

## TERMS AND CONDITIONS FOR CASH MANAGEMENT SERVICES

Following are the terms, conditions and rules ("**Terms**"), which shall be applicable to all Clients availing Cash Management Services from Kotak Mahindra Bank Limited ("**Bank**") *inter alia*, for providing (i) collection services, and (ii) payment related services to individuals, corporates and other entities and businesses meeting certain criteria as may be stipulated by the Bank from time to time.

Collection services shall include, but are not limited to, physical collection service, e-collections, Immediate Payment Service (IMPS) collections, National Automated Clearing House system ("**NACH**") collections, Over the Counter ("**OTC**") Collections, Acquiring Services including ALLPAY Payment Gateway, SMART Payment Gateway Services and Unified Payment Interface ("**UPI**") collections services, and BBPS Services. Payment services include, but are not limited to, (i) physical payments by issue of demand drafts, pay orders, and cheque writing at locations where the Bank has its branches and as well as through correspondent banks ("**CB**") acting on behalf of the Bank in locations where the Bank does not have branches and also at Client's locations, as per the Terms mentioned herein (ii) payment through electronic mode or electronic fund transfer including Immediate Payment Service ("**IMPS**"), internal fund transfers, bill payment services, , tax payment services through internet channel ,Real Time Gross Settlement ("**RTGS**"), Electronic Clearing System ("**ECS**"), NACH and National Electronic Fund Transfer ("**NEFT**") modes of transfer of funds.

These Terms shall be read as a stand-alone document or may be read with such other documents / terms as may apply to a particular Current Account / Services / situation / circumstance / transaction with a Client. These Terms are in addition to the terms and conditions stipulated by the Bank in respect of the Current Account and those as may be specified in any document / facility documents etc. as may apply to a particular Current Account. In the event of any of the Terms being contrary to the terms and conditions as specified in such other document(s) in respect of a particular Current Account, the provisions of these Terms shall prevail over such terms and conditions. These Terms will be available at the Website of the Bank. The Client acknowledges and agrees that the Bank may at its sole discretion add to, modify or amend these Terms (including the charges) from time to time and such changes shall be communicated to the Client on the Website, but individual communication shall not be sent to the Client. The Bank may publish notices of general nature, which are applicable to the Clients or on Bank's Website or on its notice board or in any other mode as may be decided by the Bank. Such changes would have the same effect as a notice served individually to each Client. The Client may within a period of fifteen (15) days from the date such change of Terms issue a notice to the Bank to discontinue availing of Services, failing which the Client shall be deemed to have accepted the change from the date on which such changes were notified on the Website of the Bank. The Bank will have to abide by the applicable rules and regulations issued by its regulators, agencies working under the aegis of the regulator / governmental / self-regulatory and such other bodies and institutions which are involved in the process of payments and settlement systems in India and the Client agrees that it shall also be required to abide by such rules and regulations issued by such authorities as specified above, from time to time. The Client agrees that opening and maintenance of the Bank Account and availing of Services is subject to the rules and regulations introduced or amended from time to time by the Reserve Bank of India ("**RBI**") and/or any other authority having actual or purported jurisdiction or authority over the Bank. The Bank Account is governed by various policies of the Bank and/or other important information which are amended from time to time as per directives from RBI.

### 1. DEFINITIONS AND INTERPRETATION

1.1. In these presents unless there is anything in the subject or context inconsistent therewith, the capitalized terms listed below shall have the following meanings:

- a. "**Affiliate**" means, (a) in relation to any Person, (i) any entity Controlled, by that Person, or (ii) any entity that Controls, that Person, or (iii) any entity under common Control with that Person, and (b) in relation to a natural person, any Relative of such Person;
- b. "**Annexure**" means an annexure attached to these Terms;
- c. "**Applicable Law**" includes all applicable statutes, enactments or acts of any legislative body in India, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any Governmental Authority and any modifications or re-enactments thereof, from time to time;
- d. "**Authorised Person**" means any Person authorized by the Client to act on its behalf in the performance of an act, discretion or duty under these Terms (including for the avoidance of doubt, any officer or employee or agent of such person) and informed by the Client to the Bank, by a written notice, containing such information and in such format as acceptable to the Bank including but not limited to third party service providers;
- e. "**Availed Services**" means the Services which the Bank has from time to time granted to the Client based on Client's application / request;

- f. **“Bank Account”** shall mean the current account(s) or saving account(s) to be opened by the Client with the Bank and used, *inter alia*, for the purpose of receiving payments from Customers pursuant to any of the Availed Services, or for making payments to identified persons in accordance with the provisions of these Terms and particularly in cases where multiple current accounts or savings accounts have been opened by a Client, a reference to a “Account” shall mean a reference to the current account or savings account opened in relation to the over the counter collections services under consideration;
- g. **“Beneficiary”** means a Person identified by the Client from time to time, who is entitled legally or contractually to receive monies from the Client, and in whose favour payment will be made by the Bank upon receipt of appropriate Instructions from the Client in the manner set out in these Terms;
- h. **“Business Day”** shall mean a day other than: (i) any public holiday (ii) a day on which the concerned branch of the Bank is closed and cannot conduct regular banking business for / with its Clients; (iii) a day on which normal business cannot be transacted due to the occurrence of a Force Majeure Event, and (A) in case of Clients who have availed of NACH debit facility or the NACH credit facility, shall also exclude a day on which the National Payments Corporation of India (“NPCI”) does not make available the NACH system, and (B) in case of Clients who have availed of the BBPS Services, shall also exclude a day on which the BBPS is not available to the Bank; or (iv) a day on which RBI/local clearing house does not provide clearing and settlement services including but not limited to RTGS, NEFT;
- i. **“Cash Management Services”** means and includes (i) collection services, and (ii) payment services, whether physical or electronic, to Clients meeting certain criteria as may be stipulated by the Bank from time to time;
- j. **“Client”** means the person to whom any of the Availed Services are being provided by the Bank pursuant to these Terms;
- k. **“Client Instruction” / “Instructions”** means any information, instruction or communication sent, or purported to be sent, by the Client to the Bank under or in connection with these Terms;
- l. **“CMS Application Form”** means the application form of the Bank offering Services, to be executed by the Client pertaining to the Availed Services and setting out the other terms and conditions in relation thereto including but not limited to fees payable by the Client in respect of the Availed Services or any variations thereto from time to time by way of re-execution of the CMS Application Form by the Client and submission of the same to the Bank.
- m. **“CMS NetIT Platform”** means Bank’s proprietary electronic banking platform by virtue of which it offers cash management services to its corporate clients;
- n. **“Controlled by” or “Control”** with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person whether through the ownership of voting securities, by agreement or otherwise or the power to elect more than two directors on the board and such other Person or Persons in whose directions the management of the Client is accustomed to act, partners or other individuals exercising similar authority with respect to such Person;
- o. **“Customer(s)”** shall mean the persons, entities, from whom the Bank would be collecting monies or to whom would be making payments through one or more of the collection/ payment mechanisms specified in these Terms, on behalf of the Client;
- p. **“Force Majeure Event”** means and includes any act of god, action of any government or governmental agency, natural occurrences / calamities, law or regulation (or any change in the interpretation thereof), injunction, currency restriction, sanction, exchange control, industrial action / strike (whether involving the Bank’s staff or not), civil unrest, riots, fire , explosion, war, terrorist action, equipment failure, interruption to power supplies, accident, failure or malfunction of any telecommunication and information technology systems employed at any location either by the Client or the Bank or any other Person or entity under the payment systems or anything else unavoidable or beyond the control of the Bank;
- q. **“Governmental Authority”** shall include the President of India, the Government of India, the Governor and the Government of any State in India, any Ministry or Department of the same, any municipal or local government authority, any authority or private body exercising powers conferred by Applicable Law and any court, tribunal or other judicial or quasi-judicial body, and shall include, without limitation, a stock exchange, RBI, NPCI, Card Associations and/or any regulatory or statutory body;
- r. **“Person”** includes any individual, partnership, corporation, company, Governmental Authority, unincorporated organization, association, trust or other entity (whether or not having a separate legal existence);
- s. **“RBI”** shall mean the Reserve Bank of India;
- t. **“Relative”** shall mean (a) any Person falling within the meaning of ‘relative’ under the provisions of section 2 of the Companies Act, 2013;
- u. **“Services”** shall mean all products and services offered by the Bank in relation to Cash Management Services;
- v. **“Schedule(s)”** shall mean the Schedule(s) annexed to these Terms., as amended from time to time and whether numbered or otherwise; and

w. **“Website”** shall mean the website of the Bank having the url- www.kotak.com or such other web-site through which the Bank provides access to the Terms and/or the Availed Services from time to time to the Client.

## 1.2. Interpretation

In these Terms, unless the context otherwise requires:

- (i) the singular includes the plural, and vice versa and words of any gender are deemed to include the other genders;
- (ii) for the sake of convenience “Client” in these Terms is being referred to in the masculine gender;
- (iii) the terms “hereof”, “herein”, “hereby”, “hereto” and derivatives or similar words refer to these Terms;
- (iv) references to the word “include” or “including” shall be construed without limitation;
- (v) reference to any article, clause, annexure or schedule means an article or clause of, or an annexure or schedule to, these terms;
- (vi) reference to any legislation or law or to any provision thereof shall include references to any such law as it may, after the date hereof, from time to time, be amended, supplemented or re-enacted, and any reference to a statutory provision shall include any subordinate legislation made, from time to time, under that provision;
- (vii) headings and bold type face are used only for convenience and shall be ignored for the purposes of interpretation;
- (viii) References to these Terms herein and like terms shall include the Schedules and Annexures and references to clauses and paragraphs are to clauses and paragraphs in these Terms, Schedule and Annexure respectively unless otherwise stated;
- (ix) The CMS Application Form and any other forms/letters executed by the Client or the Bank, as the case may be, shall be an integral part of these Terms and shall be read in conjunction with these Terms. The Bank shall be entitled to alter/ vary/ modify any of the terms of the Availed Services by issue of further letters to the Client. These Terms and any letters issued by the Bank in relation to the Availed Services shall be read in conjunction. In the event of there being a conflict between any of the letters and these Terms, then the provision of the latest letter shall prevail;
- (x) Clause headings are inserted for convenience and shall not be deemed to affect the interpretation of these Terms;
- (xi) The definitions used in a particular Annexure to these Terms, shall be used for interpretation of the contents of such Annexure and in the event of a conflict, the definition given in the Annexure shall prevail over the definition given in these Terms; and
- (xii) In these Terms, unless the context otherwise requires, the Bank and the Client shall hereinafter be jointly referred to as the “Parties” and individually as the “Party”.

## 2. SERVICES

- 2.1. Subject to the terms and conditions as more particularly set out in the relevant annexure in relation to each of the Availed Services, the Bank hereby agrees to render to the Client, such Availed Services as have been agreed on the date of these Terms, and as may, in the future, be agreed to be availed by the Client and agreed to be provided by the Bank.
- 2.2. These Terms shall, together with the relevant Annexure in relation to each of the Availed Services and any letter (or other communication) provided by the Bank to the Client, in terms hereof, in relation to such Availed Services from time to time, constitute the entire understanding between the Parties in relation to such Availed Services, and all annexures to these Terms shall form an integral part of these Terms.
- 2.3. Notwithstanding anything contained elsewhere in these Terms, the Bank shall have the sole right to decide the mode and manner of providing the Services and / or to decide which of the Services shall be granted to the Client at any time and /or to decide any changes or modifications to the Availed Services and all such changes/ modifications shall take effect forthwith.
- 2.4. The Client, voluntarily, in its sole discretion agrees and gives consent to the Bank to enable any new factor of authentication for the payments services being availed by the Client under Cash Management Services.
- 2.5. The Parties agree that these Terms shall be in addition to and not in derogation of the requirements, terms and conditions issued by any Governmental Authority in respect of the Availed Services including, without limitation IMPS, payments made through NACH, internal fund transfers, bill payment services, RTGS, ECS, NEFT and the BBPS transactions. The general terms and conditions applicable to the Bank Account and related services as the context so requires shall be read in conjunction with these Terms. In the event of repugnancy / inconsistency between the terms and conditions governing current accounts and these Terms, these Terms shall prevail in relation to the Availed Services. Also in the event of a conflict in interpretation of the Terms and the Annexures thereto the provisions of the Annexures shall prevail.
- 2.6. It is clarified that in respect of the Instructions given by the Client for transferring monies from its Bank Account with the Bank to the account of another person with the Bank will be processed on T+1 basis or as per such other timelines as may be communicated by the Bank to the Client. It is also clarified that these Terms shall not apply to the collections that are received in the Bank Account of the Client through physical clearing and any other credits that may come to the Bank Account of the Client through another person initiating a transaction to credit the Bank Account of the Client through Internal Funds Transfer (“IFT”).

- 2.7. The Client shall furnish the Bank with a list of Authorised Person(s) appointed by the Client, who is/are authorized to give Instructions to the Bank under these Terms from time to time along with the relevant corporate authorizations, wherever required. The Client authorises the Bank to circulate the Authorised Persons' signature and facsimile to any branch of the Bank as well as specified locations of correspondent banks. The Client undertakes to inform the Bank immediately regarding changes, if any, in the specimen facsimile signatures of Authorised Person(s) due to a change of the officials or otherwise and also furnish the alternate specimen facsimile signatures of additional/alternate Authorised Persons to the Bank prior to requesting for circulation amongst its branches as well as specified locations of correspondent banks. Any such changes/information provided by the Client to the Bank shall be effective after the expiry of fifteen days from the Bank receiving intimation of such changes/information from the Client.
- 2.8. Where one of the Availed Services is in relation to the ECS or the NACH or IMPS or UPI, the Bank agrees to act as a sponsor bank (as defined by the RBI under the procedural guidelines for the electronic clearing service, and the procedural guidelines specified for NACH and/ or UPI by NPCI) for the Client and provide to the Client the Availed Services as a sponsor bank for processing various transactions involving ECS credit clearing services through the applicable RBI/ local clearing house or through NACH, as applicable, subject to the condition that the Client shall assume all losses and risks arising out of the obligations assumed by the Bank in providing the Availed Services.
- 2.9. It is expressly agreed and understood that nothing contained in these Terms shall be deemed to constitute an agreement on the part of the Bank for grant of overdraft or any other form of credit facility by the Bank to the Client with respect to the amount of cheques or drafts covered by the Availed Services. In the event of any incidental or temporary overdraft which may be occasioned or which may result due to any reason including cheque returns or non/ delayed funding, as applicable, the Client hereby agrees and undertakes to liquidate the overdraft on the next working day following the day on which such overdraft occurs, and in the event of any delay in liquidating the same, the Client agrees to pay interest till the overdraft is regularized at the rate which the Bank charges for overdraft facility for its clients prevailing at that point of time. In case of any delay in regularizing this overdraft, the Bank will have the right, in addition to the right of general lien as also unfettered right without notice to the Client, to set off and appropriate the liability against or out of any other accounts / funds belonging to the Client including from the amounts realized by collection of any further cheques / drafts which may be deposited by the Client with the Bank and the Bank shall also has the right to suspend the grant of Availed Services to the Client.

### **3. FEES AND CHARGES**

- 3.1. The Client agrees to pay all charges and fees as may be levied by the Bank from time to time in connection with any of the Availed Services, on or before 5<sup>th</sup> (Fifth) of the following month.
- 3.2. The Client shall pay upfront all the one time or maintenance fees and / or charges to the Bank at the time of availing of the Availed Services.
- 3.3. The fees payable by the Client in relation to any or all of the Availed Services may be revised by the Bank and communicated to the Client from time to time.
- 3.4. The Bank shall be entitled and the Client authorises the Bank to debit the Bank Account of the Client at any point of time for recovery of the fees payable by the Client for the Availed Services.
- 3.5. In the event of the Client failing to pay the fees and / or charges to the Bank on or before 5<sup>th</sup> (Fifth) of the following month, the Client shall be liable to pay to the Bank interest at the rate of 12% (Twelve percent) on the fees and/ or charges so outstanding till actual realisation thereof.
- 3.6. The Client agrees that the Bank may debit the Bank Account or charge the Client for any penalties, costs, fines, levies, fees, interchange fees or any out of pocket expenses in any way related to the Services levied by the Bank or levied on the Bank by any Governmental Authority or on account of any breach of Applicable Law by the Client.
- 3.7. The Bank shall have an unconditional and unfettered right to levy any such additional charges, penalty (if the Bank is imposed with such penalty by any Governmental Authority on account of any action or omission by the Client) upon the Client on breach of these Terms, Bank's internal policies and procedures shared by the Bank with the Client, Applicable Law and the Client shall pay the entire amount to the Bank immediately without any dispute, delay or demur.

#### 4. RIGHT OF LIEN AND SET-OFF OF CLAIMS

The Client hereby grants to the Bank a right of paramount lien and right of set-off against the Bank Account(s) and each of the Client's accounts, assets and security (including without limitation any monies and/or receivables which may be due to the Client or any monies comprised in any settlement cycle) which are now or at any time hereafter may be in the Bank's possession or control, or in the possession or control of any third party acting on the Bank's behalf, in respect of all and any of the Client's present and future liabilities to the Bank, whether under this document or under any other obligation/ loan/ facilities/ borrowings/ document, whether such liabilities are/ be crystallised, actual or contingent, primary or collateral or several or jointly with others, whether as principal debtor and/ or as guarantor and/ or otherwise howsoever. Notwithstanding anything to the contrary contained in these Terms or any other document, the Client hereby irrevocably and unconditionally authorises the Bank in the Bank's absolute discretion but subject to applicable law, to, at any time, and without notice to the Client, combine and consolidate all the Client's accounts held with or in custody, legal or constructive, with the Bank, now or in future, whether in same or different capacity of the Client, and whether severally or jointly with others, whether for any banking relationship, safe custody, collection, or otherwise and set-off or transfer any sums standing to the credit of any one or more such accounts in or towards satisfaction of any outstanding fees payable by the Client in relation to the Availed Services or any other dues payable by the Client hereunder or any part thereof or any other liabilities, outstanding of the Client towards the Bank (together with interest, costs, charges etc., if any, payable thereon), whether such liability is actual or primary or several or joint.

#### 5. INSTRUCTIONS AND E-EXECUTION OF DOCUMENTS

- 5.1. For the purpose of the administrative convenience of the Client and at the request of the Client, the Bank has agreed to accept Instructions in relation to the Availed Services through multiple modes including the execution of documents and agreements in respect of the Availed Services by means of digital signatures or any other electronic mode of transmitting the Instructions and documents executed (i.e. e-execution of documents/agreements/Instructions) by the Client.
- 5.2. Client Instructions may be received from an Authorised Person by way of a written instrument executed on behalf of the Client by the Authorised Person(s) whose specimen signature(s) have been furnished to the Bank in accordance with the provisions of these Terms. In addition, the Client may also issue Instructions in the following modes:
  - (a) through Instructions on the internet;
  - (b) host to host connectivity;
  - (c) web application programming interface on the server side; and
  - (d) S.W.I.F.T. messages; and
  - (e) by any other method agreed upon in writing by the Client and the Bank.
- 5.3. The Parties may mutually agree the manner in which conditions or security precautions subject to which and/ the procedure in which Instructions of the Client will be accepted.
- 5.4. The Client agrees and acknowledges that when any Instruction is received by the Bank by whatever means, such Instruction shall be deemed to have been given by an Authorised Person and, the Bank is hereby authorised to rely on the same, and the Client agrees that such Instructions shall be binding upon the Client.
- 5.5. The Client understands that electronic means of communication and execution may not be sufficiently encrypted and/ or may not be a secure means of transmission. The Client agrees and acknowledges that communication through electronic means is subject to interference or modification by result of unauthorized access by third parties and/ or loss or modification of communication due to errors in transmission. The Client agrees and acknowledges that the Bank shall be entitled to rely upon any Instruction duly received, and to act upon the same without being required or expected to carry out an independent verification as to the authenticity, validity or correctness of such Instruction.
- 5.6. The Client agrees that if they opt for the e-execution of documents/agreements through a digital / electronic signatures, the Bank shall be entitled to fully rely on the authority of the persons e-executing the documents in relation to the Services availed by the Client, without being required to check the validity of internal authorization provided by the Client. It shall be sole responsibility of the Client to ensure that the person/s e-executing the documents/agreements is/are validly authorized in respect of the documents e-executed by the them on behalf of the Client and the Bank shall be fully entitled to treat such documents as validly executed by the Client.
- 5.7. The services of e-execution require engagement of third parties and uploading of the documents on their platforms

for the purpose of obtaining the digital / electronic signatures of the Client on those documents. The Client understands that those third parties may keep any and all the data relating to the execution of document for their internal purposes or audit purposes and / or for meeting their regulatory requirements. The Bank may use the e-executed documents generated from the process of e-execution (provided by third parties engaged in the process or otherwise), take print outs, make copies and use those for any purposes for its records, protection or enforcement of its rights including as an evidence of Client having e- executed the documents. The Client shall not be entitled to challenge the veracity, genuineness or authenticity of the e-executed document for any reason whatsoever. The Client confirms that e-executed documents constitute valid, legal, effective and enforceable obligation on the Client.

- 5.8. The Bank shall not be liable, at any time for any direct or indirect damages from the use of or inability to use the platform of the third party for e-execution of documents, or any of its contents, or from any act or omissions as a result of using the third party platform or any such contents or for any failure of performance, error, omission, interruption, deletion, defect, delay in operation or transmission, computer virus, communications line failure, theft or destruction or unauthorized access to, alteration of, or use of information contained on the third party's platform. No representations, warranties or guarantees whatsoever are made by the Bank as to the accuracy, adequacy, reliability, completeness, suitability or applicability of the services provided by any third party.
- 5.9. The Client agrees to exempt the Bank from any and all responsibility/ liability relating to any unauthorized misuse of any data transmitted through electronic means including but not limited to breach of confidentiality, and agrees not to hold the Bank responsible for any such misuse, and further agrees to indemnify the Bank and to keep the Bank indemnified, saved and held harmless, from time to time and at all times from and against any and all claims, losses, damages, costs, liabilities, charges, actions, suits, demands, penalties and expenses or other consequences incurred, suffered or paid by the Bank or required to be incurred, suffered or paid by the Bank and also against all demands, actions, suits, proceedings made, filed or instituted against the Bank, pursuant to, in connection with or arising out of or in relation to the Bank acting pursuant to, in accordance with or relying upon any such communication/Instruction and/or having accepted the e-execution and/or e- executed the documents/agreements, or any errors, delays or problems in transmission or unauthorized/ illegal interception, alteration, manipulation of electronic data or otherwise caused by using electronic means as a means of transmission or execution.

## **6. GENUINENESS OF THE TRANSACTIONS**

- 6.1. In relation to any Aailed Services, which is in the nature of a collection service, pursuant to which, the Bank shall be required to make collect any payments from a third party, the Client agrees and undertakes that it shall perform a comprehensive due diligence to verify the genuineness of the cheques/ Instructions introduced by it into the banking system under these Terms and check for fraud, forgery or tampering on the cheques/ Instructions and shall ensure that all cheques/ Instructions that are submitted to the Bank are genuine. Further Client also agrees to submit a certificate, if required by the Bank, to state that it has carefully examined the cheques/ Instructions submitted by it under these Terms for their genuineness.
- 6.2. In the event the Bank is of the opinion that any cheque/ Instructions received by it on behalf of the Client, or any transaction proposed to effected in favour of the Client, pursuant to or in connection with an Aailed Services, is fraudulent or has been tampered with in any manner, it shall at its sole discretion be entitled to return the cheque/ Instructions to the Client and/or refuse to process and settle the relevant transaction and shall not be liable in any manner whatsoever for not processing such cheque/ Instructions/ transaction under these Terms. The Client agrees that the Bank shall not be bound to look into the genuineness of the cheques/Instructions/ transactions. If the Bank under any circumstances becomes liable as a collecting banker for the cheques received from the Client, either to the Customers or to the paying banker or to the drawer or purchaser of the cheques/Instructions or as the acquiring/settling bank or as the Client's BBPOU (in terms of the BBPS Circulars), in respect of any of such transactions, then upon receipt of any claim against the Bank as a presenting bank/ acquiring bank/ Client's BBPOU, the Bank shall be entitled to deduct such claim amount from the monies received/ to be received by it from subsequent collections. The Client agrees that the claim made against the Bank as aforesaid shall be accepted as conclusive proof vis-à-vis the Client.
- 6.3. Notwithstanding what is contained herein, in case the Bank has given the credit of a cheque/Instructions to the Client's Bank Account with the Bank or honoured a payment Instruction provided by the Client and later it is discovered that such cheque/ Instruction is fraudulent or forged then upon receipt of any claim made by the payee bank, the Bank shall be entitled, without notice and without any reference to the Client, which agrees that such claim made by the payee bank shall be conclusive proof against itself and authorizes the Bank to unilaterally debit its Bank Account with the Bank and recover the amount of such forged or fraudulent instrument. The Bank shall notify the Client of any forged, fraudulent,

returned or stopped cheque/ Instructions as expeditiously as possible on being aware of the same. The Client further authorizes the Bank to unilaterally debit the Bank Account of the Client or reverse any credit entry if the same has already been credited to the Client's Bank Account in case there is any difference between the amount credited to the Bank Account of the Client and the actual settlement of the funds by NPCI/card associations.

- 6.4. In relation to any Aailed Services, which is in the nature of a payments service, pursuant to which, the Bank shall be required to effect any payments to a third party, as per the Instructions, the Client agrees and undertakes that it shall perform a comprehensive due diligence to verify the correctness and/or genuineness of the cheques/ Instructions given to the Bank under these Terms.

## 7. TRANSMISSION OF INFORMATION

- 7.1. The Bank may send information relating to collections (if collections services are part of the Aailed Services) through the utility/ software/ encryption tools ("**Java Utility**") which was installed by the Bank in the Client's system and is agreed to be compatible with Client's systems by the Client. If the Client requests the Bank to send the information relating to collections through Host-2-Host (H2H) connectivity, then the same may be sent by the Bank in the following manner:

- 7.1.1 The collections report containing details of the transactions in the Current Account processed by the Bank on a Business Day will be generated by the Bank on an end of day (EoD) basis and shall be uploaded in Client's systems in the manner set out at Clause nos. 7.1.2 to 7.1.4 hereinbelow.
- 7.1.2 The collections report will be sent (pushed) in encrypted form by the Bank through the Host-2-Host software/connectivity to the JAVA Utility hosted on the Client's systems.
- 7.1.3 Once the collections report is sent (pushed) into the said JAVA Utility hosted in the Client's systems, the collections report shall be decrypted by the JAVA Utility and through the path provided in the JAVA Utility shall be further sent (pushed) into the designated folder identified by the Client on its systems.
- 7.1.4 Once the collections report enters the designated folder identified by the Client on its systems, the same shall be downloaded from the said designated folder and be used by the Client for reconciliation purposes.

- 7.2. It is hereby expressly clarified that Clause 7.1 (*Transmission of Information*) above shall not apply in respect of BBPS Services.

- 7.3. In case the Aailed Services are payment related services, the information may be sent by the Bank in the following manner:

- 7.2.1 Payment file containing the payment Instructions will be generated and authorized using the Clients systems by Client's personnel duly authorized to do so
- 7.2.2 Bank Scheduler hosted on the Client's systems will transfer the payment files in encrypted form to Bank's systems
- 7.2.3 Once the payment file enters the Bank's systems, the Bank shall proceed with processing the same without any further Instruction/authorization from the Client in the CMS NetIT Platform.
- 7.2.4 Upon Instructions being given by the Client to the Bank in writing, the Bank will activate an option in the host to host connectivity system whereby once the payment files enter the Bank's systems it will not be processed as per Clause 7.2.3 above but will be processed only as per further authorization/ Instructions communicated by the Client to the Bank ("**Option**").

- 7.4. The Client irrevocably and unconditionally undertakes the risk and responsibility of using the JAVA Utility provided by the Bank as the same have been adapted after performing user acceptability test or other tests for safety, usage, acceptability and compatibility of the Java Utility with the Client's systems and the Client hereby keeps the Bank indemnified against any and all actions, proceedings, litigation, suits, disputes, claims, demands, losses, damages, outgoings, costs and expenses whatsoever (including legal and professional fees and expenses incurred or to be incurred or likely to be suffered by an Indemnified Party in defence or otherwise towards protection of its interests) (each a "**Loss**") which may be made, claimed or brought against or suffered or incurred by the Bank.

- 7.5. The Client hereby irrevocably agrees and consents to the transmission of communications through the internet, and acknowledges that the internet is not necessarily a secure mode of communication and delivery system, and understands the possible breach of confidentiality and other risks associated with it. The Client agrees to be bound by any communication validated by the Bank or its subsidiary or affiliate providing the Services provided such communication is validated in accordance with the security procedures and is consistent with the Client's access profile. Client's use of the Services through the Website, after receipt of updated security procedures (including, but not limited to, the posting of such revised security procedures on the Website) constitutes acceptance of such updated security procedures and such

updated security procedures shall replace the prior agreed upon security procedures.

7.6. The Bank shall not be responsible for any information/interpretation/assumption by the Client or any third party of anything unless the same is explicitly included in the documentation of the Bank including but not limited to the application forms, technical documents, API documents, Bank internal policies etc shared by the Bank with the Client or as may be officially clarified by the Bank in writing. The Client further agrees that any determination or interpretation of any clause, information or matter including of any event, occurrence, circumstance, change, fact, information, document, authorization, proceeding, act, omission, claims, breach, default or otherwise shall be made by the Bank and shall be final, conclusive and binding on the Client.

## 8. REPRESENTATIONS AND WARRANTIES

8.1. Each of the Parties represents and warrants to the other as under:

- (i) It has all requisite power and authority to execute, deliver and perform the transactions contemplated and compliance of the obligations contained under these Terms;
- (ii) It has obtained all corporate and other approvals, as applicable, for availing the Services and the consents herein given and the obligations herein assumed in respect of availing of the Services constitutes a legal, valid and binding obligation on such Party;

8.2. The Client hereby represents, warrants, agrees, covenants and undertakes, on the date of availing of the Availed Services and thereon on each day during the continuance of these Terms, asunder:

8.2.1 The availing of the Services and performance of obligations does not and will not:

- (a) contravene any Applicable Law; or
- (b) conflict with or result in any breach or default under any agreement, instrument, regulation, license or authorization binding upon it or any of its assets.

8.2.2 There are no other commitments / agreements entered into by it which may be in breach of the terms of these Terms or the obligations of the Client thereunder.

8.2.3 The Client shall discharge its obligations forming part of the transaction process as set out in these Terms in a prompt and timely manner;

8.2.4 The Client shall, at all times keep itself abreast of and comply with the provisions of the Prevention of Money Laundering Act, 2002, (as amended from time to time);

8.2.5 The Client acknowledges that the Bank, its representatives and auditors, shall have the right, and the Client shall allow any regulators including without limitation, RBI, NPCI and any other statutory authorities and their authorised agents, as applicable, to have the right to conduct audit and compliance checks on the Client from time to time;

8.2.6 The Client conducts comprehensive 'know your client' checks on its beneficiaries and agrees and undertakes that it shall, as and when required by the Bank, provide the Bank with information evidencing that it is not involved in any suspicious transactions or frauds;

8.2.7 The Client shall comply with all guidelines/ instructions issued/ that may be issued by RBI or any other regulatory authority which is in force or issued from time to time;

8.2.8 It is the responsibility of the Client to ensure the genuineness of the transactions conducted through/under these Terms and also to ensure that no illegal transactions are conducted through/ under these Terms. The Bank shall not assume any liability to anyone just because such transactions are routed through it. The Bank shall however have the right to not permit such transactions to pass through it if it is of the opinion that such transaction is in breach / violation of any provision of any law / regulation or otherwise and the Bank shall not be liable for any direct or consequential loss arising therefrom to the Client;

8.2.9 The Client shall follow the operational process that may be envisaged under the extant regulations/circulars/guidelines issued by RBI, NPCI or other intermediaries and as customized by the Bank, for conducting the transactions pertaining to the Services, as contemplated under these Terms from time to time;

8.2.10 The Client is not engaged in the sale of any goods and/or the provision of services which would violate Applicable Law;

8.2.11 The Client shall ensure compliance with and shall act in accordance with the Applicable Law;

8.2.12 All the information provided by the Client to the Bank is true and correct;

8.2.13 The Client shall not use, in any manner, any design, production, marketing or promotional materials, advertisement or other writing which bears the name, logo or trademark of the Bank, without prior written permission of the Bank

8.3. The Client understands that all records maintained by the Bank in electronic or documentary form of the Instructions of the Client and such other details (including but not limited to payments received or credited to the Client) pursuant to these Terms shall as against the Client be deemed to be conclusive evidence of such Instructions and / or such other details as the case may

be and shall be final and binding on the Client.

- 8.4. In order to facilitate transactions contemplated in these Terms in respect of any particular Availed Service, the Client may be required to send data in electronic format to the Bank from time to time. In the event the data is sent in a format which is not capable of being processed by the Bank, then in such a case the Client agrees that it shall install, at its own cost and expenses, a conversion software along with the required hardware as specified by the Bank in a separate functional specification document. The Client agrees that the Client has read and understood the terms and conditions governing installation, testing and usage of the conversion software and accompanying hardware, if any, as well as all security and operational procedures related thereto as contained in the said functional specification document and specifically agrees to abide by the same. Upon installation of the said conversion software and accompanying hardware, if any, the data sent by the Client to the Bank will be converted into a format which can be processed by the Bank to facilitate transactions contemplated in these Terms. Conversely all reports and other data being sent by the Bank to the Client will also be converted into a format which can be easily viewed by the Client. The Client agrees to bear all risks associated with the use of the said conversion software including risks of malfunction of software and hardware, corruption of data, conversion failure etc. which results in incorrect data being processed by the Bank. Further the Client agrees to absolve the Bank from all liability associated with the usage of the said conversion software and accompanying hardware and agrees to bear all losses, costs and expenses in this regard.
- 8.5. The Client understands that in respect of providing any Services where a payment system provider is involved (like NPCI), the Bank is required to enter into various agreements with system providers in respect of the services offered by them and thereunder have to assume various obligations upon itself for making those services available to the Client. The Client further understands that various Governmental Authorities including the RBI, may from time to time, issue various circulars, guidelines or regulations, which in the sole opinion of the Bank, may require changes and amendments to be made to the Terms. By availing of the Availed Services the Client unconditionally and irrevocably accepts the terms of the agreements executed between the Bank and such system providers and assumes the obligations of the Bank cast thereunder unto itself, in relation to its transactions. Apart from the above the Client also irrevocably and unconditionally undertakes and agrees to comply with the regulations/orders/circulars that may be issued by any Governmental Authorities and/or any system providers from time to time as if they are incorporated *mutatis mutandis* in these Terms without any further act or deed.
- 8.6. It is agreed by the Client that whenever any change is proposed by the system providers either in the software or procedures or in the clearing mechanism, the Client shall at its cost, risk and responsibility comply with the instructions, modification and procedures (including change in the transaction handling processes) as may be issued by the Bank for providing those Availed Services.
- 8.7. The Parties agree that all modifications and changes in the procedures or transaction handling process issued by the Bank pursuant to the changes brought in by the system providers, in respect of any Availed Service will supersede all communications in relation thereto executed by and between the Parties and the Client agrees that it will if required, execute the necessary schedule/s in relation to changes brought in by the system providers.

## 9. TERM AND TERMINATION

### Term and the Availed Services

- 9.1. These Terms shall come into force with effect from the date of availing any of the Services contemplated herein by the Client and shall remain in force unless terminated in the manner specified hereinafter.
- 9.2. In the event that the Client wishes to terminate the contractual arrangement between the Parties in respect of a particular Availed Service, it shall do so in the manner hereinafter contained, and such termination shall not affect these Terms vis-à-vis the other Availed Services, in respect of which, these Terms shall continue to be fully binding on the Parties.

### Termination of all the Services

- 9.3. Notwithstanding anything to the contrary contained in these Terms/or any other document, it is expressly agreed by and between the Parties hereto that the Bank at its entire discretion may terminate all the Services forthwith in the event of any of the following occurring:-
- if a liquidator, receiver, administrator, administrative receiver, manager, trustee, or similar officer is appointed over any of the assets of the Client;
  - if the Client shall cease to carry on its business or substantially the whole of its business;
  - if the Client becomes or is declared insolvent, or convenes a meeting of or makes or proposes to make any arrangement or composition with its creditors;
  - the Client commits a material breach of these Terms and the same is not remedied within 7 (seven) days of being called

- upon to do so by the Bank;
- (e) the Client has voluntarily become the subject of proceedings under any winding up or insolvency law;
  - (f) the Client has involuntarily become the subject of proceedings under any winding up or insolvency law including in the event that any notice is received by the Client which may lead to commencement of any proceedings under the Insolvency and Bankruptcy Code, 2016;
  - (g) Any act of omission or commission has occurred on the part of the Client under this arrangement which is not capable of being remedied or otherwise the Bank is of the opinion that continuance of these Terms would prejudice the Bank's interests; and
  - (h) A Force Majeure Event has occurred, and is continuing beyond a period of 30 (thirty) days from the date of occurrence of such Force Majeure Event.
- 9.4. These Terms may be terminated by either Party by giving thirty (30) days' notice without assigning any reason for such termination and such termination shall not be open to question by the other Party on any account whatsoever. All obligations incurred prior to termination shall survive any such termination. All other terms and conditions shall be of a continuing nature and be binding on both Parties until obligations covered hereunder are discharged in full and till the same is confirmed in writing.
- 9.5. The Bank reserves the right, at its sole discretion, to de-activate or suspend or terminate the Services immediately without any prior notice in the event of breach by the Client of any of the provisions of these Terms, Bank's internal policies, procedures and/or Applicable Law as amended from time to time. The Client agrees that the Bank shall not be liable to the Client and/or any third party for any losses, costs, penalties caused due to such deactivation, suspension and/or termination.

### Termination of a particular Availed Service

- 9.6. The Client may, at any time during the term of these Terms, at its sole discretion, terminate these Terms in relation to a particular Availed Service, by giving advance notice of 30 (thirty) days in this regard.
- 9.7. Notwithstanding anything to the contrary contained herein, the Bank may, at its sole discretion, withdraw any of the Availed Services at any time, including without assigning any reason for the same. Nothing contained in clause 13 (*Dispute Resolution*) shall prejudice the right of the Bank to terminate these Terms or any of the Availed Services in accordance with the provisions of this clause 9.6. Where the rendering of an Availed Service by the Bank is dependent upon certain services being rendered by a third party, including without limitation, NPCI, the Bank may, at any time during the tenure these Terms withdraw such Availed Service due to non-availability and/ or discontinuance of any of the Availed Services by such third party service provider, including without limitation, NPCI.
- 9.8. Termination of any and all Services contemplated herein, shall not affect any rights or liabilities of either Party accrued upto the date of termination, and the Client shall continue to remain liable to the Bank for any Instructions given by it to a Bank in relation to any of the Availed Services prior to the request for termination by the Client. All terms and conditions shall be of a continuing nature and be binding on the Client until obligations covered hereunder are discharged in full and till the same is confirmed in writing by the Bank.

## 10. INDEMNIFICATION

- 10.1 Without prejudice to the provisions relating to indemnification contained in any of the annexures hereto, the Client hereby agrees to, and shall indemnify and keep indemnified and hold harmless, at its own expense, the Bank, its Affiliate(s) and any of their directors, officers, employees, agents and affiliates and their respective directors, officers and employees (each an "**Indemnified Party**") on demand from and against any and all actions, proceedings, litigation, suits, disputes, claims, demands, losses, damages, outgoings, costs and expenses whatsoever (including legal and professional fees and expenses incurred or to be incurred or likely to be suffered by an Indemnified Party in defence or otherwise towards protection of its interests) (each a "**Loss**") which may be made, claimed or brought against or suffered or incurred by the Bank due to any action/ commission /omission either by the Client or by a third party, provided that such Loss is not directly and exclusively caused by gross negligence, willful default or willful misconduct by the Bank, its authorised representative(s), employee(s) or agent(s) in providing such Availed Services, and shall specifically (without prejudice to the aforesaid) be entitled to be indemnified upon occurrence of any of the following:
- 10.1.1 Any act of omission or commission by the Client or any Authorised Person or third party service providers or employees or representatives resulting in a violation by the Client of any term, condition, covenant or obligation under these Terms or any breach by the Client of a representation or warranty contained herein;
  - 10.1.2 Any claim by any beneficiary or other third party concerning the amount, delivery, fraudulent encashment or any other matters related to the Availed Services under these Terms provided by the Bank, its employees and representatives hereunder;
  - 10.1.3 Any expenses that the Bank may have to incur on account of it or any of its officers being required in any manner to get involved in any proceedings or actions pursuant to the provisions of the Negotiable Instruments Act, 1881 and the Payment and Settlement Systems Act, 2007 including in terms of section 25 thereof;
  - 10.1.4 Any involvement of the Client in any suspicious transactions, frauds, etc.;

- 10.1.5 Any error, default, fraud, forgery, omission, acts, negligence of the Client's employees, servants, correspondents, third party service providers, sub-agents, or any other agents in any way related to these Terms, or any involvement in any other manner of the Client in any suspicious transactions, including without limitation, frauds;
- 10.1.6 Any claim by a Beneficiary against the Bank that it has not received the monies due to it from the Client or that there has been a delay in receipt of monies due to it from the Client; or
- 10.1.7 Breach by the Client of any of these Terms.
- 10.2 In addition to the above and in consideration of the Bank agreeing to act on the Instructions of the Client sent by fax, e-mail or through any electronic mode of communication, the Client hereby confirms execution of a specific indemnity in favour of the Bank.
- 10.3 The right of the Bank for any claim arising under this Clause 10 shall survive the expiry or termination of these Terms.
- 10.4 In relation to any Availed Services, which is in the nature of a payment service, pursuant to which, on the basis of Instructions of the Client, the Bank shall be required to make payments to a third party/Beneficiary, the Client agrees that the Bank shall not be liable and shall in no way be held responsible for any delay or failure to make payments to the Beneficiary due to any act or omission of the Beneficiary or for any other reason whatsoever."

## 11 LIMITATION OF LIABILITY

- 11.1 The Client hereby acknowledges that certain Availed Services may be provided by the Bank through authorised parties and correspondent banks who will be acting on the Client's behalf and as the Client's agents. The Client hereby authorises the Bank and consents to the Bank appointing these agents at its sole discretion and without the Client's prior approval or knowledge.
- 11.2 Neither Party shall be liable for delay or failure in performing their obligations or failure to perform their obligations under these Terms, if the delay results from circumstances beyond the control of either Party, including but not limited to Force Majeure and neither Party shall be deemed to be in default so long as any such reason persists; provided that (i) the Party unable to comply with its obligations as a result of occurrence of a Force Majeure Event shall have provided written notice of the same to the other Party within a period of 15 (fifteen) days from the date of occurrence/ discovery of such Force Majeure Event; and (ii) uses reasonable efforts to remedy such delay in performance of its obligations. The obligations of both Parties under these Terms shall be suspended until termination of such circumstances.
- 11.3 The Client agrees and acknowledges that the Bank shall not be liable and shall in no way be held responsible for any damages whatsoever, whether such damages are direct, indirect, incidental or consequential and irrespective of whether any claim is based on loss of revenue, interruption of business, information provided or disclosed by the Bank regarding the Client's accounts, any transaction carried out by the Client under any of the Availed Services if applicable, or any loss of any character or nature whatsoever, and whether sustained by the Client or by any other person.
- 11.4 The Client agrees that the Bank shall not be held responsible for any loss that occurs due to misuse of the scanned signatures of the Authorised Persons save and except those caused by and directly attributable to gross negligence of the Bank.
- 11.5 The Bank does not hold out any warranty and makes no representation about the quality of any of the Availed Services not fully and entirely controlled by the Bank. The Bank expressly disclaims all warranties of any kind, whether express or implied or statutory, including, but not limited to the implied warranties of merchantability, fitness for a particular purpose, data accuracy and completeness, and any warranties relating to non-infringement in relation to any of the Availed Services or in relation to the software and /or hardware.
- 11.6 The Bank shall endeavour to execute its duties under these Terms in accordance with Applicable Law; but other than for fraud, wilful misconduct and gross negligence the Bank shall not be held responsible for any non-response or delay in responding due to any reason whatsoever, including due to failure of operational systems or any requirement of Applicable Law.
- 11.7 The Client agrees and understands that the Bank shall assume that all information and Instructions provided to it has been provided by an Authorised Person and the Bank shall not be held responsible or liable for having acted in accordance with any information or instruction received from a person not so authorised by the Client.
- 11.8 It is agreed by the Client that whenever any change is proposed by the system providers either in the software or procedures or in the clearing mechanism, the Client shall at its cost, risk and responsibility comply with the instructions, modification and procedures (including change in the transaction handling processes) as may be issued by the Bank for providing those services. The Parties agree that all modifications and changes in the procedures or transaction handling process issued by the Bank pursuant to the changes brought in by the system providers, in respect of any service will supersede all communications in relation thereto executed by and between the Parties and the Client agrees that it will if required, execute the necessary schedule/s in relation to changes brought in by the system providers.
- 11.9 The Client agrees and understands that during the course of granting or performing its obligations in respect of the Availed

Services, the Bank may be exposed to several risks as mentioned in these Terms. The Client hereby expressly consents and agrees that Bank shall not be responsible for any loss or damage of any nature whatsoever suffered by the Client, except for the Bank's gross negligence and wilful misconduct, and in any event the liability of the Bank under these Terms shall not exceed the fees paid by the Client to the Bank during the period of 6(Six) months (or such shorter period during which the Agreement has been in force) immediately preceding the date on which any claim is made.

- 11.10 By availing of the Services, the Client will be deemed to have agreed to and accepted the terms & conditions as set out in these Terms and understands that while the Bank shall use reasonable precautions, the said Services are being provided on a "No Warranty or Risk basis".
- 11.11 The Client further agrees that if the Client has any queries/concerns with respect to the discrepancy in the cash handed over or funds settled to the Client or the transactions initiated by the Client then the Client shall raise such query within 2 (two) Business Days from the day of such handover/settlement/initiation. However, if the Client does not reconcile or verify the cash deposited or settled in their Bank account or the transactions initiated but not processed or raises a query beyond the said period of two Business Days then the Bank shall not be responsible for any discrepancy or any transaction including but not limited to the non-deposit or short deposit of amounts or non processing of the transaction but the Bank will try to resolve the query on a best effort basis and shall not in any way be responsible or liable in case such queries and/or concerns are not resolved.

## 12 NOTICES

- 12.1 All notices, demands or other communications required to be given or made hereunder shall be in writing and delivered personally or sent by prepaid registered post, courier or facsimile transmission or email addressed to the intended recipient thereof at its address or facsimile number or email address given in the CMS Application Form or to such address or facsimile number as any Party may from time to time notify to the other Party.
- 12.2 Any notice, approval, instruction, demand or other communication so addressed to the relevant Party shall be deemed to have been delivered (i) if given or made by registered mail, 5 (five) days after posting; (ii) if given by personal delivery at the time of delivery; and (iii) if given or made by facsimile, upon receipt of a transmission report confirming dispatch; (iv) if given or made by e-mail, upon receipt of a mail delivery report confirming receipt by the other Party. Provided that facsimile transmission or e-mail shall immediately on the same day be followed by a copy of the notice by a reputable overnight courier. Provided further that the absence of or omission to deliver the aforesaid copy of the notice by overnight courier shall not in any manner be construed to mean that such notice was not given by a Party and shall not in any manner prejudice a Party's rights under these Terms.
- 12.3 Any change in the address shall be intimated in writing, by the Parties to these Terms to the other Party within 7 (Seven) days of such change.
- 12.4 A demand in writing shall be deemed to have been given to the other Party at the above mentioned address shall be effectual notwithstanding any change of address which is not notified to the either Party in writing and such demand shall be deemed to be received by the Party in due course of post and shall be sufficient if signed by any one or any one of the officers of the Party and in providing such service it shall be sufficient to prove that the letter containing the demand was properly addressed and dispatched by registered post or courier.
- 12.5 Notwithstanding anything contrary contained in these presents, the Bank shall not be responsible for any liability or breach of any duty of secrecy or confidentiality and the Client waives all rights in connection therewith, in the event that any such notices, notifications, advice, acknowledgements or reports in connection with these Terms are received or fall into the hands of unauthorised persons.

## 13 DISPUTE RESOLUTION/GOVERNING LAW AND JURISDICTION

- 13.1 Any disputes, differences or claims arising between the Parties in connection with these Terms or the construction or interpretation of any of the clauses hereof or anything done or omitted to be done pursuant hereto, the Parties shall first endeavour to amicably settle such disputes, differences or claims failing which the same shall be referred to the arbitration of a sole arbitrator to be appointed by the Bank.
- 13.2 The Arbitration shall be conducted in accordance with the Arbitration and Conciliation Act, 1996. The language of the arbitration shall be English. The venue of the arbitration shall be at Mumbai. The Parties agree that the award of the arbitrators shall be final and binding upon the Parties.
- 13.3 These Terms shall be construed and enforced in accordance with the laws of the Republic of India subject to the provisions of arbitration as aforesaid. The Parties hereto consent to the exclusive jurisdiction of the Courts of Mumbai, which will have exclusive jurisdiction in relation to these Terms, the arbitration and all matters arising in connection herewith and therewith.
- 13.4 Notwithstanding what is stated in Clause 13.3 above, the Bank may, however, in its absolute discretion commence any legal action or proceedings arising out of these Terms in any other court, tribunal or other appropriate forum, and the Client hereby consents to that jurisdiction.

## 14 MISCELLANEOUS

- 14.1 **Assignment and appointment of agents:** The Bank shall itself perform its services, obligations and duties under these Terms. Provided that in case the Bank requires the assistance of some other specialised agency or of any other bank, to provide the services required of the Bank, under these Terms, the Bank shall be free to appoint them. The Client shall then be bound by the terms of such agency / bank, and the agency / bank shall be absolutely accountable to the Client for all acts done in pursuance of these Terms. The Client, its successors and assigns shall be bound by these Terms. However, the Client shall not be entitled to transfer or assign any of its rights and obligations under these Terms. Notwithstanding the generality of the foregoing, the Bank shall be entitled to, assign or transfer its right and obligations under these Terms to any Person of its choice in whole or in part and in such manner and on such terms and conditions as the Bank may decide. Any such assignment or transfer shall conclusively bind the Client and its successors.
- 14.2 **Modifications and amendment:** Bank shall have the right to amend /modify any term or condition of these Terms and the same shall be effective once the same is uploaded on the Website and enforceable against the Parties hereto or their legal representatives.
- 14.3 **Relationship between Parties:** The relationship between the Bank and the Client arising out of these Terms, shall be of a principal to principal and no other relationship shall or deem to exist or be construed to exist.
- 14.4 **Waiver:** No failure on the part of either Party to exercise and no delay on its part in exercising, any right or remedy under these Terms will operate as a waiver thereof nor will any single or partial exercise of any right or remedy preclude any other or further exercise thereof or the exercise of any other right or remedy, and the same shall not affect in any manner the effectiveness of any of the provisions of these Terms.
- 14.5 **Liability to pay tax:** All statutory dues including goods and services tax, stamp duty, etc payable in respect of any transaction(s) concerning the said receivables and / or under these Terms as well as any stamp duty payable, in respect of these Terms or any other deeds or documents to be executed in pursuance hereof shall be borne and paid solely by the Client.
- 14.6 **Entire agreement:** These Terms, together with all its Annexures, Schedules, CMS Application Form and other forms/letters / communications issued from time to time in accordance with the provisions hereof shall form the entire agreement between the Parties in relation to the Availed Services and shall supersede all other previous agreements executed between the Parties.
- 14.7 **Severability:** If any provision of these Terms is invalid, unenforceable or prohibited by Applicable Law, these Terms shall be considered divisible as to such provision and such provision shall be inoperative and shall not be part of the consideration moving from either Party hereto to the other, and the remainder of these Terms shall continue to remain valid, binding as though such provision was not included herein. In such an event, the Parties shall make all possible efforts to replace the invalid/ unenforceable/ illegal provision with a valid, enforceable and legal provision embodying the intention of the Parties as gathered from the earlier provision.
- 14.8 **Survival:** The rights and obligations of the Parties under these Terms which by their nature survive the termination or which are specified to survive termination of these Terms shall not be extinguished by termination of these Terms.
- 14.9 **Expenses:** All costs and expenses (including legal costs) incurred in connection with the execution of these Terms shall be borne by the Client.
- 14.10 **Confidentiality and Protection of Data:**
- a) All information and other material supplied to or received by either Party from the other Party and any information concerning the arrangement contained in these Terms shall be kept confidential by the receiving Party unless or until (i) compelled to disclose the same by judicial or administrative process; or (ii) is a part of public domain; or is required to be furnished to any regulatory or other authority having jurisdiction; or (iv) If disclosed by a Party other than the Bank; or is already obtained by the other Party prior to its disclosure
  - b) The Client shall comply with the provisions of the data protection laws and privacy laws, Information Technology Act, 2000 and the applicable rules thereunder, including without limitation the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 and the privacy policy and privacy notice of the Bank. The Client shall be solely liable for any breach of security, compromise, theft, modification and/or corruption, use, processing, profiling or sharing, any of which is not in accordance with any of the data protection laws, privacy laws and the privacy policy and privacy notice of the Bank.
  - c) The Client hereby gives explicit consent to the Bank for its own personal data and confirms that it has been granted, in case of personal data belonging to any third party, the relevant permissions required under applicable data protection laws for the disclosure of the relevant personal data provided by the Client to the Bank so that the Bank may lawfully use, process and transfer the personal data in accordance with its privacy policy, privacy notice and relevant data protection laws.
  - d) By availing Cash Management Services from the Bank, the Client also acknowledges that it has read and understood the terms of the privacy policy and privacy notice hosted on Bank's website www.kotak.com, as amended from time to time.
  - e) The confidentiality and data protection obligations contained in this Clause 14.10 shall survive the termination of these Terms.

- 14.10 **Disclosure of information:** The Client hereby irrevocably agrees to and consents as a precondition to the grant of this arrangement to it by the Bank that:
- 14.10.1 The Bank may share/distribute/disclose any information including personal information, if any, provided by the Client to any statutory or regulatory or supervisory authority/ies upon request or Bank's affiliates and subsidiaries including third parties where the Bank deems it necessary or where such disclosure is required under the laws or regulations applicable to the Bank or to the Group or otherwise. Additionally the Client consents to the Bank using personal information and financial information for giving credit report and credit opinions about the Client to other banks and financial institutions.
- 14.10.2 In order to efficiently provide the Aailed Services, the Bank shall be entitled to provide to Affiliates and/or third parties (including, without limitation, any agencies, bureaus, affiliate companies, firms, associations, corporate bodies, the Bank's agents and its service providers) not only the Instructions received from a Client, but also with any information relating to the Client and the Customer (including, without limitation, personal data) where that is, in the reasonable opinion of the Bank, necessary or desirable for the provision of any of the Aailed Services or is otherwise required or permitted by any applicable law or regulation or at the request of any public or regulatory authority. The Bank is further authorised by the Client to transfer, use, process and/or store the said information to, through and/or in various jurisdictions as the Bank shall reasonably think necessary or desirable for the provision of any of the Aailed Services;
- 14.10.3 The Bank shall process the personal information in relation to the Client or any individuals associated with the Client for the purposes of implementing the arrangements/ Instructions set out in this document or for any purposes connected with any Services offered to the Client by the Bank, or the Group, including for marketing purposes. The Client hereby furthermore acknowledges and expressly agrees that the authorisation given by the Client or any personal information held by the Bank may be disclosed to any statutory authority of another jurisdiction when requested under any applicable law or so to serve as evidence within a judicial or such other procedure related to this document and/or any other contractual or other relationship existing between the Client and the Bank.
- 14.10.4 The Client hereby irrevocably authorises the Bank, as and when it is required to do so under any applicable law or when the Bank regards such disclosure as necessary or expedient (including but not limited to disclosures for the purpose of credit review of any account of the Client with the Bank whether singly or jointly with others or otherwise), any information relating to the Client, its account(s) with the Bank or information on the other assets held by the Client

or on the Client's behalf, to: (a) its head office, affiliates or any other branches or subsidiaries of the Bank; (b) its auditors, professional advisers and any other person(s) under a duty of confidentiality to the Bank; (c) vendors, installers, maintainers or services of the Bank's computer systems; (d) the statutory authorities, any exchange, market, or other authority or regulatory body having jurisdiction over the Bank, its head office or any other branch of the Bank or over any transactions effected by the Client or for the Client's account (s) with the Bank; (e) with domestic or overseas regulators or tax authorities where necessary to establish the tax liability of the Client, in any jurisdiction; (f) any exchange, market, securities market or other authority or regulatory body and/or law enforcement agencies having jurisdiction over the Bank, its head office or any other branch of the Bank or over any transactions effected by the Client or for the Client's account (s) with the Bank; (g) any party entitled to make such demand or request; (h) any person (including any agent, contractor or third party service provider) with whom the Bank contracts or proposes to contract with regard to the provision of services in respect of the Client's account(s) with the Bank or in connection with the operation of the Bank's business; (i) any person employed with, or engaged as an agent by the Bank, including any relationship officers, for the purposes of or in connection with interactions with the Client or providing services to the Client or processing transactions pertaining to the Client's account(s) with the Bank; and (j) to enable the Bank to centralise or outsource its data processing and other administrative operations) to the Bank's head office, its affiliates or third parties engaged by the Bank (whether within or outside India) for any such services/operations.

14.10.5 In case the Client commits default in the repayment of any dues they may arise as a result of Services provided by the Bank under these Terms or interest thereon or any of the amounts that may be due to the Bank or any costs, charges and expenses incurred by the Bank on account of the Client, the Bank and/or the Reserve Bank of India and/or the Credit Information Bureau (India) Ltd., will have an unqualified right to disclose or publish the Client's name (including the name of directors) as defaulter in such manner and through such medium as the Bank and/or the Reserve Bank of India and/or the Credit Information Bureau (India) Ltd. in their absolute discretion may think fit.

14.11 **Appointment of third party service provider ("TSP") by the Client:**

- a) The Client hereby agrees that the Bank shall assume that all information and/or Instructions provided to it by the Client's TSP are true and correct and have been provided in the capacity of Client's Authorised Person. The Client agrees and acknowledges that the Bank shall be entitled to rely upon any Instruction/information duly received, and to act upon the same without being required or expected to carry out an independent verification as to the authenticity, validity or correctness of such Instruction/information. The Client agrees that such Instructions shall be binding upon the Client.
- b) The Client agrees and understands that the Bank shall assume that all information and Instructions provided to it by the TSP has been provided as an Authorised Person and the Bank shall not be held responsible or liable for having acted in accordance with any information or instruction received from Authorised Person.
- c) The Client acknowledges that the Bank has the right to temporarily or permanently disable or suspend the integration with the TSP without any prior notice.
- d) The Client agrees and acknowledges that the API integration, if any, with the TSP is at the Client's sole risk and that the Bank disclaims all representations and warranties of any kind, whether expressed or implied with respect to the condition, suitability, quality and fitness for any purposes are excluded to the fullest extent permitted by law. In no event will the Bank be liable for any loss or damage including without limitation, direct, indirect or consequential loss or damage, or any loss or damage whatsoever arising due to API integration with the TSP and/or action or omissions on the Instruction/information of the TSP.
- e) The Client hereby confirms that all the data pertaining to the Bank's customers, payment sensitive data, payment credentials and transaction data shall be mandatorily stored by the TSP within India's geographical boundaries in accordance with applicable law and regulations, including but not limited to the same prescribed by the RBI.
- f) The Client confirms that the TSP shall deal with all personal identifiable information in its possession, in accordance with applicable data protection laws prevalent in India or outside India which has extraterritorial applicability.
- g) The Client agrees and confirms that the TSP shall retain all Confidential Information of the Bank for such period as may be prescribed from RBI or other regulations/ laws from time to time or for such extended period/s as may be prescribed by the Bank. After expiry of such period, the Client confirms that the TSP shall return and purge all Confidential Information of Bank.
- h) The Client shall safeguard and protect the Bank's/ its customers'/its employees personal data and information stored with the TSP's against unauthorized access, accidental loss, improper use and unlawful disclosure, as required by applicable data protection law prevalent in India or outside India which has extraterritorial applicability.

- i) In the absence of any specific directions from Bank regarding data retention, the Client shall return and purge all Confidential Information of Bank that is in the Client and/or TSP's custody, after transferring the data over to Bank in a manner as directed by Bank:
  - a. Upon expiry of the term of the terms; or
  - b. Upon premature termination of the terms; or
  - c. Immediately upon demand from the Bank.
  - d. Termination of this arrangement as envisaged herein through the TSP
- j) The Client hereby confirm to use commercially reasonable efforts to ensure all the Bank's/it's customers'/its employees personal data and information shared or being processed or stored by the TSP shall remain at all times secure from unauthorized access or intrusion or interference.
- k) The Client hereby confirms that it shall maintain adequate physical and cyber security measures in place where the Bank's/it's customers'/its employees personal data and information are accessed, processed, stored or transmitted irrespective of whether such place is housed at Client's premises or in the premises of the TSP or a third party. The Client agrees that it shall adopt and enforce, any information security requirement that the Bank may deem advisable in order to facilitate reasonable security processes and procedures.
- l) The Client hereby indemnifies and hold harmless the Bank and its directors, officers, agents and employees against any and all losses, damages, claims, liabilities, costs and expenses which they may respectively suffer or incur arising out of or in connection with the above integration/solution with our TSP or due to any action or omission of the Bank on the Instructions of the TSP or any error, default, fraud, acts, omission, negligence or misconduct of the TSP or any inaccuracy, error or omission of any data, information or instruction by the TSP.
- m) The TSP is an agent of the Client and it shall work under the directions of the Client and shall not become or claim any employment from the Bank. The Client shall, at the time of engagement of the TSP clearly convey to such TSP in writing that such arrangement is with the Client and not with the Bank. Notwithstanding anything herein to the contrary, this Clause shall survive the termination of these Terms.
- n) The Client shall ensure that the TSP complies with such technological standards, security procedures, information security and privacy standards and guidelines as intimated by the Bank from time to time. The TSP shall immediately comply with the changes if any to the Bank's practices / guidelines, information security and privacy standards as and when they are intimated to the Client. The Bank shall be entitled to review and monitor the security practices and control processes of the TSP on a regular basis and require the TSP to disclose security breaches.
- o) The Client shall ensure that the TSP complies with such instructions as may be issued by the Bank from time to time for secure transmission of data.
- p) The Client shall ensure that the TSP permits the authorised representatives of the Bank to carry out physical inspections of the place(s) of business of TSP by giving reasonable prior notice to verify whether the TSP is in compliance with its obligations hereunder.
- q) The Client shall ensure that the TSP does not use the Intellectual Property of the Bank in any sales or marketing publication or advertisement, or in any other manner without the prior written consent of the Bank.
- r) The Client shall ensure that the Client/TSP be responsible at its own costs and for providing and maintaining all necessary equipment, software and facilities at its end so as to integrate with the Bank's systems.
- s) The Bank shall not be liable to the Client and/or the TSP or any other third party for any loss or damage whatsoever or howsoever caused or arising, directly or indirectly, including without limitation, as a result of loss of data; non-availability or interruption of connectivity between TSP and the Bank.
- t) The Bank shall not be responsible or liable for:
  - i) any inaccuracy, error or delay in, or omission of any data, information or message which is provided by the TSP to the Bank;
  - ii) the transmission or delivery of any such data, information or message; or any loss or damage arising from or occasioned by (a) any such inaccuracy, error, delay or omission, (b) non-performance, or (c) interruption in any such data, information or message, due to any Force Majeure Event or any other cause beyond the reasonable control of the Bank.
- u) The Client shall ensure that all details, documents, data, applications, software, systems, papers, statements and business / customer information relating to or obtained from the Bank or of the Bank's customers or any other third

party having relation with the Bank (Confidential Information) shall be held in confidence by the TSP and the TSP shall take all precautions to prevent any breach of confidentiality or privacy of the Confidential Information to the same extent and at least in the same manner as the Client protects its own confidential or proprietary information. The Bank shall be entitled to review and monitor the security practices and control processes of the TSP on a regular basis and require the TSP to disclose security breaches. The Client shall ensure that the TSP maintains all Confidential Information, obtained or disclosed to it and/or its/his/her personnel/ employee/ staff may come to know or receive under the arrangement, whether orally or in writing or electronic form, in strict confidence and shall not disclose it to any person, individual or entity.

- v) All communications between the Parties or any of them and all information and other material supplied/ sent to or received by the TSP from the Bank and/or any information concerning the business transaction coming to the knowledge of the TSP and/or the confidential relationship between the Parties shall be kept confidential by the TSP and by the employee, staff, personnel engaged by the TSP, unless it is absolutely essential for the TSP to disclose them on need with the prior specific approval of the Bank which disclosed the Confidential Information at issue.
- w) The Client agrees to indemnify and keep the Bank indemnified, against all or any consequences arising out of any breach of confidential obligations by the TSP and/or its employees and shall immediately reimburse the Bank, on demand, all damages, loss, cost, expenses or any charges that the Bank may suffer, incur or pay in connection therewith.
- x) The Client shall ensure that the TSP's employees, staff, personnel shall keep the Confidential Information secret at all times and shall not disclose at any time, in whole or in part, to any person or use or permit the usage, for any manner incompatible or inconsistent with that authorized by the Bank for performing its obligations hereunder.

#### 14.12 **Auto Authorisation:**

- a) The Bank may, at its sole discretion, upon receipt of request from the Client along with all the documents required by the Bank, grant auto-authorization facility to the Client availing electronic payment services over the internet through availed channels (as may be granted by the Bank) and related software and software connectors from Client's applications for processing the transactions.
- b) The Client understands that there is a controlled conduit for transmission of information between systems through availed channels in accordance with these Terms and privacy policy of the Bank which constitute an integral part for providing the Service.
- c) The Client agrees and understands that by subscribing to auto authorization service, all the authorizations for the transaction limits of the authorized signatories communicated to the Bank either in the form of Board Resolutions/Corporate Authorizations/Letters or otherwise at various points of time will get superseded as the transaction control and the limit control is completely taken from the hands of the Bank and the Bank will no longer be able to implement certain controls since the entire processing of the transactions happens at the Client's end and the message and instructions forwarded by the Client's system to the Bank's systems and shall be processed automatically without any human intervention. The Client agrees that once the Client avails auto authorization service from the Bank, the Bank will no longer implement any checks at its end (including but not limited to transaction limits, authorized personnel etc.) and it is the sole responsibility of the Client to ensure that all the Instructions, requests or communications are checked by them internally before sending the same to the Bank. The Bank has agreed to provide the auto authorization services to the Client based on the above understanding only and the Client shall be solely responsible for all the transactions initiated, processed and sent to the Bank's systems through the availed channels (as may be granted by the Bank).
- d) The Client undertakes that it has established and maintained physical and electronic security and controls to protect against fraud perpetrated by insiders and outsiders, including fraud perpetrated by means of physical or electronic intrusion, insider complicity and by means of impersonation of the Client.
- e) The Client confirms that if the Bank receives any transaction request purporting to be made on behalf of the Client, the Bank shall not be responsible for conducting any checks at its end including but not limited to the accuracy, timeliness or completeness of any information or to verify or check whether the use of auto authorisation services is done only by the Authorized Persons or whether any persons sending the request/information/ instruction are actually authorized persons or not. The Bank shall be entitled to assume that any communication/instructions received by the Bank is by the Authorized Persons acting for and on behalf of the Client to bind the Client irrevocably and unconditionally legally, contractually and fully vis-à-vis the Bank and the other persons involved.
- f) The Client confirms that the Bank shall have no liability to the Client and/or any third party for honoring such

transaction request or any Instructions received through such channels and the Client hereby indemnifies the Bank from any and all losses, attorney's fees and other costs arising from Bank acting on that transaction request/instructions.

- 14.13 **Independent Rights:** Each of the rights of the Parties hereto under these Terms are independent, cumulative and without prejudice to all other rights available to them, and the exercise or non-exercise of any such rights shall not prejudice or constitute a waiver of any other right of the Party, whether under these Terms or otherwise.
- 14.14 **Limitations on Rights of Third Persons:** Nothing expressed or implied in these Terms is intended or shall be construed to confer upon or give any person other than the Parties hereto any rights or remedies under or by reason of these Terms or any transaction contemplated thereby, except to the lawful successors and permitted assigns of the Parties hereunder.
- 14.15 **Further Assurances:** The Parties hereto hereby agree to execute and deliver all documents and instruments and to take or cause to be taken such other actions that are reasonably necessary or appropriate to consummate the transactions contemplated by these Terms.

### Schedule I

At the Client's request, and subject to these Terms together with the CMS Application Form and these Annexures, the Bank has offered the Availed Services to the Client under these Terms without having any obligation to assume any credit exposure on the Client.

## ANNEXURE A1

### TERMS AND CONDITIONS GOVERNING RENDERING OF PHYSICAL COLLECTION SERVICES

#### 1. Services to be rendered by the Bank

Upon the Client electing to avail the services contained in this Annexure A 1 (the "**Physical Collection Services**"), the Bank shall accept, on behalf of the Client, account payee instruments being cheques, demand drafts and pay orders, expressed as being payable to the Client (hereinafter referred to as "**Instruments**" for the purpose of this Annexure A1), from Customers at certain identified locations as may be agreed upon by the Client and the Bank from time to time (the "**Specified Locations**"), and shall credit the Current Account of the Client with equivalent sums of monies upon realization and receiving the clear funds, subject to and in accordance with the provisions of these Terms, specifically, this Annexure A1.

#### 2. Obligations and powers of the Bank

- 2.1. The Bank shall use its best endeavors to ensure that the Bank Account of the Client with the Bank is credited as per the arrangement.
- 2.2. The Bank is hereby unconditionally and irrevocably authorised to reverse any credit entry consequent to the return of the Instrument unpaid if the same has already been credited to the Client's Bank Account at the pooling branch/non-operative current account at any branch of the Bank, along with relevant charges for the period for which it is out of funds. However, in the event the Bank receives information that an Instrument has been returned in clearing, the Bank shall have the full authority to debit the Client's Bank Account or otherwise recover the amount from the Client, notwithstanding any drawee bank certificate stating that the instrument has been paid in clearing. The Client solely shall be responsible for resolution of such discrepancy. In the event cheques/ drafts are lost in transit, then the Bank shall debit the Client for the same, and the Bank's statement intimating the non-payment of the instrument(s) will be final and binding upon the Client.

#### 3. Obligations of the Client

- 3.1. It shall be solely the Client's responsibility to ensure that the Instruments are duly deposited at the Specified Locations, which shall be acknowledged by the authorized official of the Bank and processed for clearance and thereafter credited upon realization and receiving the clear funds unless otherwise agreed between the Parties. Where the Instruments are to be delivered to the Bank through agents or correspondent banks, the responsibility for such Instruments would continue to remain with the Client till these are acknowledged by an authorised signatory / teller of the Bank at the Bank' branch / at the processing center of the Bank at Mumbai.
- 3.2. In the event of the Client's title to the instruments collected is discovered and / or were found to be defective or the Client is found to have no title to the instruments collected, the Client undertakes to refund forthwith on demand and keep the Bank indemnified against any adverse claims arising therefrom. In such a case, the Bank shall have the right, in addition to the right of general lien as also unfettered right without notice to the Client, to set-off and appropriate such amount from any Bank Account of the Client with the Bank.

#### 4. Other terms and conditions

- 4.1. The Instruments favouring the Client duly endorsed in favour of the Bank or Instruments endorsed in favour of the Client

shall be delivered to the Bank or Bank's authorised representative, within the cut off time that may be specified by the Bank or as otherwise agreed between the Bank and the Client from time to time.

- 4.2. In the event of the Bank not receiving credit from the drawee bank and/or the Instrument not being returned from the drawee bank, within 45 (forty five) days from the deposit date, the same shall be construed as 'an Instrument return' and the Bank shall be entitled to reverse the credit entry on the 45th (forty fifth) day from the deposit date, alongwith charges. In the event of the tenor days being mutually agreed to by the Parties in writing and the same being less than 45 (forty five) days from the deposit date, the credit given to the Client's Bank Account will be reversed on the expiry of such tenor days.
- 4.3. All arrangements are exclusive of intervening bank holidays and Sundays for clearing purposes i.e. on a working day basis only. In cases where there is no high value clearing on Saturdays, the arrangement would change accordingly to the next working day having highvalue clearing.

## **ANNEXURE A2 TERMS AND CONDITIONS GOVERNING PHYSICAL PAYMENTS**

### **1. Services to be rendered by theBank**

The Bank shall accept and act on the Client's Instructions to it, to draw, issue, transfer, and/or pay through the physical payment instruments, where applicable, in such amount and in favour of such Beneficiaries as the Client may instruct the Bank from time to time, in such form and transmitted through such media as agreed to by the Bank, provided that:

- i. Sufficient free and clear available funds exist in the relevant Bank Account(s); and
- ii. The necessary authorisation is received from the Client to debit the Bank Account(s), or upon the receipt of the requisite funds from the Client, for the issuance of all or any of the physical payment products.

### **2. Obligations of the Client**

- a. In case of stop payment /cancellation of a payment instrument due to loss of the instrument or other unavoidable circumstances, the Client will submit a letter duly signed by its Authorized Signatories for stop payment/cancellation giving the details of the instruments including whether it is payable at the Bank or correspondent bank locations. the Bank, without any liabilityto the Client, willconfirmthe stop payment marked in the Bank's system or in the Correspondent Bank's ("CB") system after getting a confirmation of 'Stop Payment' beingplaced from CB, onlyif an instrument is unpaid as per the Bank's \ CB's record on the date and time of processing of such request. The Client agrees that such Instruction once accepted cannot be revoked.
- b. The Client acknowledges that the Bank may, without receipt of an application under Sub Clause (a) above, and without any liability to the Client, stop payment on any of the physical payment products if it appears to the Bank that aninstrument has been materially altered, has been forged or is counterfeit, has been stolen, or where there is in force a courtorder restraining payment of the instrument or if the Bank is of the view that any instruments sent appear or are suspicious ofbeing fraudulent.
- c. The Client shall be responsible for collecting the instruments for payment in physical form, e.g., cheques and demand drafts, from the Bank at all times. However, at the request of the Client, the Bank may consider forwarding the instruments through courier / any other mode, appointed and prescribed by the Bank at the Client's own risk and responsibility. The Client shall not raise any dispute in matters relating to and arising out of the courier services.
- d. The Client undertakes and confirms that the Client shall be responsible for any errors / omissions / fraud on the part of the agencies deployed by the Client.

### **3. PROCESSFLOW OF TRANSACTIONS**

#### **A. ISSUE OF DEMAND DRAFTS/ PAY ORDERS.**

1. The Client shall prepare a list of payments to be made in a pre-approved format ("List") and forward the same to the Bank by way of electronic mail, fax, letter and through any other electronic mode agreed between the Parties within the specified time limits, before the date of the payments/disbursements required to be made.
2. The Bank shall issue/print the instruments, in accordance with the List forwarded by the Client, in the form and manner as prescribed by regulatory authorities and the Client shall not raise any objection in respect of the same.

#### **B. CHEQUE WRITING**

1. The Bank will print the instruments considering the request of the Client in the form and manner as prescribed by regulatory authorities and the Client shall not raise any objection in respect of the same.
2. All cheques printed by the Bank will be marked "A/C Payee only".
3. The instruments to be printed shall remain in the custody of the Bank. In case the blank instruments, kept in the custody of the Bank are stolen, the Bank shall inform the Client immediately in writing and freeze the Client's Bank Account with the Bank immediately.

**C. CHEQUE WRITING AT THE CLIENT'S LOCATIONS**

1. The Client shall raise the request for the printing of the cheques through the Bank's CMS NetIT Platform.
2. The Bank shall provide the Client with the process pertaining to the cheque printing at the Client's end and any amendments thereto from time to time. The Client shall at all times strictly adhere to the said process so informed by the Bank from time to time.
3. The Bank shall forward the pre-printed stationary through courier for printing of the cheques to the designated address of the Client. This shall be at the Client's own risk and responsibility. The Client shall not raise any dispute in matters relating to and arising out of the courier/services.
4. The Client post receipt of the said stationary at its end shall login through the CMS NetIT Platform and acknowledge the acceptance of the same by clicking the "Save" tab under the Instrument ReceiptMarking Section.
5. The Client shall only use the said stationary provided by the Bank for the purposes of the cheque printing and for no other purposes and shall not hold the Bank responsible for any loss or damage caused from misuse of pre-printed stationary.
6. The Client shall strictly print the cheques in the form and manner as prescribed by the Bank/regulatory authorities and the Client shall not raise any objection in respect of the same.
7. All cheques printed by the Client will be marked "A/C Payee only".
8. The Client shall at all times be fully responsible to ensure the safety of the pre-printed stationary in its custody. In the event of the said stationary kept in its custody is stolen, the Client shall inform the Bank immediately in writing. Upon the occurrence of such event, the Client's Bank Account with the Bank shall be frozen immediately.
9. In addition to the provisions of Indemnity set out in Clause 10 of these Terms, the Client shall also fully indemnify and hold harmless the Bank and its directors, officers, agents and employees against all losses, damages, claims, liabilities, costs and expenses which they may respectively suffer or incur arising out of or in connection granting the cheque printing facility at the Client's end, or loss of cheques in transit or any third party or any third party claims relating to the said cheques or usage of the cheque printing facility at the Client's end. This Clause shall survive the termination of the Availed Services or the cessation of the provision of the said cheque printing facility by the Bank to the Client.
10. The Client shall forthwith cease to use the said stationary if the Bank at its sole discretion decides to withdraw the said cheque printing facility to the Client and informs the Client in this regard.
11. The Client shall return all the unused stationary to the Bank within three Business Days of the receipt of the written communication from the Bank calling upon the Client to do so and shall further certify in writing to the Bank in this regard.

**ANNEXURE B1****TERMS AND CONDITIONS GOVERNING RENDERING OF ELECTRONIC COLLECTION SERVICES****Services To Be Rendered by the Bank**

- 11.1. Upon the Client electing to avail of the services contained in this Annexure B1 (the "**Electronic Collection Services**"), the Bank will collect monies paid by Customers to the Client through the Real Time Gross Settlement ("**RTGS**") mechanism or the National Electronic Fund Transfer ("**NEFT**") mechanism or Immediate Mobile Payments System ("**IMPS**") mechanism and will deposit payments made by a Customer into the relevant Bank Account. In addition to that if agreed between the Parties and upon payment of necessary charges, the Bank may offer the following:
  - (i) recording and setting out in account statements reports of that Bank Account, the Electronic Collections Account number of each such payment.
- 11.2. Rest of the process of collection will be conducted in accordance with applicable RBI guidelines, NEFT/RTGS guidelines and the Bank's usual practice in respect of the relevant Bank Account.

**2. Additional Definitions**

In addition to the definitions set out in these Terms, the following terms shall, unless the context requires otherwise, have the meanings as set out herein below:

- "**Electronic Collections Account**" means an account set up in accordance with Paragraph 3 below and a virtual information repository linked to the Bank Account held by the Client.
- "**Customer**" means a payer of the Client whose payments to the Client into the Bank Account are to be designated with an allocated Electronic Collections Account number

**3. Opening of additional accounts**

- 3.1 The Client may from time to time apply to the Bank to set up one or more Electronic Collections Accounts in respect of a specified Bank Account by submitting to the Bank in writing such details of the Customer(s) as may be required by the Bank; it being clarified for the avoidance of doubt that an Electronic Collections Account is not an account capable of being transacted upon by the Client.
- 3.2 Upon approval by the Bank of the application, the Bank will:

- (i) set up a Electronic Collections Account for each Customer with a number allocated as agreed between the Bank and the Client; and
- (ii) provide the Electronic Collections Account wise statements on a periodic basis as may be agreed between the Bank and the Client.

#### **4. Obligations of the Client**

- 4.1. The Client shall furnish to the Bank, in writing or otherwise through electronic modes acceptable to the Bank, a list of the Customer(s) of the Client along with the required details from time to time who are to be allotted with an Electronic Collections Account number.
- 4.2. The Client shall advise the Customers to state the Electronic Collections Account number allocated to the said Customer and such other details under the terms of the Clause 4.1 above while giving fund transfer Instructions by RTGS/ NEFT/ IMPS/ IFT to its bank to transfer funds to the Client.
- 4.3. The Client is solely responsible for ensuring that payments by a Customer are designated with the relevant Electronic Collections Account number allocated to the respective Customer and the Bank shall not be responsible for any losses or damages that may suffered or incurred by the Client due to wrong / erroneous mention of the Electronic Collections Account Number by the Customer.
- 4.4. Without prejudice to the provisions of confidentiality and authorization, if any, applicable to any Bank Account in relation to Client information and personal information of an individual, the Client hereby undertakes that it has at all times all authorisation and consents necessary for the transfer, use, processing and/or storage of all information (including, without limitation, personal data) furnished to or received by the Bank in connection with the Electronic Collection Services, including, without limitation, those of the Customers.

#### **5. Electronic Clearing System (ECSCOLLECTIONS)**

The Client shall:

- a) Be primarily liable for obtaining and maintaining mandates of its destination account holders, and shall furnish to the Bank in writing or otherwise through electronic modes acceptable to the Bank, a list of such destination account holders from time to time;
- b) Furnish or cause to be furnished the data to the Bank details of its Customers, in the format prescribed in the ECS guidelines which information shall be provided by the Client at such intervals as may be required by the Bank, with reference to ECS clearing dates as may be determined by the RBI / local clearing house from time to time as and when called for ECS debit services.
- c) Produce mandates duly ratified by the destination bank for verification purpose as required by the Bank.
- d) Agree that the Bank shall not be liable and Client agrees to indemnify the Bank for any loss caused to the Bank, in respect of any transaction processed by the Bank acting on the ECS debit file issued by the Client or any reversal of transaction done by the Bank either unilaterally or at the instance of any other bank, for which the ECS mandate is not provided to the Bank in physical form.

### **ANNEXURE B2**

#### **TERMS AND CONDITIONS GOVERNING PAYMENTS THROUGH ELECTRONIC MODE**

##### **1. Services to be rendered by the Bank**

At the specific request of the Client, the Bank has agreed to provide the Services as more particularly set out in this Annexure B2 through the Website.

##### **2. Obligations of the Client**

The obligations of the Client shall be as follows in relation to each of the Availed Services:

##### **A. Payment through Internet channel**

- 1. For the purposes of this Schedule, the following terms shall have the meanings set out below, unless the context otherwise specifies:
  - (a) “**Users**” shall mean the representatives of the Client who have the rights to access the Bank Accounts of the Client through the Website and shall include Users with payment initiation rights, view rights, cancellation, rejection rights and Users with Authorisation Rights.
  - (b) “**Users with Authorisation Rights**” shall mean the Users who have the power to approve and authorise any payment, transfer Instruction and for such other matters for which the authorisations are required pursuant to the Services rendered. Where such authorisation rights are given by the Clients on a joint basis, then this term shall mean such joint Users with Authorisation Rights, as the context or meaning may require.
- 2. The Bank shall provide to the Client the Services through the Website only in accordance with the list of Users provided to

Bank. The mode and manner of providing the Aailed Services shall be mutually decided by the Client and Bank at the discretion of Bank.

3. The Bank shall process payment Instructions during a working day.
4. The Bank shall implement an Instruction only after verifying Client identification and passwords. The Client hereby expressly authorizes Bank to implement such Instructions without being required to carry out any additional checks or any other authentications.
5. It is agreed by and between the Parties hereto that the Bank shall rely on the authority of each User with Authorisation Rights designated by the Client to send communications on its behalf and to do any other act within the limitations set by the Client.
6. The payment transactions approved on the CMS NetIT platform after the cut-off time as may be prescribed by the Bank, shall be warehoused and processed at the commencement of the next day.
7. Risk in the software or hardware or and the materials will pass to the Client upon delivery of the same to the Client. If subsequently the software and the materials are (in whole or in part) destroyed, damaged or lost the Bank will, upon request, replace the same subject to the Client paying the then prevailing costs.
8. The Client hereby instructs the Bank to comply with any Instructions given through the use of the Website. The Bank shall be entitled to assume that any Instructions given to Bank by using the user identification code(s), a password(s), and authentication method / devices (“**Authentication Device**”), are given by an authorised User and Bank will not be liable for any fraudulent, duplicate or erroneous Instructions given to Bank using the user identification code(s), a password(s), and Authentication Device and the Client hereby indemnifies Bank in respect thereof.
9. The Client shall -
  - (a) keep the password/s provided / chosen by the Client and its Users, absolutely confidential and is bound by any transaction which is authenticated by the Bank on the usage of the correct passwords/identities.
  - (b) Ensure that all passwords chosen by the Client have such number of minimum characters or strings as the Bank may from time to timespecify;
  - (c) Ensure that only Authorised Persons as mentioned in the account opening documentation, and as specifically authorised in the prescribed form, shall become Users with Authorisation Rights. Any change of Users with Authorisation Rights shall and must be notified to the Bank using the prescribed form at least 10 (ten) working days before such change is effective. The Bank shall be entitled to act on the basis of the old unchanged Users With Authorisation Rights information till the expiry of the said period of 10 (ten) working days from the receipt of such notification;
  - (d) install at its own costs and at its own risk, such hardware and/or software including such encryption and security technology as may be required by the Bank from time to time to enable the Client’s access to the Services;
  - (e) develop and maintain adequate internal security procedures to prevent unauthorised utilisation of the Services, and in particular, shall ensure that access to the Authentication Device is strictly controlled and the Client will be solely responsible for its use and the Bank shall in no way be responsible and / or liable in respect thereof; and
  - (f) notify the Bank immediately by telephone followed by a written communication in case of any tampering or damage to the Authentication Device.

#### **B Electronic Clearing System (ECS PAYMENTS ):**

The Client shall:

- d) Be primarily liable for obtaining and maintaining mandates of its destination account holders, and shall furnish to the Bank in writing or otherwise through electronic modes acceptable to the Bank, a list of such Beneficiary/destination account holders from time to time;
- e) Furnish or cause to be furnished the data to the Bank in the format prescribed in the ECS guidelines which information shall be provided by the Client at such intervals as may be required by the Bank, with reference to ECS clearing dates as may be determined by the RBI / local clearing house from time to time as and when called for.
- d) Agree that the Bank shall not be liable and agree to indemnify the Bank for any loss caused to the Bank , in respect of any transaction processed by the Bank acting on the ECS credit file issued by the Client for which the ECS mandate is not provided to the Bank.

#### **C. National Electronic Fund Transfer (NEFT) / Real Time Gross Settlement (RTGS)**

1. The remitting bank as well as the receiving bank will get the valid discharge if the amount is credited to account number requested in NEFT / RTGS Instructions even if the name of the Beneficiary account holder differs in terms of spelling etc. the Bank shall not assume any liability arising out of incorrect MICR / IFSC code etc.
2. Once Client’s Bank Account is debited, the remitter cannot revoke the remittance Instructions unless agreed upon by the Bank. The Bank may accept such a revocation request on best efforts basis and try to put through the payment cancellation request. If that becomes successful the Bank may credit the Client’s Bank Account within a reasonable time not exceeding one working day with effect from the value date.

3. If there is a holiday where the recipient branch is situated / or remittee branch is closed then it is understood that the credit will be passed on to the remittee / Beneficiary on the next Business Day.
4. In the event the remittee branch / bank is not open due to circumstances beyond the reasonable control of that branch /bank, it is understood that the credit will be passed on to the Beneficiary on the next Business Day when such branch / bank is open for business.
5. In the event of any transaction, which cannot be settled due to the fault of the Client, the Bank will endeavor to advise the Client of such non-settlement over phone/ fax, but the Bank is not bound to do so. It is expressly understood that the Bank will not incur any liability to the Client or Beneficiary in such circumstances.
6. The Bank shall not be liable for delay/ non-payments to the Beneficiary/payee if:
  - a. Incorrect and insufficient details of Beneficiary are provided by the Client.
  - b. Dislocation of work due to circumstances beyond the control of remitting / destination banks like non-functioning of computer system or a disruption of work due to a Force Majeure Event resulting in disruption of communication occurs. Delay in remittance on account of this Clause will be rectified only when the disruption is set right.
  - c. If there are insufficient funds in the Bank Account of the Client.
  - d. Instructions relating to payment through NEFT/RTGS are received by the Bank after the cutoff time
  - e. the Bank shall inform the Clients of any of the above mentioned circumstances on best effort basis.
7. The Client shall ensure that –
  1. all Instructions relating to payment through NEFT / RTGS operations would be authorised by the Authorised Persons strictly as per the operating Instructions given to operate the Bank Account;
  2. the destination bank / branch specified by a beneficiary shall be accredited in NEFT / RTGS, and it shall not be the responsibility of the Bank to check the same;
  3. it has available in its Bank Account, sufficient clear funds in order to carry out the payment Instructions given by it (including service charges, govt. taxes and out of pocket expenses etc.);
  4. Instructions are received by the Bank prior to the cut-off time (details of which shall be available at the relevant branch of the Bank), failing which, then transfer of funds shall be effected on the next working day - for remittances above Rs. 2,00,00,000 (Rupees Two Crores only), the cut-off time would be 12 noon or as maybe intimated by the Bank to the Client pursuant to any changes in the clearing cycles;
  5. the details like MICR / IFSC code of the Customer's bank branch and account number of the Beneficiary are correctly provided to the Bank;
  6. the transaction being conducted through NEFT/ RTGS is genuine and that no illegal transactions are conducted through NEFT /RTGS.
  - f. it shall keep itself aware of all the NEFT / RTGS rules set by RBI from time to time and it understands that the transactions relating to NEFT / RTGS shall always be subject to any rules, terms, conditions and administrative guidelines issued by RBI or any other regulatory authorities that may be issued from time to time in respect of operations of NEFT / RTGS accounts or such rules as communicated by the Bank to be applicable to the transactions relating to NEFT /RTGS
  8. Client should check the account statement before reinitiating transactions. For any clarifications, the Client should reach out to the Bank within 3 days from the date of transaction. Post 3 days, Bank shall support on best effort basis.

## ANNEXURE C-1

### TERMS AND CONDITIONS GOVERNING IMPS COLLECTIONS

#### 1. Services to be rendered by the Bank

Upon the Client electing to avail of the Services contained in this Annexure C -1 (the “**IMPS Collection Services**”) basis the understanding that the Bank being a participant in the National Payments Corporation of India's (“**NPCI**”) mobile remittance service called Inter Bank Mobile Payment Service (“**IMPS**”) offers person to person payments using IMPS and is capable of facilitating merchant payment transactions via IMPS, the Bank shall facilitate for the Client, collection of monies into its Bank Account that such Client may receive from its Customers who utilize the IMPS route to transfer funds to the Client, subject to and in accordance with the provisions of these Terms, specifically, this Annexure C-1.

Customers of the Client shall either utilize the Client's website WAP site, IVR etc. or their bank's mobile banking application (provided such Customer's bank is a member bank participating in NPCI's mobile remittance service) to make payments to the Client using the IMPS route and such transactions shall be processed by the Bank and monies credited to the Bank Account of the Client.

2. **Obligations of the Bank-** Upon registration for the IMPS facility by the Client to the satisfaction of the Bank, the Bank shall, if required, issue a unique Mobile Money Identifier (“**MMID**”) to the Client which is linked to the Bank Account.

#### 3. Obligations of the Client

- 3.1. A Client desirous of availing the IMPS Collection Services shall be required to register with the Bank's IMPS facility as

per the requirements of the Bank and agrees and undertakes to abide by the terms and conditions governing the IMPS facility as may be prescribed by the Bank from time to time.

- 3.2. The Client understands that Bank is required to enter into various agreements with NPCI for providing the Aailed Services and thereunder assuming various obligations upon itself. By availing of the Aailed Services the Client unconditionally and irrevocably accepts the terms of the agreements executed between the Bank and NPCI and assumes the obligations of the Bank cast thereunder unto itself, in relation to the transactions processed by the Bank under the respective Aailed Services. Apart from the above the Client also irremovably and unconditionally undertakes and agrees to comply with the regulations/orders/circulars that may be issued by NPCI from time to time and as if they are incorporated *mutatis mutandis* in these Terms without any further act or deed.
- 3.3. The Client shall, if required, set up an application based either on the web or IVR or a handheld device which shall be used by its Customers for the purpose of making payments to the Client using the IMPS route.
- 3.4. The Client hereby agrees and undertakes that it shall comply with all applicable rules and regulations required to be complied with for the purposes of availing this Aailed Services.

#### **4. Specific limitation of liability**

- 4.1. Where it is required that an Application be installed by a Customer of the Client in order to avail of any Aailed Service being rendered pursuant to these Terms, the Client hereby undertakes and agrees that it shall not hold the Bank liable for any delay, loss, costs, expenses, damages, outgoings, claims, proceedings, actions that may be suffered or incurred by the Client in relation to:
  - 4.1.1 Any failure, malfunction or bug in the Application or the Client's Customer's bank's mobile banking application;

- 4.1.2 Non availability of IMPS facility by the Bank owing to any reason beyond the reasonable control of the Bank;
- 4.1.3 Non eligibility of Customers of the Client to utilize the IMPS route to make payments to the Client;
- 4.1.4 Technical disruptions/outages/non-function of telecommunication equipment or any other technical issue which causes a delay or failure in processing payments under IMPS;
- 4.1.5 Any other reason beyond the reasonable control of the Bank owing to which any transaction under the IMPS Collection Service is delayed or fails.

## ANNEXURE C-2

### TERMS AND CONDITIONS GOVERNING IMPS PAYMENTS

The Client agrees and understands that for providing IMPS, the Bank has to act as a Sponsor Bank on behalf of the Client and in relation thereto has to undertake onerous clauses relating to the liability including indemnities that may be imposed on the Bank by virtue of commissions and omissions on the part of the Client in availing IMPS through the Bank as a Sponsor Bank. The Client hereby irrevocably and unconditionally agree that all the covenants, conditions and indemnities given by the Bank as a Sponsor Bank under the sponsor bank agreement with the NPCI, shall be *mutatis mutandis* applied to these Terms, as if the same has been incorporated by way of reference unto itself and the Client undertakes to indemnify any expense (including advocate's fees), loss, damage, liability or claims which the Bank may suffer by reason of providing the Availed Services to the Client hereunder, including by reason of any claim, suit, action or other proceeding initiated against them by a third party.

#### Transaction Timeout Cases

1. A timeout of 30 seconds is maintained after which up to three verification requests are posted for the transaction to the NPCI switch at interval of 30 seconds.
2. Thus an overall timeout is of 120 seconds.
3. In such timeout cases, the Client's Bank Account gets debited but the beneficiary's account is not credited.
4. Such transactions are deemed as successful and the settlement of such timed out transactions is done by the beneficiary's bank by T+2 and sends a TCC post settlement.
5. If a transaction is not settled then the beneficiary bank sends a TCC rejection and the funds are refunded by T+2 working day.
6. The returned funds are settled by NPCI with Bank by first cycle on T+2\T+3WD
7. The returned funds are credited back to Client's Bank Account by T+2 \ T+3 WDEOD.
8. Timed out transactions that are not refunded to the Client's Bank Account by T+3 WD EOD are considered to be deemed successful by the Client and can be marked accordingly as success.
9. In case the intended beneficiary claims to have not received the funds then the Client can raise a chargeback and it is then settled in Dispute Management System provided by NPCI.
10. Beneficiary bank gets three days to respond on the chargeback request failing which the disputed amount is refunded back to Client by T+5 WD where T in this case is the date of raising chargeback.
11. Else the dispute is then settled basis the evidences provided by both the parties.
12. Client should check the account statement before reinitiating transactions. For any clarifications, the Client should reach out to the Bank within 3 days from the date of transaction. Post 3 days, Bank shall support on best effort basis

#### Handling of Transaction Rejections/Reversals

##### **Scenario 1: Normal Transaction Reject case from the NPCI Switch**

In this Scenario if the beneficiary bank returns the transaction within NPCI stipulated timeframe then the details of the same is provided to Client by returning the response received from the IMPS switch in mutually agreed format at the instant when the transaction is initiated.

##### **Scenario 2: Rejection of Transaction that was in the Pending Case due to Time out**

In this Scenario, the beneficiary bank returns the transaction by T+1WD (TAT as specified by NPCI) and Bank will reverse the transaction on T+2WD (EOD) with the following narration:

REFUND IMPS < Original Transaction RRN >

The Client system can look up for the Original Transaction RRN (reference number) in the daily account statement that is downloaded from the Website or look up for the same in the reversals report shared by Bank. In case if the RRN of a transaction in pending status is not available in the daily account statements for a period of 3 (three) working days then it is considered as successful and the Client system can update the status of the same as success and notify the beneficiary accordingly.

##### **Scenario 3**

This is the Scenario for dispute cases and such cases would be handled on a case to case basis as determined by Bank in its

sole discretion.

## ANNEXURE D1

### TERMS AND CONDITIONS GOVERNING COLLECTIONS PURSUANT TO THE NACH DEBIT FACILITY

#### 1. Services to be rendered by the Bank

The Client, in the normal course of its business, receives or is entitled to receive from time to time, payments from its Customers or debtors, whether periodic, recurring or otherwise. The Bank being a direct member of the National Automated Clearing House (“NACH”) system, a web based system implemented by NPCI to facilitate inter-bank, high volume, electronic transactions which are singular or repetitive and periodic in nature and which allows upload, processing and settlement of electronic transactions amongst core banking enabled branches of member banks across the country, offers the NACH Debit Facility to Clients, which facilitates smooth processing of bulk transactions towards collection of payments.

In order to seamlessly and efficiently process the receipt of periodic and recurring payments from its Customers, the Client is desirous of routing such transactions through the NACH system. As the Client is not entitled to direct membership of the NACH, it has requested the Bank to act as its Sponsor Bank to enable it to access and transact on the NACH and avail the NACH Debit Facility and the Bank has agreed to the same.

#### 2. Additional Definitions

In addition to the definitions set out in these Terms, the following terms shall, unless the context requires otherwise, have the meanings as set out hereinbelow:

- “**Debit File**” means an electronic file in a format as may be prescribed by the Bank /NPCI containing instructions to the Destination Banks to debit the Destination Accounts on the basis of accepted Executed Mandates and to thereafter transfer the monies so debited from the Destination Accounts to the Bank Account.
- “**Destination Account**” means a bank account in the name of a Customer held with a Destination Bank in respect of which the Customer issues a Mandate.
- “**Destination Bank**” means a scheduled commercial bank with which a Customer maintains a Destination Account and which is registered with the NPCI as a NACH participant bank.
- “**IFSC**” means Indian Financial System Code.
- “**Bank NACH Account**” means Bank’s account maintained with the RBI in relation to the NACH.
- “**Bank Practices**” shall mean the terms set out in the terms and conditions governing accounts and services, internet banking, as may be prescribed by Bank from time to time as well as and any practices and/or policies followed by Bank from time to time.
- “**Mandate**” means an authorisation, in a format as prescribed by the NPCI, given by a Customer to a Destination Bank to debit a Destination Account in order to make payment to the Client for products and/or services availed by the Customer from the Client.
- “**MICR**” means Magnetic Ink Character Recognition.
- “**NACH Circulars**” shall mean all directions, instructions, circulars, guidelines issued by the NPCI with respect to the NACH from time to time.
- “**NACH Debit Facility**” shall mean the access to / use of the NACH system offered by Bank to the Client as per the transaction process flow set out in Clause 6 through which the Client facilitates collection of monies due to it from Customers.
- “**NACH Guidelines**” shall mean the NACH Procedural Guidelines framed by the NPCI, as amended from time to time.
- “**NACH User Registration Process**” means the process specified by the NPCI from time to time which must be followed by a User to access the NACH.
- “**Sponsor Bank**” shall mean a bank recognized by the NPCI as a direct member of the NACH and which is acting as a sponsor for an entity that has completed the NACH User Registration Process so as to enable such entity to access/use the NACH system.
- “**UCIC**” means Unique Corporate Identification Code issued by the NPCI to a User.
- “**UMRN**” means Unique Mandate Reference Number generated by the MMS for each Executed Mandate which has been uploaded to the MMS.
- “**User**” means an entity that has completed the NACH User Registration Process and is sponsored by a Sponsor Bank on the NACH thereby enabling it to use the NACH system under a facility/product offered by a Sponsor Bank.

#### 3. Appointment Of Client As User

- 3.1. The Client, acting through the Bank, has successfully completed the NACH User Registration Process and in order to enable the Client to avail the NACH Debit Facility, Bank hereby agrees to act as the Sponsor Bank and appoint the Client as its User.. Client hereby unconditionally agrees that it shall execute all further documents and undertake all further acts as may be required by the Bank in order to enable the Bank to act as its Sponsor Bank and to be registered as a User.
- 3.2. The Client shall be permitted to avail of the NACH Debit Facility subject to complying with Applicable Law and these Terms. These Terms shall be in addition to and not in derogation of the NACH Circulars, NACH Guidelines, regulations, circulars, orders, notifications, press releases, instructions issued by RBI and NPCI from time to time and the Bank Practices. The Client hereby acknowledges that the Client has read and understood the terms set out in the NACH Guidelines and NACH Circulars and is aware of the Bank Practices and agrees that the rights and obligations provided therein and these Terms, in so far as it relates to the Client, shall be binding on it with regard to every transaction conducted by it through the NACH Debit Facility.
- 3.3. The Client agrees and understands that for providing the NACH Debit Facility, the Bank has to act as a Sponsor Bank on behalf of the Client and in relation thereto has to undertake onerous clauses relating to the liability including indemnities that may be imposed on the Bank by virtue of commissions and omissions on the part of the Client in availing the NACH Debit Facility through the Bank as a Sponsor Bank. The Client hereby irrevocably and unconditionally agree that all the covenants, conditions and indemnities given by the Bank as a Sponsor Bank under the sponsor bank agreement with the NPCI, shall be *mutatis mutandis* applied to these Terms, as if the same has been incorporated by way of reference and the Client undertakes to indemnify any expense (including advocate's fees), loss, damage, liability or claims which the Bank may suffer by reason of providing the Availed Services to the Client hereunder, including by reason of any claim, suit, action or other proceeding initiated against them by a third party.
- 3.4. The Bank shall have no obligations to any person, including any Customer (or any person claiming under or through such Customer), other than the Client, for the execution of any transaction conducted under the NACH Debit Facility. All obligations of the Bank to the Client in relation to any transaction shall cease upon the Bank crediting the Bank Account.

#### 4. Obligations of the Bank

- 4.1. The Bank shall –
  - a) In case of physical mandate:
    - 4.1.1 Provide the format of the Mandate to the Client, which shall be utilised by the Client to obtain from its Customers, a duly filled up and executed mandated (an “**Executed Mandate**”).
    - 4.1.2 Scan the Executed Mandates submitted to it by the Client and retain the originals of the same or otherwise send the same to the Client if so requested by the Client.
    - 4.1.3 Extract the Transaction Data from the Executed Mandates.
    - 4.1.4 Upload the Executed Mandates and the Transaction Data into the MMS.
    - 4.1.5 Submit the Mandate Report to the Client within the timelines as agreed between the Bank and the Client.
  - b) In case of electronic mandate:
    - 4.1.6 The Bank will receive the Data File sent by the service provider of the Client, such service provider shall be accredited by the Bank, who shall verify the Aadhaar number and obtain the digital e signing on the particular mandate issued by the respective Customer of the Client through an OTP mechanism via UIDAI server.
    - 4.1.7 Such Data File sent by the service provider through a sharing mechanism (sharing mechanism can be through H2H, API or E-mail) will be uploaded in the MMS of NACH by the Bank for onward submission to the respective destination banks. Client understands that the Bank need not verify the authenticity of the Data File received from the service provider acting as an agent of the Client.
- 4.2. The Bank shall not be responsible in any manner whatsoever for verifying the contents, or the accuracy or genuineness of the Executed Mandates submitted to it by the Client and the Client shall not hold the Bank liable for the same.
- 4.3. The Bank shall upload the Debit File received from the Client in the NACH system or authorise the Debit File uploaded by the Client in the NACH system within the timelines agreed between the Client and the Bank. The Bank reserves the right to reject the Debit File uploaded by the Client in the NACH system or not to upload the Debit File received from the Client in the event the Debit File is not in the format prescribed by the Client.
- 4.4. The Bank shall transfer monies credited by the Destination Banks, from the Destination Accounts to the Bank NACH Account, to the Bank Account within the timelines agreed between the Parties.
- 4.5. The Bank shall furnish a report containing details of the execution/non-execution of each debit instruction contained in the Debit File and the details of the monies credited to the Bank Account. Such report shall be in a format as prescribed by the Bank and shall be furnished within the timelines agreed between the Parties.

#### 5. Obligations of the Client

- 5.1. The Client agrees that it shall meet all technical and other requirements as may be stipulated by NPCI from time to time in order to access the NACH system.
- 5.2. The Client hereby agrees, covenants and undertakes that it shall discharge its obligations forming part of the transaction process as set out in these Terms in a prompt and timely manner.
- 5.3. The Client shall be wholly responsible and liable for ensuring that:
  - 5.3.1 An Executed Mandate or a Debit File is not part of a fraudulent transaction.
  - 5.3.2 Each Executed Mandate and Debit File is genuine, valid, complete, enforceable and in the format as prescribed by the Bank and/or NPCI.
  - 5.3.3 The title of the Client to the beneficial interest in the Executed Mandate and Debit File is genuine and perfect.
  - 5.3.4 There is no fraud, forgery or tampering with respect to the Executed Mandates and Debit Files.
  - 5.3.5 It does not resort to any unfair practices relating to its participation in the NACH system
- 5.4. The Client agrees that it shall be solely responsible and liable for ensuring the following:
  - 5.4.1 Preparation of Debit File and accuracy of all details mentioned in the Executed Mandates and Debit File. All particulars given in the Executed Mandates and Debit Files shall be correct and binding on the Client. All amounts in the Debit File must be in accordance with the limits set out in the Executed Mandates.
  - 5.4.2 Exclusion of debit Instructions from the Debit File with respect to Executed Mandates that have been withdrawn by Customers or have expired. A Debit File shall be prepared on the basis of valid Executed Mandates that have been accepted by the Destination Bank in the MMS.
  - 5.4.3 Informing Customers that an Executed Mandate submitted by them has been rejected and the reasons thereof. Thereafter, it shall co-ordinate with the Customers and obtain a fresh Executed Mandate and submit the same to the Bank.
  - 5.4.4 In the event the Bank rejects the Debit File uploaded by the Client or does not upload the Debit File in the NACH system, the Client shall immediately make necessary rectifications in the Debit File and submit the same again to the Bank. Debit Files shall be submitted to the Bank only as per the dates stipulated by Customers in the Executed Mandates.
  - 5.4.5 Keep its Customers informed regarding the receipt of monies from them pursuant to the Executed Mandates issued by them and the execution of the Instructions contained in the Debit File.
  - 5.4.6 Inform its Customers immediately in the event a Destination Bank rejects a debit instruction contained in a Debit File and co-ordinate with the Customer to get the situation rectified and re-submit the Debit File.
- 5.5. In the event of any discrepancy in the Transaction Data or Debit File, the Client shall be solely and wholly responsible for any financial loss, damages, liabilities, penalties, interest in connection with any non-payment, wrong payment or delayed payment with respect to any transaction under the NACH Debit Facility and the Client agrees that the Bank shall not be responsible for the same in any manner whatsoever.
- 5.6. In the event of any claims from the Destination Bank or the Customer in connection with any transaction under the NACH Debit Facility, the Client undertakes to refund the amount debited pursuant to payment Instructions contained in a Debit File and authorizes the Bank to debit the Bank Account towards the refund.
- 5.7. The Client shall retain and safely store all records and documents in respect of each Executed Mandate, Debit File and transaction conducted under the NACH Debit Facility irrespective of the success or failure of the transaction for such period of time as may be required under Applicable Law or 10 (ten) years whichever is greater.
- 5.8. The Client shall verify the prima facie genuineness of each Executed Mandate and check for any fraud, forgery or tampering apparent on the face of the Executed Mandate that can be verified with due diligence and ordinary care before submitting the Executed Mandate to the Bank.
- 5.9. The Client undertakes to satisfactorily respond to any and all queries that may be raised by the NPCI, a Destination Bank or any other person in respect of transactions contemplated under the NACH Debit Facility and in relation to the physical or electronic Executed Mandates and the Debit Files.
- 5.10. The Client represents and warrants to the Bank that it has in place a transparent and robust mechanism to resolve Customer complaints in a quick and efficient manner, as laid down in the NACH Guidelines and undertakes to provide the Bank and NPCI with a report on all Customer complaints received by it together with the manner in which the same were resolved by the Client, as and when demanded by the Bank or NPCI. The Client agrees that the Bank shall not be responsible or liable in any manner whatsoever for the resolution of any dispute with the Customer regarding transactions in connection with the NACH Debit Facility.
- 5.11. The Client undertakes that any failure by the Client to comply with the provisions of this Annexure D-1 shall result in the Bank immediately terminating the NACH Debit Facility without providing any prior notice to the Client and reporting the Client to the NPCI for non-compliance.

## **6. Process flow of the transactions**

### **In case of physical mandate:**

6.1. The transactional process flow for the NACH Debit Facility shall be as follows:

6.1.1. The Client shall obtain from its Customers an Executed Mandate.

6.1.2. The Client shall submit the original Executed Mandates or scanned copies thereof (as permitted by law), received from its Customers, to the Bank.

6.1.3. The Client authorises the Bank to scan the Executed Mandates (in case physical mandates are submitted to the Bank) submitted to it and to retain the same after scanning unless it is otherwise agreed. The Bank shall scan all Executed Mandates, submitted to it by the Client, as per the specifications provided by NPCI. The Bank shall capture the Destination Bank's IFSC/MICR details and other transaction details as may be prescribed under the NPCI guidelines ("**Transaction Data**").

**In case of electronic mandate:**

6.1.4. The Client may do the Application Program Interface with any of the API providers either on its own or through any of the Banks accredited service providers at its own risk and responsibility. Bank's accredited API providers will be the agents of the Client and Bank in no way provide any warranty or guarantee to their service or performance. It is clarified that when the Client uses services of the Bank's accredited service providers, the Client will be accepting such service provider as its own agents and service providers.

6.1.5. Client will initiate transaction or Customer of the Client will initiate the transaction by visit the corporate website/or a page which provides user facility to e sign a eNACH mandate and fill in mandate details like loan reference number, amount to be paid, mobile number , Aadhaar Number etc. After entering the required details the page will invoke a eNACH mandate page hosted on the service providers web page which is connected to the Client web page through API integration.

6.1.6. Customer of the Client will then fill in details like mobile number and Aadhar in the Clients Service Providers web page how will do the Aadhar number verification and arrange for digital e signing on the particular mandates through an OTP mechanism via UIDAI server.

6.1.7. Once the validation is successful, Data File would be sent by the service provider through a sharing mechanism (sharing mechanism can be through H2H, API or E-mail) to the Bank and the Client which would be in turn be forwarded to NPCI for onward submission to destination banks. Client understands that the Bank need not verify the authenticity of the file received form the service provider acting as an agent of the Client.

6.1.8. The Bank shall login into the NACH system and upload the Transaction Data and the scanned image of the Executed Mandates or e NACH Data File received from the service provider of the Client into the Mandate Management System of the NACH system ("**MMS**").

6.1.9. The MMS shall generate a UMRN in respect of each uploaded Executed Mandate and send the scanned images of the Executed Mandates and the Transaction Data or e NACH Data File to the relevant Destination Banks.

6.1.10. The Destination Banks shall verify the Transaction Data and the details on the scanned image of the Executed Mandates or e NACH Data File. In the event all details are to the satisfaction of the Destination Bank, it shall accept the same on the MMS and thereafter send its mandate verification and acceptance message to the Bank through the NACH system. The Destination Bank shall register all accepted Executed Mandates and Transaction Data in its systems within the timelines prescribed by the NPCI.

6.1.11. Once the Destination Bank sends the said acceptance message as set out in Clause 6.1.10 above, both the Bank and the Destination Bank shall record the UMRN of each accepted Executed Mandate in their records within the timelines prescribed by NPCI.

6.1.12. In the event the Destination Bank finds an error in the Transaction Data or scanned image of the Executed Mandate it may, in its sole discretion, reject such Executed Mandate and send a rejection message to the Bank through the NACH system. Upon receipt of such rejection message, the Bank shall inform the Client and the Client shall thereafter submit a fresh Executed Mandate as per the process set out hereinabove.

6.1.13. Upon receipt of the acceptance message as set out in Clause 6.1.10 above and after recording the UMRN in respect of each accepted Executed Mandate, the Bank shall send a report to the Client indicating the status of each submitted Executed Mandate, including the UMRN of each accepted Executed Mandate. Such report shall be in a format as may be prescribed by the Bank ("**Mandate Report**").

6.1.14. After receiving the Mandate Report from the Bank, the Client shall communicate the accepted/rejected status of the Executed Mandate and the UMRN to the Customers within the timelines prescribed by the NPCI.

6.1.15. On the basis of all accepted Executed Mandates, the Client shall prepare a Debit File and either upload the same on the NACH system using its login credentials or send the same to the Bank for uploading into the NACH system.

6.1.16. Upon receipt of the Debit File, the Bank shall upload the same in the NACH system within the timelines prescribed by NPCI. In the event the Client has uploaded the Debit File in the NACH system, the Bank shall authorise the same in the NACH system for further processing by the NACH system. The Bank, in its sole discretion may reject the Debit File uploaded by the Client or may not upload the Debit File received from the Client in the event the format of the Debit File is not as per the format prescribed by the Bank.

- 6.1.17. Once the Debit File has been uploaded or authorised by the Bank as set out in Clause 6.1.16, the NACH system shall map the same with the data stored in the MMS and send the relevant debit Instructions from the Debit File to the relevant Destination Bank.
- 6.1.18. After receiving the debit Instructions, the Destination Bank shall on the basis of the accepted Executed Mandate debit the relevant Destination Account within the timelines prescribed by NPCI from time to time and transfer the funds from the relevant Destination Accounts to the Bank NACH Account.
- 6.1.19. The Destination Bank may not execute a debit instruction as aforesaid in the event the Destination Account does not have sufficient funds or there is a debit freeze in the Destination Account or owing to any other reason as may be determined by the Destination Bank in its sole discretion.
- 6.1.20. The NACH system shall generate a report in a format as may be prescribed from time to time by NPCI indicating the status of execution of the debit Instructions based on the transaction responses received from the Destination Banks and containing details of the monies credited to the Bank NACH Account.
- 6.1.21. The Bank shall transfer monies from the Bank NACH Account to the Bank Account within the timelines as agreed between the Bank and the Client from time to time.
- 6.1.22. The Bank shall furnish a report containing details of the execution/non-execution of each debit instruction contained in the Debit File and the details of the monies credited to the Bank Account. Such report shall be in a format as prescribed by the Bank and shall be furnished within the timelines agreed between the Parties.

## 7. Indemnity

- 7.1. As a pre-condition for availing the NACH system, the Client shall defend and indemnify the Bank from all losses and liabilities if any, arising out of the following:
- 7.1.1. Failure of the Client to perform its duties and responsibilities as per Applicable Law ;
- 7.1.2. Malfunctioning of the equipment of the Client;
- 7.1.3. Fraud or negligence on the part of the Client; and
- 7.1.4. Unauthorized access to NACH system by the Client.

However, the Bank will not be responsible for omissions and commissions on part of any of the Client. In the event of omissions and commissions on part of the Bank, the same would be rectified and the Bank would not be liable for any fines or penalties in this regard.

## ANNEXURE D2

### TERMS AND CONDITIONS GOVERNING PAYMENT PURSUANT TO THE NACH CREDIT FACILITY

#### 1. Services to be rendered by the Bank

The Client, in the normal course of its business, is required to make several repetitive payments, whether periodic, recurring or otherwise. The Bank being a direct member of the National Automated Clearing House (“NACH”) system, a web based system implemented by NPCI to facilitate inter-bank, high volume, electronic transactions which are singular or repetitive and periodic in nature and which allows upload, processing and settlement of electronic transactions amongst core banking enabled branches of member banks across the country, offers the NACH Credit Facility to its Clients , which facilitates smooth processing of bulk transactions towards payment to a large number of beneficiaries.

In order to seamlessly and efficiently process the periodic and recurring payments to its Beneficiaries, the Client is desirous of routing such transactions through the NACH system. As the Client is not entitled to direct membership of the NACH, it has requested the Bank to act as its Sponsor Bank to enable it to access and transact on the NACH and avail the NACH Credit Facility, and the Bank has agreed to the same.

#### 2. Additional Definitions

- a. “**Credit File**” means an electronic file in a format prescribed by Bank/NPCI containing a list of Beneficiaries and their Destination Account details along with details of the amounts payable to the Beneficiaries by the Client.
- b. “**Credit Report**” means a report generated by NACH on the execution or non-execution of each payment instruction contained in the Credit File and the details of payment/non-payment to the Destination Accounts.
- c. “**Destination Account**” means a bank account in the name of a Beneficiary held with a Destination Bank.
- d. “**Destination Bank**” means a scheduled commercial bank with which a Beneficiary maintains a Destination Account and which is registered with the NPCI as a NACH participant bank.
- e. “**Destination Bank NACH Account**” means a Destination Bank’s account maintained with the RBI in relation to the NACH.

- f. **“Bank NACH Account”** means Bank’s account maintained with the RBI in relation to the NACH.
- g. **“NACH Circulars ”** shall mean all directions, instructions, circulars, guidelines issued by the NPCI with respect to the NACH from time to time.
- h. **“Bank Practices ”** shall mean the terms set out in the terms and conditions governing accounts and services, internet banking, as may be prescribed by Bank from time to time as well as any practices and/or policies followed by Bank from time to time;
- i. **“NACH Guidelines”** shall mean the NACH Procedural Guidelines framed by the NPCI, as amended from time to time;
- j. **“NACH User Registration Process”** means the process specified by the NPCI from time to time which must be followed by a User to access the NACH;
- k. **“Sponsor Bank”** shall mean a bank recognized by the NPCI as a direct member of the NACH and which is acting as a sponsor for an entity that has completed the NACH User Registration Process so as to enable such entity to access/use the NACH system;
- l. **“UCIC”** means Unique Corporate Identification Code issued by the NPCI to a User; and
- m. **“User”** means an entity that has completed the NACH User Registration Process and is sponsored by a Sponsor Bank on the NACH thereby enabling it to use the NACH system under a facility/product offered by a Sponsor Bank.

### 3. Appointment of Client as a User

- 3.1. The Client, acting through the Bank, has successfully completed the NACH User Registration Process and in order to enable the Client to avail the NACH Credit Facility, Bank hereby agrees to act as the Sponsor Bank and appoint the Client as its User. Client hereby unconditionally agrees that it shall execute all further documents and undertake all further acts as may be required by Bank in order to enable Bank to act as its Sponsor Bank and to be registered as a User.
- 3.2. The Client shall be permitted to avail of the NACH Credit Facility subject to complying with Applicable Law and these Terms. These Terms shall be in addition to and not in derogation of the NACH Circulars, NACH Guidelines, regulations, circulars, orders, notifications, press releases, instructions issued by the RBI from time to time and the Bank Practices. The Client hereby acknowledges that the Client has read and understood the terms set out in the NACH Guidelines and NACH Circulars and is aware of the Bank Practices and agrees that the rights and obligations provided therein and these Terms, in so far as it relates to the Client, shall be binding on it with regard to every transaction conducted by it through the NACH Credit Facility.
- 3.3. The Client agrees and understands that for providing the NACH Credit Facility, the Bank has to act as a Sponsor Bank on behalf of the Client and in relation thereto has to undertake onerous clauses relating to the liability including indemnities that may be imposed on the Bank by virtue of commissions and omissions on the part of the Client in availing the NACH Debit Facility through the Bank as a Sponsor Bank. The Client hereby irrevocably and unconditionally agree that all the covenants, conditions and indemnities given by the Bank as a Sponsor Bank under the sponsor bank agreement with the NPCI, shall be *mutatis mutandis* applied to these Terms, as if the same has been incorporated by way of reference and the Client undertakes to indemnify any expense (including advocate’s fees), loss, damage, liability or claims which the Bank may suffer by reason of providing the Availed Services to the Client hereunder, including by reason of any claim, suit, action or other proceeding initiated against them by a third party.
- 3.4. Bank shall have no obligations to any person, including any Beneficiary (or any person claiming under or through such Beneficiary), other than the Client, for the execution of any transaction conducted under the NACH Credit Facility.

### 4. Obligations of the Bank

- 4.1 The Bank shall provide the format of the Credit File to the Client.
- 4.2 Parties agree that the Bank shall not be responsible in any manner whatsoever for verifying the contents, or the accuracy or genuineness of the Credit File submitted to it by the Client and the Client shall not hold the Bank liable for the same.
- 4.3 The Bank shall upload the Credit File received from the Client in the NACH system or authorise the Credit File uploaded by the Client in the NACH system within the timelines agreed between the Client and the Bank. Bank reserves the right to reject the Credit File uploaded by the Client in the NACH system or not upload the Credit File received from the Client in the event the Credit File is not in the format prescribed by the Client or in the event the Bank Account does not contain a clear credit balance amounting to at least the total amount of monies payable to all Beneficiaries under a Credit File.
- 4.44.4

4.5 The Bank shall furnish the Credit Report to the Client within the timelines agreed between the Parties.

## **5. Obligations of the Client**

5.1. The Client shall access the NACH system through the NPCI website. The Client agrees that it shall meet all technical and other requirements as may be stipulated by NPCI from time to time in order to access the NACH system.

5.2. The Client agrees and undertakes that it shall be wholly responsible and liable for ensuring that:

5.2.1. A Credit File is not part of a fraudulent transaction.

5.2.2. The Bank Account at all times contains clear funds equivalent to at least the total amount of monies payable to all Beneficiaries under a Credit File prior to uploading such Credit File into the NACH system or submitting such Credit File to Bank.

5.2.3. Each Credit File is genuine, valid, complete, enforceable and in the format as prescribed by Bank and/or NPCI.

5.2.4. The title of the Beneficiary to the beneficial interest in the Credit File is genuine and perfect.

5.2.5. There is no fraud, forgery or tampering with respect to the Credit Files.

5.3. The Client agrees that it shall be solely responsible and liable for ensuring the following:

5.3.1. Preparation of Credit File and accuracy of all details mentioned in the Credit File. All particulars given in the Credit Files shall be correct and binding on the Client.

5.3.2. Availability of clear funds in the Bank Account equivalent to at least the total amount of monies payable to all Beneficiaries under a Credit File prior to uploading such Credit File into the NACH system or submitting such Credit File to Bank.

5.3.3. Upon receipt of the Credit Report from Bank, inform the Beneficiaries that a Destination Bank has rejected a payment instruction contained in the Credit File and co-ordinate with the Beneficiary to get the situation rectified and submit a new Credit File to make payment to such Beneficiary.

5.4. In the event of any discrepancy in the Credit File, the Client shall be solely and wholly responsible for any financial loss, damages, liabilities, penalties, interest in connection with any non-payment, wrong payment or delayed payment with respect to any transaction under the NACH Credit Facility and the Client agrees that Bank shall not be responsible for the same in any manner whatsoever.

5.5. The Client shall retain and safely store all records and documents in respect of each Credit File and transaction conducted under the NACH Credit Facility irrespective of the success or failure of the transaction for such period of time as may be required under Applicable Law or 10 (ten) years whichever is greater.

5.6. The Client undertakes to satisfactorily respond to any and all queries that may be raised by the NPCI, a Destination Bank or any other person in respect of transactions contemplated under the NACH Credit Facility and in relation to the Credit Files.

## **6. Process Flow and Transactions**

The transactional process flow for the NACH Credit Facility shall be as follows:

6.1. The Client shall prepare a Credit File.

6.2. The Client shall fund the Bank Account with clear funds amounting to at least the total amount of monies to be paid out to Beneficiaries under a Credit File. The Client shall ensure that the UCIC is mentioned in the Credit File.

6.3. The Client shall submit the Credit File to Bank or the Client may also upload the Credit File directly into the NACH system using the login credentials provided to it by NPCI.

6.4. Bank shall verify whether the Bank Account contains a clear credit balance that is at least equivalent to the total amount payable to all Beneficiaries under a Credit File. Once Bank has verified that the Bank Account contains sufficient clear funds, it shall upload the Credit File in the NACH system in case the Credit File was submitted to Bank. In the event the Credit File was directly uploaded by the Client in the NACH system, then Bank shall login into the NACH system and authorise the Credit File in the NACH system for further processing by the NACH system provided the Bank Account contains sufficient clear funds.

6.5. Bank, in its sole discretion may reject the Credit File uploaded by the Client or may not upload the Credit File received from the Client in the event the format of the Credit File is not as per the format prescribed by Bank or in the event the Bank Account does not contain a clear credit balance amounting to at least the total amount of monies payable to all Beneficiaries under the Credit File.

6.6. Once the Credit File has been uploaded or authorised by Bank, the NACH system shall validate the Credit File against the UCIC.

6.7. Upon successful validation of the Credit File by the NACH system, the NACH system shall debit the Bank NACH Account in accordance with the Credit File and transfer the relevant amount of monies to the relevant Destination Bank NACH Accounts as per the Instructions contained in the Credit File.

- 6.8. Upon a Destination Bank receiving the funds into its Destination Bank NACH Account, it shall, in accordance with the Credit File, transfer the relevant amount of monies to a Destination Account within the timelines stipulated by the NPCI.
- 6.9. A Destination Bank may not transfer monies received into the Destination Bank NACH Account to a Destination Account in the event the Destination Account has a credit freeze status or in the event the details of a Beneficiary in the Credit File do not match with the records of the Destination Bank or such other reason as may be determined by the Destination Bank in its sole discretion.
- 6.10. In the event a Destination Bank does not transfer the monies to a Destination Account it shall return the said monies not so transferred to the Bank NACH Account.
- 6.11. The NACH system shall generate a report on the execution or non-execution of each payment instruction contained in the Credit File and the details of payment/non-payment to the Destination Accounts and transfer the same to Bank.
- 6.12. Bank shall transfer the Credit Report to the Client as per the timelines mutually agreed between the Parties.

## ANNEXURE E

### TERMS AND CONDITIONS GOVERNING RENDERING OF CASH COLLECTION/ PICKUP SERVICES

#### 1. Services to be rendered by the Bank

Upon the Client electing to avail of the services contained in this Annexure E (the “Cash Collection/ Pickup Services”), the Bank shall accept cash from the Client at certain identified locations mentioned in the list appended to the letter/s/communications/email as may be issued by the Bank and as may be agreed upon by the Client and the Bank from time to time (the “Specified Locations”), and shall credit the Bank Account of the Client with equivalent sums of monies, subject to and in accordance with the provisions of these Terms, read with this Annexure E.

#### 2. Process Flow and Transactions:

- 1.1 The Client shall provide the Bank a list of Specified Locations requesting for the Cash Collection/Pickup Services.
- 1.2 The Client shall issue a letter of intent to the Bank’s central office requesting Cash Collection /Pickup Services at the Specified Locations desired.
- 1.3 Subsequent to intimation of the Client’s requested timings, if it is acceptable to the Bank, it shall on behalf of the Client instruct the Service Provider (SP) to send its agent/representative to the Client’s place for execution of the request as per the time lines agreed.
- 1.4 The SP can pick-up cash up to a variation of only +/- 10% of the range mentioned in intimation sent by the Bank.
- 1.5 The SP’s agent will follow a procedure called Hidden Code Identification (HCI) System for securing the whole transaction.
- 1.6 The HCI (Hidden Code Identification) System is as under:
  - 1.6.1 In HCI System, Identification of SP’s authorized agent is established through HCI Slips.
  - 1.6.2 HCI Slips are printed similar to Debit / NB PIN mailers (2 parts for each slip with perforation) and shall be used & distributed in set of 30 slips. HCI is a 1+1 page self-carbon stationery.
  - 1.6.3 Each HCI Slip contains an “agent” and “Client” copy.
  - 1.6.4 There will be 2 sets printed with matching - serial nos Set A and Set B. Both Part A and Part B contain matching slip numbers and a Hidden Code Number.
  - 1.6.5 One HCI slip from both Set A & Set B shall be used for a pick-up every day on First in First Out (FIFO) basis. 1.6.6 Every month SP shall issue one set of 30 nos. HCI Slips to each Client. Part A of the set shall be kept with the SP and Part B shall be delivered to the Client. Every HCI slip (for both Part A & B) will be in duplicate – similar to a Debit Card / NB PIN mailer; where 1<sup>st</sup> portion will be the Agent’s copy and 2<sup>nd</sup> portion will be Client’s copy.
  - 1.6.7 One HCI slip shall be used for every cash pickup. Every working day the SP’s call center shall issue Part A of respective set of HCI slip on FIFO basis to the agent as a pickup authorization after proper recording and signature.
- 1.7 Client’s Role in HCI System and consequent Cash Pickup is as under:
  - 1.7.1 Client shall check the identity card of the SP’s Agent and duly satisfy himself about the genuineness of the person before commencing of any cash transaction.
  - 1.7.2 The Client will keep the entire cash ready duly bundled along with the Bank and HCI deposit slips.
  - 1.7.3 SP’s Agent and customer will take out the HCI slippage meant for the day serially
  - 1.7.4 SP’s Agent and customer shall scratch the scratch pad on their respective slips.
  - 1.7.5 Cash pickup process can start only if hidden code is matched on both the slips.
  - 1.7.6 For Clients who have availed CPIN process, SP’s Agent will fill in the cash deposition details in the SP’s mobile application installed on the SP’s Agent mobile phone.
  - 1.7.7 Post filling in the details in the mobile application, SP’s Agent shall handover his mobile phone to the Client.
  - 1.7.8 The Client will input this CPIN in the mobile application and validate the same.

- 1.7.9 After validating on the mobile application as well as matching the numbers the Client will hand over cash along with duly filled, sealed and signed “Agent copy” of his Set B to SP’s Agent.
- 1.7.10 SP’s Agent will count the number of bundles and place them in the bag.
- 1.7.11 Amount entered in both figures and words should tally.
- 1.7.12 Signature of the Client should be taken, wherever cancellations or corrections are found on the pay in slip.
- 1.7.13 After verifying the cash SP’s Agent will duly fill its part A and the Client will fill its part B and will affix the seal & signature of Client on both the copies of Part A. SP’s Agent will retain both the agent copies of part A & part B and issue the Client copy of Part A to the Client as acknowledgement of cash receipt.
- 1.7.14 At the end of the transaction, the Client will have Client copies of Part A and Part B & the SP agent will have agent copies respectively.
- 1.7.15 Finally upon completion of the above mentioned process, the slips will be placed as mentioned below:

Part A SP copy - SP (acknowledged by the Customer)

Part A Customer copy – Customer (acknowledged by the SP) Part

B SP copy – SP (acknowledged by the Customer)

Part B Customer copy - Customer (acknowledged by the SP)

Kotak Deposit slip – SP (will be inside the pickup bag filed by the customer)

- 1.7.16 In addition to this SP will acknowledge the Client copy of the Bank Deposit Slip and handover the same to the Client. These deposit slips will be sent to Client by the Bank.
- 1.7.17 Credit of the cash collected would be given on Day 1 EOD, Day 0 being the day of cash pick up. Depending upon the volume and location the Client would be intimated the cut off time of daily pick up at each location. In case the pick-up is done after the cut off time, that day would be considered as Day (-1) and not day 0.
- 1.7.18 MIS of the cash collected on Day 0 will be sent to the Client by Day 1 end of day.
- 1.7.19 Any discrepancy related to the Cash picked up by the vendor would be highlighted by the vendor.

## **2. Service Terms:**

- 2.1 The wait time at the Client’s office – shall not be more than the duration of ten (10) minutes.
- 2.2 Any discrepancy (Shortage/Fake/torn/mutilated/washed notes etc) found subsequently in the packets would be Client’s responsibility and liability.
- 2.3 The Cash Collection/Pick up Services shall be available on Business Days.
- 2.4 Collection of Coins shall be out of the Bank’s scope of the Cash Collection/Pick up Services.
- 2.5 Service Tax as applicable shall be borne by the Client.
- 2.6 This proposal would be reviewed from time to time.

## **3. Other terms and conditions:**

- 3.1 The Client understands and agrees that Bank may offer the said Cash Collection/Pick up services directly or through any other partner agency as an agent of the Client.
- 3.2 The Client understands that credit of cash picked up will be credited as per the arrangement mentioned in the CMS Application Form.
- 3.3 The Client understands and agrees that the said Cash Collection/Pick up Services offered by the Bank are subject to review by the Bank and can be discontinued at the sole discretion of the Bank with a 15 (fifteen) day notice.
- 3.4 The Client authorises the Bank to debit the Bank Account of the Client maintained with the Bank at any time without any reference or notice to the Client, on account of any shortage/fake/soiled/mutilated currency deposited pursuant to the said Services availed by the Client. The Bank after accepting cash for deposit, shall determine accordingly in respect of any shortage of cash and / or fake and/or mutilated and/or soiled notes and such determination by the Bank shall be final and binding on the Client and the depositors.
- 3.5 The Client further understands and agrees that the Bank shall be entitled to impound the cash in light of the same being forged and / or counterfeit. Such determination made by the Bank about the authenticity/ genuineness of the cash shall be final and binding on the Client and the Client agrees to adhere to all the requisite formalities and / or statutory guidelines in light of such discovery of counterfeit cash.
- 3.6 By availing of the said Services, the Client will be deemed to have agreed to and accepted the terms & conditions as set out in these Terms and understands that while the Bank shall use reasonable precautions, the said Services are being provided on a “No Warranty or Risk basis”.
- 3.7 The Client understands and agrees that the Bank shall have no liability to it or any other parties for any indirect, incidental, punitive or consequential costs, damages or otherwise with respect to the Bank offering these Availed Services and the Bank shall not be liable or responsible on account of any misuse of the Availed Services.
- 3.8 The Client further agrees to keep the Bank indemnified against any loss or claims which may be suffered by or brought against the Bank as a result of the Client having availed of the said Services.
- 3.9 The Client further agrees that if the Client has any queries/concerns with respect to the discrepancy in the cash handed

over to the Service Provider and the cash received by the Client in its Current Account then the Client shall raise such a query within 3 (three) Business Days from the day of handover of cash to the Service Provider. However, if the

Client raises such a query beyond the said period of three Business Days then the Bank shall try to resolve the query on a best effort basis and shall not in any way be responsible or liable in case such queries and/or concerns are not resolved.

3.10 The Client agrees that it shall give a prior written notice of at least 15 (fifteen) Business Days to the Bank for deactivation of Cash Collection/Pickup Services for any Specified Location. If the Client fails to do so, the Bank shall continue to charge the Client for the Specified Location till the time the Bank receives the aforesaid notice.

3.11 The Client further agrees that if the Client has any queries/concerns with respect to the discrepancy in the cash handed over to the Service Provider and the cash received by the Client in its Bank Account then the Client shall raise such a query within 2 (two) Business Days from the day of handover of cash to the Service Provider. However, if the Client does not reconcile or verify the cash deposited with the Service Provider with the amount credited in their Bank account or raises a query beyond the said period of two Business Days then the Bank shall not be responsible for any discrepancy including the non-deposit or short deposit of amounts by the Service Provider but the Bank will try to resolve the query on a best effort basis and shall not in any way be responsible or liable in case such queries and/or concerns are not resolved.

3.12 The Client agrees to keep the CPIN confidential at all times. The Client further agrees that the Bank shall not be liable if the Client breaches the confidentiality obligations or discloses the CPIN to anyone.

3.13 The Client agrees to handover the cash to SP's Agent only if the SP's Agent is following the CPIN process as enumerated in clause 1.7 above. The Client shall not handover the cash to the SP's Agent if the said SP's Agent is not following the aforementioned CPIN process and shall immediately intimate the Bank of the same.

3.14 The Client agrees that it is responsible for inputting the correct details in SP's mobile application, verifying such details and validating them using CPIN. The Bank shall not be responsible or liable in any matter whatsoever if incorrect/incomplete details are validated by the Client on SP's mobile application.

3.15 In case of any exceptional issue/technical issue while entering CPIN in the SP's mobile application by the Client during cash pickup, the same should be raised immediately to the Bank for resolution. On receipt of such intimation from the Client, the Bank may inform the Service Provider as well as the Client to proceed for pickup without following the CPIN process for that particular pickup at the particular location. The Client shall not handover the cash to the Service Provider unless and until it receives such notice from the Bank.

3.16 The Client agrees that it shall give a prior written notice of at least 30 (thirty) Business Days to the Bank for deactivation of Cash Collection/Pickup Services for any Specified Location. If the Client fails to do so, the Bank shall continue to charge the Client for the Specified Location till the time the Bank receives the aforesaid notice.

3.17 The terms and conditions in this Annexure E are in addition to and without prejudice to the terms and conditions governing the Bank Account and Services of the Bank, which shall be deemed to be incorporated herein by reference and apply as the context may require.

3.18 The Client shall at all times verify the source of the cash handed over/deposited under the Cash Collection /Pickup Services and shall not hold the Bank responsible/liable in any manner whatsoever. It is the sole responsibility of the Client to ensure that the cash handed over/deposited is not counterfeited or fake in any manner and the Client shall fully cooperate with the Bank, if the Bank is investigated or approached by any law enforcement agency/regulator/court of law to assist in any investigation relating to the cash handed over/deposited by the Client.

## ANNEXURE F BILL PAYMENT SERVICES

### 1. Services to be rendered by the Bank

The Client is desirous of availing Bill Payment Services from Bank that will enable it to make payments of its utility and other bills through Bank's CMS NetIT Platform or through offline mode. Pursuant to these Terms the Client agrees to avail these services, being Bill presentment and Bill payment services in conjunction with a Third Party Service Provider to the Client by virtue of which the Client can view certain Bill details by accessing the CMS NetIT Platform or by receiving such Bill details from the Bank in order to make payment of its Bills (the "**Bill Payment Services**") on the terms and conditions contained hereinafter in this Annexure F.

### 2. Additional Definitions

For the purposes of this Annexure F, the following terms shall have the meanings set out below, unless the context otherwise specifies:

- a. "**Bill**" means an invoice or commercial document, in electronic or physical form, issued by a Billing Company demanding payment in respect of a transaction regarding sale of goods or providing services by the Billing Company to the Client.
- b. "**Billing Company**" means an entity that issues Bills to the Client.
- c. "**Third Party Service Provider**" means a third party entity that carries on the business of Bill presentment and Bill payment and has business arrangements with Billing Companies, for, inter alia, providing billing information and/or payment related

services to the clients of the Billing Companies.

- d. **“Payment File”** means a file in a format agreed between the Bank and the Client containing inter alia, details of the amount to be paid to the Billing Companies in respect of the Bills.

### 3. Covenants of the Client

The Client hereby represents, warrants, agrees, covenants and undertakes that it:

#### I. Common Covenants:

- (a) shall avail Bill Payment Services in respect of Bills issued by only those Billing Companies with whom the Third Party Service Provider has a business arrangement. The Client understands that the Bill Payment Services can only be availed of in respect of Bills, the due date for payment of which, as determined by the Billing Company, has not expired.
- (b) shall be solely responsible for filling in correct details during the registration process in respect of a particular Billing Company. Bank shall not be liable in any manner whatsoever for the consequences of any errors in inputting the details by the Client during the registration process in respect of a particular Billing Company.
- (c) understands that the Bank shall take at least 2 (two) Business Days to make payment to the nodal account from the date debiting the Bank Account of the Client and Bank is not liable or responsible in any manner whatsoever for the presentment of Bills and the Client shall accordingly take into account the time taken by the Bank and the Third Party Service Provider for making payment to Billing Company before due date. Presentment of Bills is the sole responsibility of the Third Party Service Provider and in the event of any delay in this regard, Bank shall not be liable for any fees or charges that may be levied by the Billing Company owing to such late presentment and consequent late payment.
- (d) shall ensure that its Bank Account is sufficiently funded for processing the Bill payment Instructions. In the event of insufficient funds in the Bank Account, the Bill payment Instructions issued by the Client shall not be honoured and Bank shall bear no liability in this regard.
- (e) The Client further agrees that the Third Party Service Provider appointed by the Bank to provide the Bill Payment Services to the Client will be the agents of the Client and Bank in no way provides any warranty or guarantee (expressed or implied) of their service or performance. The Bank shall, under no circumstances whatsoever be liable or responsible to the Client for any defect/deficiency/delay/damages/losses caused to the Client due to any act or omission on the part of Third Party Service Provider or the Billing Company for any direct or indirect loss or damage which the Client may incur or suffer in connection with the Bill Payment Services, whether or not the likelihood of such damages was known or contemplated by the Bank.

#### II. Covenant of the Client in case of service through CMS NetIt Platform:

- (a) Bank and its affiliates, subsidiaries, employees, officers, directors and agents, expressly disclaim any liability for any deficiency in the services offered by the Third Party Service Provider on its webpage (hereinafter referred to as "Third Party Page"). Neither Bank nor any of its Affiliates nor their directors, officers and oevent of any deficiency in the services of the Third Party Service Provider to whom the Third Party Page belongs, failure or disruption of the Third Party Page, or resulting from the act or omission of any other party involved in making the Third Party Page or the data contained therein available to the Client, or from any other cause relating to the Client's access to, inability to access, or use of the Third Party Page.
- (b) The Third Party Page is a third party controlled website. The accuracy, correctness or completeness of the information, materials, services or the reliability of any service, advice, opinion, statement or other information displayed or distributed through it, is not warranted by Bank. The Client shall access the Third Party Page solely for purposes of payment of its Bills. The Client understands and acknowledges that availing of any services offered on the Third Party Page, sharing of information with the Third Party Service Provider or any reliance on any opinion, advice, statement, memorandum, or information made available by the Third Party Service Provider on the Third Party Page, shall be at the Client's risk and the Client shall be solely liable in this regard.

#### III. Covenant of the Client in case of payment through Offline Mode:

- (a) The Bank shall merely forward to the Client the outstanding bill details received by it from the Third Party Service Provider. The Bank does not warrant accuracy, correctness or completeness of the information, materials or the reliability of any advice, opinion, statement or other information contained in such details.
- (b) The Client undertakes and confirms that the Client shall be responsible for any errors/omissions in the Payment File sent by it to the Bank.

### 4. Process Flow of Transactions

The Bill Payment Services shall be provided by Bank to the Client as per the following process flow:

I. In case of payment through CMS NetIT Platform:

- (a) The Client will login to the CMS NetIT Platform and go to the module relating to Bill Payment Services. Upon entering this module the Client will fill in correct details during the registration process in respect of a particular Billing Company.
- (b) Once the Client has filled in the necessary details as provided above, the Client may avail Bill Payment Services only in respect of those Billing Companies which are registered successfully.
- (c) Upon completion of registration process, the Third Party Service Provider will present the Bills received from the registered Billing Companies for payment by the Client on the Bill Payment Services module of the CMS NetIT Platform prior to the payment due date of the billing cycle.
- (d) In order to pay the registered Bill which has been presented, the Client will have to click a tab pertaining to Bill payment which shall then direct the Client to the Third Party Page.
- (e) On the Third Party Page the Client will be able to view the details of all Bills of the registered Billing Companies, that are presented and due for payment. Client will select the Bills it wishes to pay.
- (f) Upon submission of the Bill on the Third Party Page which the Client wishes to pay, the Third Party Service Provider shall submit the payment instruction to the Bank. Such instruction shall reside in the CMS NetIT Platform till end of the day.
- (g) The Client shall login to the CMS NetIT Platform to authorise the said payment instruction so forwarded through the Third Party Page. In the event a particular payment instruction is not authorised completely by the Client by end of the day of submission of the payment instruction to Bank, then such payment instruction will lapse and the Client shall have to follow the process set out in clauses 4 (a) to (f) and re-submit a payment instruction, provided the due date for the relevant Bill has not expired.
- (h) Once the said payment instruction is authorised by the Client as stated in Clause 4 (g), Bank shall debit the Bank Account as per the said payment instruction and transfer the monies to the nodal account of the Third Party Service Provider on T+2 basis.
- (i) At the end of each day, Bank shall send a return/reverse file to the Third Party Service Provider through host to host connectivity. Such return/reverse file shall contain details of the status of authorisation/non-authorisation of all instructions submitted by the Third Party Service Provider to Bank in terms of Sub Clause (g) above. Based on such reverse/return file, the Third Party Service Provider shall make the Bill payment to the Billing Company from its nodal account.
- (j) Upon receiving the return/reverse file, the Third Party Service Provider will update the status of the Bill on the module relating to Bill Payment Services on the CMS NetIT Platform.
- (k) The Client may also de-register Billing Companies by logging in to the CMS NetIT Platform and going to the module relating to Bill Payment Services. The Client will not be able to avail Bill Payment Services in respect of Billing Companies that are de-registered successfully.

II. In case of payment through Offline Mode:

- a) The Client shall initiate the process of registering in respect of a particular Billing Company by sending necessary details to the Bank in a format agreed between the Parties through Email or H2H.
- b) The Bank shall forward the request for registration of the Billing Company along with the necessary details provided to the Bank by the Client to the Third Party Service Provider.
- c) On receipt of a report from the Third Party Service Provider specifying the successful and/or unsuccessful registration of the Billing Companies, the Bank shall intimate the Client about the successful and/or unsuccessful registration.
- d) Upon the completion of registration process of Billing Companies, the Third Party Service Provider shall collect outstanding Bills from the registered Billing Companies and send the details to the Bank in a format agreed between the Bank and the Third Party Service Provider. The Bank shall forward the data received by it from the Third Party Service Provider to the Client through email or H2H.
- e) The Client shall send a Payment File to the Bank through email or H2H. On receipt of the Payment File, the Bank shall debit the Bank Account of the Client with the total amount of payments as stated in the Payment File and transfer the same to the nodal account of the Third Party Service Provider on T+3 basis.
- f) The Bank shall forward the Payment File to the Third Party Service Provider for making payments of the Bills as

envisaged in the Payment File. The Third Party Service Provider shall process the Payment File and provide a summary file to the Bank containing the details of the successful as well as rejected payments.

- g) The Bank shall transfer the amount of rejected payments to the Bank Account of the Client post receipt of the same from the Third Party Service Provider.
- h) The Client may also de-register the Billing Companies by sending necessary details to the Bank in a format agreed between the Parties through Email or H2H. The Bank shall forward the de-registration request to the Third Party Service Provider. The Client will not be avail Bill Payment Services in respect of Bills that are de-registered successfully by the Third Party Service Provider.

## Annexure G

### TERMS AND CONDITIONS GOVERNING UNIFIED PAYMENTS INTERFACE (UPI) TRANSACTIONS

#### 1. Services to be rendered by the Bank:

At the specific request of the Client, the Bank has agreed to provide the Services pertaining to UPI through the Push Transactions or Pull Transactions as availed by the Client, as the case may be.

#### 2. Additional Definitions:

In addition to the definitions set out in these Terms, the following terms shall, unless the context requires otherwise, have the meanings as set out herein below:

“**Application**” shall mean the application set up used by the Client based either on the web or IVR or a handheld device which shall be used by Customers for the purpose of making payments using UPI.

“**Beneficiary**” shall mean the Client and/or any person receiving the monies through UPI.

“**Beneficiary Bank**” shall mean the payee bank where the Beneficiary maintains the bank account.

“**MPIN**” shall mean the password set by the Customer while registering on PSP App for UPI transactions.

“**Payment Service Provider (PSP)**” shall mean the banks providing the PSP App or interface to the Remitter and/or Beneficiary for carrying out UPI transactions.

“**Payer PSP**” shall mean the Remitter PSP providing the PSP App to the Remitter.

“**Payee PSP**” shall mean the Beneficiary PSP enabling the UPI transactions to receive monies by the Beneficiary.

“**Push Transaction**” shall mean a pay request initiated through UPI which is a transaction where the Remitter is pushing funds to the Beneficiary by using the VPA.

“**Pull Transaction**” shall mean a collect request initiated through UPI which is a transaction where the Beneficiary is pulling funds from the Remitter by using the VPA.

“**PSP App**” shall mean the interface/front end by way of a mobile application provided by the PSP to the Customers for carrying out UPI transactions.

“**Remitter Bank**” shall mean the payer bank where the Remitter maintains the bank account.

“**Remitter**” shall mean the Customer and/ or any person desirous of remitting/transferring the monies through UPI.

“**UPI**” shall mean unified payments interface which is a service provided by NPCI that allow transfer of money using a Virtual Payment Address that is mapped to an account of the Remitter and/ or Beneficiary after complete validation.

“**Virtual Payment Address (VPA)**” shall mean the payment address generated for the Remitter and the Beneficiary by the

Payer PSP and the Payee PSP respectively. The payment address may include but not limited to mobile number, aadhaar number, bank account number, IFSC and virtual address.

“**Tran ID**” shall mean unique reference number for each transaction generated by the Customer and sent to the Bank through API to avoid duplication of payment. Bank will verify such uniqueness of Tran Id for period of 15 (fifteen) Business Days.

### 3. Provision of the Services:

- a. The Client understands that the provision of Services shall be based on the operating and settlement guidelines for UPI issued by NPCI or amendments and modifications thereto. The Client understands that the Bank’s role in providing these services is subject to the various system participants/third party service providers participating in UPI transactions. Neither Bank nor any of its Affiliates nor their directors, officers and employees will be liable to or have any responsibility of any kind for any loss that the Client incurs due to matters/things outside the control of the Bank in providing this service.
- b. The Customers of the Client shall either utilize the Application and/or the PSP App to make payments to the Client using the UPI route and such transactions shall be processed by the Bank as per the process flow set at clause 4 herein below and the monies shall be credited/debited to/from the Bank Account of the Client as the case may be.

### 4. Process Flow for UPI Transactions:

1. The Client shall submit to the Bank the corporate registration template as provided by the Bank.
2. The Client shall open the Bank Account (in case the Client does not having an existing current account or is desirous of using another current account for the purposes of UPI) with the Bank for collections of the monies paid by the Customers to the Client or for the payment of monies by the Client to the Customers.
3. The Bank shall thereafter generate a VPA for the Client and provide the same to the Client.
4. The Customers can make payments to the Client or vice versa by way of PUSH or PULL transactions using UPI.
5. Transaction initiated by Payer’s PSP (PUSH Transactions-Collection):
  - i. The Customer initiates payment through his own PSP App by authorizing MPIN linked to his bank account, enters VPA of the Client and amount to be transferred to the Client.
  - ii. Payer PSP sends the details of the Client’s VPA to UPI.
  - iii. UPI sends it to the Payee PSP for address resolution and authorization.
  - iv. Payee PSP sends relevant account details of the Client to UPI.
  - v. UPI sends the debit request to Remitter Bank.
  - vi. Remitter Bank debits the amount from the Customer’s account and sends the confirmation to UPI.
  - vii. UPI sends the credit request to the Beneficiary Bank.
  - viii. Beneficiary Bank credits the Bank Account and send the confirmation of such credit to UPI
  - ix. UPI sends the successful confirmation to the Payer PSP
  - x. Payer PSP sends a confirmation message to the Customer
6. Transaction initiated by the Payee PSP (PULL Transactions-Collection):
  - i. The Customer enters his VPA on the Application of Client for making the payment to Client.
  - ii. The Payee’s PSP sends the details of the Customer’s VPA to UPI.
  - iii. UPI sends it to the Payer PSP for address resolution and authorization.
  - iv. The Payer PSP sends a notification to the Customer for authorization. Customer enters the MPIN and confirms the payment to be made to the Client. Payer PSP sends the same to UPI.
  - v. UPI sends the debit request to the Remitter Bank.
  - vi. The Remitter Bank debits the amount from the Customer’s account and sends the confirmation to UPI.
  - vii. UPI sends the credit request to the Beneficiary Bank.
  - viii. The Beneficiary Bank credits the Bank Account and confirms the same to UPI.
  - ix. UPI sends the successful confirmation of the credit to the Payee PSP.
  - x. The Application gives the transaction confirmation to the Customer.

## 7. Transaction initiated by Payer's PSP (PUSH Transactions-Payment)

- i. The Client will initiate payment to the Beneficiary's VPA through API.
- ii. The transaction initiated by Client are pre-approved transactions generated from the Application.
- iii. The Bank will check the message format and Tran ID for its F uniqueness.
- iv. If the transaction meets the above checks, then the Bank shall process such pre approved transaction by debiting the Bank Account.
- v. The PSP of the Client i.e the Bank shall forward the request of the pre-approved transaction to UPI.
- vi. UPI sends it to the Payee PSP for address resolution and authorization.
- vii. Payee PSP sends relevant account details of the Beneficiary to UPI.
- viii. Since the transaction is already pre-approved by Bank, UPI does not send debit request to the Bank but sends credit request to the Beneficiary Bank directly.
- ix. Beneficiary Bank credits the account of the Beneficiary and send the confirmation of such credit to UPI.
- x. UPI sends the successful confirmation to the Bank.
- xi. Bank sends a confirmation message to the Client.

## 5. Other conditions:

- a. The Bank shall compile and send the payment details in the agreed format to the Client's designated email addresses as mutually agreed with the Client.
- b. The maximum permissible amount for making payment through UPI is limited to Rs.1,00,000/- (Rupees one lakh only) only in 24 (twenty four) hour period for customers and Rs.2,00,000/- (Rupees two lakhs only) per transaction for corporate pre approved transaction and as may be enhanced or modified as per the Bank's policy or as per Applicable Law.
- c. Status of transactions can be verified in real time through the transaction check API, and for time out cases final status of transaction is realized on T+1 day post account reconciliation. Client should check the account statement before reinitiating transactions. For any clarifications, the Client should reach out to the Bank within 3 days from the date of transaction. Post 3 days, Bank shall support on best effort basis.
- d. The Client hereby undertakes and agrees that it shall not hold the Bank liable for any delay, loss, costs, expenses, damages, outgoings, claims, proceedings and actions that may be suffered or incurred by the Client in relation to:
  - i. Any failure or bug in the Application;
  - ii. Non availability of UPI facility by the Bank owing to any reason beyond the reasonable control of Bank;
  - iii. Non eligibility of Customers to utilize the UPI facility to make payments to the Client;
  - iv. Technical disruptions/outages or any other technical issue which causes a delay or failure in processing payments under UPI;
  - v. Any other reason beyond the reasonable control of the Bank owing to which any transaction under the UPI facility is delayed or fails.
- e. The Client understands that the Bank shall merely forward the request to UPI on behalf of the Client and is not bound to check or verify whether the VPA's of the Beneficiaries including other details sent to the Bank by the Client through API are correct. The Client shall be solely liable and responsible for any adverse effects arising due to incorrect VPA's and other details being provided by the Client to the Bank.

## Annexure H

### TERMS AND CONDITIONS GOVERNING OVER THE COUNTER COLLECTIONS SERVICES

#### 1. Services to be rendered by the Bank:

At the specific request of the Client, the Bank has agreed to provide over the counter collections services to the Client.

#### 2. Additional Definitions:

In addition to the definitions set out in these Terms, the following terms shall, unless the context requires otherwise, have the

meanings as set out herein below:

**“Cash Deposit”** shall mean the deposit of cash upto the limit of INR 1, 00,000/- (rupees one lac only) by the Depositor in each instance or as may be enhanced or modified as per the Bank’s policy or as per Applicable Law and as communicated by the Bank to the Client from time to time.

**“Cheque/Demand Draft/Pay Order/Banker’s Cheque Deposit”** shall mean the deposit of account payee cheques or demand drafts or pay order or banker’s cheque by the Depositor expressed to be payable to the Client.

**“Depositor”** shall mean the customers of the Client desirous of effecting the Cash Deposit and/or Cheque/Demand Draft/ Pay Order/Banker’s Cheque Deposit in the Account towards the monies that are due and payable to or due to be payable in the future to the Client.

**“Fund Transfer Instructions”** shall mean the written instructions submitted by the Client at the Bank branch for internal funds transfer which may also include Cheque Deposit from time to time.

**“Services”** shall mean the Bank providing to the Client over the counter collection (OTC) services

### **3. Provision of the Services and Process Flow:**

- i. The Bank shall accept Cash Deposit and/ or Cheque/Demand Draft Deposit and/ or Funds Transfer Instructions at the branches of the Bank situated at the locations mentioned in the list appended to the CMS Cash Collections Application Form and as agreed upon by both the Parties from time to time.
- ii. The Depositors shall make the Cash Deposit and/ or Cheque/Demand Draft Deposit and/ or Funds Transfer Instructions within the cut off timings that may be specified by the Bank to the Client from time to time, by submitting the cheques/demand drafts /Funds Transfer Instruction and/or cash (the latter in properly secured and wrapped bundles) at the counters of the various branches of the Bank so designated for the provision of the Services. The Depositors at the time of the Cash Deposit and/ or Cheque/Demand Draft Deposit and/ or Funds Transfer Instructions with the Bank shall fill up the required forms/deposit slips correctly and clearly providing details such of the cash, and/or cheque and/ or demand draft and/or Funds Transfer Instructions submitted and the Account.
- iii. The Bank at the time of the acceptance of the Cash Deposit and/ or Cheque/Demand Draft Deposit and/ or Funds Transfer Instructions will thereafter provide an acknowledgement of receipt of cash and/ or cheque by stamping on the portion of the deposit slip to be retained by the Depositor. The Bank in respect of the Cash Deposits shall count the said cash so handed over by the Depositor at the counter before issuing the aforesaid acknowledgment.
- iv. The Bank shall not provide any “pick up” facility for the Cash Deposit and/ or Cheque/Demand Draft Deposit and/ or Funds Transfer Instructions unless otherwise agreed through a separate instrument in writing.

### **4. Other conditions:**

- i. The Bank shall use its best endeavors to ensure that the Account of the Client with the Bank is credited as per the arrangement.
- ii. The Depositors shall be responsible to ensure the Cash Deposit and/ or Cheque/Demand Draft Deposit and/ or Funds Transfer Instructions happen in a timely manner at the Bank where the Client maintains its Account. The Bank shall not be liable in any manner whatsoever for any delay in the credit of the monies to the Bank Account that is attributable to the Depositors.
- iii. The Cash Deposit and/ or Cheque/Demand Draft Deposit and/ or Funds Transfer Instructions by the Depositors shall be in a form acceptable to the Bank as per its internal policies on cheque and/or cash collection and/or funds transfer and/or deposits in bank accounts and the applicable guidelines of the Reserve Bank of India.
- v. Upon the Cash Deposit and/ or Cheque/Demand Draft Deposit and/ or Funds Transfer Instructions, the monies shall be credited to the Bank Account as per the available instructions with the Bank and such credit will be done as per the Bank’s internal policies on Cash Deposit and/ or Cheque/Demand Draft Deposit and/ or Funds Transfer Instructions and the general terms and conditions governing bank accounts as shown on the Website and the amendments thereto from time to time.

vi. The Client shall inform the Depositors of all the relevant terms and conditions pertaining to the said arrangement as envisaged herein with a view to enable the Bank to efficiently perform its Services including but not limited to the cut off timings for the Cash Deposit and/ or Cheque/Demand Draft Deposit and/ or Funds Transfer Instructions for its timely processing and deposit of the monies in the Account. The Bank shall not be liable in any manner whatsoever to the Depositors in respect of the provision of the Services to the Client. Any disputes and/ or grievances of the Depositors arising out of the arrangement as envisaged in terms hereof shall be taken up entirely between the Client and the Depositor, without any reference to the Bank in this regard. The Client shall be solely responsible in this regard.

vii. It is expressly agreed and understood that nothing contained in this Agreement shall be deemed to constitute an agreement on the part of the Bank for grant of overdraft or any other form of credit facility by the Bank to the Client with respect to the amount of cheques, demand drafts and funds transfer instructions covered by the Services. In the event of any incidental or temporary overdraft which may be occasioned or which may result due to any reason including but not limited to cheque returns, the Client will be responsible to liquidate such overdraft on the next Business Day and pay the agreed interest till the said overdraft is regularized. In case of any delay in regularizing this overdraft, the Bank will have the right, in addition to the right of general lien as also unfettered right without notice to the Client, to set off and appropriate the liability against or out of any other accounts / funds belonging to the Client including the amount of any further cheques / demand drafts/ funds transfer instructions which may be deposited by the Client with the Bank under the terms of this agreement. For avoidance of doubt, it is hereby clarified that the Parties agree that any incidental or temporary over draft so occasioned on account of any reason shall not be treated as grant of any credit facilities of any nature by the Bank and that the grant of such incidental or temporary overdraft can be withdrawn by the Bank at its sole discretion at any point of time.

viii. In the event of the Bank not receiving credit from the drawee bank and/or the cheque not being returned from the drawee bank, within 45 days from the deposit date, the same shall be construed as 'an cheque return' and the Bank shall be entitled to reverse the credit (if given subject to agreement between the parties) entry on the 45<sup>th</sup> day from the deposit date, along with charges. In the event of the tenor days being mutually agreed to by the Parties in writing and the same being less than 45 days from the deposit date, the credit given to the Account will be reversed on the expiry of such tenor days.

ix. All arrangements are exclusive of intervening Bank Holidays and Sundays for clearing purposes i.e. on a Business Day basis only.

x. The Client shall at all times verify the source of the cash deposited by any Depositors and shall not hold the Bank responsible/liable in any manner whatsoever. It is the sole responsibility of the Depositor to ensure that the cash deposited is not counterfeited or fake in any manner and the Client shall fully cooperate with the Bank, if the Bank is investigated or approached by any law enforcement agency/regulator/court of law to assist in any investigation relating to the cash deposited by the Depositor.

xi. The Client authorises the Bank to debit the Account at any time without any reference or notice to the Client, on account of any shortage/fake/soiled/mutilated currency deposited pursuant to the said Services availed by the Client. The Bank at the time of accepting cash for deposit or after accepting cash for deposit, shall determine accordingly in respect of any shortage of cash and / or fake and/or mutilated and/or soiled notes and such determination by the Bank will be final and binding on the Client and the Depositors. Any counterfeit note received at the branch counter of the Bank will be impounded by the Bank and will not be returned to the Depositor. The Depositor will have to make good the shortage of the cash that is intended for the deposit and if the Depositor does not pay the same, the Client's Account shall be credited to the extent of authentic cash/currency only.

xiii. The Client understands that in the event of the receipt of the mutilated notes, only the adjudicated value of the cash shall be credited to the Account and any deficit in the amount of the intended cash deposit shall have to be borne only by the Depositor. The Depositor will have to make good the shortage of the cash that is intended for the deposit and if the Depositor does not pay the same, the Client's account shall be credited to the extent of non-mutilated cash/currency only.

xiv. The Client further understands and agrees that the Bank shall be entitled to impound the cash in light of the same being forged and / or counterfeit. Such determination made by the Bank about the authenticity/ genuineness of the cash shall be final and binding on the Client and the Client agrees to adhere to all the requisite formalities and / or statutory guidelines in light of such discovery of counterfeit cash.

xv. The Bank is hereby unconditionally and irrevocably authorised to reverse any credit (if given subject to agreement between the parties) entry consequent to the return of the cheque unpaid and/or if the cash is found to be fake, counterfeit or mutilated and if the same has already been credited to the Account at the pooling branch/non-operative account at any branch

of the Bank, along with relevant charges for the period for which it is out of funds. However, in the event the Bank receives information that a cheque has been returned in clearing, the Bank shall have the full authority to debit the Account or otherwise recover the amount from the Client, notwithstanding any drawee bank certificate stating that the cheque has been paid in clearing. The Bank's statement intimating the non-payment of the cheque will be final and binding upon the Client. The Client solely shall be responsible for resolution of such discrepancy. The Bank shall take no responsibility of the Cash Deposit and/ or Cheque/Demand Draft Deposit and/ or Funds Transfer Instructions until the Bank's employee at the branch has actually been handed over the cash and/or cheque and/or demand draft and/or fund transfer instructions by the Depositor and has issued an acknowledgement in lieu thereof to the Depositor.

xvi. In the event it is found that the cash deposited is fake or counterfeit or defective such that it is unfit for deposit and /or the Client's title to the cheques collected is discovered and / or were found to be defective or the Client is found to have no title to the cheques collected, the Client undertakes to refund forthwith on demand and keep the Bank indemnified against any adverse claims arising therefrom. Further, the Bank shall have the right, in addition to the right of general lien as also unfettered right without notice to the Client, to set-off and appropriate such amount from any account of the Client with the Bank.

## **Annexure I**

### **TERMS AND CONDITIONS GOVERNING BBPS SERVICES**

#### **1. Services to be rendered by the Bank:**

Upon the Client electing to avail of the services contained in this Annexure I, the following services shall be provided by the Bank to the Client (the "**BBPS Services**"):

- (a) onboarding of the Client as a 'biller' on the BBPS and acting as the 'Biller BBPOU' (as set out in the BBPS Circulars) in respect of the Client, in terms of BBPS Circulars;
- (b) collection of monies paid by Customers to the Client through the BBPS and depositing the same into the relevant Bank Account;

#### **2. Additional Definitions:**

In addition to the definitions set out in these Terms, the following terms shall, unless the context requires otherwise, have the meanings as set out herein below:

- (a) "**BBPCU**" shall mean the entity appointed by the RBI to act as the Bharat Bill Payment Central Unit under the BBPS, which presently is the National Payments Corporation of India Limited.
- (b) "**BBPS**" shall mean the integrated billpayment system offering interoperable and accessible billpayment services to customers conceptualised by RBI under the circular bearing number RBI/2014-15/327 DPSS.CO.PD. No. 940 /02.27.020/2014-2015 dated November 28, 2014,
- (c) "**BBPS Circulars**" shall mean all circulars, guidelines, regulations, rules, directions, standards and procedures which may be issued by the RBI or by the BBPCU, from time to time, in relation to the operation or management of the BBPS or otherwise dealing with the BBPS;

#### **3. Provision of the Services**

- (a) a. The Client understands that the provision of Services shall be based on the Procedural guidelines for BBPS Services issued by NPCI, BBPS Circulars or amendments and modifications thereto. The Client understands that the Bank's role in providing these services is subject to the various system participants/third party service providers participating in BBPS transactions. Neither Bank nor any of its Affiliates nor their directors, officers and employees will be liable to or have any responsibility of any kind for any loss that the Client incurs due to matters/things outside the control of the Bank in providing this service.
- (b) The Client hereby agrees and acknowledges that it has, prior to the commencement of the provision of the BBPS Services by the Bank, been informed of and consented to the type of biller integration proposed, the 'amount option' which shall be applicable to the transactions effected in favour of the Client on the BBPS, the attributes which shall

be required to be passed by the Client in respect of each 'bill fetch' request.

- (c) On the basis of the biller integration type, agreed to between the Bank and the Client, the Client shall be required to comply with certain other conditions applicable to 'Online' 'Offline (A)' and 'Offline (B)' systems, as set out in the BBPS Circulars (as amended from time to time) and as may be stipulated by the Bank, from time to time, which, as on date, *inter-alia* includes:
- (i) In the case where the Client is on 'Online' mode (as set out in the BBPS Circulars), it shall ensure that bill fetch will take place in real-time mode and payment success confirmation is provided in real-time. The Client acknowledges and agrees that failure to receive an acknowledgement message in accordance with the BBPS Circulars from the Client for a bill payment transaction will result in a reversal where the entire transaction shall be reversed. In this regard, the Client shall be required to comply with all requirements, terms and conditions as may be stipulated in terms of the BBPS Circulars or by the Bank, in relation to real time mode bill fetch requests and payment success confirmations. The Client shall, in this case, also require to ensure that the Client has the capability to reverse the transaction, if so required, in terms of the BBPS Circulars;
  - (ii) In the case where the Client is on 'Offline (A)' mode (as set out in the BBPS Circulars), the Client shall ensure that the bill information is shared by the Client with the Bank at regular intervals to avoid any discrepancies arising out of the delay in updating the biller data;
  - (iii) In the case where the Client is on 'Offline (B)' mode (as set out in the BBPS Circulars), the Client shall update its Customer accounts for all such bill payments on a daily basis. In the event of cases where the payments cannot be accounted for various reasons (e.g. invalid customer account number, mismatch of Customer account number etc.), the Client shall promptly respond to such cases along with refund requests originating from the Customer BBPOU within the prescribed turn around time.

10.1. The Client agrees and undertakes that the Client shall do all such acts, deeds and things and execute all such documents, deeds and evidences as may be required by the Bank for the purposes of integration of the systems of the Client with the systems of the Bank for the purposes of on-boarding of the Client as a 'biller' on the BBPS. The Client further agrees and undertakes that the Client shall, if so directed by the Bank, also be required to, either by itself or through its agents, do such acts, deeds or things, as may be required for the purposes of enabling the aforesaid integration. In the event integration with the systems of a service provider is required to facilitate transactions contemplated in these Terms in respect of BBPS Services, the Client shall integrate, at its own costs and expenses, its systems with the systems of any of the Bank's empaneled service providers ("**Integration Provider**"), a list of which shall be provided to the Client. The Client agrees and acknowledges that the Integration Provider shall be deemed to be an agent of the Client and that the Bank shall not be responsible or liable for loss or damage arising out of such integration of systems and/or the acts and omissions of such Integration Provider. The Client hereby indemnifies and will keep the Bank indemnified against any and all Losses arising in connection with the acts and/or omissions of the Integration Provider and/or such integration.

#### 4. Obligations of the Client

- (a) In consideration of the Bank providing to the Client, the BBPS Services, the Client hereby designates the Bank as the 'Biller BBPOU' (within the meaning of the BBPS Circulars), in respect of the Client and in this regard shall execute such other writings as may be required by the Bank. The Client further agrees and undertakes that the Client shall not engage with any other entity in relation to provision of services similar to the BBPS Services (whether for on-us or off- us transactions), without providing a prior written intimation to the Bank.
- (b) The Client shall not be entitled to use and advertise any logos, copyrights, trademarks or other intellectual property rights, in respect of or connected to, the BBPS, other than as set out in the BBPS Circulars.
- (c) The Client acknowledges and accepts that the effective date of the payment of the bill shall be as specified in the BBPS Circulars from time to time and the Client shall ensure that the account of the Customer with the Client shall be updated on the effective date. The Client further agrees and acknowledges that the payment success message sent to the Customer through the BBPS shall be final proof of payment of the relevant bill and shall be irrevocable.
- (d) The Client shall, at all times, comply with the BBPS Circulars and shall duly perform their roles and responsibilities in terms thereof including without limitation in connection with the standards dealing with customer registration, transaction handling, messaging standards, customer complaints resolution, dispute management system, reconciliation and settlement of funds.

- (e) The Client agrees and acknowledges that the BBPS provides for inter-operability of bill payments and accordingly the Customers will be able to make payment to it through the BBPS irrespective of the identity of the 'Customer BBPOU' or the mode of payment selected by the Customer formaking the payment.
- (f) The Client agrees and undertakes that the Client shall provide the Bank with any information or data requested by it in the course of the provision of the BBPS Services and shall in particular respond promptly to and render such co- operation to the Bank, as the Bank may require in responding to online messages received from the BBPS, including without limitation bill fetch requests and bill payment messages, whether online / offline, single/ bulk sent by through the BBPCU;
- (g) The Client shall be responsible for reconciliation of all funds received in the Bank Account with the settlement reports provided by the Bank, through the BBPS and shall provide details and information regarding such reconciliation to the Bank when requested for by the Bank, in such format and upon such terms and conditions as may be stipulated by the Bank;
- (h) The Client shall at all times, ensure compliancewiththe technical messagingstandards set out by the RBI and/or the BBPCU;
- (i) The Client agrees and undertakes that unless otherwise communicated to the Client by the Bank, the Client shall be responsible for handling all customer complaints and grievances in respect of transactions effected in favour of the Client. The Client shall, at all times, adhere to the turn around time prescribed by the BBPCU while responding to any such complaints/ grievances regarding any transaction effected in favour of the Client usingthe BBPS. The Client shall provide all the requisite information, support and cooperation required by the Bank in connection with outstanding complaints and such grievances. Without prejudice to anything else contained in these Terms, the Client agrees to keep the Indemnified Parties indemnified against any Losses which may be suffered by or brought against the Indemnified Parties as a result of any customer complaints or grievances which are not directly and exclusively caused as a result of any breach of the BBPS Circulars by the Bank.
- (j) The Client agrees and acknowledges that all refunds to Customers shall be handled by it directly outside of the BBPS. The Client further agrees that it will process all refunds in respect of the BBPS Services through the Bank and it shall keep the Bank informed of such refunds on a real time basis. The Client further agrees that it shall process all eligible refund cases immediately. Without prejudice to anything else contained in these Terms, the Client agrees to keep the Indemnified Parties indemnified against any Losses which may be suffered by or brought against the Indemnified Parties as a result of any refunds or any failure or delay in processing of refunds by the Client.
- (k) In addition to the terms and conditions set out in this Annexure I, the Client agrees and acknowledges that the Bank may stipulate further standards and guidelines including technical and compliance requirements in respect of the availing of BBPS Services and the Client shall be responsible for ensuring compliance with all such guidelines and standards which may be issued by the Bank, from time totime;
- (l) The Client hereby agrees and acknowledges that, at all points in time, the Bank shall be entitled to either by itself, or through its internal or external auditors or any external specialists appointed by it in this behalf ("**Bank's Authorized Personnel**") conduct one or more regular or periodic procedural audits of the Client and its systems, at any time and from time to time including, without limitation, for the purpose of determining compliance with the Applicable Law and procedural guidelines and standards prescribed by RBI/ NPCI from time to time. The Client shall cooperate with and promptly supply the Bank and/ or Bank's Authorized Personnel with all information and material uponrequest.

#### **4. Additional Representations and Warranties**

The Client hereby represents, warrants, agrees, covenants and undertakes as under, in respect of the availment of the BBPS Services:

- (a) The Client is aware of and has read and understood the BBPS Circulars. The Client further agrees to keep itself abreast with the requirements of the BBPS Circulars from time to time and to at all times comply with the same. The Client agrees to keep the Indemnified Parties indemnified against any Losses which may be suffered by or brought against the Indemnified Parties as a result of any breach by the Client of the BBPS Circulars;

- (b) The Client is a licensed or authorized entity and is permitted under Applicable Law to raise bills on Customers;
- (c) The bills raised by the Client pertain to the legitimate activities that the Client is engaged in (i.e. the sale/ provision of goods/ services in compliance with Applicable Law) and are a part of the categories of bills authorized under BBPS;
- (d) The name of the Client does not appear on the list of banned/ prohibited entities (as set out in the BBPS Circulars) or list of billers published under the BBPS whose presence in the BBPS is considered to be detrimental to the system;
- (e) The Client acknowledges that it has been informed and advised about the settlement procedure, nodal account arrangement, settlement timelines, mode of remittance under the BBPS.
- (f) The Client has entered into a service level agreement with the BBPCU and agrees to furnish the Bank with a copy thereof on the Bank requiring the same.

## 5. DE-LISTING

The Client acknowledges and agrees that the Bank and the BBPCU shall be entitled to delist the Client from the BBPS, in terms of the BBPS Circulars, on such grounds as may be determined by them including, without limitation, on the occurrence of the following events:

- (a) Breach of the BBPS Circulars;
- (b) Any breach of or failure/ repudiation of these Terms by the Client;
- (c) In case of bankruptcy of the Client;
- (d) Any fraudulent practices in respect of any billing or collection;
- (e) Any other circumstances or contingency that, in the opinion of the BBPCU compromises or jeopardizes the system; and/ or
- (f) In the event that frequency or pendency of complaints beyond turn-around time in respect of such Client are beyond limits acceptable to the BBPCU.

## Annexure J

### TERMS AND CONDITIONS GOVERNING POS ACQUIRING SERVICES

#### 1. Services to be rendered by the Bank:

At the specific request of the Client, the Bank has agreed to provide the POS Acquiring Services (as hereinafter defined) to the Client on the terms and conditions contained in these Terms and this Annexure J.

#### 2. Additional Definitions:

In addition to the definitions set out in these Terms, the following terms shall, unless the context requires otherwise, have the meanings as set out herein below:

- (a) **“Authorised Debits”** with reference to any particular Card Transaction’s settlement shall mean and include: (i) the fees payable by the Client in respect of the Acquiring Services provided in respect of the relevant Card Transaction; (ii) any taxes that accrues in respect of the fees referred to in (i) above; (iii) any other monies required to be paid or returned by the Client, in terms hereof; and (iv) the amount (if any) collected from the Customer towards processing of the Card Transactions;
- (b) **“Card”** shall mean any unexpired prepaid, credit card or debit card that is issued by a Card Issuer designated to issue cards of any Card Network, provided that such card is not listed in a current warning or restricted card bulletins or notices;
- (c) **“Card Issuer”** shall mean a bank or financial institution that has issued a Card to a Customer;
- (d) **“Card Network(s)”** shall mean any of Visa, MasterCard, Visa Electron, Diners, Rupay, Discover or Maestro or any other card network as may be specified by the Bank from time to time;

- (e) **“Card Network Operating Guidelines”** means any policies or procedures provided by the Card Network which may regulate the operation of the Card including but not limited to the operating guidelines, clearing and settlement and transaction processing rules, standard charge back process and dispute management rules and regulations, by-laws, user instructions, technical literature and all other related materials;
- (f) **“Card Transaction”** shall mean any transaction effected by a Customer for making payment in favour of the Client by using a Card on an EDC Terminal;
- (g) **“Chargeback”** shall mean the requirement to reverse a Card Transaction effected in favour of the Client, on the occurrence of the chargeback events set out in the Card Network Operating Guidelines, from time to time;
- (h) **“Chargeslip”** shall mean the receipt, whether physical or electronic, produced by the EDC Terminal on successful completion of a Card Transaction;
- (i) **“Collection Account”** is an internal account opened with the Bank for the purpose of facilitating settlement of transaction amounts received from the Card Network and/or Governmental Authority and/ or the Card Issuer and/ or the Customer;
- (j) **“EDC Terminal”** shall mean the electronic data capture (EDC) terminals including mobile phone based EDC terminals, GPRS based EDC terminals and any other type of EDC Terminals specified by the Bank, printers, other peripherals and accessories, including the pin entry pads and the software contained in such devices, as the same may be supplemented, replaced or modified from time to time pursuant to these Terms;
- (k) **“POS Acquiring Services”** the services rendered by the Bank that enable the Customers to make payment in favour of the Client by using a Card on the EDC Terminals;
- (l) **“Presentment Conditions”** shall mean the following conditions: (i) the card presented is a Card bearing the marks of the Card Issuer, a genuine hologram of the Card Network and such other details as may be stipulated by the Bank from time to time; (ii) the Card is not mutilated or altered in any way; (iii) if the Card is a photo card, the photograph on the Card matching with the Customer; and (iv) the signature on the signature strip provided for at the back of the Card, matches the signature of the Customer;

### 3. Processing and Settlement:

- (a) The Client agrees and undertakes that the Client shall, in consideration of the Bank providing to the Client, the POS Acquiring Services, make payment of such fees and charges to the Bank, as the Bank may stipulate from time to time, which fees shall be payable in respect of each Card Transaction, in such manner and upon such terms and conditions as may be determined by the Bank.
- (b) The Client acknowledges and agrees that the Bank shall, without prejudice to its other rights as set out herein, prior to transmitting the settlement amounts in respect of the completed Card Transactions to the Bank Account, be authorised and entitled to deduct therefrom the Authorised Debits.
- (c) Notwithstanding anything to the contrary contained herein, the Bank shall be entitled to refuse to process and/or withhold payment in respect of any Card Transaction if (i) the Client is in breach of any of the terms of these Terms; (ii) the Bank has reason to believe or suspect that any Card Transaction is suspicious, fraudulent, contrary to Applicable Law; (iii) the Bank so determines on an assessment of the risk involved in processing any Card Transaction. For avoidance of doubts, it is clarified that the Bank shall not be required to pay any interest or other sum whatsoever on such amounts withheld pursuant to this paragraph.

### 4. Chargeback:

The Client hereby agrees that all Chargebacks shall be the sole responsibility and liability of the Client. The Client further agrees and acknowledges that the Bank shall be entitled to, require the Client to repay the amounts received by the Client in respect of any Card Transaction, in the event that the Bank, in its sole discretion determines that a Chargeback should be ordered, and the Client shall be obliged to make payment of the same. Without prejudice to the obligation of the Client as aforesaid, the Client agrees and acknowledges that the Bank may recover the Chargeback monies by either: (i) deducting

the same as part of the Authorised Debits; (ii) deducting the same from any account held or deposit made by the Client, whether jointly or singly with the Bank.

## **5. Refund**

The Client hereby agrees and undertakes that it will process all refunds in respect of any concluded Card Transaction to the Customers only through the Bank as per the procedure stipulated by the Bank and in no other manner whatsoever. Without prejudice to the generality of the foregoing, the Client agrees and undertakes that it shall not make any cash refunds to the Customers in respect of any such concluded Card Transaction.

## **6. Additional Representations, Warranties, Undertakings and Covenants:**

The Client hereby represents, warrants, agrees, covenants and undertakes as under, in respect of the POS Acquiring Services:

- (a) The sale of the goods and services by the Client is in compliance with Applicable Law and the Card Network Operating Guidelines. The Client undertakes to ensure that the POS Acquiring Services are not utilized in connection with the sale of any goods and/or the provision of services which are not compliant with Applicable Law and Card Network Operating Guidelines.
- (b) The Client shall ensure compliance with and shall act in accordance with (i) Applicable Law including, without limitation, the provisions of the Information Technology Act, 2000 and the applicable rules thereunder (including the Information Technology (Reasonable security practices and procedures and sensitive personal data or information) Rules, 2011), (ii) the Card Network Operating Guidelines, and (iii) all rules, guidelines and directions issued by the Bank or any Governmental Authority with reference to Card Transactions including without limitation the RBI.
- (c) The Client shall not levy or seek to levy any amount towards the processing of any Card Transaction and/or otherwise seek to transfer the incidence of the merchant discount rate to the Customer.
- (d) The Chargeslips, proof of delivery of the products and other records of the Card Transactions shall be maintained by the Client for a period of at least 3 (Three) years from the date of the relevant Card Transaction and shall be submitted to the Bank as and when requested by the Bank. The Bank shall be entitled to inspect all data and records relating to the Card Transactions and take copies of or extracts from the same or any part thereof, during usual business hours of the Client.
- (e) The Client shall follow such security procedures and technical requirements prescribed by the Bank, from time to time.
- (f) The Client hereby represents that it is PCI-DSS, PCI-PTS and PA-DSS compliant and has obtained the necessary certifications in this regard. The Client shall ensure that it remains PCI-DSS, PCI-PTS and PA-DSS compliant during the term of these Terms and shall take all actions as may be necessary for this purpose.
- (g) The Client shall ensure that the EDC Terminals remain in their original condition (ordinary wear and tear excepted) and shall not make any modifications thereto or the application installed thereon.
- (h) The Client shall ensure that appropriate measures are taken to protect the EDC Terminals from any damage or defect and shall ensure that the EDC Terminals are utilised solely in the territory designated by the Bank.
- (i) The Client shall not seek to effect a Card Transaction in favour of itself.
- (j) The Client shall communicate to the system of the Bank the occurrence of all Card Transactions promptly and not later than the end of the same day on which the Card Transaction was successfully completed, by following the procedure stipulated by the Bank in this regard. In the event that the Client fails to communicate the occurrence of the Card Transactions to the systems of the Bank within the timeline stipulated above the Bank shall, without prejudice to its other rights hereunder, be entitled to levy such fine or additional charge in respect of the concerned Card Transactions as the Bank may deem fit and the Client agrees to make payment of the same forthwith on demand.

- (k) The Client hereby agrees and undertakes that, it shall ensure that all commitments made by it to the Customers at the time of purchase of the Products including in connection with any offer of discounts, cash back schemes or any other incentives shall be honoured and fulfilled.
- (l) The Client using the POS Acquiring Services shall comply with such instructions as may be issued by the Bank from time to time for securing the transmission of data.
- (m) The Client shall use the Collection Account as a pooling account to collect all monies related to Card Transactions.
- (n) The Client shall not enter into any agreements/ contracts which contain provisions that are contrary to or in conflict with the provisions of these Terms and/or this Annexure J which are applicable to the Client.
- (o) The Client hereby undertakes and agrees not to describe itself as agent or representative of the Bank, or to give warranties which may require the Bank to undertake to or be liable for, directly or indirectly, any obligation and/or responsibility to the Customer or any third party. The Client shall not at any time require the Customer to provide them with any details of the bank accounts with the Bank including the password, account number, Customer ID that may be assigned to the Customer by the Bank, other than the details as required for the purposes of these Terms.
- (p) The Client further agrees that the liability of the Bank for the transaction between the Client and the Customer is restricted to the settlement of payments only and confirms that the transactions conducted using the POS Acquiring Services are in conformity with Applicable Law.
- (q) The Client hereby undertakes, affirms and agrees that it shall not breach with the privacy of the Customers during the course of performance of its obligations herein.
- (r) The Client shall ensure compliance not to disclose Customer information to third parties, except when required by Applicable Law.
- (s) The Client agrees and understands that the Bank may at its discretion determine that the Client is incurring an excessive amount of Chargeback transactions, the Bank may establish controls or conditions governing the Card Transactions contemplated under this Annexure J.
- (t) The Client shall forthwith put up such notices, disclaimers or warranties as the Bank may require upon the receipt of such request by the Bank
- (u) The Client shall permit the authorised representatives of the Bank to carry out physical inspections of the place(s) of business of the Client by giving reasonable prior notice to verify whether the Client is in compliance with its obligations hereunder.
- (v) The Client, its employees and its representatives shall not use the intellectual property of the Bank in any sales or marketing publication or advertisement, or in any other manner without the prior written consent of the Bank.
- (w) Notwithstanding anything to the contrary contained herein, if the Bank suspects that the Client has committed a breach of these Terms or Applicable Law or dishonesty or fraud against the Bank, any Customer, as the case may be, the Bank shall be entitled to suspend all payments under this Annexure J to the Client pending enquiries by the Bank. The Bank shall not be liable to pay any interest upon the suspended pay outs during or after the pendency of the inquiry.
- (x) In case the Customer commits fraud against the Client in the course of using the POS Acquiring Services, the Client in such cases shall be entitled to suspend the payouts of the disputed amount till the issue is resolved between the Client and the Customer. The Bank shall not be liable to pay any interest upon the suspended pay outs during or after the pendency of the inquiry.
- (y) The Client acknowledges that the Card Networks and/ or Bank and/ or Governmental Authority have the right to enforce any provision of the standards and to prohibit any Client conduct that may injure or may create a risk of injury to the Card Networks, Governmental Authority and/ or Bank, including injury to reputation, or that may adversely affect the integrity of the Card Networks, Governmental Authority and Bank's core payment systems, information or

both. The Client agrees that it will not take any action that might interfere with or prevent exercise of this right by the Card Networks and/or the Bank and/ or Governmental Authority.

- (z) The Client agrees that in the event the Client commits a breach of any terms of this Annexure J and/ or Card Network Operating Guidelines and/ or Applicable Law or fails to comply with any statutory provision as a result of which the reputation of the Card Network and/ or the Governmental Authority and/ or the Bank is adversely affected, the relevant Card Network and/ or the Governmental Authority and/ or the Bank shall have an unconditional and unfettered right to levy such additional charges upon the Client as the Card Network or the Governmental Authority may deem proper.
- (aa) The Bank shall be entitled to use hardware, software and/or such other equipment as it deems necessary or appropriate for the provision of the POS Acquiring Services and with a view to enhancing the security of transactions and the Client agrees to comply with the directions and/or instructions issued by the Bank in respect of the use of such hardware, software and/or equipment. The Client also agrees to suitably modify/upgrade its systems to comply with the standards as communicated by the Bank and the Bank may accordingly modify its software application and/ or systems in such manner as may be deemed fit by it.
- (bb) The Client hereby agrees and understands that the Client shall be allotted a merchant category code (“MCC”) by the Bank in accordance with the relevant Card Network guidelines and/ or Applicable Law and as per the projected category of business informed by the Client to the Bank and the Client agrees and undertakes that the Client shall not sell any Products which do not fall within the MCC which has been assigned by the Bank to the Client. The Client further agrees and understands that the MCC allotted to the Client shall be subject to the relevant pricing guidelines issued by the Card Networks and/ or Governmental Authority from time to time. The Client hereby further agrees and understands that the said merchant classification of the Client may be changed or revised from time to time by the relevant Card Network and/ or Governmental Authority which shall be informed to the Bank. The Bank shall thereafter inform the Client of any such change and basis such change reserves the right to review the pricing structure previously communicated to the Client.
- (cc) The Client hereby agrees and understands that its on-boarding as a merchant with the Bank and the MCC shall be in accordance with the Bank’s merchant on-boarding policy and be at the sole discretion of the Bank.
- (dd) The Client hereby agrees and understands that the Bank shall be entitled to call upon the Client to place monies in a fixed deposit as quantified by the Bank as collateral for Chargeback transactions. The Client shall place the monies in the fixed deposit within 5 (Five) days of the receipt of the said request by the Bank. The Bank shall be entitled to set off and deduct any amount placed in the fixed deposit against any payment due and payable to the Client and/ or against any liability accruing out of the non-performance or breach of its obligations under this Annexure J.

## **6. DATA SECURITY**

- (a) The Client agrees and undertakes that the Client shall implement and maintain such safeguards (which shall include physical and technical safeguards) and develop and maintain such procedures and policies as may be required under Applicable Law, Card Network Operating Guidelines and such safeguards, policies and processes which may be mandated by the Bank, from time to time to (i) ensure the safety, security and veracity of all information which is received from any Customer in relation to a Card Transaction, and (ii) to prevent any hacking of/unauthorised access/alteration to systems of the Bank, the systems of the Client or the EDC Terminals,
- (b) The Client further agrees and undertakes that the Client shall be solely responsible for the safety and security of all customer information which is being received by the systems of the Client, which is being stored on the systems of the Client or which is being transmitted from the systems of the Client.

## **7. Rights of the Bank**

The Bank shall have the right to inspect and/or audit all records of the Client that relate to arrangement captured in this Annexure J at any time and for such purposes the Client shall permit the Bank entry into such premises where the records are maintained with prior written notice. In the event of any statutory or regulatory audit with or without notice, both the Parties shall co-operate and submit all the required records for such audit without any delay.

## **8. Indemnity**

The Client hereby agrees to, and shall indemnify and keep indemnified and hold harmless, at its own expense, the Indemnified Parties, on demand from and against any and all Losses which may be made, claimed or brought against or suffered or incurred by the Bank due to:

- (a) any hacking, alteration or breach in the safety and security of customer information when the same is (i) being received by the systems of the Client, (ii) being stored on the systems of the Client or (iii) being transmitted from the systems of the Client;
- (b) any Chargeback or refund in respect of any Card Transaction previously settled by the Bank; and/ or
- (c) breach of any of the Card Network Operating Guidelines or any other standards, guidelines and/or rules issued by the Bank, from time to time, by the Client.

## Annexure K

### TERMS AND CONDITIONS GOVERNING ONLINE ACQUIRING SERVICES

#### 1. Services to be rendered by the Bank:

At the specific request of the Client, the Bank has agreed to provide the Acquiring Services (as hereinafter defined) to the Client on the terms and conditions contained in these Terms and this Annexure K.

#### 2. Additional Definitions:

In addition to the definitions set out in these Terms, the following terms shall, unless the context requires otherwise, have the meanings as set out herein below:

- (a) “**Account**” shall mean the bank account or Card account or other type of account in the name of and held by Customer and which can be operated through internet banking or mobile banking or the use of the Card;
- (b) “**Acquiring Bank Services**” shall mean the services provided by the Bank to the Client and/or Sub-Merchants for facilitating the Customers to make payments through Availed Channels on the Client Website, towards purchase of the Products offered by the Client and/or Sub-Merchants and providing authorization (from third party clearing house networks) and settlement facilities in respect of the aforesaid payment instructions initiated by the Customers;
- (c) “**Acquiring Services**” shall mean, collectively, the Acquiring Bank Services and the Payment Gateway Services including ALLPAY Payment Gateway and Smart Payment Gateway;
- (d) “**Authorised Debits**” with reference to any particular Transaction’s settlement shall mean and include: (i) the fees payable by the Client in respect of the Acquiring Services provided in respect of the relevant Transaction; (ii) any taxes that accrues in respect of the fees referred to in (i) above; (iii) any other monies required to be paid or returned by the Client, in terms hereof; and (iv) the amount (if any) collected from the Customer towards processing of the Transactions;
- (e) “**Availed Channel**” shall mean the various channels or any variations thereto as the Bank may grant to the Client, on the request of the Client, from time to time, for enabling the Customer to make payment in favour of the Client;
- (a) “**Card Network(s)**” shall mean any of Visa, MasterCard, Visa Electron, Diners, Rupay, Discover or Maestro or any other card network as may be specified by the Bank from time to time;
- (b) “**Card Network Operating Guidelines**” means any policies or procedures provided by the Card Network which may regulate the operation of the Card including but not limited to the operating guidelines, clearing and settlement and transaction processing rules, standard charge back process and dispute management rules and regulations, by-laws, user instructions, technical literature and all other related materials.
- (f) “**Chargeback**” shall mean the requirement to reverse a Transaction effected in favour of the Client and/or the Sub-Merchant, on the occurrence of the chargeback events set out in the Card Network Operating Guidelines (in case of

Transactions effected using Cards), the rules and regulations issued by any Governmental Authority (to the extent applicable) and the rules and directions issued by the Bank, from time to time;

- (g) **“Client Website”** shall mean the application set up and offered by the Client based either on the web having the uniform resource locator, as specified in the CMS Application Form, or IVR or a handheld device which shall be used by Customers for the purpose of making payments using any of the Availed Channel;
- (h) **“Collection Account”** is an internal account opened by the Bank for the Client for the purpose of facilitating settlement of transaction amounts received from the Card Network and/or Governmental Authority and/ or the Card Issuer and/or Participating Bank and/ or the Customer;
- (i) **“Delivery Due Date”** means the date/period displayed by the Client and/or the Sub-Merchant on the Client Website on or before which the Client and/or the Sub-Merchant shall deliver the products to the Customer who have purchased product(s) by making payment for the said products over the internet through the Availed Channels;
- (j) **“Nodal Bank Account”** shall mean the internal account opened by the Nodal Bank in the name of the Client with the Nodal Bank;
- (k) **“Nodal Bank”** shall mean any bank where the Client holds a Nodal Account for the purpose of facilitating online payments in accordance with the applicable guidelines / regulations of the RBI and which undertakes the responsibility of settling the Sub-Merchant payments;
- (l) **“Payment Gateway Services”** shall mean provision of such facilities (including the provision of the Payment Gateway) which shall enable the Customers to make online payments through their respective Accounts towards the purchase of the Products offered by the Client and/or the Sub-Merchant on the Client Website including but not limited to linking the Bank’s software application with the Client’s software platform. Such facilities in whatever nature and form shall be either provided by the Bank itself or any third party appointed by the Bank;
- (m) **“Products”** shall mean all the goods and/or services, which are offered for sale /rendered by the Client and/or Sub-Merchant through the Client Website to Customers from time to time;
- (n) **“Sub-Merchants”** shall mean merchants who enter into an agreement with the Client so as to enable certain payment facilities for such merchants in connection with sale of Products to the Customers on the Websites.
- (o) **“Transaction”** shall mean the transactions conducted by the Customers through the Availed Channels including but not limited to the Products paid for by the Customer and the receipt/ consumption of the same by the Customer serviced by the Client and/ or Sub-Merchants and/ or the Chargeback transactions which the Customer has disputed for not having received the Products as per the purchase orders and/ or the terms and conditions from the Client and/ or Sub-Merchants or has issues or complaints with the quality of the Products ;
- (p) **“Transaction Receipt”** shall mean the receipt to be displayed by the Client on the Client Website on the successful completion of a Transaction which receipt shall contain such details that the Bank may require, from time to time;

### 3. Services:

- (a) Subject to the terms and conditions as more particularly set out in the relevant sub-annexure relating to each of the Availed Channels, the Bank may at the request of the Client provide to the Client, the Availed Channels and Acquiring Services, in relation thereto, in the manner and upon the terms and conditions contained in the Term, this Annexure K and the sub-annexure relevant to the relevant Availed Channels.
- (b) This Annexure K shall, together with the relevant sub-annexures in relation to each of the Availed Channel and the offer letter provided by the Bank to the Client in relation to such Availed Channel, constitute the entire understanding between the Parties in relation to such Availed Channel, and all sub-annexures to this Annexure K shall form an integral part of this Annexure and these Terms.
- (c) The Client agrees and undertakes that the Client shall, in consideration of the Bank providing to the Client, the Acquiring Services, make payment of such fees and charges to the Bank, as the Bank may stipulate from time to time,

which fees shall be payable in respect of each Transaction, in such manner and upon such terms and conditions as may be determined by the Bank.

- (d) The settlement cycles for the Acquiring Services, in respect of each Aailed Channel as may be provided by the Bank in terms hereof shall be as may be specified by the Bank in writing (including by way of electronic mails), from time to time.
- (e) The Client acknowledges and agrees that the Bank shall, without prejudice to its other rights as set out herein, prior to transmitting the settlement amounts in respect of the completed Transactions to the Bank Account and/or the account of the Sub-Merchant, be authorised and entitled to deduct therefrom the Authorised Debits.
- (f) Notwithstanding anything to the contrary contained herein, the Bank shall be entitled to refuse to process and/or withhold payment in respect of any Transaction if (i) the Client and/or the Sub-Merchant is in breach of any of the terms of these Terms; (ii) the Bank has reason to believe or suspect that any Transaction is suspicious, fraudulent, contrary to Applicable Law; (iii) the Bank so determines on an assessment of the risk involved in processing any Transaction. For avoidance of doubts, it is clarified that the Bank shall not be required to pay any interest or other sum whatsoever on such amounts withheld pursuant to this paragraph.

#### **4. Processing and Settlement:**

- a. The Customer logs into the Client's Website, chooses the Products that he wishes to purchase and fills in the details like name, address, etc. as required by the Sub-Merchant and thereupon he chooses any of the Aailed Channels for effecting payment on the Client's Website.
- b. Upon the debit of the amount from the Account, the Bank shall credit the Collection / Pool Account for a like amount on T+3 basis and transfer the funds to the Client upon the receipt of the instructions of the Client for crediting the Nodal Account or the Bank Account as the case may be within the time lines prescribed by RBI. The Client shall issue to the Bank the said transfer instructions alongwith details of the payments in an electronic media as may be mutually agreed by both the Parties.
- c. In case of a refund, once the refund has been processed by the Client, the amount to be refunded will be credited to the Account by the Bank within 3 (three) Business Days once the monies are received from the Nodal Bank.
- d. The Client should issue necessary instructions to the Nodal Bank/Bank with a view to ensure that all payments from Nodal Account to the concerned Sub-Merchants and/ or refunds to the Accounts of the Customers, as the case may be, shall be effected within the prescribed settlement cycle as per the prevailing laws and regulations issued by the RBI.
- e. The Client understands that all refunds must be routed from the same Bank and payment gateway through which the Transactions were made. In the event that the Client and/or the Sub-Merchants initiate refunds through any other mode, the Client and/ or the Sub-Merchants are fully liable for all chargebacks raised in respect of the Transaction refunded. The Client shall and further ensure that the Sub-Merchants (a) maintain a fair return, cancellation or adjustment policy in accordance with type of business; (b) disclose its return or cancellation policy to Customers at the time of purchase, (c) not give cash refunds to a Customer in connection with a card sale, unless required by law, and (d) not accept cash or any other item of value for preparing a card sale refund.
- f. The Client understands that the amount of the refund/adjustment must include any associated taxes required to be refunded and cannot exceed the amount shown as the total on the original sales data except by the exact amount required to reimburse the Customer for postage (if any) that the Customer paid to return Product. The Client understands that if the refund policy prohibits returns or is unsatisfactory to the Customers, the Client and / or the Sub- Merchants may still receive a chargeback relating to the disputed Transaction.
- g. The Client agrees that payment made in respect of any Transaction, which proves to be uncollectible from the Customer and/or in respect of which the Issuing Bank raises a claim, demand, dispute or chargeback on the Client or the Sub- Merchants or the Bank for any reason whatsoever shall be the financial responsibility of the Client. The Client agrees to the payment of the chargeback amount of such uncollectible charge as the case may be without any demur or protest, dispute or delay.

## 5. **Chargeback:**

The Client hereby agrees that all Chargebacks shall be the sole responsibility and liability of the Client and/or the Sub- Merchants. The Client further agrees and acknowledges that the Bank shall be entitled to, require the Client and/or the Sub- Merchants to repay the amounts received by the Client and/or the Sub-Merchants in respect of any Transaction, in the event that the Bank, in its sole discretion determines that a Chargeback should be ordered, and the Client and/or the Sub- Merchants shall be obliged to make payment of the same. Without prejudice to the obligation of the Client and/or the Sub- Merchants as aforesaid, the Client and/or the Sub-Merchants agree and acknowledge that the Bank may recover the Chargeback monies by either: (i) deducting the same as part of the Authorised Debits; (ii) deducting the same from any account held or deposit made by the Client and/or the Sub-Merchants, whether jointly or singly with the Bank. The Client shall be required to maintain account reserves to cover these payments as informed by the Bank from time to time.

## 6. **Refund**

- (a) The Client shall process the returns of and provide refunds and adjustments for Products sold and the payment collected through the Client Website in accordance with these Terms, the Bank's instructions, Card Network Operating Guidelines, guidelines issued by any Governmental Authority and/ or Applicable Law and shall also ensure due compliance of the same by the Sub- Merchants.
- (b) If in respect of any Transaction, if the Bank is intimated, whether by any of the Card Network or Governmental Authority or by the Card Issuer of the Customer requiring a refund of the Transaction amount, the Bank shall notify them of the same by providing such details, data or information regarding the relevant Transaction as submitted by the Client. The Bank does not hold any role except the one stated above in the Chargeback transaction and refund process. The Bank shall not be responsible for any Chargebacks or refunds/or any indirect or direct claims/ disputes arising out the transactions between the Clientand/or the Sub-Merchants and its Customers. It shall be the ultimateresponsibilityof the Clientand/or the Sub-Merchants to resolve and settle the claims arising out of the Chargeback transactions and refunds in accordance with the relevant Card Network Operating Guidelines, guidelines issued by any Governmental Authority and/ or ApplicableLaw.

## 6. **Additional Representations, Warranties, Undertakings andCovenants:**

The Client hereby represents, warrants, agrees, covenants and undertakes as under, in respect of the Acquiring Services:

- (a) The sale of the goods and services by the Client and/or the Sub- Merchants is in compliance with Applicable Law and the Card Network Operating Guidelines. The Client undertakes to ensure that the Acquiring Services are not utilizedin connection with the sale of any goods and/or the provision of services which are not compliant with Applicable Law and Card Network OperatingGuidelines.
- (b) The Client shall ensure that it as well as the Sub-Merchant comply with and act in accordance with (i) Applicable Law including, without limitation, the provisions of the Information Technology Act, 2000 and the applicable rules thereunder (including the Information Technology (Reasonable security practices and procedures and sensitive personal data or information) Rules, 2011), (ii) the Card Network Operating Guidelines, and (iii) all rules, guidelines and directions issued by the Bank or any Governmental Authority with reference to Transactions including without limitation the RBI and NPCI.
- (c) The Client and/or the Sub-Merchants shall not levy or seek to levy any amount towards the processing of any Transaction and/or otherwise seek to transfer the incidence of the merchant discount rate to theCustomer.
- (d) The Client hereby acknowledges and agrees that the Bank (either on its own or through its subcontractors) shall be entitled to undertake verification exercises in respect of the Client Website (including, without limitation, through web- crawling, web-scraping and other means) on an on-goingbasis and the Client agrees to co-operate with the Bank in this regard.
- (e) The Transaction Receipts, proof of delivery of the Products and other records of the Transactions shall be maintained by the Client and/or the Sub-Merchants for a period of at least 8 (Eight) years from the date of the relevant Transaction and shall be submitted to the Bank as and when requested by the Bank. The Bank shall be entitled to inspect all data

and records relating to the Transactions and take copies of or extracts from the same or any part thereof, during usual business hours of the Client.

- (f) The Client shall follow such technological standards, system certifications, security procedures and technical requirements prescribed by the Bank, from time to time and shall also ensure due compliance of the same by the Sub- Merchants.
- (g) The Client hereby represents that it is PCI-DSS, PCI-PTS and PA-DSS compliant and has obtained the necessary certifications in this regard. The Client shall ensure that it remains PCI-DSS, PCI-PTS and PA-DSS compliant during the term of these Terms and shall take all actions as may be necessary for this purpose.
- (h) The Client shall not seek to effect a Transaction in favour of itself.
- (i) The Client hereby agrees and undertakes that, it shall ensure that all commitments made by it and/or the Sub- Merchants to the Customers at the time of purchase of the Products including in connection with any offer of discounts, cash back schemes or any other incentives shall be honoured and fulfilled.
- (j) The Client using the Acquiring Services shall comply and ensure compliance by Sub-Merchants with such instructions as may be issued by the Bank from time to time for securing the transmission of data.
- (k) The Client shall put in place a proper process in respect of the on-boarding of Sub-Merchants and will conduct a stringent check on its Sub-Merchants before signing up. The Client shall be solely responsible for KYC checks of the Sub-Merchants, ensuring compliance to Prevention of Money Laundering Act (“PMLA”) guidelines, completing due diligence for the Sub-Merchants and reporting of suspicious transactions.
- (l) The Client shall also ensure that necessary authorisations are in place from the Sub- Merchants with regard to collecting monies on their behalf and making pay-out to them, wherever applicable.
- (m) The Client shall use the Collection Account as a pooling account to collect all monies related to Transactions done through the Availed Channels.
- (n) The Client shall not enter into any agreements/ contracts which contain provisions that are contrary to or in conflict with the provisions of these Terms, this Annexure K and/ or the sub-annexures hereto which are applicable to the Client. The Client hereby agrees that the said agreements/contracts with the Sub- Merchants shall contain the requisite clauses to ensure compliance with the provisions of these Terms.
- (o) The Client shall endeavour to work with the Bank to provide special deals and offer for the Customers shopping on the Client Website and promote the usage of the Availed Channels.
- (p) The Client has a strong risk management team which uses appropriate automated tools to check on each and every transaction and also does stringent manual check on random basis;
- (q) The Client hereby undertakes and agrees not to describe itself as agent or representative of the Bank, or to give warranties which may require the Bank to undertake to or be liable for, directly or indirectly, any obligation and/or responsibility to the Customer or any third party. The Client shall not at any time require the Customer to provide them with any details of the bank accounts with the Bank including the password, account number, Customer ID that may be assigned to the Customer by the Bank, other than the details as required for the purposes of these Terms.
- (r) The Client further agrees that the liability of the Bank for the transaction between the Client and/or the Sub-Merchants and the Customer is restricted to the settlement of payments only and confirms that the transactions conducted using the Acquiring Services are in conformity with Applicable Law.
- (s) The Client hereby undertakes, affirms and agrees that it shall not breach with the privacy of the Customers during the course of performance of its obligations herein.
- (t) The Client shall comply and ensure compliance by the Sub-Merchants not to disclose Customer information to third parties, except when required by Applicable Law.

- (u) The Client must notify the Bank of any changes in ownership or any other changes in business practices or sales method or before adding and performing mail order, telephone order, or internet sales activity and/or making changes to the Products being sold by the Client and/or the Sub-Merchants.
- (v) The Client agrees and understands that the Bank may at its discretion determine that the Client and/or the Sub-Merchant is incurring an excessive amount of Chargeback transactions, the Bank may establish controls or conditions governing the Transactions contemplated under this Annexure K.
- (w) The Client shall deliver and ensure delivery by the Sub-Merchants of all products in accordance with the instructions provided by the Customers and as per the terms and conditions of the Client accepted by the Customers. The Client and/or the Sub-Merchant shall maintain sufficient records evidencing delivery with respect to each Transaction initiated through the Client Website. Notwithstanding anything contained herein, the Bank reserves the right to call for proof of delivery, at any time, before and/or after settlement of the transaction amounts to the Bank Account or the account of the Sub-Merchant and the Client agrees to comply with such requests forthwith. The Bank has the right to reverse and/or reject the transaction amount to the Client, if the proof of delivery is not provided in accordance with this paragraph.
- (x) If the Client and/or the Sub-Merchant is unable to deliver the whole or any part of the transaction within the Delivery Due Date, the Client and/or the Sub-Merchant shall in whole or partly cancel the Transaction and inform the Customer without delay and also keep the Bank informed of the same.
- (y) All risks associated with the delivery by the Client and/or the Sub-Merchant shall be solely that of the Client and not the Bank. Any and all disputes regarding quality, merchantability, non-delivery and delay in delivery or otherwise will be resolved directly between the Client and/or the Sub-Merchant and the Customer without making the Bank a party to such disputes.
- (z) The Client shall forthwith put up such notices, disclaimers or warranties as the Bank may require upon the receipt of such request by the Bank and / or ensure the compliance of the same by the various Sub-Merchants.
- (aa) The Client shall provide and ensure that the Sub-Merchants provide the documents as may be required by the Bank from time to time with regards to the Acquiring Services offered. The Client shall ensure that the Sub-Merchants shall also upload the terms and conditions on the Client Website which would govern the Acquiring Services.
  - (bb) The Client shall comply with all Applicable Law and/ or directions issued from time to time by any Governmental Authority. The Client shall be responsible for supervising the activities of such Sub-Merchants appointed by it and shall ensure that the Sub-Merchants shall act at all times in compliance with Applicable Law and/or Card Network Operating Guidelines and the terms of these Terms. The Client shall be liable for all acts of breach, commission, omission, fraud, misconduct, negligence that are attributable to the Sub-Merchants.
- (cc) The Client as well as the Sub-Merchants shall be solely responsible for the accuracy of all information and/or validity of the prices and any other charges and/or other information, which are displayed and offered on the Client Website. The Client shall further ensure that any and all disputes regarding the quality, quantity, merchantability, non-delivery, delay in delivery of the products, variation in prices and/ or the products of the Client and/or the Sub-Merchants will be resolved directly between the Client and/or the Sub-Merchants and the Customers without making the Bank a party to such disputes. All risks associated with the sale and delivery of the Products to the Customer shall be solely that of the Client and/or the Sub-Merchants;
- (dd) The Client must ensure that the Customers are easily able to identify and understand from the transaction terms displayed on the Client Website, that the Client and/or the Sub-Merchants are responsible for the Transaction, including delivery of the products (whether physical or digital) or provision of the services that are the subject of the Transaction, and for customer service and dispute resolution, all in accordance with the terms applicable to the Transaction.
- (ee) The Client and/or the Sub-Merchants shall permit the authorised representatives of the Bank to carry out physical inspections of the place(s) of business of the Client and/or the Sub-Merchants by giving reasonable prior notice to verify whether the Client and/or the Sub-Merchants is in compliance with its obligations hereunder.

- (ff) The Client, its employees and its representatives shall not and shall ensure that the Sub-Merchants do not use the Intellectual Property of the Bank in any sales or marketing publication or advertisement, or in any other manner without the prior written consent of the Bank.
- (gg) In case the Acquiring Services becomes inaccessible due to any break-down or other reasons directly attributable to the Client and/or the Sub-Merchants, the Client shall apprise the Bank in writing of such inaccessibility / break down and the Client shall use commercially reasonable efforts to rectify /fix the problem at its own cost. Any liability, including any liability to Customers, arising out of inaccessibility of the Availed Channels due to any reason attributable to the Client or the Sub-Merchants, shall be borne by the Client and the Bank shall not entertain any complaint or query of the Customers in this regard.
- (hh) Notwithstanding anything to the contrary contained herein, if the Bank suspects that the Client and/or the Sub- Merchants has/have committed a breach of these Terms or Applicable Law or dishonesty or fraud against the Bank, any Customer, as the case may be, the Bank shall be entitled to suspend all payments under this Annexure K to the Client and/or the Sub-Merchants pending enquiries by the Bank. The Bank shall not be liable to pay any interest upon the suspended pay outs during or after the pendency of the inquiry.
- (ii) In case the Customer commits fraud against the Client and/or the Sub-Merchants in the course of using the Availed Channels, the Client in such cases shall be entitled to suspend the payouts of the disputed amount till the issue is resolved between the Client and/or the Sub-Merchants and the Customer. The Bank shall not be liable to pay any interest upon the suspended pay outs during or after the pendency of the inquiry.
- (jj) The Client acknowledges that the Card Networks and/ or Bank and/ or Governmental Authority have the right to enforce any provision of the standards and to prohibit the Client and/or the Sub-Merchants conduct that may injure or may create a risk of injury to the Card Networks, Governmental Authority and/or Bank, including injury to reputation, or that may adversely affect the integrity of the Card Networks, Governmental Authority and Bank's core payment systems, information or both. The Client agrees that it will not take any action that might interfere with or prevent exercise of this right by the Card Networks and/or the Bank and/ or Governmental Authority and shall ensure the compliance of this clause by the Sub-Merchants.
- (kk) The Client agrees that in the event the Client and/or the Sub-Merchants commits a breach of any terms of this Annexure K and/ or Card Network Operating Guidelines and/ or Applicable Law or fails to comply with any statutory provision as a result of which the reputation of the Card Network and/ or the Governmental Authority and/ or the Bank is adversely affected, the relevant Card Network and/ or the Governmental Authority and/ or the Bank shall have an unconditional and unfettered right to levy such additional charges upon the Client and/or the Sub-Merchants as the Card Network or the Governmental Authority may deem proper.
- (ll) The Client and/or the Sub-Merchants shall take all precautions as may be feasible or as may be directed by the Bank to ensure that there is no breach of security and that the integrity of the Bank's systems and/ or Availed Channels is maintained at all times during the term of this Annexure K. The Client and/or the Sub-Merchants shall also take appropriate steps to ensure that all Customers upon accessing the Client Website are properly directed to the payment gateway. The Client and/or the Sub-Merchants shall ensure proper encryption and robust security measures to prevent any hacking into the information of the Customers, information of the Bank and/or any other data. In the event of any loss being caused as a result of the Client causing breach of the Bank's systems and/ or Availed Channels or being in violation of the provisions of this paragraph, the loss shall be to the account of the Client and/or the Sub-Merchants and the Client shall indemnify and keep indemnified the Bank from any loss as may be caused in this regard.
- (mm) The Bank and the Client and/or the Sub-Merchants shall work together for linking the Bank's software application with Client's and/or the Sub-Merchant's software platform, for the purpose of provision of the Payment Gateway Services. The Client and/or the Sub-Merchants shall ensure that they are responsible at their own costs and for providing and maintaining all necessary equipment, software and facilities at its end so as to connect its software platform to the Bank's software application.
- (nn) The Bank may from time to time upgrade, modify, alter or perform maintenance services. During the performance of such maintenance services, Bank shall use its best endeavors and work with the relevant bank(s) / vendors/ service providers, to ensure that the payment gateway is available for utilization as soon as may be possible.

- (oo) The Bank shall be entitled to use hardware, software and/or such other equipment as it deems necessary or appropriate for the provision of the Acquiring Services and with a view to enhancing the security of transactions and the Client agrees to comply and ensure compliance by the Sub-Merchants with the directions and/or instructions issued by the Bank in respect of the use of such hardware, software and/or equipment. The Client and/or the Sub-Merchant also agree to suitably modify/upgrade its systems to comply with the standards as communicated by the Bank and the Bank may accordingly modify its software application and/ or systems in such manner as may be deemed fit by it.
- (pp) The Client hereby agrees and understands that the Client shall be allotted a merchant category code (“MCC”) by the Bank in accordance with the relevant Card Network guidelines and/ or Applicable Law and as per the projected category of business informed by the Client to the Bank and the Client agrees and undertakes that the Client shall not sell any Products which do not fall within the MCC which has been assigned by the Bank to the Client. The Client further agrees and understands that the MCC allotted to the Client shall be subject to the relevant pricing guidelines issued by the Card Networks and/ or Governmental Authority from time to time. The Client hereby further agrees and understands that the said merchant classification of the Client may be changed or revised from time to time by the relevant Card Network and/ or Governmental Authority which shall be informed to the Bank. The Bank shall thereafter inform the Client of any such change and basis such change reserves the right to review the pricingstructure previouslycommunicated to the Client.
- (qq) The Client hereby agrees and understands that its on-boarding as a merchant with the Bank and the MCC shall be in in accordance with the Bank’s merchant on-boarding policy and be at the sole discretion of the Bank.
- (rr) The Client hereby agrees and understands that the Bank shall be entitled to call upon the Client to place monies in a fixed deposit as quantified by the Bank as collateral for Chargeback transactions. The Client shall place the monies in the fixed deposit within five (5) days of the receipt of the said request by the Bank. The Bank shall be entitled to set off and deduct any amount placed in the fixed deposit against any payment due and payable to the Client and/ or against any liability accruing out of the non-performance or breach of its obligationsunder this Annexure K.

## **7. Rights of the Bank**

- (a) The Bank shall compileand send the payment details for each Business Day to the Client inthe format stipulated by the Bank.
- (b) In case remittance instructions from the Client are received by the Bank on a day other than a Business Day, such payment instructions shall be processed by the Bank on the next Business Day.
- (c) The Bank shall as reasonably as possible endeavor to resolve all the queries raised by the Client relating to the receipt of the amount in Collection Account.
- (d) The Bank shall have the right to inspect and/or audit all records of the Client that relate to arrangement captured in this Annexure K, includingagreements with the Sub-Merchants at any time and for such purposes the Client shall permit the Bank entry into such premises where the records are maintained with prior written notice. In the event of any statutory or regulatory audit with or without notice, both the Parties shall co-operate and submit all the required records for such audit without any delay.
- (e) The Acquiring Services may not be uninterrupted or error free or virus free and the Bank disclaims all warranties, express or implied, written or oral, including but not limited to warranties of merchantability and fitness of the Acquiring Services for a particular purpose. The Bank shall not be liable to the Client and/or the Sub-Merchants for any loss or damage whatsoever or howsoever caused or arising, directly or indirectly, including without limitation, as a result of loss of data; interruption or stoppage of the Client’s and/ or the Sub- Merchants’ access to and/or use of the Acquiring Services; interruption or stoppage of the Client and/ or the Sub- Merchant’s Website; non-availability of connectivity between the Client and/ or the Sub- Merchant’s Website and the systems of the Bank or the systems of any of its subcontractors. The Bank’s sole obligation in the event of interruption in the Acquiring Services shall be to use all reasonable endeavors to restore the said Acquiring Services as soon as reasonablypossible.
- (f) The Bank is entitled to freeze or hold deposits lying in the Collection Account whenever fraudulent activity is suspected and the Bank must investigate the same and take necessaryaction.

- (g) In case the Acquiring Services becomes inaccessible due to any break-down on account of reasons directly attributable to the Bank, the Bank shall use commercially reasonable efforts to rectify /fix the problem at its own cost. The Bank shall not be liable for any inaccuracy, error or delay in, or omission of (i) any such data, information or message, or (ii) the transmission or delivery of any such data, information or message; or any loss or damage arising from or occasioned by (A) any such inaccuracy, error, delay or omission, (B) non-performance, or (C) interruption in any such data, information or message, due to any force majeure event or any other cause beyond the reasonable control of the Bank  
(D) any liability arising out of the Acquiring Services becoming inaccessible due to any break-down on account of reasons attributable to any other third party.
- (h) The obligations of the Bank under this Agreement are subject to following limitations:
- (i) messages that originate from the server of the Client and/or Sub-Merchants or the server of a third party designated by Client and/or Sub-Merchants shall be deemed to be authorized by the Client and/or Sub-Merchants, and the Bank shall not be liable for processing such messages;
  - (ii) messages that originate from the Card holder are deemed to be authorized by the Card holder and the Bank shall not be required to check its veracity and the Bank shall not be liable for processing such messages;
  - (iii) The Bank is not responsible for the security of data residing on the server of the Client and/or Sub-Merchants or a third party designated by the Client and/or Sub-Merchants (e.g., a host) or on the server of a Card holder or a third party designated by a Client/Card holder (e.g., a host);
  - (iv) The Bank shall have no liability for any failure or delay in performing its obligations under this facility if such failure or delay:
    - A. is caused by the Client's and/or Sub-Merchants acts or omissions; or
    - B. results from actions taken by the Bank in a reasonable good faith to avoid violating any Applicable Law or to prevent fraud on Card holders/accounts.

## 8. DATA SECURITY

- (a) The Client agrees and undertakes that the Client and/or Sub-Merchants shall implement and maintain such safeguards (which shall include physical and technical safeguards) and develop and maintain such procedures and policies as may be required under Applicable Law, Card Network Operating Guidelines and such safeguards, policies and processes which may be mandated by the Bank, from time to time to (i) ensure the safety, security and veracity of all information which is received from any Customer in relation to a Transaction, and (ii) to prevent any hacking of/unauthorised access/alteration to systems of the Bank or the systems of the Client and/or Sub-Merchants.
- (b) The Client further agrees and undertakes that the Client shall be solely responsible for the safety and security of all customer information which is being received by the systems of the Client (including without limitation on the Client Website), which is being stored on the systems of the Client or which is being transmitted from the systems of the Client.

## 9. Indemnity

The Client hereby agrees to, and shall indemnify and keep indemnified and hold harmless, at its own expense, the Indemnified Parties, on demand from and against any and all Losses which may be made, claimed or brought against or suffered or incurred by the Bank due to:

- (a) any hacking, alteration or breach in the safety and security of customer information when the same is (i) being received by the systems of the Client and/or Sub-Merchants (including without limitation on the Client Website), (ii) being stored on the systems of the Client and/or Sub-Merchants or (iii) being transmitted from the systems of the Client and/or Sub-Merchants;
- (b) any Chargeback or refund in respect of any Transaction previously settled by the Bank; and/or
- (c) breach of any of the Card Network Operating Guidelines, these Terms or any other standards, guidelines and/or rules issued by the Bank, from time to time, by the Client and/or Sub-Merchants.

**SUB-ANNEXURE 1****TERMS AND CONDITIONS GOVERNING CARD (CREDIT/DEBIT/PRE-PAID CARDS) TRANSACTIONS**

At the Client's request and subject to the terms and conditions of this Annexure K read together with this sub-annexure 1 hereunder, the Bank has agreed to offer to the Client Acquiring Services in respect of Online Card Transactions, in the manner and upon the terms and conditions set out in the Terms, Annexure K and this Sub-Annexure 1.

**1. Services to be rendered by the Bank:**

At the specific request of the Client, the Bank has agreed to provide the Acquiring Services pertaining to Online Card Transactions.

**2. Additional Definitions:**

- (a) **“Card”** shall mean any unexpired credit card, debit card or pre-paid card that is issued by a Card Issuer designated to issue cards of any Card Network, provided that such card is not listed in a current warning or restricted card bulletins or notices;
- (b) **“Card Issuer”** shall mean a bank or financial institution that has issued a Card to a Customer;
- (c) **“Online Card Transaction”** shall mean any transaction effected by a Customer for making payment in favour of the Client by using a Card on an Client Website.
- (d) **“Payment Gateway”** shall mean the system which is to be made available to the Client under the terms of this Annexure K which enables the authentication, authorisation and settlement of transactions effected by a Customer by using a Card on the Client Website.

**3. Transaction Process Flow:**

- (a) The Customer will log into the Client Website and will choose the Products that he wishes to purchase and fill in the details like name, address, etc. as required by the Client and/or the Sub-Merchant. If he chooses to pay through the Card, the Customer will have to fill in details as required, including but not limited to Card number, Card holder's name, expiry date and CVV code. On the basis of Card number, the Card Network switch will identify the Card Issuer and shall route the transaction for second level authorization and authentication. The Card Issuer after authorization and authentication of the Card will send the onetime password (**“OTP”**) to the Customer. On getting confirmation from the Card Issuer, the Card Network shall route the Transaction to the Bank which will complete the said Transaction and returns to Client's web page. The post Transaction settlement shall be done by the Bank in terms of the settlement cycle as may be specified by the Bank in writing (including by way of electronic mails), from time to time.
- (b) The Bank shall solely rely upon funds and settlement report received from the Card Network for any remittance or transfer of amounts from the Collection Account to the Client's Bank Account or the Nodal Account as the case maybe.

**4. Obligations of the Client:**

- (a) The Client will be liable for any Card Transactions which are effected or attempted to be effected in favour of the Client, if:
  - (i) The transaction was not performed in accordance with these Terms;
  - (ii) Products were purchased with an altered Card.

In such an event, the Chargeback amounts will be directly debited from the Collection Account and/or the Nodal Account or from the reserves maintained with the Bank, as the case may be. The Client shall be required to maintain account reserves to cover these payments as informed by the Bank from time to time.

- (b) The Client shall ensure that it, the Sub-Merchants and any third party agents appointed by it shall comply with the following:
- (i) Transmit, store, or process cardholder data as per the information technology security standards as communicated by the Bank and/ or the Card Network from time to time.
  - (ii) Store all records containing account numbers of the Customers (irrespective of the form, whether physical, in writing or electronic) in a secure area accessible only to selected personnel on a need to know basis.
  - (iii) Its business' disposal procedures must ensure that the security materials containing account information must be made unreadable before they are discarded.
  - (iv) Will not retain or store Card Verification Value 2 (CVV2) data subsequent to the authorization of a transaction.
  - (v) Must not retain full-track magnetic-stripe data subsequent to authorization.
  - (vi) Shall not disclose cardholder account information to third parties, except when needed to complete a transaction or when required by Applicable Law.
  - (vii) Transmit, store, or process cardholder data in compliance with the standards laid down as per the PCI DSS certification.
  - (viii) Not undertake any laundering of sales transaction receipts or any transaction that is specifically prohibited by the Bank or as per the applicable regulations issued by the Card Network from time to time.
  - (ix) Not be allowed to set minimum or maximum transaction amounts as a condition of honoring the Cards.
  - (x) If cardholder identification or the Card's validity is uncertain, the Client must contact the Bank for instructions and if the Bank calls upon the Client and/or the Sub-Merchant for recovery of the Card, comply with all required procedures.
  - (xi) Use or display the intellectual property of the Bank or any Card Network in accordance with the guidelines of the Card Network and guidelines and standards issued by the Bank from time to time.
  - (xii) Cease all use of the intellectual property of the Bank or any Card Network immediately upon termination of this Annexure and/or these Terms or upon notification by the Bank and/ or the Card Network to discontinue such use or display of the relevant intellectual property.
  - (xiii) Must honor all valid Cards without discrimination when properly presented for payment.
  - (xiv) Must maintain a policy that does not discriminate among Customers seeking to make purchases with a Card.
  - (xv) Must not engage in any acceptance practice that discriminates against or discourages the use of a Card in favor of any other acceptance brand.
  - (xvi) Must not impose, as a condition of the acceptance of the Card, a requirement that the Card holder waives right to dispute a Card Transaction.
  - (xvii) Must not submit to the Bank a Transaction that the Client and/or the Sub-Merchant knows or should have known to be fraudulent or not authorized by the Card holder, or that it knows or should have known to be authorized by a Card holder colluding with the Client for a fraudulent purpose.
  - (xviii) Ensure compliance with these Terms and all relevant annexures applicable to the Client.
- (c) The Client, its employees, its representatives and the Sub-Merchants shall not use the intellectual property of both the Bank and/ or the Card Network in any sales or marketing publication or advertisement, or in any other manner without the prior written consent of the Bank.

- (d) The use or display of any intellectual property of the Bank or any Card Network does not give the Client and the Sub-Merchants any ownership or interest in the intellectual property. Any use of an intellectual property of the Bank or any Card Network by the Client and/or the Sub-Merchants in advertising, acceptance decals, or signs, must be in accordance with the guidelines of the Card Network, including the Card Network's reproduction, usage and artwork standards as may be in effect from time to time and the standards and directions of the Bank from time to time.
- (e) The Client shall comply with the applicable Card Network Operating Guidelines and if the Sub- Merchants are appointed by the said Master Merchant, also ensure compliance of the same by the said Sub-Merchants. The Client shall be responsible for all the acts of omission and commission of the Sub-Merchants appointed by it. The Client acknowledges the receipt of the Card Network Operating Guidelines from time to time and the Bank shall notify the Client of such modifications as and when the same are made to the Card Network Operating Guidelines.
- (f) The Bank and the Client shall work together for linking the Bank's software application with Client's software platform, for the purpose of provision of the Payment Gateway. The Client shall ensure that it is responsible at its own costs and for providing and maintaining all necessary equipment, software and facilities at its end so as to connect its software platform to the Bank's software application.
- (g) The Client shall ensure and be solely responsible for the security of the link between the Client Website and the Payment Gateway such that all Customers upon accessing the same are properly directed to the Payment Gateway. The Client shall periodically test its systems for any potential security breach.

**5. Other terms and conditions:**

- (a) In the event the Customer approaches the Bank, the Bank shall intimate the same to the Client for taking appropriate actions as per these Terms. The Client shall report the same to the Sub-Merchant and inform the Sub-Merchant to fulfill its obligations promptly by addressing any queries or complaints of the Customer. The Client shall ensure that while resolving any dispute pertaining to Customer queries and/or discrepancies, whatsoever, in any transactions through the facility as raised by the Bank to Client, the Client and/or the Sub-Merchant shall follow and comply with the standard charge back process defined as prescribed by the Card Network and/or the Bank, and any amendment thereto time to time.
- (b) The Client confirms and agrees that for any dispute pertaining to this arrangement, the Parties shall settle the dispute in accordance with the prevalent dispute management rules and regulations of the Card Network and any amendment thereto time to time.
- (c) In no event will the Card Network/ Bank be liable for any indirect, incidental, special or consequential damages, for loss of profits, or any other cost or expense incurred by a Customer or any third party arising from or related to use or receipt of the Acquiring Services whether in an action in contract or in tort, and even if the Customer or any third party has been advised of the possibility of such damages.

**SUB-ANNEXURE 2**

**TERMS AND CONDITIONS GOVERNING INTERNET BANKING TRANSACTIONS**

At the Client's request and subject to the terms and conditions of this Annexure K read together with this sub-annexure 2 hereunder, the Bank has agreed to offer to the Client Acquiring Services in respect of Net Banking Facility, in the manner and upon the terms and conditions set out in the Terms, Annexure K and this Sub-Annexure 2.

**1. Services to be rendered by the Bank:**

At the specific request of the Client, the Bank has agreed to provide the Acquiring Services pertaining to Net Banking Facility.

**2. Additional Definitions:**

- (a) **"Participating Bank"** shall mean the banks with whom the Customers maintain their accounts, which accounts are used to effect payments in favour of the Client;

- (b) “**Net Banking Facility**” shall mean the facility provided by the Bank to the Client which enables the Customers of the Client to utilise their accounts maintained with the relevant Participating Banks and the services provided by such Participating Banks to effect payments in favour of the Client.

**3. Transaction Process Flow:**

- (a) The Customer will log into the Client Website and will choose the Products that he wishes to purchase and fill in the details like name, address, etc. as required by the Client and/or Sub-Merchant.
- (b) There will be several payment options listed on the Client Website for the Customer to make payment of the payment amount through the use of Net Banking Facility. If the Customer chooses to pay through Net Banking Facility by selecting the option shown on the Bank’s web page, the Customer will be shown a list of the various banks available for completing the Transaction by using the Net Banking Facility.
- (c) Customer will select his bank to make payment and the Customer will be redirected to the selected bank’s net banking page wherein the Customer enters his internet banking login-ID and password for making payment.
- (d) On successful authentication of the details entered, a list of all eligible bank accounts of the Customer will be displayed. The Customer will select the bank account and complete the Transaction. The Participating Bank will authenticate the Customer and on the receipt of the instructions from the Customer shall immediately debit the payment amount from the Account.
- (e) The Customer shall thereafter be provided a bank/transaction reference number on the net banking page confirmation page.
- (f) The Customer on clicking the “**Please Click here to complete your transaction**” button or similar kind of button on the net banking confirmation page will be directed to the Client Website confirmation page where the Customer will be informed about the order number which can be used as reference for any future interactions with the Client and/or Sub-Merchant.
- (g) The Client agrees and acknowledges that the Bank shall utilize the services of any one or more service providers for provision of the Net Banking Facility and accordingly, in the event of any termination of the relationship between the Bank and its service providers or between the service provider and any one or more Participating Banks, the Bank may require to withdraw the provision of the Net Banking Facility (or any part thereof). The Client further agrees and acknowledges that the Bank has not provided any representation or warranty in respect of the continued provision of the Net Banking Facility and/or the availability of any Participating Banks in relation thereto and the Bank shall not be liable or responsible for any loss or damage whatsoever or howsoever caused as a result of the same.

**SUB-ANNEXURE 3**

**TERMS AND CONDITIONS GOVERNING NEFT/RTGS TRANSACTIONS**

At the Client's request and subject to the terms and conditions of this Annexure K read together with this sub-annexure 3 hereunder, the Bank has agreed to offer to the Client Acquiring Services pertaining to NEFT/RTGS, in the manner and upon the terms and conditions set out in the Terms, Annexure K and this Sub-Annexure 3.

**1. Services to be rendered by the Bank:**

At the specific request of the Client, the Bank has agreed to provide the Acquiring Services pertaining to NEFT/RTGS transactions under the/in terms of the extant regulation issued by RBI from time to time.

**2. Transaction Process Flow:**

- (a) Client will have a direct integration with the systems of the Bank.
- (b) The Bank will assign a unique merchant code and virtual account identifier to each Client on-boarded for using the Payment Gateway Services.

- (c) Customer will visit the Client Website and opt for the product it wants to avail of and clicks on the check-out page of the Client Website.
- (d) The Client will re-direct the Customer to the systems and software of the Bank.
- (e) The various payment options shall be displayed on the payment gateway transaction page.
- (f) The Customer will select NEFT/RTGS as the payment mode for completing the transaction.
- (g) The Customer shall then be provided with a unique virtual account number which consists of the Client's virtual account identifier and a transaction reference number appended to it.
- (h) Customer will then login to his online banking facility (which could be any Bank)/go to his bank branch/login to his mobile banking and credit the payment amount to the virtual account number through NEFT/RTGS.
- (i) The Bank will receive the payment amount as NEFT/RTGS inward transaction and it will get credited in the Bank Account or Nodal Account as the case maybe.
- (j) Post reconciliation, the funds would be credited to the Client's Bank Account in terms of the settlement cycle as may be specified by the Bank in writing (including by way of electronic mails), from time to time.

#### **SUB-ANNEXURE 4**

#### **TERMS AND CONDITIONS GOVERNING RENDERING OF OVER THE COUNTER (OTC) COLLECTION SERVICES**

At the Client's request and subject to the terms and conditions of this Annexure K read together with this sub-annexure 4 hereunder, the Bank has agreed to offer to the Client Acquiring Services in respect of OTC collections, in the manner and upon the terms and conditions set out in the Terms, Annexure K and this Sub-Annexure 4.

#### **1. Services to be rendered by the Bank:**

At the specific request of the Client, the Bank has agreed to provide the Acquiring Services pertaining to OTC collections.

#### **2. Transaction Process Flow:**

- (a) The Customers will log into the Client Website and will choose the products that he wishes to purchase and fill in the details like name, address, etc. as required by the Client and/or Sub-Merchants. If he chooses to pay through the OTC collections, the Bank shall provide to the Customer a transaction reference number and display a challan to the Customers.
- (b) The Customers can thereafter visit the branch for depositing cash/cheque in the Collection Account of the Bank that are due and payable to or due to be payable in the future to the Client who may be acting for the Sub-Merchants and within the cut off timings that may be specified by the Bank to the Client from time to time, can submit the cash (in properly secured and wrapped bundles)/cheque at the counters of the various branches of the Bank so designated for the Availed Channel. The Customers shall at the time of the deposit of cash/cheque with the Bank fill up the required forms/deposit slips correctly and clearly providing details such of the cash/cheque submitted.
- (c) The Bank at the time of the acceptance of the deposit by cash/cheque will thereafter provide an acknowledgement of receipt -by stamping on the portion of the deposit slip to be retained by the Customers. The Bank in respect of the cash deposits shall count the said cash so handed over by the Customers at the counter before issuing the aforesaid acknowledgment.
- (d) The cash submitted by the Customers shall be in a form acceptable to the Bank as per its internal policies on cash collection and/or deposits in bank accounts and the applicable guidelines of the RBI, from time to time.

- (e) The Bank shall use its best endeavors to ensure that the Collection Account is credited as per the arrangement. The Bank shall not be liable in any manner whatsoever for any delay in the credit of the monies to the Collection Account that is attributable to the Customers. The Customers shall be responsible to ensure the timely delivery of the cash/cheque at the branch of the Bank.
- (f) It is the sole responsibility of the Customer to ensure that the Cash deposited is not counterfeited or faked and the Client shall fully cooperate with the Bank, if the Bank is investigated or approached by any law enforcement agency/regulator/court of law to assist in any investigation relating to the cash deposited by the Customer. The cash deposited shall be credited to the Collection Account and such credit will be done as per the Bank's internal policies on cash deposits and the general terms and conditions governing bank accounts as shown on the website of the Bank viz. [www.kotak.com](http://www.kotak.com) and the amendments thereto from time to time.
- (g) The cash has to be deposited by the Customers within the cut off time that may be specified by the Bank, from time to time as per the arrangement agreed between the Bank and the Client from time to time and as per the Bank's internal policies on cash collections and/or deposits in bank accounts.
- (h) The Client authorises the Bank to debit the Collection Account maintained with the Bank at any time without any reference or notice to the Client, on account of any shortage/fake/soiled/mutilated currency deposited by the Customers. The Bank after accepting cash for deposit, shall determine accordingly in respect of any shortage of cash and / or fake and/or mutilated and/or soiled notes and such determination by the Bank will be final and binding on the Client and the Customers.
- (i) The Client further understands and agrees that the Bank shall be entitled to impound the cash in light of the same being forged and / or counterfeit. Such determination made by the Bank about the authenticity/ genuineness of the cash shall be final and binding on the Client and the Client agrees to adhere to all the requisite formalities and / or statutory guidelines in light of such discovery of counterfeit cash.
- (j) The Client shall inform the Customers of all the relevant terms and conditions pertaining to the said arrangement as envisaged herein with a view to enable the Bank to efficiently perform its services including but not limited to the cut off timings for the acceptance of the cash/cheque for its timely processing and deposit of the monies in the Collection Account. The Bank shall not be liable in any manner whatsoever to the Customers in respect of the provision of the Acquiring Services to the Client. Any disputes and/ or grievances of the Customers arising out of the arrangement as envisaged in terms hereof shall be taken up entirely between the Client and the Customer, without any reference to the Bank in this regard. The Client shall be solely responsible in this regard.
- (k) In the event it is found that the cash deposited is fake or counterfeit or defective such that it is unfit for deposit, the Client undertakes to refund forthwith on demand and keep the Bank held harmless and indemnified against any adverse claims arising therefrom. Further, the Bank shall have the right, in addition to the right of general lien as also unfettered right without notice to the Client, to set-off and appropriate such amount from any account of the Client with the Bank.
- (l) The Client shall indemnify and keep the Bank (and, without limitation, its directors, officers, agents and employees) indemnified and hold each of them harmless at all times from and against any and all actions, liabilities, losses (direct and consequential), fees, expenses, damages, costs (including legal costs of the attorney), interest, charges, claims, penalties and proceedings whatsoever which the Bank may suffer or incur directly or indirectly in any way arising from or due to any claim by any Customer concerning the cash deposits, determination of cash and/ or by any beneficiary or other third party concerning the amount, delivery, fraudulent encashment of the cheque, any claim by any Customer, any legal and/or regulatory proceeding initiated against the Bank, cash being forged/fake/counterfeit and not genuine and/ or disputes or claims raised by the Sub-Merchants in relation or arising out of the OTC Transactions or any other breach by the Customer of the conditions set out in these Terms. This clause shall survive the termination of these Terms.

#### **SUB-ANNEXURE 5**

#### **TERMS AND CONDITIONS GOVERNING UNIFIED PAYMENTS INTERFACE (UPI) TRANSACTIONS**

At the Client's request and subject to the terms and conditions of this Annexure K read together with this sub-annexure 5 hereunder, the Bank has agreed to offer to the Client Acquiring Services in respect of Transactions effected through UPI, in the manner and upon the terms and conditions set out in the Terms, Annexure K and this Sub-Annexure 5.

**1. Services to be rendered by the Bank:**

At the specific request of the Client, the Bank has agreed to provide the Acquiring Services pertaining to UPI through Push Transactions or Pull Transactions as availed by the Client, as the case may be.

**2. Additional Definitions:**

- (a) **“Application”** shall mean the application set up and offered by the Client based either on the web or IVR or a handheld device which shall be used by Customers for the purpose of making payments using UPI.
- (b) **“Beneficiary”** shall mean the Client and/or any person receiving the monies through UPI.
- (c) **“Beneficiary Bank”** shall mean the payee bank where the Beneficiary maintains the bank account.
- (d) **“Collections Account”** shall mean the internal pooling account of the Client maintained by the Bank in terms of which the VPA has been created for enabling UPI transactions.
- (e) **“MPIN”** shall mean the password set by the Customer while registering on PSP App for UPI transactions.
- (f) **“Nodal Bank Account”** shall mean the internal bank account opened by the Bank in the name of the Client with the Bank in terms of which the VPA has been created for enabling UPI transactions.
- (g) **“NPCI Guidelines”** shall mean the guidelines, rules, directions, standards and technical specifications issued by NPCI in respect of UPI, as the same may be amended, modified, supplemented or restated, from time to time.
- (h) **“Payment Service Provider (PSP)”** shall mean the banks providing the PSP App or interface to the Remitter and/or Beneficiary for carrying out UPI transactions.
- (i) **“Payer PSP”** shall mean the Remitter PSP providing the PSP app to the Remitter.
- (j) **“Payee PSP”** shall mean the Beneficiary PSP enabling the UPI transactions to receive monies by the Beneficiary.
- (k) **“PSP App”** shall mean the interface/front end by way of a mobile application provided by the PSP to the Remitter and/or Beneficiary for carrying out UPI transactions.
- (l) **“Push Transaction”** shall mean a pay request initiated through UPI which is a transaction where the Remitter is pushing funds to the Beneficiary by using the VPA.
- (m) **“Pull Transaction”** shall mean a collect request initiated through UPI which is a transaction where the Beneficiary is pulling funds from the Remitter by using the VPA.
- (n) **“Remitter Bank”** shall mean the payer bank where the Remitter maintains the bank account.
- (o) **“Remitter”** shall mean the Customer and/or any person desirous of remitting/transferring the monies through UPI.
- (p) **“UPI”** shall mean unified payments interface which is a service provided by NPCI that allows transfer of money using a Virtual Payment Address that is mapped to an account of the Remitter and/or Beneficiary after complete validation.
- (q) **“Virtual Payment Address (VPA)”** shall mean the payment address generated for the Remitter and the Beneficiary by the Payer PSP and the Payee PSP respectively. The payment address may include but not limited to mobile Number, aadhaar number, bank account number, IFSC and virtual address.

**3. Provision of the Services:**

The Customers shall utilize the Application and the PSP App to make payments to the Client using UPI and such transactions shall be processed by the Bank and the monies shall be credited to the collections account and/ or nodal bank account (with another bank) as per the process flow set out at paragraph 4 herein below or such other process flow as the Bank may from time to time stipulate.

**4. Obligations of the Client:**

- (a) The Client shall ensure compliance with and shall act in accordance with the Applicable Law and shall follow all rules, guidelines and directions issued by the Bank or any Governmental Authority with reference to Transactions effected through UPI including without limitation the NPCI and the NPCI Guidelines.
- (b) The Client hereby acknowledges and agrees that during the course of utilisation of the UPI facility, all collect requests initiated by the Client shall be initiated as merchant payment transactions and not as peer to peer transactions.

**5. Process Flow for UPI Transactions:**

- (a) The Client shall submit to the Bank the aggregator registration template and such other documents and evidences as the Bank may require in relation to onboarding of the Client as may be required by the Bank.
  - (b) The Client shall open a collections account with the Bank for collections of the monies paid by the Customers to the Client.
  - (c) The Bank shall thereafter generate a VPA and shall provide the same to the Client.
  - (d) Post the Client registering its details and the details of its Sub-Merchants with the Bank from time to time, the Bank shall upon successful completion of a transaction and receipt of the monies and the requisite reports by the Bank, in this regard, transfer monies to the collection account of the Client, in terms of the NPCI Guidelines:
    - i. If the monies are directly credited by the Bank in the Nodal Bank Account, then in such case the current account of the Sub-Merchant registered with the Client shall be credited as per the instructions received from the Client from time to time.
    - ii. If the monies have been deposited in the Collections Account of the Bank, then in such case the Bank shall transfer the monies to the nodal bank account (with another bank) as per the instructions received from the Master Merchant from time to time.
1. The transaction process flow for UPI transactions to the Master Merchant is as under:
    - i. The Customer shall enter his VPA on the Application.
    - ii. The Payee PSP sends the details of the Customer's VPA to UPI.
    - iii. UPI sends it to the Payer PSP for address resolution and authorization.
    - iv. The Payer PSP sends a notification to the Customer for authorization. Customer shall thereafter enter the MPIN and confirms the payment to be made to the Master Merchant. Payer PSP sends the confirmation of the Customer's MPIN to UPI
    - v. UPI sends the debit request to the Remitter Bank.
    - vi. The Remitter Bank debits the amount from the Customer's account and sends the confirmation to UPI.
    - vii. UPI sends the credit request to the Beneficiary Bank.
    - viii. The Beneficiary Bank credits the Collections Account and/ or Nodal Account of the Master Merchant ( if the same is opened with other bank) and confirms the same to UPI
    - ix. UPI sends the successful confirmation of credit to the Payee PSP.
    - x. The Application gives the transaction confirmation to the Customer.
  2. The Application shall capture the Sub-Merchant's code and these details shall be shared by the Master Merchant with the Acquiring Bank through API along with other transaction details like amount, remarks if any.
  3. The funds are transferred to the respective Sub-merchants by the Acquiring Bank upon the receipt of the instructions from the Master Merchant.

(e)(e)

## 6. Other conditions:

- (a) The maximum permissible amount for each transaction using UPI is limited to Rs.1,00,000/- only or as modified by the Governmental Authority from time to time.
- (b) The Client shall comply with the applicable NPCI Guidelines. The Client acknowledges the receipt of the NPCI Guidelines from time to time and the Bank shall notify the Client of such modifications as and when the same are made to the NPCI Guidelines.
- (c) The Client hereby undertakes and agrees that it and/or the Sub-Merchants shall not hold the Bank liable for any delay, loss, costs, expenses, damages, outgoings, claims, proceedings and actions that may be suffered or incurred by the Client and/ or the Sub-Merchants in relation to:
  - (i) Any failure or bug in the Application;
  - (ii) Non availability of UPI facility by the Bank owing to any reason beyond the reasonable control of Bank;
  - (iii) Non eligibility of Customers to utilize the UPI facility to make payments to the Client;
  - (iv) Technical disruptions/outages or any other technical issue which causes a delay or failure in processing payments under UPI;
  - (v) Any other reason beyond the reasonable control of Bank owing to which any transaction under the UPI facility is delayed or fails.

## 7. Indemnity

The Client hereby agrees to, and shall indemnify and keep indemnified and hold harmless, at its own expense, the Indemnified Parties, on demand from and against any and all Losses which may be made, claimed or brought against or suffered or incurred by the Bank due to:

- (a) any failure to comply with the Terms, including without limitation, terms and conditions set out in this sub-annexure 5 of Annexure K;
- (b) any claims which may be raised against the Bank by any Customer or any Governmental Authority, which is not a direct result of any breach by the Bank of its obligations hereunder.

## SUB-ANNEXURE 6

### TERMS AND CONDITIONS GOVERNING BHARAT QR CODE TRANSACTIONS

At the Client's request and subject to the terms and conditions of this Annexure K read together with this sub-annexure 6 hereunder, the Bank has agreed to offer to Client Acquiring Services in respect of the Transactions effected through Bharat QR Code in the manner and upon the terms and conditions set out in the Terms, Annexure K and this Sub- Annexure 6.

#### 1. Services to be rendered by the Acquiring Bank:

At the specific request of the Client, the Bank has agreed to provide the Acquiring Services pertaining to Bharat QR Code Transactions.

#### 2. Additional Definitions:

- a. **"Bank SMS gateway"** means the Bank's switch integration with the SMS gateway to send SMS to the Client
- b. **"Bank Switch System"** shall mean the switch of the Bank for the validation of the Client.
- c. **"Bharat QR Code"** shall mean the common QR code jointly developed by National Payments Corporation of India, MasterCard, Visa and American Express under instructions from RBI and shall include the Static QR and Dynamic QR and will be provided by the Bank to the Client
- d. **"Bharat QR Code Program(s)"** shall mean transaction processing, account management, program support and connectivity to the Card Associations.

- e. **“Card Association Operating Guidelines”** means any policies or procedures provided by the Card Associations which may regulate the operation of Bharat QR including but not limited to the operating guidelines, clearing and settlement and transaction processing rules, standard charge back process and dispute management rules and regulations, by-laws, user instructions, technical literature and all other related materials.
- f. **“Card Association switch”** shall mean the relevant Card Association’s gateway providing routing services from the Issuing Bank switch to the Bank switch.
- g. **“Customer Application”** shall mean the mobile banking application of the Customer (as provided by the Issuing Bank to Customer) wherein Bharat QR code has been offered as a payment option.
- h. **“Issuing Bank Switch System”** shall mean the system of the Issuing Bank that authenticates the Customer and initiates request further to the Bank for credit to the Client via the gateway of the relevant Card Association.
- i. **“Merchant QR Code”** shall mean the quick response code generated by the Bank using the QR codes specifications.
- j. **“Merchant Application”** shall mean the mobile application set up and offered by the Client or based either on the web having the URL as specified in the CMS Application Form or a handheld device which shall be used to enable the Customers to make payments using Bharat QR.
- k. **“MPIN”** shall mean the password set by the Customer while registering on the Customer Application for mobile banking transactions.
- l. **“Offline transactions”** shall mean Transactions that take place when the Customer is physically present at the shop of the Client and the delivery of the Products is facilitated immediately upon the completion of the payment by the Customer through any of the AailedChannels.
- m. **“Online transaction”** shall mean Transactions that take place when the Customer visits the Website and purchases the Products by choosing any of the Aailed Channels and the delivery of the Products is either facilitated immediately or subsequently at a later date upon successful payment bythe Customer.
- n. **“Quick Response Code” (QR)** shall mean a quick response code i.e. (a 2-dimensional black & white square which has the Master Merchant and Transaction information (optional)
- o. **“Static QR Code”** shall mean a QR being displayed by the Client containing merchant specific data such as merchant identifier and other mandatory and optional fields for the generation of the QR in accordance with the Merchant QR code specifications issued by NPCI for the Customer to scan and make the payment by entering theamount.
- p. **“Dynamic QR Code”** shall mean a QR being generated for each Transaction by the Client containing merchant specific data such as merchant identifier and other mandatory and optional fields for the QR in accordance with the Merchant QR code specifications issued by NPCI for the Customer to scan the QR and make the payment. The amount does not need to be entered by the Customer.

### **3. Transaction Process Flow:**

#### **a. In the case of offline transactions (Static QR Code):**

- i. The Client shall display the Merchant QR Code at the shop (in the form of a physical decal provided by the Bank to the Client or capability provided by the Bank to the Client to generate the physical decal for installation) and/or for the Merchant QR Code to be dynamically generated on the MerchantApplication.
- ii. The Customer scans the Static QR Code from the Customer Application by clicking on “Scan and Pay” or similar option.
- iii. The Customer enters the amount to be transferred and other optional fields and the Customer authorizes the payment through the Customer Application by entering theMPIN.

iv. The Client thereafter checks whether the payment is done by the Customer or not ,by logging in to the Merchant Application.

**b. In the case of offline transactions (Dynamic QR Code):**

i. The Client shall generate the Dynamic QR Code at its the store or shop (in the form of a physical decal provided by the Bank to the Client or capability provided by the Bank to the Client to generate the physical decal for installation) and/or for the Merchant QR Code to be dynamically generated on the Merchant Application which is valid for a single Transaction.

ii. The Customer scans the Dynamic QR Code from the Customer Application by clicking on the “Scan and Pay” or any similar option so provided by way of scan via the Merchant Application at its store or shop.

iii. The Customer needs to just authorize the payment by entering the MPIN.

c. The transfer request is sent from the Customer’s mobile to the Issuing Bank Switch System which authenticates the Customer and upon successful authentication, the Account is debited by the Issuing Bank and a corresponding communication (SMS) is sent to the Customer’s registered mobilenumbr informingthe details of the amount that has been debited.

d. The Issuing Bank shall check the Account which is being used by the Customer to make payment for the Transaction and verify the details of the Card Association to which Account has been mapped and thereafter route the Transaction request to the Bank through the Bank Switch System for credit to the Client via the gateway of the relevant Card Association.

e. The Bank Switch System will validate the Transaction details and in case of successful validation, the Bank Switch System shall notify the Client of successful paymentreceived.

f. The relevant Card Association shall send the good response back to the Issuing Bank Switch System.

g. The Customer Application displays the successful payment message to the Customer who had initiated the Transaction.

**c. In case of online transactions:**

i. The Client shall either generate the Dynamic QR on the Merchant Application or in-case of the Client having online business, the QR is generated at the checkout page of the Merchant Application which is valid for a single Transaction.

ii. The Customer scans the Dynamic QR from the Customer Application by clicking on the “Scan and Pay” or any similar option so provided by way of scan at the checkout page of the Website and/ or store or shop of the Client.

iii. The Customer needs to just authorize the payment by entering the MPIN.

c. The transfer request is sent from the Customer’s mobile to the Issuing Bank Switch System which authenticates the Customer and upon successful authentication, the Account is debited by the Issuing Bank and a corresponding communication (SMS) is sent to the Customer’s registered mobilenumbr informingthe details of the amount that has been debited.

d. The Issuing Bank shall check the Account which is being used by the Customer to make payment for the Transaction and verify the details of the Card Association to which Account has been mapped and thereafter route the Transaction request to the Bank through the Bank Switch System for credit to the Client via the gateway of the relevant Card Association.

e. The Bank Switch System will validate the Transaction details and in case of successful validation, the Bank Switch System shall notify the Client of successful paymentreceived.

f. The relevant Card Association shall send the good response back to the Issuing Bank Switch System.

g. The Customer Application displays the successful payment message to the Customer who had initiated the Transaction.

h. The Client receives notification from the Acquiring Bank on successful payment received and the Transaction is completed accordingly. In case of online transactions, the Client receives the payment success status on the Merchant Application.

#### 4. Obligations of the Client:

- a. The Client shall not destruct or tamper with the physical decals being installed at the Client's store or shop. The Client shall be responsible to ensure that physical decals are kept in good condition to ensure effective and timely processing of the Transaction through Bharat QR. The Bank shall not be responsible in any manner once the physical decals are handed over to the Client.
- b. The Client will be liable for any sales transaction receipt charged back to the Bank if the Transaction was not performed in accordance with the terms of this Agreement. In such an event, the Chargeback Amounts will be directly debited from the Nodal Account or from the reserves maintained with the Bank, as the case may be. The Client shall be required to maintain account reserves to cover these payments as informed by the Bank from time to time.
- c. The Client hereby agrees that the MCC shall be in accordance with the Bank's merchant on-boarding policy and be at the sole discretion of the Acquiring Bank.
- d. The Client shall ensure that it and any third party agents appointed by it comply with the following:
  - (i) Transmit, store, or process cardholder data as per the IT security standards as communicated by the Bank and/or the Card Association from time to time.
  - (ii) Store all records containing account numbers of the Customers (irrespective of the form, whether physical, in writing or electronic) in a secure area accessible only to selected personnel on a need to know basis.
  - (iii) Its business' disposal procedures must ensure that the security materials containing account information must be made unreadable before they are discarded.
  - (iv) Must not retain full-track magnetic-stripe data subsequent to authorization.
  - (v) Shall not disclose cardholder account information to third parties, except when needed to complete a transaction or when required by Applicable Law.
  - (vi) Transmit, store, or process customer data which must be compliant with the standards laid down as per the PCI DSS certification.
  - (vii) Not undertake any laundering of sales transaction receipts or any transaction that is specifically prohibited by the Bank or as per the applicable regulations issued by the Card Association from time to time.
  - (viii) Not be allowed to set minimum or maximum transaction amounts as a condition of honoring the Transactions.
  - (ix) Not impose surcharges on transactions, unless expressly required by Applicable Law.
  - (x) clearly use the brand or logo of the Card Association ("Intellectual Property") on the Client's promotional materials to indicate that Bharat QR Code is only accepted as payment for the business goods and services and not be used, either directly or indirectly, to imply that the Card Association endorses the Client's goods or services; nor may the Client refer to the Card Association when stating eligibility requirements for purchasing its products, services, or memberships.
  - (xi) Use or display the Intellectual Property in accordance with the guidelines of the Card Association.

- (xii) Cease all use of the Intellectual Property immediately upon termination of this Agreement or upon notification by the Bank and/ or the Card Association to discontinue such use or display of the Intellectual Property.
  - (xiii) Must honor all Transactions without discrimination when properly presented for payment.
  - (xiv) Must maintain a policy that does not discriminate among Customers seeking to make purchases with Bharat QR Code.
  - (xv) Must not engage in any acceptance practice that discriminates against or discourages the use of Bharat QR Code in favor of any other acceptance brand.
  - (xvi) Must not directly or indirectly require any Customer to pay a surcharge or any part of any Client discount or any contemporaneous finance charge in connection with a Transaction.
  - (xvii) Must not impose, as a condition of the acceptance of Bharat QR Code, a requirement that the Customer waives right to dispute a Transaction.
  - (xviii) Must not submit to the Bank a Transaction that the Client knows or should have known to be fraudulent or not authorized by the Customer..
  - (xix) The Client, its employees, its representatives shall not use the Intellectual Property of both the Bank and/ or the Card Association in any sales or marketing publication or advertisement, or in any other manner without the prior written consent of the Bank.
  - (xx) The use or display of any Intellectual Property does not give the Client any ownership or interest in the Intellectual Property. Any use of a Intellectual Property by the Client in advertising, acceptance decals, or signs, must be in accordance with the guidelines of the Card Association, including the Card Association's reproduction, usage and artwork standards as may be in effect from time to time. The Client's right to use or display any Intellectual Property shall terminate simultaneously upon the termination of this Agreement or upon notification by the Bank and/ or the Card Association to discontinue such use or display of the Intellectual Property.
- e. The Client shall comply with the applicable Card Association Operating Guidelines. The Client shall be responsible for all its acts of omission and commission. The Client acknowledges the receipt of the Card Association Operating Guidelines from time to time and the Bank shall notify the Master Merchant of such modifications as and when the same are made to the Card Association Operating Guidelines.

#### **5. Other terms and conditions:**

- a. In event the Customer approaches the Bank; the Bank shall intimate the same to the Client for taking appropriate actions as per this Agreement. The Client shall ensure that while resolving any dispute pertaining to Customer queries and/or discrepancies, whatsoever, in any Transactions through the usage of Bharat QR Code as raised by the Bank to the Client, the Client shall follow and comply with the standard charge back process defined as prescribed by the Card Association and any amendment thereto time to time.
- b. The Client confirms and agrees that for any dispute pertaining to this arrangement, the Parties shall settle the dispute in accordance with the prevalent dispute management rules and regulations of the Card Association and any amendment thereto time to time.

In no event will the Card Association/ Bank be liable for any indirect, incidental, special or consequential damages, for loss of profits, or any other cost or expense incurred by a Customer or any third party arising from or related to use or receipt of the Services whether in an action in contract or in tort, and even if the Customer or any third party has been advised of the possibility of such damages.

#### **SUB-ANNEXURE 6**

## TERMS AND CONDITIONS GOVERNING AADHAAR PAY TRANSACTIONS

At the Client's request and subject to the terms and conditions of this Agreement read together with this Schedule hereunder, the Bank has offered Aadhaar Pay to the Client under this Agreement. All the terms of this Agreement shall apply to Aadhaar Pay unless such terms conflict with the terms stated hereinbelow:

### 1. Services to be rendered by the Bank:

At the specific request of the Client, the Bank has agreed to provide Aadhaar Pay (as hereinafter defined) services to the Client on the terms and conditions contained in this schedule.

### 2. Additional Definitions:

- a) **“Aadhaar Number”** shall mean a 12-digit unique identification number issued to any person by UIDAI.
- b) **“Application”** shall mean a software application developed for smartphones, tablets or desktops or any other device (collectively referred to as “Electronic Equipment”) through which the Bank enables the Client to use Aadhaar Pay for the purpose of receiving payment from the Customer for the goods or/and services provided by the Client.
- c) **“IIN”** shall mean Issuer Identification Number issued by NPCI to participating banks.
- d) **“NPCI”** shall mean National Payments Corporation of India.
- e) **“Merchant id”** shall mean a unique number issued by the Bank to every Client.
- f) **“UIDAI”** shall mean Unique Identification Authority of India set up under the The Aadhaar (Targeted Delivery Of Financial And Other Subsidies, Benefits And Services) Act, 2016
- g) **“Biometric device”** shall mean a device attached to the Electronic Equipment on which the Application is installed. This device captures the fingerprints of the Customer for the purpose of authentication of the transaction.

### 3. Transaction Process Flow:

To enable the facility of Aadhaar Pay, the Client shall have to do Aadhaar Pay API integration with the Bank. After successful integration of Aadhaar pay facility, the Client shall be enabled for receiving payments from the Customers through Aadhaar Pay. Below is the transaction flow is of Aadhaar Pay:

- a) The transaction will be initiated from the Client's end. The following details such as - IIN, Customer's Aadhaar Number and Payment Amount are entered in the Application.
- b) The Application shall display the details of the transaction and requests for confirmation by the Customer.
- c) Customer confirms the transaction by providing biometrics authentication i.e providing his fingers print on the Biometric Device.
- d) The Application sends the encrypted and hashed collected parameters to Client server via secured Internet connection.
- e) The Client will run all the rules like transaction limit, source etc. and does the encryption hashing required by the Bank.
- f) The Bank server redirects the request for an Aadhaar Pay transaction to NPCI Switch.
- g) NPCI receives the request and fetches Aadhaar number and fingerprint data to be sent to UIDAI for Aadhaar authentication.
- h) Upon successful Aadhaar authentication, NPCI sends the request to the Issuing Bank for debiting the Account. The Issuing Bank's core bank system checks for the Customer's Account to debit the Payment Amount and sends the response back to NPCI.
- i) NPCI forwards the response back to the Bank's server with the success message or related parameters of failure reason code with other parameters.

- j) The Bank server routes response back to Client's server and the Client's server decodes the response and sends it to the Application.
- k) The Application displays the appropriate success or failure message.
- l) A transaction receipt will be printed and handed over to the Customer who will know the finality of the remittance.

#### 4. Obligations of the Client:

- a) The Client ensures that the Electronic Equipment should have Application installed in it and a certified Biometric Device attached with the Electronic Equipment on the USB port.
- f. The Client shall ensure that it and any third party agents appointed by it comply with the following:
  - (xxi) Transmit, store, or process Aadhaar data as per the IT security standards as communicated by the Bank from time to time.
  - (xxii) Store all records containing Aadhaar numbers of the Customers (irrespective of the form, whether physical, in writing or electronic) in a secure area accessible only to selected personnel on a need to know basis.
  - (xxiii) Its business' disposal procedures must ensure that the security materials containing Aadhaar information must be made unreadable before they are discarded.
  - (xxiv) Shall not disclose Customer information including but not limited to information relating to Aadhaar to third parties, except when needed to complete a transaction or when required by Applicable Law.
  - (xxv) Shall ensure that the Customer provides correct Aadhaar and bank details. The Bank shall not be responsible for any incorrect details given by the Customer which leads to denial of the payment to the Bank.
  - (xxvi) Shall not use or permit to use the payment facility through Aadhaar Pay including the Electronic Equipment and the Biometric Device other than for the usage of and for the business model as has been declared, disclosed and specified to the Bank.
  - (xxvii) Not undertake any laundering of sales transaction receipts or any transaction that is specifically prohibited by the Bank or as per the applicable regulations issued by NPCI from time to time.
  - (xxviii) Not be allowed to set minimum or maximum transaction amounts as a condition of honoring the Transactions.
  - (xxix) Not impose surcharges on transactions, unless expressly required by Applicable Law.
  - (xxx) Cease all use of the Intellectual Property immediately upon termination of this Agreement or upon notification by the Bank to discontinue such use or display of the Intellectual Property.
  - (xxxi) Must honor all Transactions without discrimination when properly presented for payment.
  - (xxxii) Must maintain a policy that does not discriminate among Customers seeking to make purchases with Aadhaar Pay.
  - (xxxiii) Must not engage in any acceptance practice that discriminates against or discourages the use of Aadhaar Pay in favor of any other acceptance brand.
  - (xxxiv) Shall establish and maintain necessary authentication related operations, including systems, processes, infrastructure, technology, security, etc., which may be necessary for authentication of Aadhaar, in compliance with standards and specifications, issued by UIDAI from time to time.
  - (xxxv) Shall not by itself undertake any modification to the Application including installation of unauthorized or any other third party files or software.

- (xxxvi) Shall ensure that Customer is using his fingerprint for authentication and nothing is morphed on his finger. It shall further ensure that after each transaction, it immediately wipes the fingerprint readersensor.
- (xxxvii) Must not directly or indirectly require any Customer to pay a surcharge or any part of any Client discount or any contemporaneous finance charge in connection with a Transaction.
- (xxxviii) Must not impose, as a condition of the acceptance of Aadhaar Pay, a requirement that the Customer waives right to dispute aTransaction.
- (xxxix) Must not submit to the Bank a Transaction that the Client knows or should have known to be fraudulent or not authorized by the Customer, or that it knows or should have known to be authorized by a Customer.
- (xl) The Client, its employees, and its representatives shall not use the Intellectual Property of the Bank in any sales or marketing publication or advertisement, or in any other manner without the prior written consent of the Bank.

## Annexure L

### TERMS AND CONDITIONS GOVERNING CBSS SERVICES

#### 1. Services to be rendered by theBank:

At the specific request of the Client, the Bank has agreed to provide the CBSS Services (as hereinafter defined) to the Client on the terms and conditions contained in these Terms and this Annexure M.

#### 2. Additional Definitions:

In addition to the definitions set out in these Terms, the following terms shall, unless the context requires otherwise, have the meanings as set out hereinbelow:

“**CBSS Services**” means the facility provided by the Bank where the Client shall draw cheques which will be payable at Specified Branches of the Bank.

“**Identified Branches**” means the branches of the Client which will draw cheques payable at par which will be paid by the Bank on due presentation.

“**Specified Branches**” means the branches of the Bank which will accept the cheques drawn by Identified Branches of the Client.

#### 3. Other terms and conditions:

- a) The Identified Branches shall draw cheques payable at par (“Cheques at Par”)and the same shall be paid by the Bank on due presentation provided the same has been issued by the Client strictly in accordance with the stipulations herein and subject to the availabilityof a clear balance in the Bank Account.
- b) The Client may draw Cheques at Par on any of the Specified Branches provided the aggregate amount of the drawings in a day by the Client shall not exceed the respective per day limitof the Specified Branches.
- c) Any other branch office of the Bank (other than the Specified Branches) can also be incorporated ijn the arrangement subject to mutual agreement of the Bank and the Client.
- d) A list of all details of the Cheques at Par issued by the Client on a particular day shall be furnished by the Client to the Bank [in a format as may be agreed between the Bank and the Client from time to time) providing following details (hereinafter referred to as “Advice”)through email /fax/hard copies latest by the next Business Day:
  - i) Date of issuance of Cheque
  - ii) Cheque Number
  - iii) Name of the Beneficiary

- iv) Amount
- v) Details of the Identified Branches

In case of failure to provide the Advice, the Bank shall be entitled to return the Cheques at Par when they are presented. However, without prejudice to the above, the Specified Branches may honour the Cheques at Par at their sole discretion and the Client shall be solely liable for any wrongful payment made by the Bank due to non availability of Advice. Bank shall be entitled to rely without any liability

on its part on email or fax transmission as sent or presumed to have seen sent by the Client Bank (or its officials who are authorized to do so)

- e) The Client shall fund the Bank Account so as to ensure that the Cheques at Par issued by the Client are duly honoured on presentation. Without prejudice to the aforesaid, the Client shall fund the Bank Account on the Business Day immediately succeeding the date of issue to the Cheques at Par.
- f) Bank shall send to the Client monthly statements with details of the Cheques at Par received by Bank for payment to facilitate reconciliation of the Cheques at Par issued by the Client with the Bank's books of accounts. The Client will revert to the Bank within 15 (fifteen) days of the receipt of the statement on any issue requiring reconciliation, failing which Bank shall not be bound to entertain any claims(s) in respect of reconciliation or otherwise from the Client in respect of such statements or matters arising therefrom.
- g) The Client shall submit to the Bank a list of officials authorized to draw Cheques at Par on its behalf together with their specimen signatures, category of authorization, code/reference number allotted to such signatories and the Client shall from time to time inform the Bank about variation thereof, together with the signatures of their respective officials and also of any change by cancellation, addition or otherwise in the said list of authorized signatories. Bank shall be discharged from all its liabilities for honouring the cheques, till the change of the authorized signatories is received by the Bank as per these terms.
- h) In case a Cheque at Par drawn by the Client is presented at a Specified Branch before the Bank Account is funded, Bank shall be entitled to return/dishonor the Cheques at Par. Without prejudice to the above, in the event the Bank honours the Cheques at Par, then the Client shall pay Bank interest for the period of delay in funding the Bank Account at the maximum lending rate of the Bank.
- i) The Specified Branches shall honor all the Cheques at Par drawn as specified in these terms and properly presented for payment. However, the obligation to honor the Cheques at Par will always be subject to any occurrence or factor resulting in prevention from or delay or interruptions in performing the obligation or normal functioning of the Specified Branches including but not limited to civil commotion, sabotage, lockout strike, or other labour disturbance of any kind, accident, fire, flood explosion, epidemic, damage to property or any other cause beyond the control of the Specified Branches.
- j)
  - 1) In the event the Cheques at Par are lost/cancelled, the Client shall immediately issue stop payment instructions in respect of the same. The Client shall send such 'stop payment instructions' in writing, signed by the person authorized to operate the Bank Account and should furnish the following details: i) cheque number, ii) amount, iii) payee, iv) date and v) place on which the cheque is drawn. Upon receipt of such stop payment instructions, Bank shall acknowledge the same and endeavor to stop payment of such instrument.
  - 2) The Client shall indemnify and keep indemnified at all times the Bank for any loss, damage or expense incurred due to any misinformation supplied by the Client to the Bank regarding stop payment instructions issued by the Client.
  - 3) The Bank shall charge the Client such amount as may be agreed between the Bank and the Client on every Cheque at Par on which 'stop payment instructions' are issued and the Client shall make payment of the amount so claimed by the Bank without any demur.
- k) The Specified Branches may dishonor Cheques at Par under the following circumstances:
  - i) If the signature of the authorized official of the drawer branches of the Client who has signed on the Cheques at Par is not on record of the Bank or the signature is differing with the specimen signature on record.
  - ii) If the cheque issued is in a different form from that of the specimen provided to the Specified Branches of the Bank.
  - iii) If the Client fails to provide the funds in time.
  - iv) If the Cheque number does not match with the Cheque number issued by the Bank to the Client.

- vi) If the number/ date/amount/ payee of the cheque differs from the particulars given in the Advice provided by the Client.
- vii) If the Cheque is presented at a location other than the Specified Branches on which it is drawn.
- viii) If the Advice provided by the Client in respect of the cheque is incomplete or inaccurate in any respect.
- ix) If the Cheque presented to the Bank is materially altered.
- x) Any notices issued by regulatory bodies governing co-operative banks carrying specific instructions for stop payment/non-payment of cheques drawn by the Client.
- xi) In the event any stop payment/cancellation instructions given by the Client.

#### 4. Indemnity

As a pre-condition for availing these services, the Client shall defend and indemnify the Bank from all losses and liabilities if any, arising out of the following:

- a) Any Cheque at Par being issued improperly by Client giving scope to material alterations on the face of the cheques.
- b) Any actions being initiated by any authorities including RBI due to any acts of commission or omission on the part of the Client.

### Annexure M

#### TERMS AND CONDITIONS GOVERNING CHEQUE TRUNCATION SYSTEM (“CTS”) SERVICES

##### 1. Services to be rendered by the Bank:

At the specific request of the Client, the Bank has agreed to provide the CTS Services (as hereinafter defined) to the Client on the terms and conditions contained in these Terms and this Annexure L.

##### 2. Additional Definitions:

In addition to the definitions set out in these Terms, the following terms shall, unless the context requires otherwise, have the meanings as set out herein below:

- a) “**Client**” for the purposes of this Annexure shall mean a bank which can issue cheques to its customers in the course of its banking activity and includes a foreign bank, cooperative bank, multi state co operative bank and district co operative central bank
- b) “**CTS**” means the process of stopping the flow of the physical cheque issued by a drawer to the drawee branch. The physical instrument will be truncated by the Bank and an electronic image of the cheque would be sent to the drawee branch/clearing house along with the relevant information like the MICR fields, date of presentation, presenting bank etc.
- c) “**Capture System**” means the internal system of the Bank or the Client comprising of scanner, core banking or other application
- d) “**Regional Processing Centre**” or “**RPC**” means the center of the Bank where the Client shall send the physical cheques or the electronic image of the cheques as the case may be for further presenting the cheques for clearing by the Bank.

##### 3. Process flow of the transactions

###### Inward Clearing

- a. The Client would issue cheques to Customers prominently containing a legend on face of the cheque that the clearing would be through the Bank under CTS.
- b. Other banks participating in clearinghouse would forward/deliver/transmit the electronic images of the cheques, issued by the Customers and drawn on the Client to the Bank directly or through Clearing House ;

- c. The Bank, on receipt of such electronic images of cheques would forward/deliver/ transmit the truncate image of the truncated cheques to Client equipped with process scanning/web facility to receive images of the cheques and in case the Client is not equipped with the said infrastructure by means of pen drive, floppy and or Compact Disc;
- d. The Client shall revert by email/fax/ scan image on acceptance or rejection of such cheque/s within \_\_\_\_\_hours of receipt of the said truncated cheques from the Bank;
- e. The Client would debit the respective accounts of the Customer maintained with it for cheques received through clearing or otherwise.
- f. On the basis of revert from the Client as envisaged in clause (d) above, the Bank would debit the Current Account
- g. Returns (Return memo) of the cheque, if any, would be intimated by email/fax/scan image as aforesaid by the Client to the Bank. The Bank would send the intimation of returns to presenting banker directly and/or through Clearing House. The Bank would accept returns of cheque/s (Return memo) from the Client provided the returns are tendered within stipulated timelines as aforesaid.
- h. The Bank is not bound to accept any return of cheque/s (Return memo) after Clearing House return timing is over.

#### Outward Clearing

- a. The Client shall segregate their outward clearing cheques as CTS 2010 compliant and CTS 2010 non- compliant and submit same to the Bank's regional processing centre or designated branch as the case may be along with summary sheet, in the format prescribed by the Bank. CTS 2010 non- compliant cheques will be cleared at less frequent intervals as decided by RBI from time totime.
- b. The Client shall capture the data (on the MICR band) and the images of a cheque using their Capture System and send the scanned cheques to the Bank in the format prescribed by the Bank, along with physical instrument in case same is mandatory /required, as the case maybe.
- c. If the Client lacks the infrastructure of scanning, the necessary clearing stamps as per local clearinghouse requirements would be affixed on face and back of the cheques by the Client and forwarded to RPC or the designated branch of the Bank as agreed between the Parties.
- d. The RPC or the designated branch would accept the same with acknowledgement "Received subject to verification" (if time is not sufficient to verify individual instruments). The instruments would be verified with data submitted on best effort basis.
- e. The Bank would captures the data (on the MICR band) and the images of a cheque using its Capture System and then send the data and captured images dulysigned digitallyand encrypted to the central processing location (Clearing House) for onward transmission to the paying bank (destination or drawee bank). The Clearing House processes the data, arrives at the settlement figure and routes the images and requisite data to the payingbanks.
- f. Return file for unpaid instruments if any, received by the Bank within the stipulated clearing timeline would be intimated to the Client. The Current Account of the Client would be credited for the total amount of the outward clearing unless there are returns.
- g. The amount of the return cheques would be debited to the Current Account of the Client before handling over the return cheques against acknowledgement.
- h. The Client agrees to preserve the physical cheques for a period of at least 10 (ten) years or such other period as stipulated by RBI or such other Governmental Authority.
- i. In case of late returns, if Clearing House requires the Bank to accept late returns, it will be passed on to Client by the Bank.

#### **4. Other conditions:**

- a) The Client shall ensure that the cheques issued to its Customers or on its own behalf contain a legend on the face thereof declaring that the Client is a sub member of the Bank in respect of theCTS.

- b) The Client shall deliver all outward clearing cheques at its own cost at the place and time as advised by the Bank from time to time and that it shall put all endorsements, crossing stamps and carry out other processes including segregation of the cheques in batches or preparation of covering stationery / summary sheets or submitting data on external media as required by the rules of the Clearing House with respect to CTS and as may be intimated from time to time by the Bank.
- c) The drawee bank can request the Bank for physical instrument, in case the image it has received for processing is not clear or in case of any doubt or suspicion about the cheques under Paper to Follow (P2F). In such case, the drawee bank or the Client shall collect the physical instrument from Bank at their own cost from the place and time as advised by the Bank. For drawee bank or the Client collection of cheques issued by Government departments, physical delivery of cheques is mandatory, hence, Client shall ensure that physical delivery of such instruments are being done at its own cost at the place and time as advised by the Bank from time to time.
- d) The Client shall prepare appropriate clearing stamps / print clearing stationery for the purpose of proper segregation of the cheques and assures that appropriate built-in security features are provided as required by the Clearing House regulations with respect to CTS at its own cost. All the return memos would be given by the client.
- e) The Client shall keep itself updated about notifications about holidays and strikes of Clearing House.
- f) The Client shall stamp the outward clearing cheques. The Client should exercise care while affixing stamps on the cheque forms, so that it does not interfere with the material portions such as date, payee's name, amount and signature. The use of rubber stamps, etc, should not overshadow the clear appearance of these basic features in image.
- g) The Client shall always keep a record of the number of cheques sent/received by it for outward/inward clearing.
- h) If the Client scans the cheques at its own premises, using its own Capture System then the Client shall be responsible for storing the physical cheques. The Bank shall not store the physical cheques with it. Additionally, the Client shall provide CBS (as per Bank's uploadable file) file to the Bank on same day on the basis of settlement.
- i) If the Client scans the cheques at its own premises, then the Client shall provide outward-return (as per Bank uploadable file) file to the Bank within half an hour post closure of return session.
- j) The Client shall be responsible to do proactive reconciliation on daily basis for all its transactions processed through the Bank. If any discrepancy is found in such reconciliation then the Client shall report to the Bank such discrepancy within 7 (seven) Business Day and the Bank shall try to resolve the query on a best effort basis and shall not in any way be responsible or liable for any Customer dispute arising of such discrepancy. However for any reconciliation issue which is highlighted by the Sub-member to the Bank after 7 (seven) days from the transaction date, the Bank shall not be responsible if the Bank has sent the amounts to other banks and the same could not be recovered owing to such delay from the Client.

## 5. Indemnity

- i) As a pre-condition for availing the CTS facilities, the Client shall defend and indemnify the Bank from all losses and liabilities if any, arising out of the following:
  - a) If any cheque is lost;
  - b) If the title to the cheque is found to be defective or if the Client is found to have no title at all;
  - c) If the cheque has been returned unpaid for any reason whatsoever;
  - d) If the Client has paid any fraudulent/forged/duplicate or materially altered cheque presented to it by Clearing House through the Bank.

## Annexure N TERMS AND CONDITIONS GOVERNING APBS SERVICES

### 1. Services to be rendered by the Bank:

At the specific request of the Client, the Bank has agreed to provide the APBS Services (as hereinafter defined) to the Client on the terms and conditions contained in these Terms and this Annexure N.

### 2. Additional Definitions:

In addition to the definitions set out in these Terms, the following terms shall, unless the context requires otherwise, have the meanings as set out herein below:

- a) **“Aadhaar Payment Bridge System/APBS”** shall mean a centralised electronic benefit transfer system which will facilitate disbursement of benefits directly to the bank accounts of the Beneficiaries linked to their Aadhaar numbers.
- b) **“Aadhaar Number”** shall mean a 12-digit unique identification number issued to a person by UIDAI.
- c) **“APBS Guidelines”** shall mean the APBS Procedural Guidelines framed by the NPCI, as amended from time to time.
- d) **“Bank APBS Account”** means Bank’s account maintained with the RBI in relation to APBS.
- e) **“Credit File”** means an electronic file to be provided by the Client in a format prescribed by Bank/NPCI containing a list of Beneficiaries, their Aadhaar Number along with the amounts payable to the Beneficiaries by the Client.
- f) **“Destination Bank”** means a bank with which a Beneficiary maintains a Destination Account and which is registered with the NPCI as a APBS participant bank.
- g) **“Destination Bank APBS Account”** means a Destination Bank’s account maintained with the RBI in relation to APBS.
- h) **“Destination Account”** means a bank account in the name of a Beneficiary held with a Destination Bank.
- i) **“IIN/Issuer Identification Number”** is the unique 6 digit number issued by NPCI to every APBS participating bank;
- j) **“NPCI Mapper”** means a repository maintained by APBS containing Aadhaar Number along with IIN of the Bank to which the Beneficiary has seeded his/her Aadhaar Number.
- k) **“UIDAI”** shall mean Unique Identification Authority of India set up under the The Aadhaar (Targeted Delivery Of Financial And Other Subsidies, Benefits And Services) Act, 2016.

### 3. Process Flow and Transactions

The transactional process flow for the APBS facility shall be as follows:

- 3.1 The Client shall prepare a Credit File.
- 3.2 The Client shall fund the Bank Account with clear funds amounting to at least the total amount of monies to be paid out to Beneficiaries under the Credit File.
- 3.3 The Client shall submit the Credit File to Bank.
- 3.4 Bank shall verify whether the Bank Account contains a clear credit balance that is at least equivalent to the total amount payable to all Beneficiaries under a Credit File. Once Bank has verified that the Bank Account contains sufficient clear funds, it shall upload the Credit File in the NPCI system.
- 3.5 Bank, in its sole discretion may reject and not upload the Credit File received from the Client in the event the format of the Credit File is not as per the format prescribed by Bank or in the event the Bank Account does not contain a clear credit balance amounting to at least the total amount of monies payable to all Beneficiaries under the Credit File.
- 3.6 In case of any error/discrepancy found by the Bank at the time of uploading the Credit File in the NPCI system, the Bank may inform the Client about such discrepancies and ask the Client to rectify the same. The Client shall rectify the Credit File and share the same with the Bank again.
- 3.7 The Bank shall debit the amount equivalent to total amount of monies payable to all Beneficiaries under the Credit File from the Bank Account and upload the Credit File in the NPCI system. Once the Credit File is uploaded by the Bank in the NPCI system, then it cannot be reversed or modified and the Bank shall not be liable in any manner for the transactions processed by NPCI.
- 3.8 On the settlement date, NPCI will debit the Bank APBS Account in accordance with the Credit File and transfer the relevant amount of monies to the relevant Destination Bank APBS Accounts as per the instructions contained in the Credit File.
- 3.9 A Destination Bank may not transfer monies received into the Destination Bank APBS Account to a Destination Account in the event the Destination Account has a credit freeze status or NRE Account, Loan Account, PPF Account, Blocked/Frozen Account etc in the event the details of a Beneficiary in the Credit File do not match with the records of the Destination Bank or such other reason as may be determined by the Destination Bank in its sole discretion.
- 3.10 The NPCI system will generate a report on the execution or non-execution of each payment instruction contained in the Credit File and the details of payment/non-payment to the Destination Accounts. In the event a Destination Bank does not transfer the monies to a Destination Account, NPCI shall return the said monies not so transferred to the Bank APBS Account. Bank shall transfer the report received from NPCI to the Client as per the timelines mutually agreed between the Parties.
- 3.11 The funds received by the Bank in the Bank APBS Account due to rejection of payment by the Destination Bank will be transferred by the Bank in the Bank Account.

#### **4. Obligations of the Bank**

- 4.1 The Bank shall provide the format of the Credit File to the Client.
- 4.2 The Bank shall upload the Credit File received from the Client in the NPCI system within the timelines agreed between the Client and the Bank.
- 4.3 The funds received by the Bank in the Bank APBS Account due to rejection of payment by the Destination Bank will be transferred by the Bank in the Bank Account.

#### **5. EXCEPTIONS TO THE OBLIGATIONS OF THE BANK**

- 5.1 Bank reserves the right to reject the Credit File uploaded by the Client in the NPCI system or Bank may not upload the Credit File received from the Client in the event the Credit File is not in the format prescribed by the Bank or in the event the Bank Account does not contain a clear credit balance amounting to at least the total amount of monies payable to all Beneficiaries under a Credit File.
- 5.2 The Bank shall not be responsible in any manner whatsoever for verifying the contents, or the accuracy or genuineness of the Credit Files submitted to it by the Client and the Client shall not hold the Bank liable for the same.
- 5.3 The Bank shall not be responsible in case of wrong credits or rejection of transaction, including due to incorrect mapping of Aadhaar Number of the Beneficiary by Destination Bank.

#### **6. Obligations of the Client**

- 6.1 The Client agrees and undertakes that it shall be wholly responsible and liable for ensuring that:
- 6.1.1 The Bank Account at all times contains clear funds equivalent to at least the total amount of monies payable to all Beneficiaries under a Credit File prior to submitting such Credit File to Bank.
- 6.1.2 Each Credit File is genuine, valid, complete and in the format as prescribed by Bank and/or NPCI and is not intended to carry out any fraudulent transaction or transactions in contravention of Applicable Law.
- 6.1.3 Preparation of Credit File and accuracy of all details mentioned in the Credit File. All particulars given in the Credit Files shall be correct and binding on the Client.
- 6.2 In the event of any discrepancy in the Credit File, the Client shall be solely and wholly responsible for any financial loss, damages, liabilities, penalties, interest in connection with any non-payment, wrong payment or delayed payment with respect to any transaction under the APBS facility and the Client agrees that Bank shall not be responsible for the same in any manner whatsoever.
- 6.3 The Client shall retain and safely store all records and documents in respect of each Credit File and transaction conducted under the APBS facility irrespective of the success or failure of the transaction for such period of time as may be required under Applicable Law or 10 (ten) years whichever is greater.
- 6.4 The Client is permitted to avail the APBS Facility subject to complying with Applicable Law and these Terms. These Terms shall be in addition to and not in derogation of the APBS Circulars, APBS Guidelines, regulations, circulars, orders, notifications, press releases, instructions issued by the RBI from time to time. The Client hereby acknowledges that the Client has read and understood the terms set out in the APBS Guidelines and APBS Circulars and agrees that the rights and obligations provided therein and these Terms, in so far as it relates to the Client, shall be binding on it with regard to every transaction conducted by it through the APBS facility.

### **Annexure O**

#### **TERMS AND CONDITIONS GOVERNING BHARAT BILL PAYMENT- AGENT INSTITUTION (BBPS-AI) SERVICES**

##### **1. Services to be rendered by the Bank:**

At the specific request of the Client, the Bank has agreed to provide BBPS-AI services to the Client:

- a) onboarding of the Client as an 'Agent Institution' (as set out in the BBPS Circulars) on the BBPS platform and acting as the 'Customer BBPOU' (as set out in the BBPS Circulars) in respect of the Client, in terms of BBPS Circulars;
- b) collection of monies paid by Customers to the Billers through Agent Institution.

## 2. Additional Definitions:

In addition to the definitions set out in these Terms, the following terms shall, unless the context requires otherwise, have the meanings as set out herein below:

- (a) **"BBPCU"** shall mean the entity appointed by the RBI to act as the Bharat Bill Payment Central Unit under the BBPS, which presently is the National Payments Corporation of India Limited (NPCI).
- (b) **"BBPS"** shall mean the integrated bill payment system offering interoperable and accessible bill payment services to customers conceptualised by RBI under the circular bearing number RBI/2014-15/327 DPSS.CO.PD. No.940 /02.27.020/2014-2015 dated November 28, 2014,
- (c) **"BBPS Circulars"** shall mean all circulars, guidelines, regulations, rules, directions, standards and procedures which may be issued by RBI or by NPCI/BBPCU, from time to time, in relation to the operation or management of the BBPS or otherwise dealing with the BBPS;
- (d) **"Customer"** shall mean a customer willing to pay bill amount through the Client or Agent by availing BBPS services;
- (e) **"Agent"** shall mean the agents appointed by the Client as an Agent Institution in accordance with the procedural guidelines issued by NPCI from time to time. Agents will be the customer touch points and service points which will be available in the form of branch offices, collection centres and outlets.

## 3. Engagement of Agents:

The Client may engage with the prior permission of the Bank, Agent/s for providing the BBPS services subject to following:

- a) Any Agent engaged/appointed shall be governed by these Terms as applicable to the Client. The Client shall be responsible for all acts/omissions of the Agents.
- b) The Client shall perform such due diligence of the Agents as may be requested or required by the Bank and will provide the Bank with a list of proposed new Agents and an accompanying report with the result of Agents due diligence review conducted as well as its decision to approve or reject any such applicant as an Agent. Any Agent retained/appointed by the Client shall:
  - (i) be subject to the Bank's prior written approval;
  - (ii) complete and deliver an agent application in a form acceptable to the Bank and deliver any due diligence materials requested by the Bank from time to time;
  - (iii) execute a third-party agency agreement with the Bank, if required under applicable laws and regulations or BBPS Circulars;
  - (iv) execute an agreement with the Client, which, among other things, shall require the Agent to adhere to the relevant terms and conditions of these Terms, Applicable Laws and BBPS Circulars;
  - (v) execute such other contracts, agreements, and documents and to take all actions necessary to comply with Applicable Laws and BBPS Circulars to provide the Agent services.
- c) The Client shall be responsible for compliance of all Applicable Laws and BBPS Circulars by its Agents.
- d) The Client shall at all times remain responsible and liable to the Bank for all the actions of the Agents, with no dilution or diminution of service, controls, penalties, etc. The Client is liable and hereby indemnifies the Bank for any losses and damages attributable to any action of its Agents.
- e) Notwithstanding anything contained herein, the Client shall ensure that its Agents are bound by these terms.

## 4. Representations and obligations of the Client

The Client represents and undertakes to the Bank that:

- i) It shall ensure that confidentiality and privacy standards are complied with diligently and it further understands that non-compliance by it and/or its Agents will lead to penalties being imposed on it.
- ii) It shall also ensure that the Customers' data collected in the course of bill payment will not be used for other purposes without the consent of the Customer or outside the framework prescribed by the Bank.
- iii) It agrees and understands that the Bank can terminate appointment of the Client as Agent Institution and its Agents at the instance of BBPCU/NPCI if the customer dispute percentage exceeds certain defined threshold limit as fixed by BBPCU from time to time. Terminated Agent Institutions and Agents cannot become agent of any other BBPCU till BBPCU is satisfied with corrective actions put in place by the Client and Agent.
- iv) The Client and Agents shall comply with the system specifications and message formats as specified by NPCI/BBPCU and upgrade systems and message formats based on regulatory requirements and/ or changes mandated by NPCI/BBPCU in this regard from time to time.
- v) The Client shall on-board Agent as per defined under BBPS Circulars after carrying out due diligence and ensure their compliances to all BBPS Circulars issued from time to time.
- vi) The Client shall ensure safety and security of transactions, verification of biller information, and adherence to transaction flow standards / rules set by the BBPCU from time to time.
- vii) In the event there is an error in the Client's connection with the Bank or the transactions not getting processed in BBPS for any other reason whatsoever, then the Client shall promptly notify the Bank of the same.
- viii) The Client and the Agents shall comply with PCI Data Security Standard (PCI DSS) guidelines for keeping customer's payment card data secure.
- ix) The Client shall maintain and preserve such information, records, books and documents pertaining to their own and their Agent's activities for a period of 3 (three) years or such further period as may be specified by the Bank from time to time and which shall be available for inspection and audit, as and when required either by the Bank or NPCI/BBPCU or RBI or other competent authorities. Further, the Client shall submit periodic reports, statements, certificates and such other documents as may be required by the BBPCU and/or the Bank.
- x) The Client shall ensure that the Client and Agent shall not compromise the integrity of BBPS network or BBPCU's and Bank's systems or equipment and the Client shall be solely responsible for ensuring that its infrastructure and software required for the provisioning of the BBPS and any other device integrated/connected with the Bank and BBPS network shall be, at all times, free from all malware, viruses, black boxes, trapdoor etc.
- xi) The Client shall forthwith inform the Bank of any change in its constitution.
- xii) The Client shall be responsible for ensuring security of transactions between Agent/Client and the Bank's server.
- xiii) If any charges, fees and penalties, etc as decided from time to time by BBPCU and levied on the Bank due to any act, omission, breach of the Client and/or the Agents then the Client shall make good such charges, fees and penalties, etc to the Bank.
- xiv) If a fraud happens at Agent site then the Client shall report fraud to the Bank completely, quickly and accurately.
- xv) The Client has the technical expertise, ability, experience, resources and infrastructure to render BBPS and to comply with its obligations under these terms.
- xvi) All the necessary software and hardware required for rendering the BBPS and complying with its obligations under these terms are owned by it or is otherwise authorized to use such software and hardware.
- xvii) The Client shall ensure that a BBPS logo or trademark is prominently displayed at the collection points of the Agents as per the guidelines laid down by BBPCU to identify the bank branches/outlets/agents as BBPS enabled service point.
- xviii) The Client will not appoint Agents which are specifically restricted by NPCI/BBPCU for providing services under BBPS.

- xix) The Client shall have complete control over the Agents. The Bank shall not be responsible for entertaining complaints / queries received from the Agents. The Client shall act as the one-point contact for all its appointed Agents and shall be solely responsible for any fraudulent acts or omissions of the Agents. The Client shall be responsible for settling third party disputes that arise out of processing BBPS services including disputes between the Client and its Agents or the Customers.
- xx) The Client and Agents shall furnish instant/real time basis confirmation of payment made via a payment receipt/confirmation message. The receipt could be in physical or electronic form (SMS/ email etc.) or as stipulated in the BBPS guidelines issued by NPCI/BBPCU from time to time. The physical/ electronic receipt will have a unique reference number and it would be possible for the Customer to get independent confirmation of billpayment using this reference number on a website/ SMS service/ IVRS.
- xxi) Any disputerelated to the commission, if any charged by the Client over any transaction to the Customer as convenience fee shall not be referred to the Bank and the Client shall not make the Bank a party to settlement of dispute related to commission.
- xxii) The Client shall ensure that there should not be any discrimination or difference while handling the ON-US and OFF-US billpayment transaction, includingcustomer experience and charges, if any.
- xxiii) The Client shall not charge customer for registration unless the same is approved by NPCI/BBPCU.
- xxiv) In the event of any chargeback or refund or claim raised by the Customer or banks or Card Companies or NPCI/BBPCU against the Bank due to any transaction processed through the Client/Agent shall be the sole responsibility of the Client. The Client shall be liable and responsible for any fraudulent activity, willful or negligent commission or omission by any of the Agent, representative of Agent Institution or customer. Any penalty, charge levied on BBPOU by the NPCI/BBPCU or Banks or Card Companies or any other statutory authority due to the omission or commission of any act of Agent Institution or Agent shall be borne and paid by theAgent Institution
- xxv) The Client agrees that the Bank shall not be responsible for any unauthorized transaction done by any person including Agents or any third party and amounting to infringement of another's rights or any chargebacks claimed by the Customers. It will be the responsibility of the Client to ensure due protection while the Agent is transacting online using BBPS Services. The responsibilityof any disputewhich may arise on account of any claims made by the Customers shall be sole responsibility of the Client.
- xxvi) The Client agrees and undertakes that the Client shall do all such acts, deeds and things and execute all such documents, deeds and evidences as may be required by the Bank for the purposes of integration of the systems of the Client with the systems of the Bank for the purposes of on-boarding of the Client as an Agent Institution on the BBPS. The Client further agrees and undertakes that the Client shall, if so directed by the Bank, also be required to, either by itself or through its agents, do such acts, deeds or things, as may be required for the purposes of enablingthe aforesaid integration. In the event integration with the systems of a service provider is required to facilitate transactions contemplated in these Terms in respect of BBPS Services, the Clientshall integrate, at its own costs and expenses, its systems with the systems of any of the Bank's empaneled service providers ("**Inte gration Provider**"), a list of which shall be provided to the Client. The Client agrees and acknowledges that the Integration Provider shall be deemed to be an agent of the Client and that the Bank shall not be responsible or liable for loss or damage arising out of such integration of systems and/or the acts and omissions of such Integration Provider. The Client hereby indemnifies and will keep the Bank indemnified against any and all Losses arising in connection with the acts and/or omissions of the Integration Provider and/orsuch integration.
- xxvii) The Client shall be responsible for reconciliation of all funds debited from the Bank Account with the settlement reports provided by the Bank, through the BBPS and shall provide details and information regarding such reconciliation to the Bank when requested for by the Bank, in such format and upon such terms and conditions as may be stipulated by the Bank.
- xxviii) The Client agrees and undertakes that unless otherwise communicated to the Client by the Bank, the Client shall be responsible for handling all customer complaints and grievances in respect of transactions effected by the Client and/or Agent/s. The Client shall, at all times, adhere to the turn around time prescribed by the BBPCU while responding to any such complaints/ grievances. The Client shall provide all the requisite information, support and cooperation required by the Bank in connection with outstanding complaints and such grievances. Without prejudice to anything else contained in these Terms, the Client agrees to keep the Indemnified Parties indemnified against any Losses which may be suffered by or brought against the Indemnified Parties as a result of any customer complaints or grievances which are not directly and exclusively caused as a result of any breach of the BBPS Circulars by the Bank.

xxix) The Client agrees that the Bank shall not be responsible for any fraud, error, misrepresentation, negligence or default of the Client as well as the Agents. The Client hereby agrees to indemnify and keep indemnified and hold harmless the Bank from and against any and all actions, proceedings, litigation, suits, disputes, claims, demands, losses, damages, outgoings, costs and expenses whatsoever (including legal and professional fees and expenses incurred or to be incurred or likely to be suffered by the Bank) which may be made, claimed or brought against or suffered or incurred by the Bank due to any fraud, error, misrepresentation, negligence or default either by the Client or by Agent.

## 5. Audit Rights:

- a) The Client agrees that the regulators of the Bank including the Reserve Bank of India, NPCI/BBPCU and the external and internal auditors of the Bank shall have the right to inspect/audit the books, records, data and information of the Client and its Agents.
- b) The NPCI/BBPCU, RBI and the Bank shall also be entitled to access offices, branches data centres of the Client and its Agents to carry out technology and operation audits, inspect records, registers, documents etc whether by its internal or external auditors or by agents appointed to act on its behalf and the Client and Agents shall comply with such audit requirement as may be framed for the purpose of such audit. The Client shall ensure that suitable clauses in its agreements with its Agents which permits/allows the Bank, NPCI/BBPCU and RBI such right to access and audits.

## 6. Delisting:

The Client shall forthwith cease to be a member/participant in BBPS as Agent Institution of the Bank, in any of the following events:

- a) If it is unable to carry on business as Agent Institution because of restrictions or restraints imposed by a NPCI/BBPCU, judicial authority or Government, or RBI.
- b) In case of failure to adhere to Anti Money Laundering (AML) guidelines, wherever applicable.
- c) If it does not continue to wholly conform to the qualification criteria as per RBI/NPCI/BBPCU/BBPS guidelines.
- d) In case of breach of BBPS Circulars and/or Applicable Laws.
- e) If Customer disputes exceed certain thresholds, as fixed in consultation with regulator/BBPCU/ Bank from time to time, and repeated warnings issued by the BBPCU and/or the Bank.
- f) In case of defaults, non-compliance, frauds, frequent customer complaints and serious misdemeanour by the Client
- g) Any other reason for which Bank is of the opinion delisting the Client as an Agent Institution is in the interest of the Bank.

## Annexure P

### TERMS AND CONDITIONS GOVERNING GENERAL PURPOSE RELOADABLE CORPORATE PREPAID CARD

#### Services to be rendered by the Bank:

At the specific request of the Client, the Bank has agreed to provide the general purpose reloadable corporate prepaid card to the Client on the terms and conditions contained in these Terms and Annexure P

#### 1. Additional Definitions:

“**ATM Network**” means the network of shared automated teller machines (ATMs) in India on National Financial Switch run by the National Payments Corporation of India or such other similar networks of which the Bank may become a member, in future;

“**Available Amount**” means in relation to a Card, the amount available at a given point of time that can be used by the Cardholder, being the amount deposited corresponding to wallet in the Card account which is the Bank’s internal account as reduced by a) the amount(s) utilized by using the Card for Transaction(s), and b) charges, costs and expenses on the Card charged by the Bank to the Client Bank Account;

**“Corporate Prepaid Card” or “Card”** means a reloadable Rupee denominated corporate prepaid card issued by the Bank to the Client for onward issuance by the Client to individual employees/associates or channel partner etc. of the Client for domestic use only;

**“Cardholder”** means in relation to a Card, the Client or the beneficiary of the Card;

**“Merchant” or “Merchant Establishment”** means an establishment which has an arrangement with the card association(s) of which the Bank is a member or shall be a member, in future to accept and honour Card(s) for the sale of goods and services by the Merchant to the Client/ Cardholder. Merchant shall include among others, stores, shops, restaurants, airlines, advertised from time to time by the Bank, relevant card association(s) or the Merchant honouring the Card;

**“Non-Personalised Card”** means a bearer Card without embossing the Card Beneficiary name;

**“Personalised Card”** means a Card embossed with the name of the Card Beneficiary;

**“Transaction”** means purchase of goods or services from a Merchant/ Merchant Establishments, any e-commerce website accepting cards of the card association(s) with whom the Bank has tie-ups with or is a member of and shall include cash withdrawal, whether via ATM, EDC, POS or any other device of the Bank or of the Bank's shared network.

## 2. Application for Card(s)

The Client desirous of availing each new Card shall request the Bank for the same by submitting a physical Application Form along with individual photographs of each of the Client's employees/channel partners/associates (**“Card Beneficiary(ies)”**) together with a self attested copy of valid Id proof and valid address proof of each of the Card Beneficiaries. The Client can also submit duly filled in Application Form online on the corporate portal post which the Client's employees/channel partners/associates for whom the application for card is made will receive a link on the mobile number submitted in the Application Form. Such employees/channel partners/associates will complete Minimum KYC/ Offline KYC/Video KYC.

The Bank shall verify the id proofs, address proofs and photographs of the Card Beneficiaries as per the extant KYC norms. The Bank reserves the right to accept or reject any application form at its discretion without assigning any reason.

## 3. Issuance of Card(s)

3.1 The Bank shall issue such number of Card(s) to the Client, as may be requested by the Client from time to time, in accordance with the terms of this Agreement. The Card(s) to be issued by the Bank shall either be Personalised Card or Non-Personalised Card.

3.2 In case of Personalised Card(s), the following shall apply:

1.1.1 The Bank shall obtain necessary KYC documents, along with Application Forms/Digital KYC with photographs for every Card Beneficiary

1.1.2 The personalized Card packed in a welcome pack shall be dispatched in deactivated state to the Client.

3.3 In case of non-personalised Card(s), the following shall apply:

1.1.3 The Bank will set-up the Cards in non-personalised mode and emboss the plastics with validity period and card number. Card welcome kits shall be delivered to the Client for handing over the Cards to respective Card Beneficiary(ies) and acknowledgement of receipt of the Cards shall be obtained. After delivery of the Card welcome kit, the respective welcome pack ID shall be recorded against the respective Card Beneficiary's name. Cards will be in deactivated state at this stage.

3.4 The Bank reserves the right to outsource the (i) card issuance platform (ii) corporate portal (iii) mobile application (iv) operational activities of transactions including reconciliation and the delivery of (i) Cards, (ii) reissued Cards, (iii) PIN mailer, (iv) quarterly Cards statements and (v) any other correspondence that may be made by the Bank to the Client and/ or the Card Beneficiary (**“Deliverables”**) to any third party as the Bank may deem fit. Upon a request made by the Client for issuance of Cards as mentioned in this Clause 4, the Bank shall deliver the Deliverables at Client's address, as registered with the Bank, for onward delivery of the Card(s) to Card Beneficiary(ies) by the Client or directly to the card beneficiary address as registered with the Bank. In the event the Deliverables do not reach the Client after delivery of the same at the mailing address of the Client or of the card beneficiary, as registered with the Bank, and in case there is a consequent misuse of the said Deliverables (if any), the responsibility for the same will rest with the Client and not the Bank.

3.5 The Cards shall be provided to the Client in a de-activated form and shall be activated by the Card Beneficiary by downloading the mobile application i.e., Kotak Prepaid App and by entering the Card number & OTP received on the registered mobile number for the Card. Bank may also activate the Card only after the Authorised Person confirms receipt of the Cards to the Bank and provides the Bank with all necessary KYC documents and Application Form along with photograph of each Card Beneficiary,

Instructions intimating the Bank of the value to be loaded on each of the Cards, and funds the Bank for the aggregate value to be loaded on all of the Cards issued to the Client as per the modes prescribed herein.

#### **4. Loading of Card(s)**

4.1 The Card(s) shall be funded by the Client using the Bank's net banking platform to debit the Client Designated Account. The Client shall upload a file in the prescribed format using the Bank's net banking platform, based on which the Bank will debit the Client Designated Account and credit the Card(s) of the Client with the Bank. The Client can also fund the wallet account of the Card directly through NEFT transfer from their Designated Account.

4.2 The Authorised Person shall instruct the Bank with respect to the funds to be loaded to each of the Card(s). The maximum loading limit at the time of issuance of the Card(s) shall be Rs. 2,00,000/- for Full KYC Cards or Rs.10,000/- for Small Cards or such other amounts as may be stipulated by the RBI, from time to time.

4.3 Loading Instructions received from the Authorised Person may be rejected by the Bank due to discrepancies between the Card numbers in the upload file and data available in the Bank's internal prepaid card system. Any such rejection shall be reported back to the Client with reasons in writing.

4.4 Each wallet can have multiple Cards issued within the overall limit of the wallet. Wallet level parameters shall include loading limits, spend limits and usage channels (ATM / POS / online) and spending merchant categories. Usage of the individual Cards will be subject to the overall wallet level limits.

4.5 In case of cancellation/ refund/ expired/ lost Cards, the refunded/ cancelled amount to be credited to the Client Designated Account or the Cardholder's account or the source account, as the case may be provided the Client or the Cardholder submits the necessary documents as may be required by the Bank.

4.6 The Client shall be entitled to reload the Card by submitting the Card reload Instructions. However the reload facility can only be availed before the expiry of the validity period of the Card. The Cardholder shall pay the requisite reload fees as prescribed by the Bank, from time to time for providing this reload facility.

#### **5. Card Security**

5.1 The Cardholder shall set the PIN of the Card by downloading the mobile application and authenticating through OTP received on registered mobile number.

5.2 The Cardholder shall maintain secrecy of the PIN. The Cardholder must comply with any other requirements designed to protect the security of his use of the Electronic Media, which shall be notified to the Cardholder from time to time.

5.3 If the Cardholder discovers or suspects that his PIN or any part of them is known to someone else, he must immediately request the Bank to block the Card or change the PIN/block the Card on the mobile application as applicable.

5.4 Loss of PIN: If the Cardholder forgets or loses the PIN he shall change the PIN on the mobile application through authentication of OTP received on registered mobile number.

5.5 The Cardholder agrees and acknowledges that he shall be solely responsible for the security of the Card and ensure all steps towards the safekeeping and authorized use of the Card.

5.6 The security of the PIN is very important and breach of any of the above requirements shall amount to unauthorized use of the Card without the Bank being liable for such use.

5.7 The Card should be signed on the reverse of the Card. The signature on the reverse of the Card should only be of the Cardholder intending to use the Card.

5.8 The Cardholder shall be responsible to update the mobile number linked to the Card before surrendering/ deactivation of mobile number linked to the Card. Bank shall not be responsible in case mobile number is issued to a new user who does any fraudulent activity with the Card. In case of loss of mobile, Cardholder shall reach out to the Bank for blocking of the Card to prevent any fraudulent transactions on the Card.

#### **6. Card Validity and Use of Card**

6.1 The Card shall be valid only in India for a period upto 5 (five) years from the date of embossing or such other shorter period as may be notified by the Bank, which shall be marked on the face of the card.

6.2 The Card may be used at any ATM Network, for balance enquiry, mini statement, cash withdrawal, or at a Merchant for Transactions via a Merchant POS or website.

6.3 The Card may be used for Transactions upto the then Available Amount. At any given point of time, the maximum Available Amount in the Card shall not exceed Rs. 2,00,000 (Rupees Two Lakhs only) for Full KYC Cards or Rs.10,000/- (Rupees Ten Thousand only) for Small Cards or such other amount as may be prescribed by the RBI, from time to time. Upon a Transaction utilizing an amount, such amount shall be reduced from the then Available Amount to arrive at a new Available Amount post such Transaction.

6.4 The Card may be issued to the Card Beneficiary either for personal use or corporate use or a combination of both. The Client may choose to prescribe limits for each wallet if the Card has been issued for both personal and corporate usage.

6.5 The Bank shall have the right to set limits pertaining to the usage of the Card based on the risk profiling of the Cardholder.

6.6 The Bank shall also reserve the right whether to allow the Card for cash withdrawal at PoS terminal at its solediscretion.

6.7 The Bank reserves the right to make the Card as inactive if there is no financial transaction in one year time period and report to RBI accordingly. In such case, the Card can be reactivated only after validation and applicable due diligence upon the request of the Cardholder.

## **7. Merchant Location, Point of Sale and website usage**

7.1 The Card can be used for making payment of utility bills and essential services on any e-commerce website(s) which is affiliated with card association(s) of which Bank is a member.

7.2 The Card will be acceptable at all electronic Merchant Establishments in India which display the logo of the brands linked with the card association(s) with whom Bank has a tie up with or such card association(s) of which the Bank is a member.

7.3 The acceptance of the Card at a Merchant Establishment will be at the discretion of the said Merchant Establishment.

7.4 The Card is for electronic use only. Electronic usage is construed as the charge slip/ transaction slip printed electronically from the EDC terminal. Each transaction is deemed authorised and completed once the terminal generates a sales slip. The amount of the transaction is debited immediately from the Card account and the Available Amount gets reduced by the amount of the Transaction.

7.5 The Card will be honoured irrespective it carries the signature of the Cardholder or not but is used along with the PIN (if applicable) at EDC terminals installed at Merchant Establishments.

7.6 The Cardholder should ensure that the Card is swiped only once at the Merchant Establishment for each transaction.

7.7 The sales slip will be printed each time the Card is used and the Cardholder shall ensure that there is no multiple usage of the Card at the Merchant location for the same purchase.

7.8 The Bank will not accept responsibility for any dealings that the Cardholder may have with the Merchant including but not limited to the supply of goods and services. Should the Cardholder have any complaints concerning any Merchant Establishments, the matter should be resolved by the Cardholder with the Merchant Establishment and failure to do so will not relieve the Cardholder from any obligations to the Bank. However, the Cardholder shall notify the Bank immediately.

7.9 The Bank accepts no responsibility for any surcharge levied by a Merchant and debited to the Card account resulting in a reduction in the Available Amount.

7.10 The Cardholder must sign and retain the sales slip whenever the Card is used at a Merchant Establishment. Any sales slip not personally signed by the Cardholder, but which can be proved, as being authorized by the Cardholder, will be the Cardholder's liability.

7.11 Any charge or other payment requisition received from a Merchant by the Bank for payment shall be conclusive proof that the charge recorded on such requisition was properly incurred at the Merchant for the relevant amount and by the Cardholder referred to in that charge or other requisition, as the case may be, by the use of the Card.

7.12 In case a Cardholder wishes to cancel a completed Transaction due to an error or on account of merchandise return, the earlier sales receipt must be cancelled by the Merchant and a copy of the cancelled receipt must be retained by the Cardholder in his possession. The guidelines issued by the relevant card association shall become applicable in this regard. All refunds and adjustments due to any Merchant/device error or communication link must be processed manually and the account will be credited after due verification and in accordance with NPCI/ Card network rules and regulations as applicable. The Cardholder agrees that any debits received during this time will be honoured based only on the Available Amount on the Card without considering this refund. The Cardholder also indemnifies the Bank from such acts of dishonouring the payment instructions as a result of insufficient funds in the Card account or insufficiency of the Available Amount.

7.13 The Card can be used only for INR transactions. FOREX transactions in any form are strictly prohibited.

7.14 The Card should not be used for the payment of subscription to foreign magazines/periodicals and any such usage will be considered as unauthorized and the Cardholder will be solely responsible.

7.15 The Bank shall not be responsible for interception/ misuse of the Card over the internet or any other medium. The Bank shall not be liable if the Card falls into wrong hands / is used fraudulently due to any reason whatsoever.

7.16 The Bank shall not be liable if a transaction on the internet does not materialize / is delayed or is incomplete due to any reason whatsoever.

7.17 The internet, online portals and mobile application is susceptible to fraud, misuse, hacking, phishing and other actions which could affect use of the Card. The Bank shall aim to provide security to prevent the same, but the Bank does not guarantee the Cardholder for such internet, online portals or mobile application frauds, hacking and other actions which could affect the use of the Card and the same shall be borne by the Client/Cardholder. The Cardholder shall separately evolve/evaluate all risks arising out of the same.

7.18 Use of Card at any ATM/EDC/POS/ other devices/websites may entail a service charge and/or transaction fee and/or processing fee being levied on the Card and subsequent reduction of the Available Amount.

7.19 All such charges will be deducted from the Available Amount whether or not prior notice of such charges is given to the Cardholder.

7.20 The Cardholder agrees that the Bank's record of transactions is conclusive and authentic and the Bank is not responsible for any surcharges levied.

## **8. Other Terms**

8.1 The Client Designated Account/ Card shall not be an interest bearing account. No cheques shall be issued against the Card.

8.2 The Card(s) shall also be governed by other terms and conditions that may be issued by the Bank as part of the welcome kit.

8.3 The Client shall be responsible to inform the Bank immediately in case the Authorised Person or any Cardholder has resigned from the Client organisation in order to enable the Bank to block/cancel the Card as well as all the rights on the corporate portal and/or mobile application or a physical request through letter.

8.4 The Client and the Cardholder confirm and agree that all alerts related to Cards and the Transactions thereof will be sent on the mobile number registered in Bank's records for services availed under this Agreement.

8.5 In case the physical card that is dispatched through the Bank's delivery partner could not be delivered to the Cardholder/ representative of cardholder, the Bank's delivery partner sends the Card to the central operations team of the Bank. In such case, if no claim to re-dispatch the Card is received from the Cardholder within 30 days from original card dispatch date, Bank reserves the right to destroy the Card as per the policies of the Bank. The Cardholder shall need to place a new request for card creation and delivery in such case and the standard charges for card issuance is applicable.

## **9. Cardholder's Obligations and Covenants**

The Client shall ensure that the conditions set out in this Clause 9 and terms of issuance and use of the Card are notified to the Cardholder and the Client shall obtain an acknowledgement in writing from the Cardholder/ Card Beneficiary to that effect:

- a) Cardholder shall notify the Bank immediately in case of change of his address.
- b) The Cardholder shall at all times ensure that the Card is kept in a safe place.

- c) The Card is the property of the Bank and must be returned to an authorized person of the Bank on request. The Cardholder shall ensure that the identity of the authorized person of the Bank is established before handing over the Card.
- d) The Cardholder will be liable for all Transactions and for the related charges. An instruction given by means of the Card or on the mobile application shall be final, binding and irrevocable on the Cardholder. The Cardholder shall, in all circumstances, accept full responsibility for the use of the Card and mobile application, whether or not processed with his knowledge or his authority, expressed or implied.
- e) The Cardholder shall hold the Bank indemnified and harmless for its action in good faith and in the normal course of business based on Transactions.
- f) The Bank will not incur any liability either to the Cardholder or any other person for any reason whatsoever including for its delay or inability to carry out a Transaction or an Instruction.
- g) The Cardholder agrees to bring all disputes about a Transaction or entry in the Client Designated Account to the notice of the Bank within (24) twenty four hours from the date of such Transaction or entry, in absence of which all Transactions and entries in the Client Designated Account shall be construed as correct and accepted by the Cardholder.
- h) The Cardholder may use his Card to pay for purchases at retail establishments which have agreed to accept the Card and are equipped with a point of sale terminal that can process transactions of card association(s) with which Bank has a tie up or membership. Upon any purchase via point of sale device or other purchase transaction the amount available on the Card will be reduced by the amount of such purchase.
- i) The Card is governed by the RBI guidelines and is also subject to directions/instructions issued by the regulators from time to time in respect of refund, repayment, usage etc. and the Bank shall not responsible or liable for any violation by the Cardholder of applicable law. All transactions done by using the Card are subject to applicable Indian laws. Cardholder shall not use the Card for any unlawful activity. By purchasing or using this Card, the Cardholder hereby declares that his/her name does not, at anytime, appear in the consolidated list of Terrorist Individuals Organizations as circulated by the RBI from time to time.

## **10. Card Loss**

10.1 If the Card is lost /stolen, the Cardholder must immediately inform the Bank in person or by calling the Bank's customer care centre. Upon receipt of information and verification of Cardholder's identity by the Bank, the Card shall be hotlisted. The Cardholder can also block/suspend the Card through the mobile application.

10.2 The Bank shall not be liable for any loss by the misuse of the Card. In case of an unsigned Card, the Cardholder will be liable for all charges incurred on it.

10.3 A Card will be reissued and sent by the Bank to the Client's address last specified and registered with the Bank.

**10.4** The Cardholder will continue to be liable for all transaction carried out on the Card till the Cardholders reports the loss of his/her Card to the Bank through the above prescribed modes. The Cardholder however, shall continue to be liable for charges, if any, incurred post sending intimation by any other mode apart from prescribed modes as above till the same is actioned by the Bank.

## **11. Card replacement/expiry/refund**

11.1 Replacement of the Card: the Client/ Card Beneficiary shall block the card through mobile application and submit request for replacement of the card. Alternatively he can contact the customer service center and block the Card. The customer service executive will take the request for replacement. A new Card shall be issued to the Client/card beneficiary. The process for issuance of a replacement Card shall be the same as the new Card.

11.2 Impending Expiry of the Card: The Bank shall send SMS intimation to the Cardholder's registered mobile number informing about the impending expiry of the Card, 45 (forty five) days before the card expiry or as prescribed by RBI from time to time. Once the Card has expired and in case there are funds available on the Card, the remaining amount can be claimed by the Client /Cardholder by registering the request at the Bank's customer service centre. Balance available on the Card, if any after deducting applicable fees and charges, shall be refunded in the following manner:

a) For cards issued to Client for corporate use, the remaining amount can be claimed as refund by forwarding to the Bank the following documents: (i) Request letter for such claim of refund by the Client on company letter head, (ii) return of the original Card, (iii) indemnity undertaking, if required by the Bank to be issued by the Client. The refund shall be credited to the Client Designated Account.

b) For cards issued to the Client for personal use by the Cardholder/ Card Beneficiary, Cardholder may directly place claim request

for refund of the remaining amount, if any, with the Bank by forwarding the following documents: (i) request Letter of the Cardholder mentioning Bank Account number with IFSC Code, (ii) return of the original Card, (iii) confirmation from the Client allowing such refund directly to the Cardholder, (iv) indemnity undertaking, if required by the Bank to be issued by the Cardholder.

11.3 In case of refunds towards cancellation of Transactions loaded /reloaded erroneously or through fraudulent means (on establishment of erroneous transfer /fraud), such funds shall be credited back to the same source from where these werereceived.

## 12. Corporate Portal

12.1 The Authorised Person/ Admin as defined in the application form may log in the corporate portal of the Bank (after successfully completing two factor authentication) wherein he can view, manage and analyse the Transactions carried on by the Cardholder.

12.2 The following facilities/features are available on the corporate portal:

- a) View prefund balance, balance in individual Cards, number of Cards issued by the Bank to all the Cardholders.
- b) Request to issue new Cards.
- c) View Transaction history, Card balance, failed transactions.
- d) Assign the balances to card, reduce balances from Card and put them back into the virtual account of the Client.

## 13. Corporate Mobile Application

13.1 Cardholders can log in the mobile application to manage their Cards after a successful two factor authentication.

13.2 The following features/facilities are available on the mobile application:

- a) Virtual card along with Card details.
- b) Option to complete minimum KYC/ Full KYC as required by the Bank and/or Applicable Law.
- c) View balance in the Card.
- d) Request for PIN change/ PIN setup, registering dispute, blocking of Card, replacement request/ physical card request, transaction history. Enable/disable card level controls.

## 14. Fees and Charges

The Bank reserves the right at any time to charge the Cardholder/Client any fees/charges to the Transactions carried on the Card as per Schedule of Fees/Charges intimated to the Client. This fee shall be non-refundable and are exclusive of any taxes, duties, cess or levies imposed by statutory authorities from time to time. The Client hereby irrevocably authorizes the Bank to deduct any such fees/charges, taxes, duties, cess or levies from the Client Designated Account and agrees to indemnify the Bank against any expenses that the Bank may incur in collecting money the Cardholder owes to the Bank in connection with the Card(s) (including without limitation reasonable attorney's fees to the extent permitted by law). Any amount due and payable by the Cardholder, if not paid, shall be recovered by the Bank from the Available Amount or by debiting any of other account of the Client with the Bank.

## 15. Change of Facilities

15.1 The Bank may at its discretion make available the use of the Card(s) at more ATM's, EDC, POS and/ or other devices and websites through shared networks. The Cardholder understands and agrees that such networks may provide different functionality, service offerings and different charges for different services and/or locations.

15.2 The Bank shall in its sole discretion at any time, without notice to the Cardholder, be entitled to withdraw, discontinue, cancel, suspend and/or terminate the facility to use the Card and/or services related to it, at an ATM/ other devices and shall not be liable to the Cardholder for any loss or damage suffered resulting in any way from such suspension or termination.

15.3 Maintenance: While advance notice of maintenance work likely to affect the availability of services, shall be given, the Bank reserves the right to suspend, without any notice, access to ATM/ other similar device or the provision of all or any of the services, at any time, if the Bank deems it necessary to do so, whether for routine maintenance or technical snags/force majeure or for any other reason.

## 16. Disclosure of Information

16.1 The Client and Card Beneficiary irrevocably authorizes the Bank to disclose, as and when the Bank is required to do so in order to comply with the Applicable Laws or when the Bank regards such disclosure as necessary or expedient and on a need to know basis, (including but not limited to disclosures for the purpose of credit review of any Client Designated Account, service/s or credit facilities received by the Client or Card Beneficiary from the Bank whether singly or jointly with others or otherwise),

any information relating to the Client / Card Beneficiary, Client Designated Account or other assets or credit facilities whatsoever held on Applicant/ Cardholder's behalf to:

- i. the head office, affiliates, or any other branches or subsidiaries of the Bank;
- ii. their auditors, professional advisers and any other person(s) under a duty of confidentiality to the Bank;
- iii. any statutory, judicial, quasi judicial authority and/or local body as and when directed/required;
- iv. vendors, installers, maintainers or servicers of the Bank's computer systems;
- v. any exchange, market, or other authority or regulatory body having jurisdiction over the Bank, its head office or any other branch of the Bank or over any transactions effected by the Cardholder;
- vi. any party entitled to make such demand or request;
- vii. any person with whom the Bank contracts or proposes to contract with regard to the sale or transfer or sharing of any of its rights, obligations or risks hereof;
- viii. any person (including any agent, contractor or third party service provider) with whom the Bank contracts or proposes to contract with regard to the provision of services/facilities in respect of the Card;
- ix. any person employed with, or engaged as an agent by, the Bank or its head office or affiliates, including any relationship officers for the purposes of or in connection with interactions with the Cardholder or providing services/facilities to the Cardholder or processing transactions pertaining to the Card; and
- x. to enable the Bank to centralise or outsource its data processing and other administrative operations to the Bank's head office, its affiliates or third parties engaged by the Bank for any such services/operations.

16.2 The Cardholder consents to (i) receiving e-newsletter as well as other communications containing offers etc. and (ii) the Bank providing its information to sponsor/s and/or companies associated with it for the purpose of providing the Cardholder with offers and information (iii) the Cardholder to be treated as a customer of the Bank and be approached for cross-selling various products/services that may be introduced by the Bank from time to time.

## **17. Bank's Rights**

17.1 The Bank shall have discretion not to carry out a Transaction where it has reason to believe that the use of the Card is not authorized or the Transaction appears not genuine or unclear or such as to raise a doubt or it cannot be put into effect for whatsoever reasons.

17.2 The Bank may at its discretion, videotape or record on camera the Cardholder's access at ATM and rely on footage of such clippings as evidence in any proceedings.

17.3 Should any instruction given by the Cardholder be capable of being executed by the Bank in more ways than one, the Bank may execute the said instruction in any one of the said ways, at its sole discretion.

## **18. Cardholder Dispute with Merchants**

18.1 Any dispute with or complaint against any Merchant Establishment must be directly resolved by the Cardholder with the Merchant Establishment. In case of such a dispute a charge/ sales slip with the signature of the Cardholder together with the card number noted on it shall be conclusive evidence as between the Cardholder and the Merchant Establishment. The Bank shall not in any manner be responsible for any disputes regarding goods and services received by the Cardholder including the quality, value warranty, delay of delivery, non-delivery, non-receipt of any goods or services. It must be clearly understood that the Card is only a facility to the Cardholder to avail facilities and the Bank holds out no warranty or makes no representation about quality, quantity, value, delivery or otherwise, howsoever regarding goods or services, and any such disputes should be resolved by the Cardholder with the Merchant Establishment directly.

## **19. Exclusion From Liability**

19.1 Without prejudice to the foregoing, the Bank shall be under no liability whatsoever to the Client/Cardholder in respect of any loss or damage arising directly or indirectly out of:

- (i) Any defect in goods or services supplied;
- (ii) The refusal of any person to honour or accept the Card;

- (iii) The exercise by the Bank of its right to demand and procure the surrender of the Card prior to the expiry date exposed on its face whether such demand and surrender made and/or procured by the Bank or any person or computer terminal;
- (iv) The exercise by the Bank of its right to terminate any Card;
- (v) Any injury to the credit character and/or reputation of the Cardholder alleged to have been caused by the re-possession of the Card and/or any request for its return or the refusal of any Merchant Establishment to honour or accept the Card;
- (vi) Any mis-statement, mis-representation, error or omission in any details disclosed to the Bank.
- (vii) Decline of transaction due to any reason at a Merchant location /ATM.

19.2 The Bank accepts no responsibility and will not be liable for any loss or damage for any service failures or disruptions (including but not limited to loss of data) attributable to a system or equipment failure or due to reliance by the Bank on third party, products or interdependencies including but not limited to electricity or telecommunication.

19.3 The Bank accepts no liability or responsibility for the consequences arising out of the interruption of its business by Acts of God, riots, civil commotions, insurrections wars or any other causes beyond its control, or by any strikes or lockouts.

19.4 If an ATM or similar device malfunctions, resulting in loss to the Cardholder of some or all amount of a Transaction, and such a loss is confirmed by the Bank through a verification of the Bank's records, the Bank will correct that loss by making any adjustments to the Card including any adjustments for service charges, if any through chargeback & TAT for resolution as per the process defined by network.

19.5 The Bank shall not be responsible for any loss or damage caused to the Client/Cardholder by reason of any failure to comply with the Cardholder's instructions, when such failure is caused due to reason beyond the control of the Bank, the opinion of the Bank being final in this regard.

19.6 By applying for and availing the Card facility, the Client/Cardholder grants express authority to the Bank for carrying out the Transactions performed by use of the Card. The Bank shall have no obligation to verify the authenticity of a transaction made other than by means of the PIN.

19.7 The Bank shall under no circumstances be liable for any claims for losses or damages whatsoever whether direct, indirect, incidental, consequential and irrespective of whether any claim is based on loss of revenue, investment, production, goodwill, profit, interruption of business or any other loss of any character or nature whatsoever and whether sustained by the Cardholder/Client or any other person.

19.8 The Bank shall not be liable for non-availability of the funds credited to the Card due to restrictions on convertibility or transferability, requisitions, involuntary transfers, acts of war or civil strife or other similar causes beyond the Bank's control, in which circumstance no other branch, subsidiary or affiliate of the Bank shall be responsible thereof.

19.9 The Bank will not be liable to the Client/Cardholder in respect of any loss or damage arising directly or indirectly out of (a) any unauthorized use of Cardholder's mobile phone number, (b) loss of any information / instructions / alerts in transmission, (d) unauthorized access to the Card by any third party.

19.10 The Client and the Cardholder acknowledge and undertake that they are accessing the services on the corporate portal and the mobile application and transacting on the same at their own risks and liabilities (which shall be borne by the Client and the Cardholder). The Bank expressly disclaims any warranties or representations in respect of quality, suitability, accuracy, reliability, completeness, timeliness, performance, safety etc. of the corporate portal and mobile application.

19.11 The Bank shall not be concerned with any dispute that may arise between the Cardholder and the cellular service providers and makes no representation or gives no warranty with respect to the quality of the service provided by the cellular service providers or guarantee for timely delivery or accuracy of the contents of each alert viz. a text message sent by the Bank to a Cardholder through a cellular service provider regarding a Card Transaction.

**19.12** The Cardholder accepts that all alerts will be transmitted to / or stored at various locations and be accessed by personnel of the Bank (and its affiliates / agents/ outsourced vendors). The Bank is authorized to provide any information or details relating to the Cardholder or his Card to the cellular service providers or any service providers so far as is necessary to give effect to the alert.

19.13 With respect to providing Instructions for the purpose of this Agreement, the Client understands that electronic means of communication may not be sufficiently encrypted and/ or may not be a secure means of transmission. The Client agrees and acknowledges that communication through electronic means is subject to interference or modification by result of unauthorized access by third parties and/ or loss or modification of communication due to errors in transmission. The Client agrees and acknowledges that the Bank shall be entitled to rely upon any Instruction duly received, and to act upon the same without being required or expected to carry out an independent verification as to the authenticity, validity or correctness of such Instruction. The Client agrees to exempt the Bank from any and all responsibility/ liability relating to any unauthorized misuse of any data transmitted through electronic means including Instructions, and agrees not to hold the Bank responsible for any such misuse, and further agrees to indemnify the Bank and to keep the Bank indemnified, saved and held harmless, from time to time and at all times from and against any and all claims, losses, damages, costs, liabilities, charges, actions, suits, demands, penalties and expenses or other consequences incurred, suffered or paid by the Bank or required to be incurred, suffered or paid by the Bank and also against all demands, actions, suits, proceedings made, filed instituted against the Bank, pursuant to, in connection with or arising out of or in relation to the Bank acting pursuant to, in accordance with or relying upon any such Instructions, communication, or any errors, delays or problems in transmission or unauthorized/ illegal interception, alteration, manipulation of electronic data or otherwise caused by using electronic means as a means of transmission.

## **20. CANCELLATION OF CARD**

20.1 In the event the Client decides to cancel the Card, the Client shall give the Bank not less than 7 (seven) days prior notice in writing and forthwith return the Card to the Bank after cutting the card into 4 pieces and obtain a valid receipt thereof. In addition to such cancellation request, the Client shall provide a deed of indemnity in the format as prescribed by the Bank. Within 7 (seven) days of receipt of such cancellation request, the Bank shall communicate the cancellation of the Card and this Agreement in relation that Card. The cancellation of the Card shall be effective from the date of such communication by the Bank.

20.2 In the event charges are incurred on the Card after the Cardholder claims to have destroyed the Card, the Cardholder shall be entirely liable for the charges incurred on the Card whether or not the same are result of misuse and whether or not the Bank has been intimated of the destruction of the Card.

20.3 The Bank shall be entitled to discontinue any Card at any time by cancelling the Card with or without assigning any reason whatsoever and by giving 7 (seven) days notice which shall be deemed to have been received by the Cardholder within 7 (seven) days of posting to the Client's address in India, last notified in writing to the Bank.

20.4 Refunds of remaining amount on cancelled Cards, if any, shall be processed in accordance with Clause 11.2.

## **21. EMAIL STATEMENT**

21.1 The Client shall receive reports/ statements pertaining to the Cards by way of e-mails at mutually agreed intervals.

21.2 The Bank shall not be responsible if the Client does not receive Card reports due to incorrect e-mail address or for any other technical reason whatsoever.

## **22. INDEMNITY**

The Client agrees to and shall indemnify and hold the Bank and each of the employees, agents, consultants, contractors, content providers or representatives of the Bank harmless against all actions, claims, liabilities, demands, proceedings, losses, damages, costs, charges and expenses including reasonable attorney's fees and court / adjudicating body costs whatsoever, which the Bank may at any time incur, sustain, suffer or be put to as a consequence of or by reason of or arising out of:

- a) breach of the Client's /Card Beneficiary's representations and warranties;
- b) the improper use of the Card by the Client /Card Beneficiary or any other person with/without the consent of the Client /Card Beneficiary; or
- c) the breach by Client /Card Beneficiary or any other person with/without the consent of the Client of any of the provisions of these terms or any other agreement with the Bank by the Applicant; or,
- d) fraud or dishonesty relating to any transaction by the Client /Card Beneficiary or his employees/agents;
- e) by reason of the Bank in good faith taking or refusing to take or omitting to take action on any instruction given by the Client /Card Beneficiary due to acts or omissions of the Client /Card Beneficiary, including but not limiting to : (a) Failure to intimate/inform the Bank when he/it suspects or knows that his/its passwords are known to third parties or when third parties use his/its passwords for carrying out unauthorized or illegal transactions; (b) Failure to keep confidential and secure the PIN from

third parties; (c) Failure to inform the Bank regarding any changes in his/its personal information; (d) Failure to comply with the law; (e) Failure to comply with the usage guidelines issued by the Bank in respect of the Card as may be applicable at the relevant time; (f) Failure to comply with these terms and any agreement between the Bank and the Client /Card Beneficiary.

## Annexure Q

### TERMS AND CONDITIONS GOVERNING DIVIDEND ACCOUNT

#### 1. Services to be rendered by the Bank:

At the specific request of the Client, the Bank has agreed to open the Dividend Account and make payouts thereto on Client's Instruction for the payment of dividend in such amount and in favour of such Beneficiaries, as the Client may direct the Bank from time to time in such form and transmitted through such media as agreed to by the Bank, provided that:

- i. Sufficient free and clear available funds exist in the relevant Dividend Account(s); and
- ii. The necessary authorization is received from the Client to debit the Dividend Account(s), or upon the receipt of the requisite funds from the Client, for the payment of the dividend amount.

#### 2. Additional Definitions

In addition to the definitions set out in these Terms, the following terms shall, unless the context requires otherwise, have the meanings as set out herein below:

- a. **"Dividend Account"** shall mean the account opened by the Client in terms of Section 123 of the Companies Act, 2013 as amended from time to time.
- b. **"Electronic Means"** shall mean the electronic modes of payments like NEFT/RTGS/IFT/NACH used by the Client to make payments to the Beneficiaries.
- c. **"Instrument"** shall collectively mean Physical Instrument and Electronic Means.
- d. **"Master File"** shall mean a file containing detailed list of Beneficiaries entitled for dividend distribution by whatever name called.
- e. **"MICR"** means Magnetic Ink Character Recognition
- f. **"Physical Instrument"** shall mean dividend warrants/cheques/Demand drafts used for making payments to the Beneficiaries.
- g. **"Registrar"** means the registrar appointed by the Client.
- h. **"SEBI Circular"** means circular no SEBI/HO/MIRSD/DOP1/CIR.P/2018/73 dated April 20, 2018 issued by SEBI as amended from time to time and any other circulars that may be issued in this regard from time to time.
- i. **"SEBI"** means the Securities and Exchange Board of India

#### 3. Obligations of the Client

- a. The Registrar/Client shall provide a list ("Master List") in a prescribed format at least 5 (five) Business Days prior to the date on which Physical Instruments have to be issued or transfer through Electronic Means has to be made, to the Bank comprising of the following details:
  - i. Company name, Folio No., DPID/Client ID, name of the first securities holder, dividend payment date, dividend amount, Beneficiary details, Beneficiary bank name, Beneficiary bank account details, Beneficiary bank branch details, MICR number, dividend warrant number, details of payment to be made through Electronic Means.
  - ii. Physical Instruments printed by the Registrar
  - iii. Physical Instruments reissued by the Registrar
  - iv. Control sheet giving a summary of type of transactions and amount signed by Authorized Person.
- b. The Client or the Registrar, as the case may be will submit a letter signed by the Authorized Person certifying that the Master List of the Beneficiaries and amounts is correct and that no Instruments have been issued which are not included in the Master List.
- c. The Master File shall be shared by the Client with the Bank through a secured process/procedure as per secured mechanism prescribed by the Bank. The Bank shall maintain a copy of a data file containing details for each dividend paid.

- d. The Client shall provide the Bank with the total amount necessary for the disbursements as per the Master File before the date of the issuance of Physical Instruments and/or date on which payment through Electronic Modes is required to be made, failing which the Bank shall have the right to dishonor/cancel payments of all the Instruments.
- e. The Client shall ensure that any Physical Instrument lying unpaid beyond the validity period of such Physical Instrument shall be cancelled and the Physical Instrument amount be credited back to the Dividend Account. The Bank shall provide the unpaid Physical Instrument details when reconciliation data is shared with the Client / Registrar.
- f. Revalidation/Re-issue requests to the Bank by the Client/Registrar should contain at least Name of the Company, DPID/Client ID/Folio No. (as applicable), Original Instrument Number/unique transaction reference number, MICR No., Security holder's name, Beneficiary's name, Beneficiary's bank account number, Beneficiary bank name, reason for revalidation etc. The Bank shall, on receipt of any query/request with respect to any Instrument from the Client/Registrar, provide necessary details of the Instrument available with the Bank to the Client/Registrar.
- g. The Client acknowledges that the Bank may without any liability to the Client, stop payment on any of the Physical Instrument if it appears to the Bank that an Instrument has been materially altered, has been forged or is counterfeit, has been stolen, or where there is in force a court order restraining payment of the Instrument or if the Bank is of the view that any Instruments sent appear or are suspicious of being fraudulent.
- h. The Bank reserves the right to return any Physical Instruments unpaid if:
  - i. they are not mentioned in the Master List supplied by the Client/Registrar.
  - ii. the over printing on the Instruments is done by typing instead of computerized printing.
- i. In case of stop payment /cancellation of a Physical Instrument due to Bank mandate change/loss of the Physical Instrument or other unavoidable circumstances, the Client / Registrar will submit a letter to the Bank signed by their Authorized Person for stop payment/cancellation giving all the details of the Instruments. The Bank will confirm the stop payment marked in the Bank's system. The Bank shall not be liable or responsible for clearing of Physical Instruments, or any consequences thereof, for which stop payment instructions have been received by the Bank, if such instruction are not in writing and / or have not been signed by the Authorized Person and /or are received on or after the date when the Physical Instruments were received in clearing. The Client agrees that a stop payment instruction once accepted cannot be revoked.
- j. In case the cancelled Physical Instrument is reissued by the Client/Registrar, the Registrar/Client shall inform the details of the reissued Physical instrument in pre-described format to the Bank, failing which the Bank is not responsible to honor the Physical Instrument. A cancelled Physical Instrument can be issued only after the initial expiry of the original Physical Instrument. The Client will verify the latest unpaid list before re-issuing any Physical Instruments. The Client shall be liable for the amount of the reissued Physical Instruments, and any attendant charges / costs and other charges thereon.
- k. The Bank shall provide reconciliation of the paid and unpaid details (including bank Transaction Reference Number, Beneficiary name etc.) of the Dividend paid fortnightly during the initial validity of the Instrument and after the expiry of validity period of the Instrument on a quarterly basis only for the Dividend Account where there has been any inflow or outflow of funds in that particular quarter. Further, the Bank shall provide reconciliation data to the Client on receipt of written request from the Client. Dividend reconciliation data shall contain:
  - i. Details of all DDs/new Instruments issued/ electronic Instructions sent in lieu of original dividend payment.
  - ii. Details of old as well as new dividend Instruments shall be provided.
  - iii. Status of all the payouts done through the Dividend Account designated for dividend payouts.

Such reconciliation data shall only be provided till all the funds from the Dividend Account are transferred to Investor Education and Protection Fund (hereinafter referred to as IEPF).

For the payments made through Electronic Modes, the Bank shall send an intimation to the Client if such transfer is returned or rejected for any reason whatsoever.

Registrar/Client shall also do the reconciliation at their end and inform the Bank in case of any discrepancies within 2 (two) Business Days from the day the Bank provides reconciliation statement to the Client.

- l. If the amounts lying in the Dividend Account have remained unclaimed and unpaid for a period of seven years from the date they became due for payment then the Client shall issue Instructions to the Bank to transfer such monies in the IEPF. However, it is clarified that if no such Instructions are received from the Client after the period of seven year then the Bank may transfer the money to RBI – Depositor Education and Awareness Fund (“RBI – DEAF”) account as and when it is required by the regulation to do so.
- m. The Bank, the Client and the Registrar shall ensure compliance with the SEBI circular at all times.
- n. The Client agrees and acknowledges that when any Instruction or Master File is received by the Bank in the mode and manner as agreed between the Client and the Bank, such Instruction or Master File shall be deemed to have been given by an Authorized Person and the Bank is hereby authorized to rely on the same without any further inquiries, and the Client agrees that such Instructions or Master File shall be final and binding upon the Client.
- o. The Client agrees to be bound by all the terms and conditions relating to each Electronic Mode as may be specified in these Terms.
- p. The Client shall:
  - i. comply with the Prevention of Money Laundering Act (“PMLA”), applicable guidelines and shall ensure no PMLA activities take place through the Dividend Account.
  - ii. follow the standard process of the Bank for all foreign currency remittances and Instruments.
  - iii. provide scan of the Instruments returned to the Client as and when required to be produced in any Courts / Tribunals / Revenue Authorities / Governmental Departments etc. by the Bank.
  - iv. comply with all the applicable guidelines / instructions/circulars issued / that may be issued by RBI/SEBI/FEMA or any other Regulatory Authority which is in force or issued from time to time.
  - v. immediately inform the changes, if any, in the specimen facsimile signatures of Authorised Persons due to the change of the officials or otherwise and also furnish the alternate specimen or facsimile of Authorised Person to the Bank.
  - vi. be responsible for any errors / omissions / fraud on the part of the agencies deployed by the Client.
  - vii. follow the operational process that may be envisaged under the extant regulations/circulars/guidelines issued by RBI, NPCI or other intermediaries and as customized by the Bank, for conducting the transactions pertaining to the services, as contemplated under this Agreement
- q. The Client shall not:
  - i. insist/call/request for return of the paid Physical Instruments for reimbursement of the amount paid. The reimbursement will be made on the basis of the claim made by the Bank based on the statement / schedule submitted by the Client and against the declaration of actual payments made by the Bank. Such declarations / statements / schedules should have the details of such Instruments.
  - ii. utilise the funds from the Dividend Account for any other purpose other than the specific purpose for which the Dividend Account is opened initially.
- r. In case the Physical Instruments issued by the Client and paid by the paying centers of the Bank are lost in transit before debiting to Dividend Account, then in such a case the Client hereby authorises the Bank to debit the Dividend Account with the amount of such lost Instruments. The reconciled statement of accounts sent by the Bank to the Client, after debit of the amount of the lost Instruments shall be acceptable to the Client.
- s. The Client understands that in respect of providing any services where a payment system provider is involved (like NPCI), the Bank is required to enter into various agreements with system providers in respect of the services offered by them and thereunder have to assume various obligations upon itself for making those services available to the Client. By utilizing the availed services the Client unconditionally and irrevocably accepts the terms of the agreements executed between the Bank and such system providers and assumes the obligations of the Bank cast thereunder unto itself, in relation to its transactions. Apart from the above the Client also irrevocably and unconditionally undertakes and agrees to comply with the regulations/orders/circulars that may be issued by any Governmental Authorities and/or any system providers from time to time as if they are incorporated mutatis mutandis in this terms without any further act or deed.
- t. The Client agrees that all modifications and changes in the procedures or transaction handling process issued by the Bank pursuant to the changes brought in by the system providers, in respect of any availed service will supersede all

communications in relation thereto executed by and between the Client and the Bank and the Client agrees that such changes will automatically be applicable to them without any documentation or consent from the Client.

- u. The Client shall ensure that the Physical Instruments are printed by them/the Registrar as per CTS-2010 standards specifications issued by the RBI in terms of its circular no. DPSS.CO.CHD.No.1832/04.07.05/2009-10 dated February 22, 2010 on the Standardization and Enhancement of Security Features in Cheque Forms and approval, obtained from RBI before dispatch of Instruments to ensure that the printing is done as per approved technology. In case any defect is found in the Instruments and there are rejections while processing at the clearing centre, the penalty / damages payable on such rejections will be borne by the Client. The Bank will not be responsible for dishonouring any Instruments, if they are not in accordance with the said CTS-2010 standards.
- v. After expiry of thirty-seven (37) days from the date of declaration of Interim Dividend, the Dividend Account of the Client maintained with the Bank for the purpose of payment of Interim Dividend, shall be converted in to unpaid dividend account (on the request/instruction of the Client) which shall be maintained by the Client with the Bank as per laws applicable in this regard. The suffix of unpaid dividend account would be added to the account name.

#### 4. Indemnity

- a. In consideration of the Bank agreeing to act as banker to the Client for the disbursements, the Client hereby indemnifies and hold harmless and indemnified the Bank at all times hereafter from and against all proceedings, liabilities, losses, actions, claims, damages, costs, charges and expenses (including legal fees) whatsoever which the Bank may sustain, incur or suffer or be put to or become liable by reason of or as a consequence or on account of:
  - i. Fraudulent alteration on the face of the Physical Instrument of any kind or fraudulent encashment. If the Physical Instrument is subsequently honoured by the Bank then the liability for the fraud (the principal as well as attendant costs and charges) will lie solely with the Client.
  - ii. misuse / mishandling of warrants/ cheques and use of facsimile signature by the Client or any other party
  - iii. honoring of Instruments presented to the Bank which are not in conformity with, or appearing in the Master List provided by the Client to the Bank;

## Annexure R

### TERMS AND CONDITIONS GOVERNING TAX PAYMENT SERVICES

At the specific request of the Client, the Bank has agreed to provide the Tax Payment (as hereinafter defined) to the Client on the terms and conditions contained in these Terms and this Annexure R.

#### **1. Services to be rendered by the Bank:**

At the specific request of the Client, the Bank has agreed to provide the Services pertaining to tax payment services to Customers of Client under which Bank will make tax related payments to Governmental Authorities on the instructions of Client.

#### **2. Transaction Procedure:**

a) Client would share data to Bank either directly or through any of the banks / platforms having tie up with the Bank for making tax payments to various Governmental Authorities.

b) In case the Client pays the tax online using Net Banking Facility of the Bank, then Authorised Persons of Client should access Net Banking Facility of the Bank using the allotted CRNs and passwords and upload the necessary files/transactions for making payments. All instructions issued by the Client computer systems either through host to host or API shall be deemed to have been issued by the Client's authorised signatories.

c) The Authorised Persons of the Client would upload the files/transactions on Net Banking Facility or through host to host services or through any platform integrated with the Bank through API to enable the Bank to make necessary tax payments. Client shall ensure that sufficient funds are available in the Current Account to make payments. The Bank may refuse to process such transactions at its sole discretion in case of insufficiency of funds in the Current Account.

d) Any instructions for processing of tax payments / bulk payments if received before the end of business hours or 05:30 PM on any Business Day, whichever is earlier, will be processed on the same day subject to the system risks at both government end and corollary / corresponding issues arising at our systems end, power issues, internet issues and other internet payment systemic issues including force majeure events. Any accommodation on the cut-off time would be on the basis of client request and shall be processed by the Bank on a best-effort basis. All the transactions either received from the Client relating to the tax payments and other bulk payments will be processed by the Bank on no loss no liability basis with clear understanding that while Bank may try to process the transaction on best effort basis the transactions may or may not go through with the same value date.

e) On the basis of such instructions from the Authorised Persons of Client, the Bank will debit the Current Account and park the same in the pool account before transferring to RBI or the concerned Governmental Authority.

f) On receipt of challan from RBI/ governmental authority, the Bank will share the challan with the Client through host to host or platforms having integration with the Bank for such tax payment or any other mutually agreed means.

#### **3. Other terms and conditions:**

a) The Bank will take reasonably practicable steps to ensure that systems used by it for providing Services (including Net Banking Facility services) contain adequate security safeguards; control and manage the risks in operating such systems, taking into account any applicable law, rules, regulations, guidelines, circulars, codes of conduct and prevailing market practices. The said Services are being provided on a "No Warranty or Risk basis" and neither party shall be liable to the other party for any delay or failure in performing their respective obligations under these terms. By availing of the Services, the Client, will be deemed to have agreed to and accepted the terms & conditions as set out in these terms and is aware of the risks, responsibilities and liabilities and has after due consideration availed the same. The Client represents and warrants that they have a complete working knowledge of computers/electronic machinery, e-mail and the internet, which will enable the Client to avail the Services through the Net Banking Facility or host to host services or any platform for payment of taxes.

b) Any transaction for transfer of funds as per the instructions of the Authorised Persons may not materialize or get completed for any reason whatsoever and for such non materialization and / or non completion of the transaction Bank shall in no way be responsible. Client understands that the Bank is only providing Services of transfer of funds pursuant to Client's instructions.

c) Client must take all reasonably practicable measures to ensure that Client's system or any computer or other equipment or device from which the Client accesses the Net Banking Facility is free of any computer virus or similar software/device including, without limitation, devices commonly known as software bombs, Trojan horses and worms ('Viruses') and is

adequately maintained and secured in every way. Though the Bank will take steps to prevent introduction of virus and other such destructive materials on the Bank's Website/Net Banking Facility, it does not represent, warrant or guarantee that the Bank's Website or the content downloaded from the Bank's Website or linked Websites do not contain such virus or destructive materials. The Bank shall not be liable for any damage or harm attributable to such virus or destructive materials. The Bank does not warrant that the Bank's Website or functions thereof will be uninterrupted or free of any error or defect.

d) The Bank will not be liable for any loss or damage, whether direct, indirect, consequential, remote or special, that may be suffered by the Client as a result of making / not making the Net Banking Facility service available to the Client. Following are the illustrative list (but not exhaustive) of circumstances in which the Bank shall NOT be liable to the Client: When such loss or damage arises out of Force Majeure or technical snags; any incompatibility between Client's system and the Bank's system; any misuse of Client's system by the Client or anyone else; use by any third party of Client's Password / PIN; loss / distortion / corruption of data during transmission or otherwise; any loss / delay due to circumstances beyond Bank's control, unavailability of Net Banking Facility Services during the Business Hours.

e) Net Banking Facility is permitted only after authentication of the Authorised Persons by means of Password / PIN / User ID or other identifiers of the Client as issued by the Bank. The Client hereby grants express authority to the Bank for carrying out any transaction received by the Bank through Net Banking Facility (using his Password / PIN / User ID), post authentication and the same will be deemed to have emanated from the Client. The Bank shall have no obligation to verify the authenticity of any transaction received through Electronic means / Net Banking Facility or purporting to have been sent by the Authorised Persons other than by means of verification of the Password / PIN / User ID. The Bank will not be liable for acting in good faith on such instructions.

f) If the Bank believes that an instruction over Net Banking Facility may not have been properly authorized by Authorised Persons, the Bank may after making reasonable efforts to check whether it was properly authorized, refuse to carry out such instruction or to take steps to reverse any action taken on the basis of that instruction. The Bank may at its sole discretion decide not to carry out any instruction/s through Net Banking Facility where the Bank has reason to believe that the instruction/s are not genuine or otherwise improper or unclear or raise a doubt. Bank will not be responsible for any loss to Client / third party that results from such refusal to carry out instructions or reversal.

g) The Client acknowledges and unconditionally accepts and agrees that in no way shall the Bank be / held responsible if the Client incurs a loss as a result of misuse / unauthorized use of the Services through Net Banking Facility and / or Passwords / PIN or as a result of information being disclosed by the Bank regarding his Current Account/s to any person or carrying out the transaction or instruction received through Net Banking Facility by use of Passwords / PIN. If the Client fails to observe the security and confidentiality requirements, then it may incur liability for unauthorized use. The Bank does not assume any responsibility on this behalf under any circumstances.

h) The Client agrees and acknowledges that they shall be solely responsible for maintaining secrecy of his Current Account and Net Banking Facility details and Passwords / PIN. To ensure that the Client alone is able to access and give instructions through Net Banking Facility, they must at all times comply with the following security procedures: (i) The Client shall change his Password / PIN regularly or if so required by the Bank; (ii) not choose a Password / PIN, which he has used before or which is likely to be guessed by anyone; (iii) to safeguard his Passwords / PIN at all times and not to disclose any details of his Password / PIN to anyone else; (iv) not record Passwords / PIN in a way whereby it will be legible or accessible to any third party; (v) preferably memorize Passwords / PIN and then destroy any record of it; (vi) not allow anyone to operate the Services through Net Banking Facility on his behalf; (vii) not leave any system unattended while he is logged on to the Net Banking Facility and each time he goes away from such system to log-out from Net Banking Facility; (viii) not access Net Banking Facility from any equipment or device connected to a local area network (or LAN), such as an office environment, without first ensuring that no one else is able to observe or copy his Passwords / PIN. The Client shall indemnify the Bank if any loss suffered by the Bank due to failure to comply with the above security procedures.

i) The Client shall at its cost, procure, maintain and update / upgrade all such software and computer and communication systems, as applicable, from time to time, to avail and use the Services through electronic means / Net Banking Facility which are compatible with the Bank's system. The Bank shall be at liberty to change, vary or upgrade its software, hardware, operating systems, etc., from time to time and shall be under no obligation to support the software, hardware, operating systems of the Client and that the same shall be the sole responsibility of the Client.

j) Time of processing of transactions through the electronic means / Net Banking Facility may vary depending on whether they are processed manually or electronically and or whether they can be updated immediately or whether they are processed after the close of Business Hours. For stop payment instructions and other urgent / important request, the Client should follow up with the Bank and ensure that the same are physically recorded / carried out by the Bank.

k) Once the Client has given an instruction through electronic means / Net Banking Facility, the Client will not be able to

reverse it. The Bank is under no obligation to reverse an instruction which the Client has given or to accept an instruction that is conditional or reversible or which requires the Bank to pay a third party sooner than it would have been able to pay following normal banking practices. The Bank may at its discretion try to reverse entry to the extent that this is possible under the rules and practices of the banking system at a cost to the Client.

l) The Client may apply such technology as it deems fit to ensure the security of and prevent unauthorized access to the Services through Net Banking Facility. The Bank shall endeavour to use the best technology but the Client understands that due to the nature of technology, it may not be possible to keep the system fool proof and tamperproof at all times.

m) Only the Bank's own record of transactions maintained through computer systems or otherwise shall be accepted by the Bank as conclusive and shall be binding on the Bank and the Client for all purposes and hereby recognizes, undertakes and agrees to accept such record of the Bank without demur or protest. Due to inherent features of Net Banking Facility, the Client may be able to take out a print of the transaction attempted to be effected by the Client over Net Banking Facility. However, only the record maintained by Kotak Bank shall prevail. The Client unconditionally acknowledges and agrees not to contest any transaction carried out or not carried out by the Bank upon requesting for the same over Net Banking Facility.

n) The Bank shall also be entitled to freeze operations in the Current Account with or without notice, if the Bank suspects any fraud / mischief / impersonification etc., for such period as it may be deemed fit until it has received full clarification sought from the Client and / or until it is convinced that operations in the Current Account can be re-permitted. The Client shall provide all clarifications if any sought by the Bank and the Bank shall not be held responsible or liable for any losses, expenses, cost etc. suffered or incurred by the customer by reason of freezing of the Current Account. The Bank pursuant to any notice received from any statutory authority including Income Tax / PF / Excise etc. is entitled to mark a freeze in the account / remit the amount standing to the credit of the account(s) whether jointly or singly as the case may be to the concerned authority without any notice to the Client.

o) The Client shall not attempt to transfer funds without sufficient funds in the Current Account or without a pre-existing arrangement with the Bank for the grant of an overdraft. The Bank may, at its discretion, carry out the instructions notwithstanding inadequacy of funds / credit facility without prior approval from or notice to the Client and the Client shall repay with interest the resulting overdraft / advance / credit and all related charges and interest on the excess amount, at such rates as the Bank may levy. The Bank shall not be liable for any omission to make all or any of the payments or for late payments due to any reason whatsoever.

p) Without prejudice to the above, the Bank shall not be liable to the Client or any third party for any loss or damage suffered due to the following reasons: Any action carried on by the Bank in good faith, based upon the instructions of the Client, by exercising due diligence, or taking reasonable care; Any unauthorized, unlawful and illegal transactions occurring through the use of Current Account(s) and / or Service(s), which can be attributed to the fraudulent or negligent conduct of the Client and / or any third party; Intrusion or hacking into the computer systems / network or communication network of the Bank; Failure to carry out any instructions of Client due to insufficiency of balance in the Current Account(s); Failure of the Client to access the Current Account or avail of any Services due to any Force Majeure Event or any technical snags or any other reason beyond the control of the Bank; Failure of Client to inform the Bank when the Current Account is being illegally used or Services illegally availed of by third parties; Failure of Client to keep confidential and secure, any Passwords, or other identification marks or any Card or token given to Authorised Persons for operating the Current Account or availing of any Services; Failure to provide or provision of inaccurate, incorrect information by the Client whether personal or in respect of Current Account or Service; Any stop payment instructions or such instruction of the Bank being / not being carried out or any delay thereof; violation of any Indian law or foreign law; or breach of any of the terms by the Client.

q) The Bank does not hold out any warranty and makes no representation about the quality of any of the Services not fully and entirely controlled by the Bank. The Bank expressly disclaims all warranties of any kind, whether express or implied or statutory, including, but not limited to the implied warranties of merchantability, fitness for a particular purpose. The Bank shall endeavour to execute its duties under these terms in accordance with Applicable Law; but other than for fraud and gross negligence the Bank shall not be held responsible for any non- response or delay in responding due to any reason whatsoever, including due to failure of operational systems or any requirement of Applicable Law.

r) The Client agrees that whenever any change is proposed by the tax authorities or procedures for remittance or payment of amounts in a particular method or process, the Client shall at its cost, risk and responsibility comply with the instructions, modification and procedures (including change in the transaction handling processes) as may be issued by the Bank for providing those services. The Parties agree that all modifications and changes in the procedures or transaction handling process issued by the Bank pursuant to the changes brought in by the tax authorities / Governmental Authorities, in respect of any service will supersede all communications in relation thereto executed by and between the Parties and the Client

agrees that it will if required, execute the necessary schedule/s in relation to changes brought in by the tax authorities / Governmental Authorities.

s) In addition to the general indemnities mentioned in the Clause 10 (Indemnification) and the terms, the Client agrees and acknowledges that the Bank shall not be liable and shall in no way be held responsible for any damages whatsoever, whether such damages are direct, indirect, incidental or consequential and irrespective of whether any claim is based on loss of revenue, interruption of business, information provided or disclosed by the Bank or any loss of any character or nature whatsoever, and whether sustained by the Client or by any other person.