



Merchant Establishment – General Terms and Conditions

These terms and conditions (hereinafter referred to as the “T&C”) govern and regulate the provision and use of the Merchant Establishment (“ME”) services, including EDC/PoS terminals, QR, the SoftPoS App, and all transactions undertaken thereunder. These T&C are supplemental to, and not in derogation of, any other terms stipulated by Bandhan Bank Limited (“Bank”) from time to time. Bank and the Merchant (as defined hereunder) shall hereinafter be individually referred to as a “Party” and collectively as the “Parties”.

1 DEFINITIONS:

Unless the context otherwise requires, the terms set forth below—used in the singular or plural—shall have the meanings assigned to them herein:

- **“Authorization”** means the process by which the Bank confirms to the ME whether the Cardholder’s valid card has the requisite credit limit or funds, as applicable, to pay for a Transaction with the ME, as further described in Article 2 below.
- **“Bank”** means Bandhan Bank Limited, a company incorporated under the Companies Act, 2013 and a banking company within the meaning of the Banking Regulation Act, 1949, having its registered office at DN-32, Sector V, Salt Lake City, Kolkata – 700091 and its corporate office at Floors 12–14, Adventz Infinity@5, Sector V, Salt Lake City, Kolkata – 700091 (WB).
- **“Business”** means the business in which the ME is engaged in.
- **“Business Hours”** means the usual business hours of the Merchant.
- **“Card”** means any credit or debit card or any other payment card issued by an issuer.
- **“Cardholder”** means a person or individual holding a valid Card or any individual or person making or attempting to make a payment to the Merchant for goods and/or services offered by the Merchant, using any valid Payment Instrument enabled on the Payment Equipment (*including UPI*).
- **“Card Organization”** includes Visa, Mastercard, RuPay and any other card organization offering credit, debit or other card programmes to issuers.
- **“Chargeback”** means a transaction that is returned to the Bank by the issuer.
- **“Charge slip”** means an electronic or paper record of a Transaction generated on the premises using Payment Equipment.
- **“Device”** means the mobile device of the Merchant on which the SoftPoS App has been installed and is accessed by the Merchant.
- **“EDCT”** means point-of-sale Electronic Data Capture (“EDC”) terminals, printers, other peripherals and accessories, including PIN pads/cards and necessary software to operate the devices, in respect of or in connection with EDC devices/terminals owned by the Bank and installed at the Merchant’s premises in accordance with these T&C.
- **“Floor Limit”** means the amount specified for a single transaction above which Authorisation is required from the Bank or its service provider authorized to act on behalf of the Bank.



- **“Merchant”** means the merchant identified as such in the application form, who is desirous of availing the EDCT/QR/Soundbox/SoftPoS or any other Payment Equipment from the Bank.
- **“Merchant’s Account”** means the current account opened by the Merchant with the Bank.
- **“NPCI”** refers to the National Payments Corporation of India.
- **“Payment Equipment”** or **“Equipment”** means the EDCT/POS/Soundbox/QR/SoftPoS App and any related payment equipment/software/devices, including any replacements, modifications, enhancements and/or additions as the Bank deems fit.
- For avoidance of doubt, references to hardware-based Payment Equipment (EDC/POS terminals, QR devices, Soundbox) shall apply only where such devices are supplied by the Bank. References to SoftPoS shall apply only to the mobile application installed on the Merchant’s own Device
- **“Payment Instrument”**: means any Valid Card, QR Code, Bank Account, UPI, or wallet used by a Cardholder to pay the Merchant towards a purchase of products/services.
- **“Payment Link”**: means a secure URL generated by the Merchant through the SoftPOS App for collecting payments from the Cardholders using one or more Payment Instrument enabled by the Bank, at its sole discretion, against the Payment Link.
- **“Promotional Material”** includes all posters, stickers, brochures, decals, take-ones, signage, advertisements and other material used to promote the Bank’s payment processing services.
- **“QR”** means the static/dynamic QR code made available on the SoftPoS application/equipment of the Merchant that enables receipt of payments from Cardholders of any bank using PSP UPI or a mobile banking app.
- **“SoftPoS”** or **“SoftPoS App”** or **“App”** means the mobile application provided to the Merchant for accepting payments from Cardholders and which enables smartphones to function as a point-of-sale terminal.
- **“System”** means EDC/QR/Soundbox/SoftPoS technology and overall equipment/hardware, including overall technical additions and subtractions.
- **“Transaction”** means a transaction between the Cardholder and the Merchant through any Payment Equipment/instrument towards the Cardholder’s purchase of product/service from the Merchant.
- **“Transaction Amount”** means the amount payable by the Cardholder on the transactions offered by the Merchant as per the invoice issued by the Merchant and printed on the sales receipt generated by the Payment Equipment, inclusive of all applicable taxes, levies and duties.
- **“Terminal Sales Record/Terminal Receipt”** means the receipt produced by the Payment Equipment upon completion of Authorization of a valid Card/UPI transaction, containing such details as may be specified by the Bank from time to time.
- **“UPI”** or **“Unified Payments Interface”** means the payment system developed by NPCI that facilitates person-to-merchant/person-to-person transactions.
- **“Valid Card”** or **“Card”** means an unexpired credit or debit card issued by any institution designated to issue a Mastercard, Visa Electron, Maestro, RuPay or other card as may be specified by the Bank from time to time, provided the card is not listed in current warning or restricted card bulletins/notices and bears the signature of the person in whose name the card is personalized.



For clarification, any clause in these T&C referring to installation, maintenance, return, repair, servicing, paper rolls, imprinters, magnetic stripe reading, swiping, dipping, printing, or other physical-equipment-related requirements shall apply only to Bank-supplied physical Payment Equipment (EDC/QR/Soundbox). Any clause referring to operation on a Device, app-based authentication or digital receipts, shall apply to the SoftPoS App installed on the Merchant's Device.

2 MASTERCARD, VISA, RUPAY AND OTHER CARDS

The following shall apply in respect of each and every transaction involving payments by means of a Valid Card, and "Card" shall be construed accordingly.

2.1 Honour of Mastercard/Visa/RuPay/Other Cards: The Merchant shall honour every valid, unexpired Card when properly presented for payment by Cardholders for all transactions. The Merchant shall not adopt acceptance practices or procedures that discriminate against, or discourage the use of, Mastercard/Visa/RuPay/Other Cards in favor of any competing card brand that is not accepted. The Merchant shall not prefer, or indicate any preference for, a Card issued by a particular institution.

2.2 Unacceptable Cards: The Merchant shall not complete a Transaction if:

- (i) the Card has expired or is not yet valid; or
- (ii) the Card can only be used overseas or has restrictions on its use in India; or
- (iii) the Bank has advised a decline after Authorization checking; or
- (iv) the Card is found to be counterfeit or altered upon verification by the ME; or
- (v) the Card is not signed or the Cardholder's signature does not tally with the signature on the Card; or
- (vi) for Cards that require PIN verification at the Payment Equipment, the PIN cannot be initiated or completed by the Cardholder; or
- (vii) the four pre-printed digits on the Card do not match the first four embossed/indent-printed numbers on the Card and/or the first four digits of the Card number shown on the EDC when swiped.

2.3 International Cards/Export Transactions: Where valid Cards are accepted from foreign Cardholders, the ME shall verify the Cardholder's identity against a valid passport, record the passport number, country of issuance and local address, and retain the same for records along with a copy of the terminal receipt. The Bank shall endeavor to settle Transaction proceeds in accordance with industry timelines and shall intimate the Merchant of any delay due to unavoidable circumstances.

2.4 Account Number Information: The Merchant shall not sell, purchase, provide or exchange a Cardholder's name or Mastercard/Visa/RuPay account number information,—whether in the form of imprinted sales slips, carbon copies of reprinted sales slips, mailing lists, EDC audit trails, tapes or any other media obtained by reason of a Card transaction—to any third party other than the Bank (as acquirer), Mastercard/Visa/RuPay, or pursuant to a request from a



governmental/statutory or competent authority. Materials containing card account information must be rendered unreadable and unusable before being discarded in an approved manner.

3 INSTALLATION OF EDC

The Bank may require the Merchant to install at the Merchant's premises EDCT(s)/Soundbox/QR, and such related accessories and software, as the Bank deems fit and;

(i) Where the Merchant is the owner of the premises: The ME expressly agrees and consents to the installation of the EDCT(s)/Soundbox/QR at the premises to enable processing of payment Transactions made through valid payment modes.

(ii) Where the ME is a lessee or licensee and not the owner of the premises: The ME represents that it has obtained all necessary permissions from all concerned to permit the Bank or its authorized service provider to install the EDCT(s)/Soundbox/QR at the premises to enable processing of payment Transactions by Cardholders.

(iii) Where the Bank provides the SoftPoS App for acceptance of digital payments, the Merchant shall install and operate the SoftPoS App only on the Merchant's own Device that meets the technical and security requirements prescribed by the Bank from time to time. The Merchant acknowledges and agrees that the SoftPoS App is provided solely for the Merchant's authorised business use and shall not be installed, accessed, shared, transferred or used on any third-party device without the prior written consent of the Bank.

4 OPERATION OF PAYMENT EQUIPMENT/INSTRUMENT

4.1 Where the Bank or its authorized service provider has delivered and installed EDCT(s)/QR/Soundbox at the Merchant's premises, or has delivered the SoftPoS application/any other software on the Merchant's Device, the Merchant shall:

- (i) operate the Payment Equipment and related software/application strictly in accordance with, and comply with, all instructions issued by the Bank from time to time;
- (ii) bear all costs of electricity consumed by the Payment Equipment/related software application and all telephone/data line charges in connection therewith;
- (iii) be fully responsible for any malfunction of the Payment Equipment caused by misuse or violation of operating conditions;
- (iv) not alter, tamper with or otherwise interfere with the program or components of the Payment Equipment/SoftPoS App; not remove or relocate the Equipment (except for SoftPoS App); and promptly report to the Bank any fault or suspected fault in operation;
- (v) not permit, without the Bank's express consent, any removal of, interference with, or addition to the Equipment or any markings thereon;
- (vi) immediately inform the Bank of any malfunction, breakdown, suspected fault or non-availability of the Payment Equipment and/or of the SoftPoS App impacting transaction processing, and cease initiating further transactions through such



Payment Equipment until the issue is resolved or alternate instructions are provided by the Bank;

- (vii) (viii) keep strictly confidential all information received from the Bank in connection with the System and disclose it only to staff who require such information for operation of the Payment Equipment and use of the System; maintain strict security measures with respect to encryption and terminal initialization and the procedures governing use of the System;
- (viii) (ix) not permit any third party to use the Payment Equipment for any purpose without the prior written consent of the Bank;
- (ix) take all necessary precautions, including those outlined in this section, to ensure confidentiality and security of card account number information;
- (x) neither key-enter card details, nor submit paper transactions, nor attempt to use "offline mode" on the Payment Equipment for any Card;
- (xi) have the option to allow Cardholders to convert swiped transactions/payments into equated monthly instalments at the EDCT;
- (xii) The Merchant shall ensure that the Device on which the SoftPoS App is installed:
 - a. is not rooted, jailbroken or otherwise tampered with;
 - b. is maintained with updated operating system versions and security patches;
 - c. contains adequate anti-virus and anti-malware protection; and
 - d. is protected against unauthorised access through a PIN, password or biometric authentication.
- (xiii) The Merchant shall promptly notify the Bank of any malfunction, suspected compromise, loss, theft, unauthorised access, breach of security or misuse of the Device or the SoftPoS App, and shall immediately cease all transactions until the Bank provides further instructions.
- (xiv) The Merchant shall be solely responsible for all transactions initiated through the SoftPoS App on the Device, and all such transactions shall be deemed to have been initiated by the Merchant, its authorized employees or agents.
- (xv) The SoftPoS App shall not be used for any prohibited activities, including but not limited to self-transactions, transactions on behalf of third-party merchants, fraudulent or suspicious transactions, or any activity that violates applicable laws, RBI directions, or Bank policies.

4.2 The Bank may remotely disable, suspend or restrict the SoftPoS App in the event of security risks, suspected misuse, non-compliance with these T&C, regulatory requirements, or any abnormal transaction pattern.

4.3 The Bank may at any time update or modify the SoftPoS Application with immediate effect without prior notification. The Merchant shall install any and all App updates made available to the Merchant.

4.4 The Merchant has performed the handset compatibility check before installing the SoftPoS. The Bank hereby grants limited right to the Merchant to install, use and access the SoftPoS on the Device in accordance with the terms of these T&C. The Merchant does not acquire any rights in the App.



- 4.5** The Merchant must not modify, adapt, translate, reverse engineer, decompile, disassemble or create derivative works based on the SoftPoS; or purport to sub-license to third parties the right to use the App without the prior written consent of the Bank.
- 4.6** Bank makes no representation or warranty that the App is always available without interruptions or faults or that the information is always correct or complete.
- 4.7** To the maximum extent permitted by law but without limiting any statutory warranties under the Consumer Protection Act, Bank excludes all warranties and representations with respect to the App.
- 4.8** The Merchant acknowledges that Bank may, in its discretion, stop the operation of the App entirely or in part or remove features from the App, for all Merchants, a class of Merchants or an individual Merchant, if Bank reasonably considers that continued operation of the App or a feature of the App may cause loss to Bank, Merchants, Card Schemes or Cardholders or if Bank is no longer able to offer the App or a feature of the App because it becomes a breach of Law or impossible in practice for Bank to do so.

5 STATIC & DYNAMIC QR PAYMENT MODE

- 5.1** The Merchant hereby undertakes, affirms and agrees that:
- i. It is in good standing and has full authority to initiate QR (static and dynamic) based payment acceptance and has obtained all necessary approvals under applicable law to perform its obligations hereunder;
 - ii. It shall take adequate precautions so as not to breach the privacy of Cardholders during performance of its obligations herein;
 - iii. Neither the execution, delivery and performance of these T&C, nor the transactions contemplated herein, will require the consent of any third party (including any governmental authority) or conflict with or result in a breach or default under any legal restriction (including any judgment, order, rule, regulation or guideline of any court/government/regulatory body) or any covenant or instrument to which it is a party or by which it or its property is bound;
 - iv. The rights granted to the Merchant are limited, non-exclusive and non-transferable. The Merchant shall not: (i) modify, adapt, improve, enhance, translate or create derivative works of the QR (static/dynamic); (ii) decompile, reverse engineer, copy, disassemble, attempt to derive the source code of, or decrypt the generated QR (static/dynamic) code; or (iii) remove or alter any proprietary notices, legends, symbols or labels in the QR (static/dynamic) code, including any trademark, logo or copyright;



- v. Nothing herein shall be construed as granting or implying any transfer of rights (including license or ownership rights in the intellectual property owned by Bandhan Bank) with respect to the QR-based payment acceptance mode; and

5.2 Merchant Obligations:

- i. the Merchant is aware that payments may be received by Cardholders scanning the QR (static/dynamic) code generated/displayed in the Payment Equipment;
- ii. the Merchant shall be responsible for providing correct details for generation of the dynamic QR code and shall be liable for any consequences arising from any incorrect, incomplete or erroneous information supplied;
- iii. the Merchant shall not hold Bandhan Bank responsible for any damage, claim or issue arising out of or in connection with the UPI services and/or the QR code and/or any irregularities in scanning thereof;
- iv. the Merchant agrees and accepts that the QR payment mode is provided by Bandhan Bank in line with regulatory guidelines, which are subject to change from time to time. The Merchant shall use the QR payment mode strictly in accordance with applicable laws and regulatory guidelines and only for authorized purposes. The Merchant and/or user shall be responsible for any unauthorised or fraudulent transactions;
- v. the Merchant shall comply with all requirements that may be specified by Bandhan Bank, RBI or NPCI regarding QR-based payment acceptance;
- vi. the Merchant shall promptly notify Bandhan Bank if an error occurs in a generated QR code for any reason whatsoever and shall not hold Bandhan Bank responsible for any such error;
- vii. the Merchant shall immediately notify Bandhan Bank of any inquiry, question or issue raised by any authority or regulatory body (including any statutory authority) pertaining to the UPI services herein and/or other functions of Bandhan Bank and shall not unilaterally file any response/reply to such authority without the prior written consent/vetting of Bandhan Bank;
- viii. The Merchant is solely responsible for the accuracy and authenticity of the payment instructions. Once a payment instruction is issued, it cannot be revoked by the Merchant. Bandhan Bank accepts no liability for consequences arising as a result of incomplete, incorrect or erroneous information provided by the Merchant in payment instructions. Neither Bandhan Bank nor NPCI shall have any obligation to keep a record of such instructions, provide information to the Merchant or verify the said instructions;
- ix. the Merchant and Cardholder shall assume all responsibility and risks of performing UPI transactions by scanning the QR code generated/displayed in the Payment Equipment.



The Merchant shall be solely responsible for any liability incurred by the issuer bank in execution of any instruction issued by Bandhan Bank on behalf of the Merchant; and

- x. the Merchant shall not engage in any activity that may interfere with or disrupt the static/dynamic QR code generated against the Merchant ID.

6 PAYMENT LINKS

6.1 The Merchant hereby undertakes, affirms and agrees that:

- i. A Payment Link shall be generated within the SoftPoS App by the Merchant for the purpose of payment acceptance only after fulfilment of goods/services by the Merchant;
- ii. A Payment Link shall be initiated only after confirming bill details and obtaining the Cardholder's consent to receive the Payment Link and to make payment using a valid Payment Instrument;
- iii. Cardholder mobile numbers entered into the SoftPoS App shall be accurate, obtained with the Cardholder's consent, and used strictly for sending Payment Links;
- iv. under no circumstances shall the Merchant: (a) alter, tamper with, mask, shorten or otherwise modify the Payment Link; (b) manually forward, re-share or circulate Payment Links to unintended recipients; or (c) generate Payment Links for any third-party business, unrelated transactions, self-payments or payments not arising from the Merchant's own legitimate sale of goods or services;
- v. the Merchant shall clearly inform the Cardholder of the purpose of the Payment Link, bill amount, and nature of goods/services prior to sending the Payment Link;
- vi. the Merchant shall provide the Cardholder with its support/complaint contact details and shall be responsible for addressing post-sale queries, cancellations, fulfilment issues or delivery complaints;
- vii. any Payment Link generated in error or for a cancelled/incorrect bill shall be immediately voided and the Merchant shall promptly inform the Cardholder not to proceed with such Payment Link;
- viii. the Merchant shall not store, capture, request or solicit any Cardholder payment credentials (card details, CVV, PIN, OTP, UPI PIN, passwords, etc.). All payments shall occur only on the Bank-approved secure landing page accessed through the Payment Link;
- ix. the Merchant shall be responsible for ensuring that the payment details provided by it are accurate. Once payment instructions have been executed by the service provider, transactions cannot be reversed and the Bank will not be liable for any loss suffered by



- the Merchant as a result of a transaction carried out in accordance with the Merchant's instructions;
- x. in the unlikely event that the payment received exceeds the expected amount, the Merchant shall immediately notify the Bank so that arrangements can be made to return any overpayment;
 - xi. the Merchant shall maintain records of invoices, Cardholder confirmations, delivery proofs and communications for all Payment Link transactions and shall furnish the same to the Bank upon request;
 - xii. the Merchant shall comply with all applicable laws, regulatory guidelines and the Bank's policies relating to remote payments, fraud prevention, data protection and Cardholder communication;
 - xiii. Payment Links may be shared via email and SMS to the Cardholder. The Merchant is solely responsible for ensuring compliance with all applicable laws, these T&C and any terms/conditions/restrictions of the email and SMS service providers;
 - xiv. the Merchant shall not use Payment Links for any restricted, illegal or high-risk categories as defined by the Merchant Acquiring T&C or by applicable law;
 - xv. the Bank may, at its discretion, monitor Payment Link usage, seek explanations, place holds, or restrict link functionality in case of abnormal behavior, suspected misuse, fraud risk or regulatory requirements. When investigating any such activity, the Bank reserves the right to report suspected unlawful activity to any appropriate person or body and to provide them with relevant information, including personal data;
 - xvi. settlements for transactions completed through Payment Links shall follow the standard settlement timelines applicable to the Merchant's acquiring T&C of Bandhan Bank. The Bank may withhold or delay settlement for Payment Link transactions where risk indicators, disputes or compliance concerns arise;
 - xvii. the Bank shall have no responsibility for the nature, quality, delivery or fulfilment of goods/services for which the Payment Link was issued and shall not be liable for losses arising from incorrect Cardholder mobile numbers, non-receipt of SMS, network delays, Cardholder device issues or Merchant errors in issuing Payment Links. The Merchant shall indemnify the Bank against all losses, claims, penalties, disputes, chargebacks or regulatory actions arising from misuse, misrepresentation, wrongful issuance of Payment Links or failure to fulfil the underlying transaction;
 - xviii. for telecommunication/internet device users: the phone service provider is not the provider of the service. Users of the link-based payment service may receive text messages related to payment instructions and other notices if a mobile phone number is provided. Data/messaging charges from the telecommunications provider may apply and the user is responsible for such charges;



- xix. links to other sites may be provided on the portion of the site through which the link-based payment service is offered for convenience only. By providing such links, the Bank does not endorse, sponsor or recommend such sites or the materials/services provided by them and is not responsible for such materials/services or other situations related thereto. The Bank makes no representations concerning the content of sites listed on any service web pages. These other sites may send their own cookies, collect data, solicit personal information or contain information deemed inappropriate or offensive. Advertisers on the site may also send cookies not controlled by the Bank;
- xx. any dispute arising from a Payment Link transaction shall be handled as per the Merchant acquiring T&C. The Merchant shall, within stipulated timelines, provide invoices, proof of delivery, order confirmations and communications to support dispute resolution. The Bank may recover or debit the Merchant for chargebacks, refunds, penalties or reversals as per the Merchant acquiring T&C; and
- xxi. any suspected compromise, fraudulent link issuance or unauthorised transactions must be reported to the Bank immediately. The Bank may disable the SMS Pay functionality temporarily or permanently in case of security risks or non-compliance.

7 AUTHORIZATION

7.1 The Merchant shall obtain Authorization through the Payment Equipment for every transaction. In the event of a network outage or if the EDCT cannot be used for an online transaction for any reason, the Merchant shall obtain Authorization from the Bank's (or its authorized service provider's) authorization center and complete the transaction in offline mode only after swiping the Card and keying-in the correct authorization code thus obtained. As and when offline transactions are enabled by the Bank, the Merchant shall use best efforts, by reasonable and peaceful means: (a) to retain a Card while making an authorization request; and (b) to comply with the advice/instructions given by the authorization center.

Further, the Merchant shall obtain Authorization from the authorization center of the Bank (or its authorized service provider) before completing an offline transaction if: (i) the amount of a charge or series of charges incurred on a Card in a single day/specified period exceeds the cap limit notified by the Bank; (ii) the Merchant believes the Card may be counterfeit, lost or stolen; (iii) there are suspicious circumstances surrounding the presentation or proposed transaction; (iv) the Card presented is not signed, is expired or is not yet valid; or (v) the Card is not present.

"Offline mode shall apply only to EDC terminals where such functionality is specifically enabled by the Bank. Offline mode is not applicable to SoftPoS.

7.2 Unacceptable Transactions: The Merchant shall not process or deposit Transactions with the Bank on behalf of any third-party merchant establishment (whether or not such third party is a merchant with the Bank). The Merchant shall not give cash advances to Cardholders by recording such Transactions as sales Transactions.



7.3 The Floor Limit(s) shall be zero for all transactions unless advised otherwise by the Bank, and where the Floor Limit is not zero, the Merchant shall check the latest Combined Recovery Bulletin/Warning Bulletin as displayed before completing the Transaction.

7.4 Minimum or Maximum Transaction Amount: The Merchant shall not require, nor post signs indicating that it requires, a minimum or maximum transaction amount below or above which it will refuse to honour an otherwise valid Mastercard/Visa/RuPay/Other Card.

7.5 The Merchant shall inform the Bank immediately, and in any event no later than one (1) hour from the time of breakdown, in the event of a breakdown of any Payment Equipment/technical issue.

7.6 Merchants shall not permit cash-out at POS.

7.7 The Merchant shall not use its own Card or any other payment instrument on the Payment Equipment.

8 SECURITY MEASURES

8.1 The Merchant unconditionally and irrevocably understands and agrees that it must: use the Payment Equipment securely, including keeping authentication credentials confidential and under no circumstances disclosing any password(s) to any other person;

- i. commit the password to memory and not record any of them in written or electronic form;
- ii. not allow any unauthorised person to access the Payment Equipment or related Device/software, nor leave them unattended;
- iii. implement a passcode/password/PIN/security key to lock/restrict access to the Payment Equipment and secure it from unauthorised access and not share such credentials with any other person; and
- iv. take adequate precautions to prevent ransomware, malware, viruses or any other security threats from entering the Device, including installing adequate anti-virus protection.

8.2 The Merchant agrees that it is solely responsible at all times for the protection and safekeeping of its Payment Equipment and security details/authentication credentials and agrees that the Bank shall in no manner be liable for any loss, whether direct, indirect or consequential, arising from any compromise thereof. The Merchant agrees that the Bank assumes no liability whatsoever in the event of any compromise of the Merchant's Device and/or SIM card linked to the Bank-registered mobile number or in the event of a security breach, and the Bank shall not be held responsible for any such event.

8.3 The Merchant further agrees that any person having access to the Payment Equipment /email/phone number/authentication credentials/Bank-registered mobile number shall be



deemed duly authorized by the Merchant and acting on its behalf with authority and intention to bind the Merchant irrevocably by any actions pursuant thereto, including the acceptance of these T&C, vis-à-vis the Bank.

9 RISK

The Merchant acknowledges that it accesses and uses the Payment Equipment at its own risk and shall not hold the Bank responsible or liable for any such risks, including without limitation:

- 9.1 Risks relating to Offline Mode:** The Merchant acknowledges that offline mode (to the extent supported by relevant Payment Equipment) may be subject to settlement risks such as settlement lag, failed settlement, or unavailability of funds at the time of settlement when the Cardholder, Merchant or other user regains access to mobile network or internet. The Merchant agrees that the Cardholder shall be solely liable for ensuring that the Cardholder's account is duly funded to fulfil the transaction and that the Bank shall not be liable for any losses or disputes arising from settlement lag, failed settlement, unavailability of funds or similar settlement risks.
- 9.2 Misuse of Password:** The Merchant acknowledges that, in the event of a security breach or if any third party obtains access to the Merchant's Device/Equipment or SIM card linked to the Bank-registered mobile number, such third party may access information including confidential account information of the Merchant (e.g., transaction summaries). The Merchant shall at all times ensure strict compliance with the terms and conditions applicable to password use and security of the SIM card and Device.
- 9.3 Internet Frauds:** The internet is susceptible to frauds, misuse, hacking, phishing and other actions that threaten the security of information available to the Merchant while accessing the Payment Equipment and undertaking transactions thereon. While the Bank aims to provide security to prevent the same, it cannot guarantee safeguards from such events. The Merchant has evaluated all risks arising therefrom.
- 9.4 Mistakes and Errors:** For accessing the Payment Equipment and undertaking transactions thereon, the Bank requires proper, accurate and complete details to be provided in the form and manner prescribed by the Bank. The Merchant shall exercise due care to ensure that requests are error-free, accurate, proper and complete at all times. The Bank shall not be liable for any loss, damages or consequences arising due to erroneous or incomplete information by the Merchant or the Cardholder or any delay in executing instructions for reasons beyond the Bank's control. The Merchant shall be liable and responsible to the Bank and agrees to accept the Bank's instructions without demur for any unfair or unjust gain obtained in the course of availing the Payment Equipment.
- 9.5 Technology Risks:** Technology enabling the Payment Equipment may be affected by ransomware, viruses or other malicious, destructive or corrupting code/programmes/macros or other security threats. The Bank's site or systems may require maintenance during which processing may be delayed or fail. The Bank disclaims all liability—direct or indirect, including loss of profit—arising out of any failure or inability to honour any instruction of the Cardholder/Merchant for any reason.



The Merchant unequivocally and unconditionally understands and accepts that the Bank shall not be responsible for any of the aforesaid risks and the Bank disclaims all liability in respect thereof.

10 CASH PAYMENT, CURRENCY & CHARGES

- i. The Merchant shall not receive payment in any other form from a Cardholder with respect to charges for goods or services included on a sales slip.
- ii. The Merchant shall not demand or accept payment through Cards in lieu of payment instruments previously dishonored.
- iii. All sales slips shall be denominated in Indian Rupees unless otherwise agreed in writing between the Bank and the Merchant.
- iv. Multiple Sales Slips: The Merchant shall not use two or more sales slips to avoid Authorization and shall not effect a Card transaction when a part of the amount due is included on a single sales slip except when: (a) the balance is paid in cash or by cheque(s); or (b) goods or services are to be delivered/performed at a later date and one sales slip represents a deposit and the second sales slip represents payment of the balance, in which case the Merchant must obtain Authorization and note on the sales slip the authorization number and the words “deposit” or “balance”, as appropriate. The sales slip labelled “balance” shall not be presented unless the goods are delivered or the services performed. Notwithstanding the foregoing, delivery of goods and services shall be the sole responsibility of the Merchant and the Bank shall not accept any liability or entertain any claim for non-delivery.
- v. The Merchant shall not require any Cardholder to pay any part of the discount—whether through an increase in price or otherwise—or to pay any contemporaneous finance charge in connection with a transaction where a Card//UPI/any valid payment mode is used.

11 TRANSACTION HANDLING

To the extent applicable to the Payment Equipment, in handling Transactions via any Payment Equipment, the Merchant must:

- i. ensure extraction of data from Cards in the manner specified by the Bank (subject to change with prior notice);
- ii. ensure the Transaction Amount and any other information required by the Bank is printed on a receipt/e-receipt in a form approved by the Bank;
- iii. ensure that equipment, software, technical standards and procedures for the electronic extraction, retention and transmission of data for the purpose of this Agreement are approved by, or are in accordance with, the Bank’s requirements;



- iv. require the Cardholder to sign the paper roll/sales invoice, where required and verify the signature against the signature on the Card and, where the Card has a photograph, verify the Cardholder against the photograph. The Merchant shall ensure the signature appears on all copies of the paper roll/sales invoice;
- v. ensure there is no discrepancy between embossed/indent-printed details and the transaction slip and check other security features as advised by the Bank from time to time before attempting a sale transaction on a Card presented;
- vi. deliver to the Cardholder a true and complete copy of the sales receipt (digital or physical, as applicable based on the Payment Equipment);
- vii. retain the Merchant copy for at least one (1) year and present it to the Bank upon request; provide the copy of invoices pertaining to sale transactions upon demand;
- viii. not process a transaction before delivery of goods/services;
- ix. aggregate all purchases and process a single transaction; and
- x. The Bank may levy non-transacting charges payable by the Merchant to recover the cost of maintaining the EDC/QR/Soundbox/SoftPoS application at the Merchant's location. In addition, the Bank shall be entitled to recover from the Merchant any applicable rentals, one-time installation charges, chargeback amounts, or any other dues payable by the Merchant under these T&C. All such amounts shall be payable by the Merchant within thirty (30) days of the Bank's demand and shall not be disputed or contested. In the event of non-payment within the stipulated period, the Bank shall have the right, without further notice, to debit the Merchant's account(s) maintained with the Bank and/or to set off such sums against any funds of the Merchant lying with the Bank.

12 PRESENTMENT OF PAPER AND REFUNDS

12.1 The Merchant shall inform Cardholders of its credit/refund policy, clearly mentioning the same on the bill/invoice and/or the charge slip:

- a. If, in respect of any transaction, any goods/services are not received as described by the Cardholder, are lawfully rejected or accepted for services not performed/partly performed/cancelled, or where the price is lawfully disputed by the Cardholder or price adjustment is allowed, the Merchant shall not make a cash refund but shall complete a credit slip supplied or approved by the Bank. The Merchant shall sign and date each credit slip and include a brief description of the items concerned. A true and complete copy of the credit slip must be delivered or forwarded to the Cardholder.
- b. In the event of a refund to a Cardholder, the Merchant shall not make a cash refund. The Merchant must not swipe the Card to do a reversal/refund transaction, but instead present a credit process/refund letter on the Merchant's letterhead signed by the authorized signatory(ies). The Merchant must not process a refund transaction, unless



there is a preceding corresponding debit on a Card account. If only credit slips are presented to the Bank at any time, the Merchant shall simultaneously make payment of the net refund (i.e., total refund(s) to Cardholder(s) less the discount) to the Bank, and the Bank shall have the right to recover the net refund from the Merchant's current account with the Bank.

- c. Where the sale date and refund date are different, causing currency translation differences for transactions on foreign cards, the Bank shall have the right to recover from the Merchant the equivalent INR amount pertaining to such foreign exchange currency difference for credit to the Cardholder's account.

12.2 By presenting any transaction information (i.e., any sales slip and/or information in respect of any transaction presented to the Bank by or on behalf of the Merchant), the Merchant warrants to and agrees with the Bank that:

- a. all statements of fact contained therein and within the Merchant's knowledge are true and complete;
- b. the Merchant has supplied (or caused to be supplied) the goods and/or services to which the transaction information relates and up to the value stated, at a price and on terms no less favorable than those offered for cash in the ordinary course of business;
- c. no other sales slip or information has been or will be issued or presented in respect of the same goods and/or services;
- d. the provision of credit for the supply of such goods and/or services is lawful; and
- e. the transaction information relates to a valid transaction and the Merchant has complied with these T&C.

12.3 Neither the Bank's receipt of any transaction information nor any payment, act or omission by the Bank (other than an express written acknowledgement or waiver by the Bank) shall constitute or be deemed to constitute any acknowledgement or waiver of the Merchant's compliance with the warranties in clause 12.2 or any other provision of this Agreement.

For clarification, refunds shall be processed digitally through the Bank-approved refund process in case of SoftPoS, and through credit slips or other approved mechanisms in case of physical EDC/POS devices.

13 MERCHANT DISCOUNT RATE (MDR)

- i. For the purpose of these T&C, the discount rate and other applicable charges shall be as mentioned in the related application form submitted by the Merchant. The Bank may revise the MDR and other applicable charges from time to time.



ii. For the purpose of calculating commission, the amount shall be the aggregate amount of the bill including taxes, tips, etc.

iii. Change in Fees & Charges: The Merchant understands and agrees that any change/discontinuation of fees & charges/services will be intimated at least 30 (thirty) days in advance through letter/SMS/website/email or other means of communication. However, if any change is made without prior notice, the Merchant will be notified within 30 (thirty) days. If the Merchant is of the view that such change is not beneficial, it may, within 60 (sixty) days of the notice, close its account or switch to any other eligible services without paying the revised charges/interest

14 PAYMENT

14.1 Subject to these T&C, the Bank shall ordinarily pay to the Merchant the amount of each sales slip within two to seven business days (as mutually agreed and depending upon the merchant category) following the day on which the transactions are settled on the Payment Equipment, less the discount for all card/UPI transactions processed and accepted by the Bank.

14.2 Net payment to the Merchant shall be made by the Bank to the Merchant's Account or by cheque/pay order.

14.3 Payment by the Bank shall be without prejudice to any claims or rights of the Bank against the Merchant and shall not constitute any admission by the Bank as to the Merchant's performance of its obligations under these T&C or the amount payable to the Merchant.

14.4 The Bank shall be entitled to set off and deduct, apply lien, debit, freeze and hold funds from any payment due to the Merchant: (i) the amount of any refund due to any Cardholder in accordance with clause 12; (ii) any over-payment made by the Bank due to computational/system errors or otherwise; (iii) any other sums due from or payable by the Merchant to the Bank hereunder; and (iv) at the Bank's discretion, an amount equal to interest at the rate then charged to Cardholders in respect of their indebtedness, from the due date until payment, on the amount of any credit slip details not presented as required within seven (7) days after the refund has been agreed between the Merchant and Cardholder or which credit slip is not dispatched to the Bank within such period along with payment in favor of the Bank for the full amount thereof. In doing so, the Bank may: (a) debit the Merchant's account forthwith; and/or (b) deduct the outstanding amount from subsequent credits to the Merchant's account; and/or (c) if there is no account with the Bank or insufficient funds therein, claim from the Merchant the amount credited to the account in respect of the relative sales slip.

14.5 If the Bank reasonably suspects that the Merchant has committed a breach of these T&C or dishonesty or fraud against the Bank or any Cardholder, the Bank shall be entitled to suspend all payments to the Merchant pending enquiries by the Bank and resolution to the Bank's satisfaction.

14.6 The Merchant irrevocably agrees that all payment processing effected on any Payment Equipment installed at the Merchant's premises/Device shall be deemed to have been effected by the



Merchant, its authorized employees and/or agents, and the Merchant shall not dispute, disclaim or deny such processing (or the Merchant's liabilities/responsibilities arising therefrom) for any reason whatsoever.

15 CHARGEBACKS & DISPUTES

The Bank shall be entitled at any time to refuse total or partial payment to the Merchant or, if payment has been made, to debit the Merchant's account and seek immediate reimbursement, notwithstanding any Authorization and/or authorization code provided, in any of the following situations:

- the transaction is unlawful or unreasonable for any reason;
- the Cardholder's signature is missing or the transaction lacks the Cardholder's explicit consent;
- the Cardholder's signature on the sales slip/terminal receipt/other required document is alleged to be a forgery or does not match the signature on the Card used for the transaction;
- the copy of the sales slip/terminal receipt/any other required document presented to the Bank or retained by the Merchant is incompatible with any copy provided to the Cardholder;
- the Cardholder's account number is omitted, incomplete or invalid, or is not imprinted/has been modified or altered;
- the Card presented had been altered, was not yet valid or had expired at the time of the Transaction;
- the Card presented was listed in a warning list or other communication/advice issued or made available by or on behalf of the Bank to the Merchant;
- the price charged to the Cardholder exceeded the price at which the goods/services were supplied for cash;
- the sales price exceeded the floor limit/cap limit and no prior Authorization was obtained from the Bank;
- the goods and/or services covered by the transaction are rejected or returned, or the transaction (or any part thereof) is validly cancelled or terminated by a Cardholder, or the Merchant fails to provide to the Cardholder's satisfaction the goods and/or services;
- the sales slip/terminal receipt or any part thereof is illegible, incomplete, unsigned or not prepared/completed/submitted in accordance with these T&C;



- the Cardholder disputes the nature, quality or quantity of the goods and/or services;
- any information presented electronically to the Bank in respect of the transaction is not received in accordance with the Bank's requirements from time to time;
- the Bank has requested evidence in accordance with clause 19 and the Merchant has failed to provide it;
- there has been a departure from these T&C in relation to the transaction;
- the transaction information was required to be presented within seven (7) days of the transaction and was not so presented;
- the Cardholder disputes or denies the transaction or the sale/delivery of the goods and/or services;
- in seeking Authorization, the Merchant has given an incorrect Cardholder name or Card account number to the Bank;
 - i) there has been a breach by the Merchant of this Agreement (in addition to the specific breaches above) in connection with the transaction or sales slip or otherwise;
 - ii) the Transaction has been posted more than once to the Cardholder's account due to deposit of an incorrect copy of the sales slip by the Merchant;
 - iii) the Bank reasonably believes that the transactions are irregular;
 - iv) Bank is of the opinion that there are suspicious circumstances surrounding the transaction;
 - v) the Bank is of the opinion that the submission is out of the normal pattern;
 - vi) the issuing bank refuses to honour the sales/Transaction presented by the Merchant;
 - vii) any other event or circumstance notified by the Bank to the Merchant in writing which had occurred at the date of the Transaction; or
 - viii) notwithstanding clause 7, the circumstances of the transaction were so suspicious that the Merchant should have realized that the Card is counterfeit or stolen and should therefore have declined the transaction.
 - ix) The Merchant shall ensure that each Transaction is settled within four (4) days from the date of such transaction. The Merchant is entitled to raise a dispute on any Transaction—subject to availability of the Charge slip copy—within thirty (30) days from the date of such transaction, failing which such transactions shall be deemed proper and the Bank shall be absolved from any liability. Notwithstanding the foregoing, the Bank reserves the right to deny payment if it deems a transaction improper or fraudulent. The Merchant understands that daily settlement is its responsibility and any financial losses due to failure in batch settlement shall be borne solely by the Merchant.



16 PAYMENT EQUIPMENT AND/OR IMPRINTER(S)

16.1 (i) The Merchant shall retain in its possession, and for its exclusive use, all Payment Equipment and associated software and materials supplied by the Bank (except as otherwise required herein). The Merchant shall ensure that the Equipment and/or imprinter(s) are maintained in good condition.

(ii) It is the sole responsibility of the Merchant to safeguard and control the use of the Equipment and/or imprinter(s). All use of the Payment Equipment and/or imprinter(s) shall be deemed authorized and sanctioned by the Merchant.

(iii) As between the Bank and the Merchant, all persons using the Equipment and/or imprinter(s) shall be deemed authorized and sanctioned by the Merchant. The Bank shall not be responsible for any dispute arising between the Merchant and its agents or Cardholders. The Merchant shall indemnify the Bank against all claims, losses, demands, actions, costs, expenses and liabilities suffered, incurred or sustained as a result of, or arising from, the use or misuse of the Payment Equipment and/or imprinter(s), whether direct, indirect or consequential.

(iv) Any Equipment and/or imprinter(s) supplied to the Merchant shall remain the property of the Bank (including proprietary rights therein) and shall be returned to the Bank on demand.

(v) The Merchant shall provide reasonable assistance to the Bank, for the prevention and detection of fraud in respect of usage of the Payment Equipment and/or imprinter(s).

(vi) To the extent applicable to the Payment Equipment, the Bank may charge the Merchant the cost of the Payment Equipment and/or imprinter(s) and the cost of repairing the same if damaged as a result of improper handling by the Merchant, as determined by the Bank/its authorized representatives/agents.

(vii) All Equipment and/or imprinter(s) shall be returned to the Bank upon termination of these T&C or when the Merchant ceases to do business, or whenever the Bank/its authorized representatives/agents require.

16.2 The Merchant shall not:

(i) sell, assign, transfer, lease or otherwise deal in, or attempt to deal in, the Equipment and/or imprinter(s), or create any encumbrance thereon;

(ii) remove, conceal or alter any marking, tag or plate attached to the Payment Equipment and/or imprinter(s) indicating the Bank's ownership;

(iii) jeopardize the Bank's right of access, repossession or disposition of the Payment Equipment and/or imprinter(s) by any act of the Merchant or its servants/agents or any factor within its control. The Merchant shall not disassemble or reverse-engineer any Payment Equipment provided by the Bank; or



(iv) cause the magnetic stripe of a payment Card to be read twice or more for the same transaction if the Card has been dipped/swiped at the Payment Equipment and has received an Authorization, whether the second swipe is for closing the transaction at the Merchant's electronic cash register (ECR), recording/matching/dispensing inventory at POS, the Merchant's loyalty programme or any other purpose, except with the Bank's prior written authority.

16.3 Subject to clause 22, the Bank and its authorized service provider shall be responsible for servicing, repairs or replacement of the Payment Equipment and/or imprinter(s) (other than for the SoftPoS). For this purpose, the Merchant shall allow the Bank, its authorized representatives/contractors/designated agents to access the Equipment and/or imprinter(s) at all reasonable times.

16.4 The Merchant shall not permit any third party to perform maintenance services on the Payment Equipment and/or imprinter(s) or to effect modifications, enhancements or engineering changes thereto without the prior written consent of the Bank.

16.5 The Merchant shall ensure that Transactions that are effected through EDCT/POS only through "BANDHAN BANK" printed rolls within their expiry date.

17 PUBLICITY

17.1 The Merchant irrevocably authorizes the Bank to include the Merchant's name in any directory or promotional material produced in connection with acceptance of Mastercard/Visa/RuPay/Other Cards.

17.2 The Merchant agrees to prominently display and maintain the Bank's promotional material as supplied by the Bank from time to time.

18 BREACH OF T&C

Without prejudice to the Bank's right to terminate the arrangement with the Merchant, upon any breach of these T&C by the Merchant, the Bank is authorized to debit the Merchant's Account or deduct from any deposit any refund claimed. If there is no account with the Bank or insufficient funds/deposit to compensate the Bank for any refund claimed, the Merchant undertakes to forthwith become a debtor of the Bank and, on demand, pay the Bank the amount of the refund to the extent of such shortfall.

19 EVIDENCE & DOCUMENTS

19.1 The Merchant shall, upon the Bank's request (whether or not the same is disputed by the Cardholder), promptly produce evidence satisfactory to the Bank of the Cardholder's authority for debiting the Cardholder's account with any Transaction Amount and, without prejudice to the foregoing, shall retain all documents and records relating to each transaction for a period of not less than one (1) year and produce the same to the Bank on request.



19.2 Where applicable, the Merchant agrees that, for goods to be exported, the following documents shall additionally be maintained for record: proof of dispatch of the invoice, certificate of insurance and order form, as per extant regulatory norms.

19.3 The Merchant shall provide such reasonable assistance for prevention and detection of fraud in respect of any transaction(s) as the Bank may request from time to time.

20 REMOVAL & CESSATION OF BUSINESS

The Merchant shall inform the Bank, in writing and at least thirty (30) working days in advance, of any relocation of shops/offices, change of address and/or cessation of its business.

21 DISCLOSURE

The Bank shall be entitled at any time to disclose any and all information concerning the Merchant within the Bank's knowledge/possession to any party in connection with the card/UPI facility provided by the Bank, including information relating to the cause for termination of these T&C. This clause shall survive termination of these T&C. The Bank reserves the right to disclose information provided by the Merchant post-signing of these T&C through its staff or third parties. The Bank may verify any market information received about the Merchant's business activities/principals behind the business.

22 DISCLAIMER

22.1 The Bank shall incur no liability to the Merchant or any of the Merchant's Cardholders for any inaccuracy or invalidity of any point-of-sale Authorization committed by the Bank in connection with the services, and the Merchant shall indemnify the Bank for any claims arising therefrom.

22.2 Except as expressly provided to the contrary herein, all terms, conditions, warranties, undertakings, inducements or representations—whether express or implied, statutory or otherwise—relating to the EDCT Payment Equipment and other associated software are excluded, including but not limited to warranties of merchantability or fitness for a particular purpose. Without limiting the foregoing, the Bank shall have no liability to the Merchant for any loss or damage (including consequential loss/damage), however caused, arising directly or indirectly in respect of the Equipment/imprinter(s) or due to any failure or error in the Equipment/imprinter(s), programs, data or system.

23 INDEMNITY

23.1 The Merchant hereby agrees to indemnify and hold harmless the Bank on demand against any actions, claims, costs, damages, demands, expenses, losses and liabilities made against, suffered or incurred by the Bank arising directly or indirectly from or in connection with: (i) any failure by the Merchant to comply with these T&C; (ii) any transaction between the Merchant and a Cardholder, including any alleged misrepresentation, breach of contract or any act/omission or other breach of duty by the Merchant (or its officers, employees or agents); (iii) any claim by a Cardholder or any third party arising out of services/goods offered by the Merchant; (iv) any



breach of applicable laws, rules and regulations, including directions from RBI; (v) fraud, negligence or willful misconduct of the Merchant or its employees/agents; (vi) breach of confidentiality obligations under these T&C; or (vii) any data breach event.

23.2 The Bank shall be entitled to conduct or decline all proceedings and negotiations relating to any such claim and shall, at its discretion, accept, dispute, compromise or otherwise deal with the same, and shall have no liability to the Merchant in respect thereof. The Merchant shall provide such assistance as the Bank may require in connection with any such claim.

24 CONFIDENTIALITY

24.1 The Merchant shall not, without the prior written consent of the Cardholder, use or disclose information of the Cardholder or his/her transactions, howsoever obtained and in whatsoever form, to any third party (other than the Merchant's agents for the sole purpose of assisting the Merchant to complete or enforce the transaction, and the Merchant's insurers/professional advisers), unless such disclosure is compelled by law.

24.2 The Merchant shall not, without the prior written consent of the Bank, use or disclose information howsoever obtained and in whatever form, about the business of the Bank or these T&C to any third party (other than the Merchant's agents for the sole purpose of assisting the Merchant to complete or enforce the transaction and the Merchant's insurers/professional advisers), unless such disclosure is compelled by law.

25 TERMINATION

25.1 These T&C may be terminated by the Merchant upon at least thirty (30) days' prior written notice to the Bank, or by the Bank forthwith, without prejudice to due completion and payment in respect of all transactions processed and accepted by the Bank on or before the termination date. Upon termination, the Merchant shall present all completed transactions to the Bank's representative at the time of termination. Subject to clauses 12.1, 14.4 and 15, payment for such items shall be made to the Merchant only after the Bank successfully collects payment from the issuing bank within 180 days from the date of transaction. Where any refund claimed by the Bank exceeds the amount due to the Merchant, the difference shall be a debt due from the Merchant to the Bank and recoverable by appropriate legal action.

25.2 In the event of inactivity of the Merchant exceeding three (3) months, the Bank may, in its discretion, terminate these T&C with immediate effect. No compensation shall be payable to the Merchant in this regard, and the Bank's decision shall be final and binding.

25.3 Upon termination, the Merchant shall forthwith, at its own expense, return to the Bank the imprinter(s), the Payment Equipment and all related documentation.

25.4 Any termination shall not affect liabilities incurred prior thereto nor any provision expressed to survive or to be effective on termination. Without prejudice to the foregoing, clauses 12.1, 14.4, 15, 19, 23 and 24 shall remain in full force and effect notwithstanding termination.



25.5 Any transaction presented to the Bank after the termination date, whether bearing Authorization or not, shall be paid at the sole discretion of the Bank.

25.6 The Bank shall have the right to mark a lien for Rs. 15,000 on the savings/current account/fixed deposit placed by the Merchant with the Bank towards security for the Payment Equipment and/or provision of the SoftPoS access, as the case may be. The lien shall be released only after the Payment Equipment is recovered in complete working/operating condition and/or applicable charges, fees and dues to the Bank's is recovered to the satisfaction of the Bank, as the case may be.

25.7 If the Payment Equipment or other associated devices/accessories are lost/misplaced after installation, or if the Merchant fails to produce them on demand, the Bank shall have the right to recover their cost of the Payment Equipment from the Merchant at the rates determined by the Bank, which shall be final and not subject to contest.

26 APPLICABLE LAW AND ARBITRATION

26.1 This Agreement shall be governed by the Laws of India.

26.2 Notwithstanding anything to the contrary contained herein, any dispute, differences or claims, between the Parties, arising out of and / or relating to this Agreement ("Dispute") whether during its subsistence or thereafter, shall be referred to and resolved by arbitration, to be administered by an independent arbitration institution in accordance with its dispute resolution rules ("Rules").

26.3 The Party invoking arbitration ("Claimant") may opt for any one of the independent arbitration institutions from the list of institutions listed on the Bank's website as independent arbitration institution ("Independent Institution") and thereafter intimate its selection of the Independent Institution to the other Party ("Respondent") in writing. The Respondent shall either: (i) confirm in writing acceptance of the Independent Institution to the Claimant within a period of ten (10) days from the date of receipt of such intimation ("Arbitration Notice Period"), or (ii) convey objection, if any, in writing to the Claimant, against the proposed Independent Institution within the said Arbitration Notice Period and propose the name of another independent arbitration institution from the list of institutions listed on Bank's website ("Substitute Institution"). However, if the Claimant does not receive any response from the Respondent within the Arbitration Notice Period and/or does not receive the details of any Substitute Institution, the Claimant shall be entitled to request the Independent Institution to nominate the sole arbitrator as per its Rules. In the event, the Respondent conveys objection as per (ii) above and proposes the Substitute Institution, then the Claimant shall be entitled to request the Substitute Institution to nominate the sole arbitrator as per its rules.

26.4 The Parties agree and acknowledge that the arbitration shall be conducted by a sole arbitrator to be appointed by the Independent Institution or Substitute Institution, as the case may be, as per its Rules. These Rules shall be in conformity with the Arbitration and Conciliation Act, 1996, the copy whereof is made available on the website of the Independent Institution or Substitute Institution, as the case may be. The juridical seat of arbitration shall be Kolkata, India. The



language of arbitration shall be English. The law governing the arbitration proceedings shall be Indian laws.

26.5 The award of the arbitrator shall be final and binding on the Parties.

26.7 The Parties agree, confirm and consent to carry out the arbitration proceedings virtually through the online dispute resolution (“ODR”) platform of the Independent Institution or Substitute Institution, as the case may be.

27 ASSIGNMENT

These T&C are not assignable by the Merchant but, where the Merchant is an individual/individuals, shall bind his/their respective, heirs, successors and estates. The Bank may at any time assign these T&C or any of its rights/obligations in favor of any subsidiary of the Bank or the Bank’s holding company or any other bank/company and may subcontract or appoint any agent(s) to carry out any of the Bank’s obligations herein.

28 REPRESENTATIONS & WARRANTIES

- (i) The Merchant acknowledges and agrees that it has not entered into these T&C in reliance upon any representation, statement or warranty (whether express or implied) made by or on behalf of the Bank other than those expressly set out herein.
- (ii) The Merchant unconditionally agrees and accepts that the Bank may reject its application at any stage. The Merchant represents that all data provided by it to the Bank during the application process for acquiring any Payment Equipment from the Bank are true and correct, and agrees that if at any stage the Bank becomes aware or is of the opinion that the Merchant has provided incorrect information and/or fabricated/fake/manipulated documents, the Bank may reject the application without assigning any reason whatsoever.
- (iii) (iii) The Merchant also unconditionally agrees and accepts that the Bank shall have every right to compare the data available with the Bank or provided by any other Bank/Financial Institution/ Credit Information Company during the process of processing its application and in case the Bank, in its sole and exclusive opinion determines that, the details as provided to secure the relationship with the Bank is are inconsistent with the data that may be available with various Banks/Financial Institution/ Credit Information Company that may be so obtained by the Bank, in terms of the Bank’s due diligence policy to assess the relationship(s). The Merchant unconditionally agrees and accepts that such data which is so inconsistent with, may be construed as fraud/cheating/forgery/manipulation/fabrication of documents against the Bank, and agrees that, the Bank shall every right and liberty for not processing its application/rejecting the application so provided to the Bank and enforce any remedy that may be so available with the Bank in law and equity. The Merchant further unconditionally agrees and undertakes that the Bank shall be at liberty to share any information with any other Banks/Financial institution either as a part of consortium of a part of sole banking relationship or to any Credit Information Company as the Bank may so decide. The Merchant waives the confidentiality obligations with respect to the information provided to the Bank. The Merchant further agrees that it shall not hold the Bank liable for any cost or reputation loss for sharing the information as is considered necessary by the Bank in its



- sole and exclusive opinion, and agrees to hold harmless the employees, officers, directors, agents, etc. that may be so appointed by the Bank in relation to such sharing of information.
- (iv) It is incumbent upon the Merchant to comply at all times with applicable standards such as Payment Card Industry Data Security Standards (PCI DSS) and to comply with Payment Application Data Security Standards (PA DSS) for any terminal equipment deployed by the Bank to process card transactions, to ensure the integrity of card information that they transmit, handle or store at their own facility or through a third-party processor/network. The Merchant shall indemnify and keep Bandhan Bank fully and without limit indemnified against all costs, claims, damages, expenses, fines, losses, liabilities and penalties (including attorneys' costs) accruing, incurred or suffered by the Bank directly or indirectly on account of any failure by the Merchant to comply with any applicable standard issued by the PCI Security Standards Council or any other laws and regulations.

29 WAIVER

The Bank's failure at any time or for any period to enforce any one or more of these terms or conditions shall not be a waiver thereof or of the right subsequently to enforce these T&C.

30 GENERAL

- i. If signed by a firm, the expression "Merchant" shall include the person(s) from time to time carrying on the business of such firm; where there are two or more signatories, "Merchant" shall include all and each of them, and their liabilities shall be joint and several. The person authorized to sign these T&C has the requisite power and authority from the competent authority to bind the Merchant under applicable law.
- ii. These T&C are on a principal-to-principal basis between the Parties. Nothing herein shall create any association, partnership, joint venture, employer-employee or principal-agent relationship between the Parties.
- iii. These T&C shall be governed by and construed in accordance with the laws of India and the Parties submit to the exclusive jurisdiction of the courts at Kolkata.
- iv. If any provision of these T&C is or becomes illegal, invalid or unenforceable, in whole or in part, under any enactment or rule of law, such provision or part shall, to that extent, be deemed deleted and the legality, validity and enforceability of the remaining provisions shall not be affected.
- v. Any notice or communication by either Party to the other shall be in writing and shall be deemed duly given if delivered personally or by prepaid registered post to the address stated above or such other address as a Party may notify.
- vi. If the context permits or requires, words importing the masculine gender shall include the feminine/neuter and words in the singular shall include the plural and vice versa.



- vii. All costs (including costs between advocate and client), charges, expenses, taxes and duties (including stamp duty, if any) in relation to these T&C and any documents executed pursuant hereto and in relation to enforcement shall be borne and paid solely by the Merchant.
- viii. Any fees collected or charged to the Merchant shall be non-refundable.
- ix. The English language text of these T&C shall prevail over any translation.
- x. Any applicable regulatory (RBI/NPCI/other) change in the operation of Payment Equipment and associated devices shall automatically form part of these T&C with or without separate notice to the Merchant.

31 RESTRICTED PRODUCTS & SERVICES

The Merchant expressly agrees not to, directly or indirectly, deal in the following products/services at any time during the tenure of these T&C. Without prejudice to the Bank's other rights and remedies, the Merchant shall be solely liable for, and shall indemnify the Bank against, all losses (including legal actions, third-party claims, assessments/fines, regulatory/penal actions) arising from any breach, including dealing in the following:

- i. Adult goods and services which includes pornography and other sexually suggestive materials (including literature, imagery and other media); escort or prostitution services. Apparatus such as personal massagers/vibrators and sex toys and enhancements.
- ii. Alcohol, which includes Alcohol or alcoholic beverages such as beer, liquor, wine, or champagne.
- iii. Body parts, which includes organs or other body parts – live, cultured/preserved or from cadaver.
- iv. Bulk marketing tools which includes email lists, software, or other products enabling unsolicited email messages (spam).
- v. Cable TV descramblers and black boxes which includes devices intended to obtain cable and satellite signals for free.
- vi. Child pornography in any form.
- vii. Copyright unlocking devices which includes Mod chips or other devices designed to circumvent copyright protection.
- viii. Copyrighted media, which includes unauthorized copies of books, music, movies, and other licensed or protected materials.
- ix. Copyrighted software which includes unauthorized copies of software, video games and other licensed or protected materials, including OEM or bundled software.



- x. Counterfeit and unauthorized goods which includes replicas or imitations of designer goods; items without a celebrity endorsement that would normally require such an association; fake autographs, counterfeit stamps, and other potentially unauthorized goods.
- xi. Drugs and drug paraphernalia which includes illegal drugs and drug accessories, including herbal drugs including but not limited to salvia and magic mushrooms.
- xii. Drug test circumvention aids which includes drug cleansing shakes, urine test additives, and related items.
- xiii. Endangered species, which includes plants, animals or other organisms (including product derivatives) in danger of extinction.
- xiv. Gaming/gambling which includes lottery tickets, sports bets, memberships/ enrollment in online gambling sites, and related content.
- xv. Government IDs or documents which includes fake IDs, passports, diplomas, and noble titles.
- xvi. Hacking and cracking materials which includes manuals, how-to guides, information, or equipment enabling illegal access to software, servers, websites, or other protected property.
- xvii. Illegal goods which includes materials, products, or information promoting illegal goods or enabling illegal acts.
- xviii. Miracle cures which includes unsubstantiated cures, remedies or other items marketed as quick health fixes.
- xix. Offensive goods which includes literature, products or other materials that: a) Defame or slander any person or groups of people based on race, ethnicity, national origin, religion, sex, or other factors b) Encourage or incite violent acts c) Promote intolerance or hatred.
- xx. Offensive goods, crime which includes crime scene photos or items, such as personal belongings, associated with criminals.
- xxi. Prescription drugs or herbal drugs or any kind of online pharmacies which includes drugs or other products requiring a prescription by a recognized and licensed medical practitioner in India or anywhere else.
- xxii. Pyrotechnic devices and hazardous materials which includes fireworks and related goods; toxic, flammable, and radioactive materials and substances.
- xxiii. Regulated goods which includes air bags; batteries containing mercury; Freon or similar substances/refrigerants; chemical/industrial solvents; government uniforms; car titles; license plates; police badges and law enforcement equipment; lock-picking devices;

pesticides; postage meters; recalled items; slot machines; surveillance equipment; goods regulated by government or other agency specifications.

- xxiv. Securities, which includes stocks, bonds, mutual funds or related financial products or investments.
- xxv. Tobacco and cigarettes which includes cigarettes, cigars, chewing tobacco, and related products.
- xxvi. Traffic devices, which includes radar detectors/ jammers, license plate covers, traffic signal changers, and related products.
- xxvii. Weapons, which includes firearms, ammunition, knives, brass knuckles, gun parts, and other armaments.
- xxviii. Wholesale currency, which includes discounted currencies or currency, exchanges.
- xxix. Live animals or hides/skins/teeth, nails and other parts etc. of animals.
- xxx. Multi-Level Marketing schemes or Pyramid / Matrix sites or websites using a matrix scheme approach.
- xxxi. Any intangible goods or services or aggregation/consolidation business.
- xxxii. Work-at-home information.
- xxxiii. Drop-shipped merchandise.
- xxxiv. Web-based telephony/ SMS/Text/Facsimile services or Calling Cards. Bandwidth or Data transfer/ allied services. Voice process /knowledge process services.
- xxxv. Any product or service, which is not in compliance with all applicable laws and regulations whether federal, state, both local and international including the laws of India.

The Merchant acknowledges and agrees that the above list of restricted products and services is illustrative and not exhaustive. The Bank reserves the unconditional right to amend, modify, add to or remove any item from the restricted list at any time, at its sole discretion, including pursuant to changes in applicable laws, regulations, regulatory directions, industry standards or internal risk policies of the Bank. The Merchant shall remain solely responsible for ensuring ongoing compliance with the most recent version of the restricted list as may be amended by the Bank from time to time.

32 DEPLOYMENT OF ADDITIONAL APPLICATIONS ON TERMINAL

In due course, the Bank may, with the Merchant's consent, deploy additional applications on the Payment Equipment besides the credit/debit application used for processing Card payments (e.g., loyalty programmes, bill-payment programmes, etc.). Deployment of additional applications shall apply to the relevant Payment Equipment. For SoftPoS, additional functionalities may be deployed within the App.



33 VARIATION OF AGREEMENT

The Bank reserves the right at all times to vary or amend these T&C or to introduce new terms and conditions, with or without notice. The Merchant shall ensure compliance with these T&C, as amended/updated from time to time.

34 OTHER TERMS

34.1 Prior to closing the Merchant's Account associated with the EDCT, the Merchant shall surrender the EDCT to designated branches of the Bank.

34.2 The Merchant understands that, in the event it has a KYC-restricted account which is not regularized in a timely manner, the Bank may temporarily disable the EDC. The Merchant acknowledges that responsibility to regularize the account lies solely with the Merchant.

34.3 The Merchant shall preserve the charge slip and invoice copy (physical or digital, as applicable) for a period of at least 120 days in good condition to contest future chargebacks, if any.

34.4 If a Merchant required to register for GST does not provide a GSTIN to the Bank, an invoice will not be issued by the Bank to such Merchant.

34.5 Net payment to the Merchant shall be made by the Bank into the Merchant's Account, or—if the Merchant's Account is closed—any other account stipulated by the Merchant, by way of RTGS/NEFT/cheque/pay order/demand draft.

35 AUDIT

If the Bank, its auditors (internal or external), RBI/regulator/card associations or any other person authorized by the Bank seeks access, inspection or audit of records of transactions and other necessary information relating to services performed by the Merchant for the Bank, the Merchant shall, without demur and within a reasonable time from notice, allow uninterrupted inspection, examination and audit of records and review reports and shall cooperate and provide all assistance to the regulator or its authorized person. Failure to do so shall constitute a breach of these T&C and the Bank may terminate these T&C forthwith at its sole discretion without assigning any reason. The Reserve Bank of India or persons authorized by it may access the Bank's documents, records of transactions and other necessary information given to, stored or processed by the Merchant within a reasonable time.