

MEMORANDUM OF AGREEMENT FOR THE SUPPLY OF MOBILE POINT OF SALE TERMINALS

Entered into by and between

**ZB BANK LIMITED
(Hereinafter referred to as “ZB Bank”)**

And

(Hereinafter referred to as “the Merchant”)

Preamble

Whereas ZB Bank has a facility for Electronic Funds Transfer at Point of Sale hereafter referred to as ‘ZB Bank’s ‘Paypoint’ system.

And whereas ZB Bank wishes the Merchant to use the ‘Paypoint’ system in consideration of ZB Bank paying the Merchant an amount (less commission thereon as herein recorded) of all sales processed by means of the use of its cards through its system of electronic funds transfer at point of sale in accordance with the terms and conditions set out herein.

And whereas the parties have agreed that the Merchant can use the Paypoint System for its business.

And whereas the parties have decided to reduce the agreement to writing.

Definitions

- Terminal validation

Terminal validation of a card or mobile wallet for any sale is signified to the Merchant by the indication of a POS receipt or sms notification from the terminal with reason code ‘APPROVED’.

- Online

Online shall for the purposes of this agreement mean that a direct electronic link is established between the terminal installed at the Merchant’s pay point and ZB Bank’s

computer system so as to allow the transmission of the electronic data and signals necessary for effecting the transaction.

- Online authority

Online authority shall mean that an electronically promoted, coded authorization signal from ZB Bank's computer system is received at the terminal to indicate to the Merchant that the sale transaction is authorized.

NOW THEREFORE IT IS AGREED AS FOLLOWS:-

1. COMPLIANCE BY THE MERCHANT

- 1.1 Prior to the Commencement Date, the Merchant shall have a "Bank Account" with ZB Bank for the purposes of this Agreement.
- 1.2 The Merchant undertakes to honour all terminal validated payments made by customers using an ATM card, Mobile Money or other electronic payment wallets by supplying goods or services to the customer at prices not greater than the Merchant's normal prices.
- 1.3 The Merchant shall request assistance and support from ZB Bank via email: merchantsupportservices@zb.co.zw and via contact numbers: +263 8677002001 and whatsapp: +263 772442685.
- 1.4 The Merchant shall immediately report any incident of theft or loss of its POS terminal(s) to ZB Bank.

2. THE MERCHANT'S OBLIGATIONS

- 2.1 The Merchant shall for sales activated by the use of ZB Bank Cards use only terminals provided by or in a form approved by ZB Bank.
- 2.2 The Merchant will retain a copy of all POS terminal printout receipts and/or SMS receipts from each terminal for a period of at least sixty days.
- 2.3 The Merchant shall accept all Zimswitch branded cards to transact on the ZB Bank POS machine.
- 2.4 The terminal(s) shall be used and located only at the Merchant site(s) stated in the Merchant application form (clause 13 of this Agreement). The Merchant must at all times know the location of the terminal(s). ZB Bank shall conduct spot checks to

ensure this condition is adhered to. Any relocation of terminal(s) must be approved by ZB Bank in writing.

2.5 The telemetry SIM card inside the terminal, is the property of ZB Bank and shall not be removed from the terminal or used for any other purpose. Any abuse of this SIM card, which might incur charges, shall be billed to the Merchant and the terminal shall be withdrawn immediately.

2.6 Terminals shall only be operated by staff nominated and authorized by the Merchant. The Merchant's customers shall not in any way be permitted to operate the terminal.

3. The Merchant undertakes to allow ZB Bank to adequately display all reasonable promotional material to indicate to customers that the Merchant accepts the cards and/or Mobile wallet in payment for purchases and to replace or remove such display material upon being given reasonable notice.

4. CREDITS TO THE MERCHANT'S ACCOUNT IN RESPECT OF SALES TRANSACTIONS

4.1 ZB Bank shall credit the Merchant's banking account online real time with the gross amount of all sales transactions entered into on that day subject to ZB Bank's right to debit the Merchant's account at any time with the value of any invalid sales (within the meaning of clause 6) or with the value of any refund transactions (within the meaning of clause 7) or otherwise as provided for in this agreement.

4.2 Commission due to ZB Bank at 1% percent shall be calculated on the total daily value of all 'Paypoint' successful sales transactions and shall be debited from the Merchant's account as a separate transaction daily. The minimum monthly cumulative commission shall be ZWL . The commission is subject to review from time to time.

4.3 The Merchant will indemnify ZB Bank in respect of any liability arising from any dispute with the Cardholder in respect of the quality of goods supplied and/or services rendered.

5. INVALID SALES

5.1 The crediting by ZB Bank of the gross amount of sales to the Merchant's banking account on any day is in no way binding upon ZB Bank as to the validity of any sale transaction, and ZB Bank reserves the right to debit the Merchant with the amount of such transaction found to be invalid. A Sales transaction shall be invalid if :-

- 5.1.1 The transaction is for any reason fraudulent. Inter-alia, examples of such transactions are those where for one reason or the other, a Till Operator may swipe a customer's card twice instead of once, and also instances where card acceptance standards are not observed.
 - 5.1.2 The terminal printout slip is different from the copy handed to the Cardholder.
 - 5.1.3 A Card was accepted which has been mutilated or defaced.
 - 5.1.4 The price charged to the Cardholder is in excess of the Merchant's normal price for goods supplied and/or services rendered.
 - 5.1.5 The Merchant fails to adhere to the terms of the Agreement in respect of the transaction.
- 5.2 The Bank may in its sole discretion elect to treat any of the above mentioned transactions as valid.

6. **REFUND PROCEDURE ON FAILED TRANSACTIONS**

- 6.1 In the event that a POS transaction was not successful yet the Cardholder's account was debited the Merchant shall write a letter addressed to Cardholder's bank confirming that the customer did not benefit from the transaction. The Bank will then effect reversal of funds.
- 6.2 No refund in cash shall be made by the Merchant to the Cardholder.
- 6.3 ZB Bank reserves the right to re-negotiate with the Merchant the terms of the refund procedure as herein set out.

7. **AUTHORITY TO ZB BANK TO DEBIT THE MERCHANT'S ACCOUNT**

- 7.1 The Merchant irrevocably authorizes ZB Bank to debit its account with :-
 - 7.1.1 Any refund due to the Cardholder in accordance with the refund procedures set out in Clause 7.
 - 7.1.2 Overpayments due to clerical errors whether such errors were made by the Merchant or ZB Bank.

- 7.1.3 Reversals in respect of invalid sales.
 - 7.1.4 The amount of any off-line sale in respect of which a terminal sale printout slip, is not provided to ZB Bank by the Merchant and which is questioned or discounted by the Cardholder.
 - 7.1.5 Commission, at the agreed rate applicable from time to time, due to ZB Bank as provided for in paragraph 5.2 above
 - 7.1.6 Administration charge of ZWL\$5 000 (Five thousand Zimbabwean dollars) for effecting change of POS account number and/or merchant's address. The charge shall be reviewed from time to time.
 - 7.1.7 Penalty fee for failing to return the POS terminal(s) as provisioned in clause 11.12.
 - 7.1.8 Cost of missing or misplaced POS accessories and damaged POS terminal.
- 7.2 In the event of a breach of any of the terms hereof in respect of a sale, ZB Bank is authorised to debit the Merchant's account forthwith or immediately to recover from the Merchant the amount credited to it in respect of such sale.

8. DURATION OF THIS AGREEMENT

- 8.1 This Agreement supersedes all prior Agreements entered into between ZB Bank and the Merchant with regards to POS machines.
- 8.2 Either party may terminate this agreement by giving the other party one month's notice in writing.

Provided that the first three months after the agreement comes into operation shall be a probationary period during which a party not satisfied with the performance of the system can terminate the agreement on giving 7 days' notice to the other party of its intention to do so.

- 8.3 Termination of this Agreement shall not affect the obligations of either party arising before such termination is effective.
- 8.4 The contract shall be terminated;

- 8.4.1 If either party breaches a material term of the contract and continues the breach, and the breach is not rectified within 14 days.
- 8.4.2 In the event of either party going into liquidation and or committing acts of insolvency or being placed under judicial management.

9. GENERAL

- 9.1 This Agreement may be signed in counterparts and the copies signed in counterparts shall constitute the Agreement. This shall include faxed copies of this Agreement.
- 9.2 The terminals supplied by ZB Bank to the Merchant shall at all times remain the property of ZB Bank and upon termination of this Agreement the Merchant shall return the terminals to ZB Bank. The Merchant acknowledges that it/he/she has a duty of care to ZB Bank in respect of the terminals and shall be liable for any missing accessories and damage caused to the terminals whilst in its custody. In the event that the accessories are missing and/or the terminal is damaged, ZB Bank shall debit the Merchant's account with the total cost of purchasing replacement accessories and/or the repairing the damaged terminal.
- 9.3 All movement of POS terminal(s) between the Bank and Merchant must be supported by an Asset Transfer Document. The Merchant is required to keep a copy of such always in their records.
- 9.4 ZB Bank shall supply and maintain all terminals and attend to the initial training of the Merchant's own staff in respect of their use. It is the Bank's responsibility to train Merchant staff and normally it carries out constant visits to Merchant outlets where it meets Merchant staff and has the opportunity to train them on an on-going basis. In the event where the client has high staff turnover, ZB Bank may not be able to train the new staff. The obligation to train the new staff in such instances lies with the Merchant.
- 9.5 The Merchant's rights and duties under this Agreement shall not be transferable or assignable. Subcontracting of terminals to third (3rd) parties is strictly prohibited, and ZB Bank shall only recognize the contracted Merchant. ZB Bank shall immediately revoke the contract without notice and recover its terminal(s) should the terminal(s) be sub-contracted to a third (3rd) party, be used at any other site and location contrary to the location stated herein or be used for any business other than the one stated herein. The Merchant shall only process transactions related to its own business.

- 9.6 Any relaxation or indulgence or extension of time granted by ZB Bank shall not constitute or be deemed to be a novation or waiver of any of ZB Bank's rights against the Merchant in terms hereof.
- 9.7 The Merchant shall be liable for the full repair or replacement costs of a Point of Sale terminal that is damaged, lost or misplaced. The Merchant shall be advised of the cost in writing.
- 9.8 The terminals shall remain at the disposal of the Bank whenever required on (14) fourteen days' notice
- 9.9 The bank reserves the right to repossess the terminal without notice in the event of failure by the merchant to meet the monthly minimum commission of ZWL\$5000.00
- 9.10 The Merchant is not obliged to offer cash back facilities when its cash is low.
- 9.11 The Merchant agrees to ensure that the Point Sale terminal is adequately secured at all times.
- 9.12 The Merchant will report the loss or misplacement of a Point of sale terminal to ZB Bank Limited at the earliest opportunity within 24 hours of knowledge of such loss or misplacement in order for ZB Bank Limited to disable services on the terminal.
- 9.13 Any dispute arising out of the use of the POS terminal shall be heard by any Magistrate's Court having jurisdiction notwithstanding that the amount in issue may exceed the jurisdiction of such Court.
- 9.14 This Agreement may be reviewed and re-negotiated in the light of changing market conditions. Therefore this contract is subject to renewal.
- 9.15 Terminal(s) without activity for at least 2 consecutive months shall be regarded as non-performing. ZB Bank reserves the right to re-call non-performing terminal(s) and/or give notice to terminate the contract with Merchants holding non-performing terminal(s). Such terminals should be returned within 14 days after re-calling notice and thereafter each terminal shall attract a penalty fee of ZWL\$5,000.00 (Five thousand Zimbabwean dollars) per month if not returned to the bank. The fee is subject to review from time to time.

10. DOMICILIUM

- 10.1 The Merchant chooses as the Merchant's domicilium citandi et executandi for all purposes hereunder or such other address as it may notify to ZB Bank in writing from time to time.
- 10.2 ZB Bank chooses 1st Floor 21 Natal Road, Belgravia, Harare as the Bank's domicilium citandi et executandi for all purposes hereunder or such other address, as it may notify to the Merchant in writing from time to time.
- 10.3 ZB Bank or the Merchant, as the case may be, shall be deemed to have received any notice sent in pursuance hereof, if sent by certified or registered mail, within seven banking days from the day of posting thereof.

DATED AT _____ THIS _____ DAY OF _____ 20_____

11. SIGNATURES**For and on behalf of the Merchant:**

Name (*Please Print*)

Capacity

Signature

Witness

Name (*Please Print*)

Capacity

Signature

For and on behalf of ZB Bank Limited:

Name (*Please Print*)

Capacity

Signature

Witness

Name (*Please Print*)

Capacity

Signature

MERCHANT APPLICATION DETAILS

12. Merchant Application Details *(To be completed by the Merchant)*

Trading Name

Physical Address

Telephone Number(s)

ZB Bank Account No - -

Service Centre

Principal Bankers: Service Centre

Account number - -

Nature of Business

Dates of Previous Merchant's Agreement(s) if any

Expected POS transactions per month
 Volumes Values\$

Initial terminals required:

#	Number of terminals required	Type of Terminals (MPOS/Countertop)	Location(s)
1			
2			
3			

National I.D. Number(s) of Director(s)

1.	NAME	<input type="text"/>	I.D.	<input type="text"/>
2.	NAME	<input type="text"/>	I.D.	<input type="text"/>
3.	NAME	<input type="text"/>	I.D.	<input type="text"/>
4.	NAME	<input type="text"/>	I.D.	<input type="text"/>

FOR BANK USE

#	Number of terminals recommended	Type of Terminals (MPOS/Countertop)	Location(s)
1			
2			
3			

Service Centre Manager	Digital Banker
Name:	Name:
Surname:	Surname:
Branch Name:	Branch Name:
Date:	Date:

