfalah Limited which proves to be uncollectible, and which was incurred in any of the following circumstances shall be financial responsibility of the ‘Merchant Establishment’ and the ‘Merchant Establishment’ agrees to pay such unpaid charge or the charging back of such uncollectible charges, as the case may be, by Bank Alfalah Limited without any demur or protest:

- Any charge which is not a Valid Charge.
- Any charge incurred by a ‘Cardholder’ whose card or number was listed in Warning Bulletin Prior to incurring of the charge by the Cardholder.
- Any charge, which was incurred by a ‘Cardholder’ outside the date, indicated as Valid on the Member’s Card.
- Any charge incurred outside the territory authorised for use of the card.
- Any charge incurred involving the forgery of the ‘Cardholder’ signature on the Sales Slip.
- Any charge incurred which is based upon a Sales or Digital Slip that is incomplete or illegible as to the Cardholder’s name, signature, number of the card, or the validity date of the card.
- Any charge received by Bank Alfalah Limited more than 5 days after the charge was incurred by a Cardholder.
- Any charge, which was billed directly by the ‘Merchant Establishment’ to the ‘Cardholder’ Charges equal or in excess of the Floor Limit, if specified by Bank Alfalah Limited, incurred without seeking prior authorization of Bank Alfalah Limited as provided therein. Any charge for merchandise or services or charges made in circumstances in which the ‘Cardholder’ has received any type of payment in cash or equivalent in lieu thereof.
- Charges of undeliverable merchandise or services.
- Any charges, which the ‘Cardholder’ refuses to pay because of the merchandise or service, purchased from the ‘Merchant Establishment’ were not as promised by the Merchant Establishment or where the merchandise was defective.
- Any charge with respect to which a ‘Cardholder’ complaint or request for an adjustment has not been resolved by the Merchant Establishment’.
- Any charges not supported by a Sales or Digital Slip, shall not be reimbursed by Bank Alfalah Limited and Bank Alfalah Limited shall deduct such charges from the subsequent payment.
- Any charge for which the required authorization has not been obtained by the Merchant Establishment before allowing the Card Transaction.
- Any charge supported with Sales or Digital Slip received by Bank Alfalah limited which is not clear/legible, or the content is not clearly visible.
- Any charge(s) incurred by Bank during processing of such chargebacks received against the Merchant Establishment shall be borne by the Merchant Establishment as per charges mentioned in Schedule of Charges of the Bank as available on the website of the Bank at <https://www.bankalfalah.com/> (as updated/modified from time to time).

7. Recovery of Card

The merchant Establishment shall use their best efforts to recover a card from a Card member in the events mentioned below, by reasonable and peaceful means and shall not complete the Card Transactions for any of the said events

- a) The Merchant Establishment is informed by BAFL to recover the card in response to an authorization request;
- b) The account number of the Card appears in the POS/EDC Terminal with the Pick-Up response to an authorization request;

- c) The 4 digits above the printed/indented/embossed account number do not match the first 4 digits of the printed/indented/embossed account number;
- d) A card with ghost images/signature mismatched at the time of charging Card Transactions.

8. Protecting Cardholder information

- A. Data Security: Merchant Establishment must comply with the current Payment Card industry (PCI) Data security Standard. PCI data Security Standards means the then current comprehensive set of requirements for protecting Customer account data published by PCI Security Standards Council, LLC, made up of representatives from American Express, Discover Financial Services, ICB, Mastercard Worldwide and VISA international or any other Card Association. PCI Data Security Standards are published at <https://www.pcisecuritystandards.org/>
- B. Data Sharing: The information that Merchant Establishment have collected to facilitate the charge must be provided directly to Merchant Establishment by the Cardholder and not from a third party. Merchant Establishment must not share any Cardholder information obtained either from the Cardholder at the point of sale, Merchant Platform or during authorization or submission with any third parties other than Merchant Establishment Covered Parties, without the express consent of the Cardholder. At the point of sale and on Merchant Platform, Merchant Establishment must clearly and conspicuously inform the Cardholder which entity is making the offer of goods or services, so that the Cardholder can clearly distinguish Merchant Establishment from any other party involved in the sale.

9. Imprinters/Point of Sale Terminals

Imprinters/Point of Sale Terminals for use by the 'Merchant Establishment' will be provided in its absolute discretion by Bank Alfalah Limited on the request of "Merchant Establishment". A refundable deposit per imprinter/Point of sale Terminal provided will be collected in each such case unless Bank Alfalah Limited otherwise directs. The imprinter/Point of Sale Terminal provided to the 'Merchant Establishment' must be returned in good condition (Excepting reasonable wear and tear) on termination of this 'Merchant Establishment Agreement or forthwith on demand by Bank Alfalah Limited at any time. For the avoidance of doubt, the 'Merchant Establishment' agrees the point of sale Terminals are and shall always remain the property of Bank Alfalah Limited and not those of the 'Merchant Establishment'.

10. POS Terminal safety Terms and Condition

- a) It is the sole responsibility of Merchant Establishment to take complete care of POS terminal(s) deployed in 'Merchant Establishment'
- b) Merchant Establishment is liable to return all related hardware components of POS Terminal while returning POS terminal to Bank Alfalah Limited. Any associated loss to components will be borne by "Merchant Establishment".
- c) Merchant Establishment will have to bear the cost of any damage caused to the POS Terminal(s) or Hardware components under its premises due to its negligence.
- d) Merchant Establishment shall notify the Bank Alfalah Limited with complete responsibility of any damage caused to the POS Terminal.

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- e) Any miscommunication by Merchant Establishment with the Bank Alfalah Limited shall constitute breach of obligations of Merchant Establishment for which the Merchant Establishment shall be liable to make good the loss, if any, incurred or suffered by Bank Alfalah Limited due to such miscommunication
 - f) Merchant Establishment shall immediately notify Bank Alfalah Limited with complete responsibility if the POS Terminal is malfunctioning. In case of loss, misappropriation, or theft of POS Terminal, Merchant Establishment shall immediately submit copy of FIR or police report as required by Bank Alfalah Limited and shall also be liable to make good the loss suffered by Bank Alfalah Limited in this respect

11. Right of Full Recourse

If all the provisions of this Agreement and all of Bank Alfalah Limited's procedures and rules are satisfied each time a Cardholder makes a Charge at any of the sales terminals or Merchant Platform setup by the Merchant Establishments or through Automatic Credit Card Billing instruction (Recurring Transaction)/telephone Transaction, Bank Alfalah Limited shall make payment in respect of such charges made at such sales terminals, Merchant Platform or through automatic credit card billing instruction with full recourse to Bank Alfalah Limited. Explanation: 'Full recourse' in this agreement shall mean that Bank Alfalah Limited shall be entitled to reimbursement from the Merchant Establishment of the charge amount which Bank Alfalah Limited paid to the Merchant Establishment in respect of the charge in question (incurred at the sales terminal, Merchant Platform or through automatic credit card billing instruction) if the Cardmember raises a dispute, defaults or refuses to pay the charge amount to the issuer bank and resultantly Bank Alfalah Limited receives a charge back from the issuer bank, in that case Bank Alfalah Limited shall have the right to offset such charge amount by deducting it from the charge amount due and payable by Bank Alfalah Limited to the Merchant Establishment from time to time in respect of such charges. Bank Alfalah Limited shall have further recourse for any charges as to which Merchant Establishment has not

complied with the rules and procedures from time to time in force or conditions stated in this agreement as amended from time to time, notwithstanding the fact that Bank Alfalah Limited had prior notice of such non-compliance at the time Bank Alfalah Limited made payment to the Merchant Establishment. The payment by Bank Alfalah Limited to the Merchant Establishment would not constitute as a waiver of the Merchant Establishment's obligations under this Agreement. In addition to the above specific right, Bank Alfalah Limited shall also have other rights to full recourse as specified in this Agreement. Where Bank Alfalah Limited has the right to full recourse, Bank Alfalah Limited may in its sole discretion delay asserting this right during any period in which Bank Alfalah Limited or the Merchant Establishment are attempting to resolve a dispute amicably. Provided however, in no event shall such a delay by Bank Alfalah Limited in asserting of its right to full recourse be construed as a waiver by Bank Alfalah Limited under this agreement

II. PROVISIONS RELATING TO QR PAYMENT SERVICES

12. Scope of Services

- A. The Bank Alfalah Limited, pursuant to its standard operating procedure and subject to Merchant Establishment's intimation to the Bank Alfalah Limited, shall provide the following:
 - i. deployment of appropriate and applicable QR Codes at the Outlets;
 - ii. creation of appropriate and applicable codes for QR Code Transactions; and
 - iii. testing of QR Codes including where applicable, mapping of QR codes.
- B. In the case of each QR Code Transaction, once a Transaction ID has been generated against a purchase, the Transaction ID shall be communicated to the QR system as well as to the Customer.
- C. Prior to the receipt of a Customer payment through any Proximity QR, Bank Alfalah Limited shall through an automated electronic process:
 - i. confirm the Transaction ID against the Customer payment; and
 - ii. verify the Transaction ID against credentials issued to the Merchant Establishment at the time the Services were setup by the Bank Alfalah Limited.
- D. In the event that the Transactions IDs mentioned in sub-clause (i) and (ii) above, then the Bank Alfalah shall:
 - i. be entitled to accept Customer payment against the Transaction ID;
 - ii. send an alert within a reasonable time to the Customer containing Transaction ID, amount of payment, Merchant name and date and time of the transaction.
- E. In the event that the Transactions IDs mentioned in sub-clause (i) and (ii) of clause 3.3 above, then the Bank Alfalah shall be entitled to refuse to accept the Customer payment without incurring any further obligation.
- F. The Merchant Establishment shall prominently make visible the QR Code to ensure that Customers are aware that payments can be made through QR Code and the correct procedure to make payment through QR.
- G. Notwithstanding anything contained herein, Bank Alfalah shall under no circumstances whatsoever, be held responsible or liable for:
 - i. the accuracy, veracity, correctness and/or genuineness of a purchase and/or any Transaction ID;
 - ii. a security breach, hacking, system failure, server failure or any such other similar situation affecting the Proximity QR systems;
 - iii. the failure to complete delivery of the goods or services by the Merchant Establishment after an Alert has been sent; and
 - iv. if the Transaction ID generated and/or communicated was due to fraudulent/illegal/un-authorized activities of any person/personnel of the Merchant Establishment /Outlet or the Customer.

13. Reconciliation

- A. To the extent possible, Bank Alfalah Limited shall provide an online web interface, MIS, or Mobile Based Application or SMS based verification details relating to Customer payments (the "Reconciliation"). The Bank Alfalah Limited hereby excludes, to the fullest extent permissible by law, any liability or responsibility resulting as a consequence of non-functionality, server down-time, damage, destruction or such similar circumstances affecting Reconciliations.
- B. In case of any claim and/or dispute between Merchant Establishment and the Customer, the Merchant Establishment may refer to Reconciliation (to the extent available) for final settlement of such claim and/or dispute. Merchant Establishment may report a complaint regarding the Services to Bank and the Bank shall manage all complaints in accordance with its complaints policy

14. Void Transactions and Chargeback

- A. The following transactions shall be deemed void:
 - i. A QR Transaction that appears to be or there is reason to believe, that the QR Transaction has been processed due to any error, negligence, misconduct, fraud or illegality by the Merchant Establishment, its employees, or someone acting on behalf of the Merchant Establishment.
 - ii. QR Transaction not in compliance with any of the terms of this Agreement or your usage of the QR payment services.

- iii. QR Transaction processed without prior authorisation or approval, where such authorisation or approval is mandatory under the terms of this Agreement, required by QR or the concerned bank through and has been intimated to the Merchant Establishment or otherwise required under law.
- iv. The transaction is for any reason disputed or reversed by the network, the Software, or a QR Customer.
- B. The Merchant Establishment shall be solely responsible in the event of a void QR Transaction. The Merchant Establishment acknowledges that a void transaction shall at any time be reversed or charged back to the Merchant Account by QR, at its sole discretion (the 'Chargeback').
- C. The Merchant further acknowledges that QR and shall not be required for the settlement and transfer of any funds from the Customers' QR services account to the Merchant QR services account, in the event that a QR transaction is found to be invalid. Provided further, where a QR Transaction is found to be invalid pursuant to transfer of funds from the concerned bank's account into the Merchant's account, the Merchant shall be liable to ensure that such erroneously transferred funds are returned to QR.

III. PROVISIONS RELATING TO E-PAYMENT GATEWAY

15. Terms

- A. That the Merchant Establishment who shall opt to avail E-Payment Gateway services from Bank Alfalah Limited shall execute and abide by the E-Payment Gateway and Acquiring Agreement which is appended as Schedule-I to this Agreement.
- B. All the Terms, Conditions and Appendixes of the E-Payment Gateway and Acquiring Agreement shall be considered as an integral part of this Agreement.
- C. To the extent of the Consideration as contained in clause 17, the provisions of the E-Payment Gateway and Acquiring Agreement shall prevail.

IV. GENERAL PROVISIONS RELATING TO SERVICES

16. Consideration

- A. The Merchant Establishment also agrees and acknowledge the application of any valid charge(s) payable by Merchant to the Bank Alfalah as mentioned in Schedule of Charges of the Bank as available on the website of the Bank Alfalah Limited at <https://www.bankalfalah.com/> (as updated/modified from time to time).
- B. The Merchant Establishment agrees that Bank Alfalah Limited shall be entitled to deduct charges from the Customer's payment at the time of processing collection/receipt of Customer payment.
- C. It is agreed between the Parties that deduction of charges shall be exclusive of any taxes imposed by Federal, Provincial or any local Govt. and/or any other Govt. authority
- D. Upon Company's request, Bank shall reverse the Customer payment subject to (i) Reversal Policy, (ii) Company providing all documentation required by the Bank in relation to the Reversal; and (iii) payment of charges for reversal as applicable to the relevant Transaction in which the Customer payment was made.

17. Transaction Limit

- A. Following transaction limit shall be placed on Merchant Account:
 - i. Rs. 50,000/- per month without Biometric Verification; or
 - ii. Rs. 500,000/- per month with Biometric Verification.
- B. The above transaction Limits shall be applied on Debit and Credit Transactions separately.
- C. Bank Alfalah Limited reserves the right to place lower transaction limits keeping in view their institutional risk assessment and high risk geographical locations of Merchant Establishment.
- D. Total cash deposit in Merchant Accounts shall not exceed Rs. 100,000/- per month.

18. Merchant Account Activation

- A. The Merchant Account shall be activated by Bank Alfalah Limited after fulfilling following KYC/ CDD requirements:
 - i. Biometric Verification or Verisys from NADRA. In case of NADRA Verisys, Biometric Verification shall be mandatory at the time of first cash out or within 3 months of opening of Merchant Account, whichever is earlier. The Merchant Account shall be deactivated if Biometric Verification is not carried out within 3 months of opening of accounts;
 - ii. Pre-screening of Merchant Establishment's particulars against lists of entities and individuals designated by the United Nations Security Council (UNSC), lists of entities and individuals proscribed under the Schedule-I and Schedule IV of the Anti-Terrorism Act 1997 respectively and any other applicable sanctions lists;
 - iii. Call Back confirmation or generation One-Time Password (OTP) for verification from Merchant Establishment;
 - iv. Full or Enhanced Due Diligence of Merchant Establishments as per Bank Alfalah Limited's own risk assessment, in light of applicable laws and regulations; and
 - v. Acceptance by Merchant Establishment of other terms and conditions of the Bank Alfalah Limited for Account Opening.

- vi. Rs. 500,000/- per month with Biometric Verification.
- B. shall ensure that Merchant Establishment do not perform functions of Banking, Electronic Money Institutions (EMIs), Branchless Banking Agents, or any other activity for which specific and separate permission is required from SBP under the relevant laws and regulations.
- C. Bank Alfalah Limited shall not permit cross border outward remittance Transactions

19. Merchant Account Balance

- A. Merchant Account balance shall not at any stage or point of time exceed the following limits:
 - i. Rs. 50,000/- without Biometric Verification; or
 - ii. Rs. 500,000/- with Biometric Verification

20. Restricted Covenant:

- A. Bank Alfalah Limited shall ensure that Merchant Establishment do not perform functions of Banking, Electronic Money Institutions (EMIs), Branchless Banking Agents, or any other activity for which specific and separate permission is required from SBP under the relevant laws and regulations.
- B. Bank Alfalah Limited shall not permit cross border outward remittance Transactions.

21. Indemnity

The 'Merchant Establishment will indemnify and hold Bank Alfalah Limited, its subsidiaries, affiliates, officers, directors, employees, harmless from and against any claims, damages, demand actions, suits or proceedings, liabilities, Losses, costs, expenses, legal fee of damages claimed against Bank Alfalah Limited by any Cardholder , Customer or other person or authority on account of acts or omissions by the Merchant Establishment in connection with the sale of goods and services provided by the Merchant Establishment and the performance of this 'Merchant Establishment Agreement'. The indemnity provided herein shall survive the termination/cancellation hereof in so far as it pertains to events, which transpired during the subsistence hereof.

22. Important notices

- a) The Merchant shall send in writing all notices under the agreement at the address of Bank stated in the agreement and they shall be deemed to have been duly given if sent by regular prepaid registered mail or a courier service selected by the Merchant, to the Bank at the address indicated.
- b) Merchant shall notify to the Bank in case of relocation/changing in the official address stated in the books of the Bank Alfalah Limited. Failure of the Merchant Establishment to comply with this obligation shall constitute breach on the part of Merchant Establishment entitling the Bank Alfalah Limited to take appropriate action under this Agreement or in accordance with law.

23. Use of trademarks

- a) The Merchant Establishment shall obtain prior approval, in writing of the Bank Alfalah Limited, before it uses any of the service marks of any Valid Card described in clause (1) above for any publication of promotional or advertising material.
- b) The Merchant Establishment shall prominently display all promotional- material provided by the bank, to inform the general public that Valid Cards are accepted by the Merchant Establishment.
- c) The Merchant Establishment hereby authorizes the Bank Alfalah Limited for the term of this Agreement, to publish the name, address, telephone number(s) and logo of the Merchant Establishment in all correspondence, circular of publications of the Bank Alfalah Limited and to provide such information for circulation to the Cardholders/Customer.
- d) The Merchant Establishment shall obtain from the Bank Alfalah Limited, approval in writing, prior to the use of the Bank Alfalah Limited service marks, trademarks, and/or trade names in any promotional or advertising material.
- e) The Bank Alfalah Limited shall be entitled at all times, to disclose all and any information concerning the Merchant Establishment within the knowledge and possession of the Bank Alfalah Limited to any person, company or institution in connection with the payment card facility provided by the Bank Alfalah Limited, including, but not limited to, information relating to the cause for termination of this Agreement. This clause will survive the termination of this Agreement.

24. Publicity

The Merchant Establishment' agrees to display at its premises or on Merchant Platform any stickers or other material provided by Bank Alfalah Limited for the purpose of displaying, and also to maintain and distribute promotional material provided by Bank Alfalah Limited from time to time. The 'Merchant Establishment, will undertake best efforts to promote the use of Bank Alfalah Limited Cards but in all events such promotional efforts shall be not less than efforts undertaken to promote the use of any other credit cards. In no circumstances shall the 'Merchant Establishment' make any representation or take any action to discourage use of Bank Alfalah Limited cards by existing or prospective Customers.

25. Training/Monitoring

In order to keep profitable relationship with the 'Merchant Establishment' Bank Alfalah Limited will provide training to the Merchant Establishment' on 'Card' Acceptance procedure, electronic equipment, and prevention of fraudulent activity, E-Payment Gateway process, QR Code payment process. This will be an ongoing procedure. Bank Alfalah Limited shall also monitor 'Merchant Establishment' performance on a regular basis.

26. Cheque Cashing, Cash Advances and/or Cash Refunds

Unless a specific written agreement in this connection is entered into with the 'Merchant Establishment' by Bank Alfalah Limited, no cheques are to be encashed, or Cash Advances and refunds are to be made by the 'Merchant Establishment and Bank Alfalah Limited will not be responsible for such cheques, cash advances, or refunds.

27. Information Collection, Storage and Disclosure

The Merchant Establishment must not sell, purchase, provide or exchange any information or document relating to a Cardholder, a Cardholder's number, Customer or a Transaction to any person other than Bank Alfalah Limited or strictly as required by Law.

The Merchant Establishment warrants and undertakes to Bank Alfalah Limited that it will not request Bank Alfalah Limited to take any action, or to perform any obligation, in connection with this Agreement that might cause Bank Alfalah Limited to be involved in any unlawful act on the part of Bank Alfalah Limited. Should the Merchant Establishment become aware that Bank Alfalah Limited might become involved in an unlawful act in connection with this Agreement, the Merchant Establishment must immediately inform Bank Alfalah Limited of the fact or circumstances that might cause Bank Alfalah Limited to be at risk or involvement in an unlawful act. Should the Merchant Establishment become aware that Bank Alfalah Limited has become involved in an unlawful act, as a result of its performance of any action or obligation in connection with this Agreement, the Merchant Establishment must immediately inform Bank Alfalah Limited of the facts or circumstances that has caused this to occur.

The Merchant Establishment agrees that Bank Alfalah Limited may disclose any information concerning the Merchant Establishment to any Law enforcement agency or court where required to do so under any Law or regulation (including a Law or regulation of a foreign place or jurisdiction) as well as any Card Association (i.e. VISA,/Mastercard/UnionPay/JCB Card/ American Express/1Link PayPak etc.).

28. Transfer of Ownership

Bank Alfalah Limited will be immediately advised in writing by the 'Merchant Establishment' of any sale, assignment, lease, or transfer in any way of the 'Merchant Establishment' or any change in the management of ownership thereof. The rights obtained under this Merchant Establishment Agreement are not assignable or transferable without prior written approval of Bank Alfalah Limited. Similarly Bank Alfalah Limited will also be advised in writing by the 'Merchant Establishment' regarding the Change in address of the premises; change in Type of Business and Change in Title of the Merchant Account.

29. Alteration of Terms and Conditions

Bank Alfalah Limited shall be absolutely entitled at its sole discretion from time to time to add, delete or modify any of the terms and conditions contained here in, or to assign all or any of its rights and obligations under this 'Merchant Establishment agreement' to any third party, by written intimation thereof to the 'Merchant Establishment'. Any amended or modified terms of this Agreement shall become effective and binding on the Parties upon intimation by Bank Alfalah Limited to Merchant Establishment.

Bank Alfalah shall be absolutely entitled at its sole discretion, when finds compulsory to change pricing contained herein for the Merchant establishment in any given point in time with a notice, which shall serve a period of 15 days.

30. Governing Law, and Jurisdiction

This 'Merchant Establishment Agreement' shall be governed by the laws of Islamic Republic of Pakistan and the 'Merchant Establishment' submits to the exclusive jurisdiction of the courts at Lahore in respect of any dispute arising out of this 'Merchant Establishment Agreement', though the Bank Alfalah Limited shall have the right to contest such matter in courts anywhere in Pakistan.

31. Compliance

The Merchant Establishment acknowledges, agrees and undertakes that the Merchant Establishment shall comply with all local and international laws and regulations in relation to this Merchant Establishment Agreement as well as abide by all terms and conditions of the Card Associations (i.e., VISA. /MasterCard/UnionPay/JCB Card/ American Express etc.) communicated to the Merchant Establishment from time to time.

32. IBFT Terms and Conditions

Bank Alfalah hereby is going to provide the facility of Interbank funds/payments transfer (IBFT) to Merchant Establishment who does not have the bank account with Bank Alfalah Limited. Terms and condition mentioned below shall apply to the transfer of funds/payments;

- A. IBFT transaction shall be processed subject to the Transaction Limits mentioned in Clause 17.
- B. The Customer/Merchant hereby agrees and accepts full responsibility for correctness/accurateness of provided information for the purposes of IBFT and Bank Alfalah Limited shall not be responsible/liable for the same.
- C. Bank shall, at its own discretion, have absolute liberty to refuse to accept or give effect to any instructions/requests received.
- D. In case of any change in the provided information, Merchant Establishment shall inform the Bank in writing by giving thirty (30) days prior notice. Merchant Establishment hereby indemnifies and keeps indemnified the Bank from all losses, damages and claims in relation to IBFT transaction (s) performed.

33. Duration

This 'Merchant Establishment Agreement' supersedes all previous written or verbal agreements/commitments⁴ between Bank Alfalah Limited and 'Merchant Establishment'. This Agreement shall remain in effect until terminated by either party on a 21 days' written notice. In the event the 'Merchant Establishment' fails to observe the terms of this Agreement or commits a breach hereof; Bank Alfalah Limited will be entitled, without notice and without being required to prove actual breach and in addition to take any other action against the Merchant Establishment under this Agreement or law, to terminate this Agreement immediately. In the event of the Merchant Establishment' not transacting any Bank Alfalah Limited Card business for a continuous period of 12 months, Bank Alfalah Limited reserves the right to cancel the 'Merchant Establishment's' affiliation and the Merchant Establishment shall be required to immediately return the POS Terminal and to make such payments to Bank Alfalah Limited as are required to be paid under this Agreement.

34. Authority

By signing this Agreement, the Merchant Establishment represents that the signatory hereof has full authority to execute this Agreement on behalf of the 'Merchant Establishment' to bind the 'Merchant Establishment' to the terms and conditions, and obligations contained in this 'Merchant Establishment Agreement'.

35. Effective Date

This 'Merchant Establishment Agreement' shall take effect from the date the parties have executed this Agreement on the date mentioned above.