



**PEOPLE'S
BANK**

Pride of the Nation

INTERNET PAYMENT GATEWAY (IPG)



INTERNET PAYMENT GATEWAY MERCHANT AGREEMENT

This Agreement made and entered into the Democratic Socialist Republic of Sri Lanka on this day of Two Thousand (20.....) by and between People's Bank duly incorporated under the People's Bank act no. 29 of 1961 and having its head office at 75, Sir Chittampalam A. Gardinarmawatha, Colombo 02 in the democratic socialist republic of Sri Lanka (here in after referred to as the "**Bank**" which term or expression shall where the context so requires or admits mean and include the said People's bank its successors and assigns) of the One Part and a proprietorship/partnership/company duly incorporated in Sri Lanka bearing Company Registered Number and having its registered office at (here in after referred to as "**the Merchant**" which term or expression as here in used shall where the context so requires or admits mean and include the said

and its successors and permitted assigns) of the Other Part WHEREAS the Bank has been appointed as a Principal Member to issue and acquire VISA Cards by VISA International Inc. USA and Master Cards by Master Card World wide and WHEREAS the Merchant has agreed with the Bank to accept any valid VISA or Master Cards at the offices/branches/ outlets/establishments of the Merchant and WHEREAS the Bank has agreed to pay to the Merchant the amount of all sales carried out by the Merchant through the use of the said cards less any discounts and other amounts the Bank is entitled to retain, subject to and upon the terms and conditions set out here in after here by agrees with Bank as follows:

DEFINITIONS

1. For the purpose of this Agreement, the terms set forth in this Article, when used in this agreement either in singular or plural forms are defined to mean unless the context otherwise requires, the following:
 - a. "**Authorisation**" shall mean the process by which the Bank confirms to the merchant whether the valid card of the card holder has the required credit limit/funds (as the case may be) to make payments for the transaction with the merchant as more particularly described in Article..... hereunder.
 - b. "**Cardholder**" shall mean a person holding a valid card, i.e. either a MasterCard/ Visa Card or an approved Card product licensed by these Associations.
 - c. "**Premises**" shall mean the place/ s of business of the merchant mentioned in item no. 3 of the Schedule hereto where the equipment is agreed to be installed by the Bank.
 - d. "**Settlement Amount**" shall mean the transaction amount less the agreed merchant commission (referred to as MDR) and any other related charges/ fees payable by the merchant to the Bank.
 - e. "**Transaction amount**" shall mean the amount payable by the valid card holder on the Product/ Service offered by the merchant inclusive of shipping charges and other taxes, duties, cost, charges and expenses in respect of the Product / Service that are to be charged to the Cardholder's Valid Card.
 - f. "**Merchant Discount Rate**" means, with respect to a Transaction amount, the percentage of that Transaction Amount as specified in the Schedule and additionally the amount per Transaction as specified in Schedule. Provided however that the Merchant Discount Rate may be revised quarterly by the Bank, and the Bank will advise Merchant of any such change not less than 30 days in advance of its effectiveness.
 - g. "**Effective Date**" means the date of execution of this Agreement by the Merchant.
 - h. "**Facility**" means the payment gateway facility provided by the Bank to the Merchant in terms of this Agreement and any other services that augment or enhance the current facility.
 - i. "**Issuing Bank**" in respect of a Cardholder, means the bank which has issued the Valid Card to the Cardholder with which Cardholder makes the payment for the Products / Services.
 - j. "**Software**" means a software program provided by a facility provider or its vendors to the Bank and / or to the Merchant that enables Merchant to utilize the Facility.

- r. **"Transaction"** means every order that results in the Delivery by the Merchant to the Cardholder of the Product(s) / Services in respect of which the Order was placed.
- l. **"Valid Card"** shall mean an unexpired card issued by any institution designated to issue a Visa, MasterCard, Visa Electron or a Maestro or other card as maybe specified by the Bank from time to time provided that the card is not listed in a current warning or restricted card bulletins or notices and bears the signature of the person in whose name the card is personalized.
- m. **"Chargeback"** means (also known as a reversal) is a form of customer protection provided by the issuing banks, which allows cardholders to file a complaint regarding fraudulent transactions on their statement

2. MASTERCARD / VISA CARDS & China Union Pay

This agreement and the following terms and conditions shall apply in respect of each and every transaction involving payments by means of a MasterCard or a Visa Card ("Card") and the term "MasterCard/ Visa Card" shall be construed accordingly.

- a. **Honour MasterCard/ Visa cards & China Union Pay** :The merchant shall honour every valid, unexpired Card when properly presented for payment from Cardholders for all transactions. The Merchant shall not engage in acceptance practices or procedures that discriminate against, or discourage the use of MasterCard/ Visa Card in favour of any other competing card brand that is also acceptable. The Merchant shall also not prefer, or indicate that they prefer a MasterCard or Visa Card issued by a particular institution.
- b. **Displaying MasterCard/ Visa Card / China Union Pay Symbols And Names:** The merchant shall display current MasterCard/ Visa card symbols and names as well as promotional materials to inform the public that MasterCard/ Visa Cards will be honoured at the merchant's place(s) of business.
- c. **Account Number Information:** The Merchant shall not sell, purchase, provide or exchange a cardholder's name or MasterCard / Visa account number information in any form obtained by reason of a MasterCard/ Visa Card transaction to any third party other than its MasterCard/ Visa acquiring member (the Bank), to MasterCard/ Visa, or pursuant to a government /statutory or competent body's request. Further, the materials containing card account information must be made unreadable and unusable before they are discarded in an approved manner.

3. HONOUR MASTERCARD/VISA CARDS

the merchant shall honour every valid, unexpired card when properly presented as a payment from cardholders for all transactions. the merchant shall not engage in acceptance practices or procedures that discriminate against, or discourage the use of MasterCard/visa card in favour of any other competing card brand that is also accepted.

4. AUTHORIZATION

- 4.1 The Merchant shall not accept any Order for which payment is to be made through a Valid Credit/Debit Card unless the Transaction is authorized by the Payment Gateway.
- 4.2 **Unacceptable Transactions:** The merchant shall not process or deposit transactions with the Bank for any other merchant establishment who may or may not be the merchant with the Bank. The merchant will also not allow cash advance by showing the transaction as a sale transaction. The merchant shall not accept payment from a cardholder to re-finance an existing debt.
- 4.3 The Bank reserves the right to discontinue the service on these grounds and recover such amounts from the merchant in case it is exposed to losses due to chargebacks or disputes.
- 4.4 **Minimum or Maximum Transaction Amount:** The merchant shall not require, or post signs indicating that they require, a transaction amount below or above which the merchant shall refuse to honour an otherwise valid Master Card/ Visa Card.

5. UNDERTAKINGS OF THE ACQUIRING BANK

5.1 Provision of the Facility: The Bank agrees to enable the merchant to receive payments made to it by a Cardholder through a Valid Credit/Debit Card and the Bank hereby reserves the right to appoint a third party to enable receipt of such payments, on such terms and conditions as it may deem fit.

5.2 Facility Standard: The Bank shall:

- 5.2.1 i) Make its reasonable best efforts to maintain the Facility in operation 24 hours a day, seven days a week.
- 5.2.2 ii) Make its reasonable best efforts to provide the Facility in a manner that protects information transmitted by the Software from (A) unauthorized interception, (B) undetected unauthorized modification or alteration after its origination, (C) undetected initiation by persons posing as other persons or entities, (D) unauthorized replication.

5.3 Limitations: The Bank's obligations described above are subject to the following limitations:

i) Messages that originate from the server of the Merchant or the server of a third party designated by Merchant (e.g., a host) shall be deemed to be authorized by the Merchant, and the Bank shall not be liable for processing such messages.

ii) Messages that originate from the Cardholder are deemed to be authorized by the Cardholder and the Bank shall not be liable for processing such messages.

iii) The Bank is not responsible for the security of data residing on the server of the Merchant, or a third party designated by the Merchant (e.g., a host) or on the server of a Cardholder or a third party designated by a Cardholder (e.g., a host).

iv) The Bank shall have no liability for any failure or delay in performing its obligations under this Agreement if such failure or delay: (A) is caused by the Merchant's acts or omissions; (B) results from actions taken by the Bank in a reasonable good faith effort to avoid violating a law, rule or regulation of any governmental authority or to prevent fraud on Cardholders; or (C) is caused by circumstances beyond the Bank's control, including but not limited to vandalism, hacking, theft, phone service disruptions, Internet disruptions, loss of data, extreme or severe weather conditions or any

6. UNDERTAKINGS OF MERCHANT

6.1 Use of the Facility: In using the Facility, the Merchant agrees:

i) Not to use the Facility in any manner, or in furtherance of any activity, which constitutes a violation of any law or regulation or which may result in fraud on any person or which may cause the Bank to be subject to investigation, prosecution or legal action.

ii) To use information regarding a Cardholder (including name, address, e-mail address, telephone numbers, and data regarding bank accounts or financial instruments) conveyed to Merchant by consumer software designed to access the Facility only for the purpose of completing the Transactions for which it was furnished, and not to sell or otherwise furnish such information to others unless the Merchant has an independent source of such information or obtains the express consent of such Cardholder.

iii) To use the Software in accordance with the terms on which the Software has been provided to the Merchant and not to attempt to modify, translate, disassemble, decompile or reverse engineer the Software, or use it for any purpose other than for the utilization of the Facility.

6.2 Cardholder Support: The Merchant shall provide a commercially reasonable level of cardholder support to the Cardholders with respect to sales using the Facility. Such support shall include appropriate notice to the Cardholders of:

- (i) a means of contacting Merchant in the event the Cardholder has questions regarding the nature or quality of the goods or services that Merchant offers for sale and

(ii) Procedures for resolving disputes. If the Bank determines in good faith that the Merchant's failure to comply with this paragraph is causing an unacceptable burden on its cardholder support facilities, the Bank may suspend or terminate this Agreement.

6.3 Compliance with Law & Guidelines: Merchant shall at all times comply with applicable laws, rules and regulations insofar as relevant to its use of the Facility. Merchant will at all times comply with the guidelines set for merchants by Central Bank of Sri Lanka / Visa / MasterCard / Bank respectively. If the utilization of the Facility by the Merchant results in or may result in additional liability being placed on the Bank under VISA/MasterCard guidelines, such utilization shall be deemed to be a violation of this Agreement.

6.4 Prevention of Infringement: If for any reason the Facility or any component of the Facility becomes, or in the Bank's opinion is likely to become, the subject of a claim of infringement, the Bank reserves the right to, at its option and expense, either (i) to revoke the right of the Merchant to continue using the Facility as permitted in this Agreement, or (ii) to replace or modify Facility or the infringing component of the Facility so that it becomes non-infringing. If, after using commercially reasonable efforts, the Bank is unable to cure the infringement, any of the Parties may terminate this Agreement on written notice to the other Party.

7. TRANSACTION HANDLING

7.1 The merchant in handling transaction(s) via payment gateways must ensure that the extraction of data from the Cards must be in the manner specified by the Bank (this may vary from time to time but the Bank will give prior notice of variation to the Merchant)

7.2 Deliver to the Cardholder a bill including mentioned of charges covered in the payment received from the cardholder through the payment gateway.

7.3 The Bank reserves the right to impose limits on the number of Transactions undertaken using a particular Valid Credit/Debit Card and the value of a single Transaction during any time period, and reserves the right to refuse to make payments in respect of Transactions exceeding such limit.

7.4 The merchant shall not require any cardholder to pay any surcharge, to pay any part of the discount, whether through any increase in price or otherwise, or to pay any contemporaneous finance charge in connection with the transaction in which a MasterCard/Visa Card is used.

8. PAYMENT TO THE MERCHANT

8.1 Subject to the terms of this Agreement, the Bank shall normally pay to the Merchant within two to seven business days, following the day on which the transactions took place, the transaction amount less the discount for all the card transactions processed and accepted by the Bank for all Products /Services sold on the Internet subject to the proof of Delivery being submitted to the Bank.

8.2 Net payments to the Merchant shall be made by the Bank to the account of the Merchant with the Bank (the "Merchant's Account") or by cheques/ pay orders.

8.3 Payment by the Bank shall be made without prejudice to any claims or rights that the Bank may have against the merchants and shall not constitute any admission by the Bank as to the performance by the merchant of its obligations under this Agreement and the amount payable to the merchant.

8.4 The Bank shall be entitled to set off and deduct from any payment due to the merchant:

- a) The amount of any refund due to any cardholder in accordance with the refund procedure set out in clause 10 below; and
- b) Any overpayment made by the Bank due to computational/ system errors or otherwise; and
- c) Any other sums due from or payable by the merchant to the Bank herein; and

d) At the Bank's discretion, an amount equal to interest at the rate then currently charged to cardholders in respect of their indebtedness from the due date until the date of payment (as well as after and before any demand made or judgment obtained) on the amount of any credit slip details of which are not presented as required under this agreement within seven days after the refund has been agreed between the merchant and the cardholder, or which is not dispatched to the bank within such period together with a payment in favour of the bank for the full amount thereof (the seventh such day being the due date for the purpose of the calculation of such interest); and in doing so the Bank may i). Debit the merchant's account forthwith; and/or ii). Deduct the outstanding amount from subsequent credits to the Merchant's account; and/ or iii). If there is no account with the Bank, or insufficient funds available therein, claim from the merchant the amount credited to the account in respect of the relative transaction/s.

8.5 If the Bank suspects, on reasonable ground and in its sole and exclusive opinion, that the merchant has been negligent, or has committed a breach of this agreement or act/s of dishonesty or fraud against the Bank or any Cardholder, the Bank shall be entitled to suspend all payments under this agreement to the merchant pending enquiries by the Bank and resolution of the same to the Bank's satisfaction.

8.6 Rejection of Payment: Notwithstanding anything stated elsewhere in this agreement or the annexed schedule/s, the Bank may reject payment in respect of Orders where:

- i) The authorization process cannot be completed/fails in relation to a Transaction;
- ii) Any Order which the Cardholder refuses to pay because the Product / Service was not as promised or was defective or was not delivered;
- iii) Payment in respect of the Order or the relevant installment of the purchase price has already been made;
- iv) The Order was placed more than 13 calendar days prior to the date of claim by Merchant in respect thereof.
- v) If the Merchant is unable to Deliver any part of the Cardholder 's Order within 13 calendar days from the date on which the Order was placed, the Merchant shall cancel the Order and the Cardholder shall be refunded.

8.7 Consequences upon rejection of payment: Where the Bank is entitled to reject payments in respect of an Order or demand a refund, it may:

- i) deduct the relevant amount from the Transaction Amount and/or payments to be made in respect of subsequent Transaction amounts until the Bank has been refunded in full;
- ii) demand payment of the relevant amount from the Merchant.

9. ORDER FORMS

The order forms in which the Merchant accepts Orders from the Cardholder on the Internet should contain the following information:

- (a) the Cardholder's name
- (b) the transaction amount (in Sri Lanka Rupees)
- (c) the transaction date
- (d) the Cardholder's postal address
- (e) the method of delivery
- (f) the refund policy

10. PRESENTMENT OF TRANSACTIONS AND REFUNDS

The merchant agrees to inform the cardholder about its credit refund policy clearly mentioning the same in bill invoice and/ or on the website.

10.1 a) If in respect of any transaction any goods/ services are not received as described, by the Cardholder or are lawfully rejected or accepted for or services are not performed or partly performed or cancelled or 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 completed 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 to the cardholder. The merchant must present a credit process/ refund letter on headed stationary and signed by authorized signatory/ies. The merchant must not process a refund transaction, unless there is a preceding corresponding debit on a card account. In the event that only credit slips are presented to the Bank at any one time, the merchant shall at the same time make payment of the net refund (I e. The total refund(s) to the cardholder(s) less the discount) to the bank.

c) In situations where sale date and refund date have a gap between them, which or otherwise causes a currency translation difference for transactions on foreign cards, the Bank will have the right to recover the equivalent Sri Lanka Rupee amount pertaining to such foreign exchange currency translation differences from the Merchant, for the purpose of crediting the same to the Cardholder's Card Account.

10.2 By presentation of any transaction information (which for the purposes of this agreement means any sales slip and/ or any 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:-

(a) That all statements of fact contained therein, which are within the knowledge of the merchant, are true and complete.

(b) That the merchant has supplied or caused to be supplied, the goods/ and or services to which the transaction information relates and to the value stated therein and a price not greater or otherwise on terms not less favourable than the same price and terms at and on which such goods and/ or services are supplied by the merchant for cash.

(c) That no other sales slip or information has been or will be issued or presented in respect of the goods and/ or services to which the transaction information relates;

(d) That the provision of credit for the supply of the goods and/ or services to which the transaction information relates is not unlawful; and

(e) That the transaction information relates to a transaction and that the merchant has complied with this agreement.

10.3 Neither the receipt by the Bank of any transaction information nor any payment by or other act of omission by the Bank (other than an express written acknowledgement or waiver thereof by the bank) shall constitute or be deemed to constitute any acknowledgement or waiver of compliance by the merchant with any of the warranties specified in clause 10.2 above or any other provision of this agreement.

11. MERCHANT DISCOUNT RATE (MDR)

In consideration of the services provided by the Bank, the Merchant agrees to pay to the Bank the Merchant Discount Rate and further charges as detailed in the Clause No. 18, which shall be deducted by the Bank from the amounts payable to the Merchant in terms of Clause No. 18 hereof in respect of a Transaction Amount. The Bank shall advise the Merchant Discount Rate from time to time. For the purpose of this agreement the discount rate would be as mentioned in Item Clause No. 18 hereunder written.

11.1 For the purpose of calculating the merchant discount rate on, the amount would be the aggregate amount of the bill including taxes, tips, shipping charges, etc.

11.2 If any extra credit is given by the merchant to the cardholder without prior approval of the Bank, the merchant shall do so at its own risk and responsibility. In such case the entire transaction would be treated as void and the Bank will reject payment of the same.

11.3 All applicable tax including service tax, consumption tax or value added tax whether currently in force or introduced after the date of this Agreement and any other taxes, duties, fees and charges arising out of the performance of this Agreement shall be borne by the Merchant.

12. 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 with such amount or to seek immediate reimbursement from the merchant, notwithstanding any authorization and/ or authorization code numbers given by the Bank to the merchant, in any of the following situations:-

- (a) The transaction is for any reason unlawful or a fraudulent transaction;
- (b) Cardholder's account number is found to be omitted, incomplete or invalid, or cardholder's account number is modified or altered.
- (c) The card presented to the merchant in respect of the transaction had been altered or had not yet become valid or had expired at the time of the transaction.
- (d) The card presented to the merchant in respect of the transaction was listed in a warning list or any other communication or advice (in whatever form) from time to time, issued or made available to the Bank by other Institutions or Card Associations or if such intimation is made available by or on behalf of the Bank to the merchant.
- (e) The price charged to the cardholder was in excess of the price at which the goods supplied or services performed were supplied by the merchant for cash.
- (f) The goods and/ or services covered by the transaction are rejected or returned or the transaction or part thereof, is validly cancelled or terminated by a card holder or if the merchant fails to provide at all or to the cardholder's satisfaction, goods and/ or services to the cardholder
- (g) The cardholder disputes the nature, quality or quantity of the goods and/ or services covered by the transaction; and or the transaction itself.
- (h) 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.
- (i) The bank has requested evidence in accordance with Clause. No. 21 hereunder, in relation to the transaction, which the merchant has failed to provide;
- (j) There has been any departure from the terms of this agreement in relation to that transaction;
- (k) The transaction information required to be presented in respect of the transaction is not presented to the bank within seven days of the transaction
- (l) The cardholder disputes or denies the transaction or the sale or delivery of goods and/ or services covered by the transaction within reasons;
- (m) In seeking authorization for a transaction, the merchant has given an incorrect cardholder's name or Card account numbers to the bank.
- (n) There has been a breach by the merchant of this agreement, other than the breaches more specifically provided in this sub-clause, in connection with the transaction or otherwise;
- (o) The Bank reasonably believes that the transactions are irregular
- (p) The Bank is of the opinion that there are suspicious circumstances surrounding the transaction;
- (q) The Bank is of the opinion that the submission is out of the normal pattern;
- (r) The issuing bank refuses to honour the transaction presented by the merchant;
- (s) Any other event or circumstance which the bank shall from time to time notify to the Merchant to have occurred at the date of the transaction;
- (t) If MasterCard / Visa dispute the transaction or report a retrieval request/fraud/chargeback..

13. PUBLICITY

13.1 The merchant irrevocably authorizes the bank to include the merchant's name in any directory or promotional material produced in connection with the acceptance of Master Card/ Visa Card.
 13.2 The merchant hereby agrees, undertakes and covenants to prominently display and maintain the Bank's promotional material as supplied by the Bank from time to time.

14. CHARGES TO CARDHOLDER

The merchant shall not require any cardholder to pay a surcharge, to pay any part of the discount, weather through any increase in price or otherwise, or to pay any contemporaneous finance charge in connection with the transaction in which a mastercard/visa is used.

15. USE OF MERCHANT'S NAME

The merchant irrevocably authorizes the bank to include the merchant's in any directory of promotional material produced in connection with the acceptance of mastercard/visa card.

16. DISPLAYING MASTERCARD/ VISA SYMBOLS AND NAMES

The merchant shall display current mastercard/ visa symbols and names as well as promotional material to inform the public that mastercard/ visa card will be honored at the merchant’s place(s) of business. the merchant’s right to use or display master card/ visa symbols and names shall continue only so long as the merchant agreement remains in effect and exterminated or until the member is notified by mastercard/visa that the merchant must cease such usage or display.

17. FLOOR LIMIT

The floor limit(s) shall be advised by the bank from time to time.

18. RENTAL

The merchant shall ensure that minimum sales volume target/s is indicated below is/are collected monthly on or before the final day of the month. in the event of merchant failing to achieve the minimum target/s, the merchant shall pay to the bank the following charge/s as indicated below;

1	Website Integration fees / Installation Charges - Onetime non- refundable (RS.)	
2	Merchant Discount Rate - % Per transaction	
3	Transaction Cost Rs./trxn	
4	Monthly Gateway Maintenance Charges	
5	Merchant Fixed Deposit (MFD) - Rs.	
6	Fraud liability of the Merchant	100%

19. MINIMUM TRANSACTION AMOUNT

The merchant shall not require, or post sign indicating that they require a transaction amount below which the merchant shall refuse to honor otherwise valid mastercard/visa cards & China Union Pay

20. BREACH OF AGREEMENT

Without prejudice to her bank’s right to terminate this agreement under clause 29, in the event of breach by the merchant of any of these terms, the bank is authorized to debit the merchant’s account or deduct from the deposit any refund claimed. in the event that there is no account with the bank or there is insufficient funds available there in to claim from the merchant or that the deposit is inadequate to compensate the bank for any refund claimed, the merchant undertakes that it would forthwith on demand by or on behalf of the bank to pay the bank the amount of the refund to the extent to which such funds or deposit proves inadequate.

21. EVIDANCE AND DOCUMENTS

- 21.1 the merchant will promptly on bank's request (and whether or not the same is disputed by the cardholder) produced to the bank evidence satisfactory to the bank of the cardholder's authority for the cardholder's card account to be debited with any transaction amount and (but without prejudice to the foregoing) will retain all documents and records relating to each transaction fro a period of not less than one year thereafter and produce the same to the bank on request.
- 21.2 the merchant shall provide such reasonable assistance for the prevention and detection of fraud in respect of any transaction as the bank may from time to time request.

22. BANNED PRODUCTS & SERVICES

The Merchant hereby expressly agrees not to directly or indirectly deal in the following product/s or service/s at any time during the tenure of this Agreement. Without prejudice whatsoever to the Bank's other rights & privileges, the Merchant binds himself unequivocally to be solely liable for including but not limited to any legal actions and suits, and to make good to the Bank immediately upon demand damages suffered by the Bank directly or owing to claims by any third party, levy of assessment fees or fines, penal actions taken by MasterCard/Visa & China Union Pay , the Reserve People's Bank and any other statutory or competent authorities for any breach of any terms of this Agreement, including the dealing in the following :

- 1) Adult goods and services which includes pornography and other sexually suggestive materials (including literature, imagery and other media).
- 2) Alcohol , which includes Alcohol or alcoholic beverages such as beer, liquor, wine, or champagne
- 3) Body parts , which includes organs or other body parts – live , cultured/preserved or from cadaver.
- 4) Bulk marketing tools which includes email lists, software, or other products enabling unsolicited email messages (spam)
- 5) Cable TV descramblers and black boxes which includes devices intended to obtain cable and satellite signals for free
- 6) Copyright unlocking devices which includes Mod chips or other devices designed to circumvent copyright protection
- 7) Copyrighted media, which includes unauthorized copies of books, music, movies, and other licensed or protected materials
- 8) Copyrighted software which includes unauthorized copies of software, video games and other licensed or protected materials, including OEM or bundled software
- 10) 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
- 11) Drugs and drug paraphernalia which includes illegal drugs and drug accessories, including herbal drugs including but not limited to salvia and magic mushrooms
- 12) Drug test circumvention aids which includes drug cleansing shakes, urine test additives, and related items
- 13) Endangered species, which includes plants, animals or other organisms (including product derivatives) in danger of extinction
- 14) Gaming/gambling which includes lottery tickets, sports bets, memberships/ enrollment in online gambling sites, and related content
- 15) Government IDs or documents which includes fake IDs, passports, diplomas, and noble titles
- 16) Hacking and cracking materials which includes manuals, how-to guides, information, or equipment enabling illegal access to software, servers, websites, or other protected property
- 17) Illegal goods which includes materials, products, or information promoting illegal goods or enabling illegal acts
- 18) Miracle cures which includes unsubstantiated cures, remedies or other items marketed as quick health fixes
- 19) 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.

- 20) Offensive goods, crime which includes crime scene photos or items, such as personal belongings, associated with criminals
- 21) 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 Sri Lanka or anywhere else.
- 22) Pyrotechnic devices and hazardous materials which includes fireworks and related goods; toxic, flammable, and radioactive materials and substances
- 23) 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
- 24) Securities, which includes stocks, bonds, mutual funds or related financial products or investments.
- 25) Tobacco and cigarettes which includes cigarettes, cigars, chewing tobacco, and related products
- 26) Traffic devices, which includes radar detectors/ jammers, license plate covers, traffic signal changers, and related products
- 27) Weapons, which includes firearms, ammunition, knives, brass knuckles, gun parts, and other armaments
- 28) Wholesale currency, which includes discounted currencies or currency, exchanges
- 29) Live animals or hides/skins/teeth, nails and other parts etc of animals.
- 30) Multi-Level Marketing schemes or Pyramid / Matrix sites or websites using a matrix scheme approach
- 31) Any intangible goods or services or aggregation/consolidation business.
- 32) Work-at-home information
- 33) Drop-shipped merchandise
- 34) Web-based telephony/ SMS/Text/Facsimile services or Calling Cards. Bandwidth or Data transfer/ allied services. Voice process /knowledge process services.
- 34) 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

23. REMOVAL AND CESSATION OF BUSINESS

The merchant shall inform the bank any removal of shops or offices and its cessation of business in writing 30 working days prior to its effective date.

24. DISCLOSURE

The merchant hereby authorizes the bank to disclose any information relating to the merchant’s account or the conduct thereof, the merchant’s particulars and affairs (financial or otherwise) to any part, including but not limited to any person, corporation, and bank financial institution any of the bank’s branches and related companies and to obtain such information from any such party.

25. DISCALIMER

- 25.1 The bank shall not be under any liability to the merchant or any of the merchant’s customers for the inaccuracy or invalidity of any point of sale authorization communicated by the bank in connection with these services except for the bank’s gross negligence and willful default and the merchant shall indemnify the bank for any claims arising there from.
- 25.2 except as expressly provided to the contrary in this agreement, all terms, conditions, warranties, undertakings, inducements or representations whether express, implied, statutory, or otherwise relating in any way to the system, are excluded. without limiting the generality of the preceding sentence, the bank shall not be under any liability to the merchant in any loss or damage (including, generality of the preceding sentence, the bank shall not be under any liability to the merchant in any loss or damage(including, consequential loss or damage) however caused, which may be suffered or incurred or which may arise directly or indirectly in respect of the equipment and/or imprinter(s) or

as a result of failure or error in the equipment and/or imprinter(s), the programmers the data or the system.

26. INDEMNITY

- 26.1 The merchant will indemnify the bank on demand in respect of 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;
- (a) any failure by the merchant to comply with the provisions of this agreement and/or
 - (b) any transaction between the merchant and a cardholder and including, but without prejudice to foregoing, any or any alleged misrepresentation or breach of contract or other breach of duty by the merchant(or any of the merchant's officers employees or agents) to any cardholder.
- 26.2 The bank will be entitled to have full conduct of all proceedings and negotiations relating to any such claim and its direction to accept, dispute, compromise or otherwise deal with the same and shall be under no liability in respect thereof to the merchant and the merchant will provide any assistance in any connection with any such claim that the bank may require.

27. CONFIDENTIALLLY

- 27.1 The merchant will not, without the prior written consent of the cardholder, use or disclose information on the cardholder or his/her transactions however obtained and in whatsoever from the information shall take, to any third party(other than the merchant's agents for the sole purpose of assisting the merchant to complete or enforce the transactions and the merchant's insurers and professional advisors) unless such disclosure is compelled by law.
- 27.2 The merchant will not, without the prior written consent of the bank use or disclose information howsoever obtained and in whatsoever from on the business of the bank or the system or this agreement , to any third party(other than to the merchant's agents for the sole purpose of assisting the merchant to complete or enforce the transactions and the merchants insures and professional advisors) unless such disclosure is compelled by law.

28. ACCOUNT NUMBER INFORMATION

The merchant shall not sell, purchase, provide, or exchange a cardholder's name or mastercard/visa account number information in the form of imprinted sales slips, carbon copies of imprinted sales slips, mailing lists, tapes or other media obtained by reason of a mastercard/ visa card transaction to any third party other than to the merchants agents for the purpose of assisting the merchant in its business to its mastercard/ visa acquiring member, to mastercard/ visa or pursuant to a government request.

29. TERMINATION

- 29.1 This agreement may be terminated by the merchant giving to the ban at least thirty day's prior notice in writing or by the bank forthwith without prejudice to due completion and payment in respect of all transaction(s) processed and accepted by the bank on or before the termination date in the event or termination the merchant shall present all completed transaction to the bank's representative at the time of termination. however subject to clauses 11.2, 12.4 and 14 payment for all such items received will only be made to the merchant after the payment is successfully collected by the bank from the card issuer(s) within 180 days from the date of transaction. where any refund claimed by the bank exceeds the amount due to the merchant, the difference thereof shall be a debt due from the merchant to the bank and be forthwith recoverable by legal action.

- 29.2 Upon termination, the merchant shall forthwith, and at the merchant's expenses, return to the bank the imprinter(s), the equipment and all related documentation.
- 29.3 Any termination shall not affect any liabilities incurred prior to the termination nor any provision expressed to survive or to be effective on termination and (but without prejudice to the foregoing clauses 11.2, 12.4, 14, 23, 28 and 29 and this clause shall remain in full force and effect notwithstanding termination.
- 29.4 Any paper presented to the bank after the termination date, whether it bears authorization or not shall not be paid by the bank.

30. ASSIGNMENT

This Agreement is not assignable by the Merchant. But the Bank is entitled at any time, with notice to the Merchant, to assign this Agreement or any of the Bank's obligations here under and/or sub-contract or appoint any agent to carry out any of the Bank's obligations herein.

31. REPRESENTATIONS

The merchant acknowledges and agrees that the merchant has not entered into this agreement in reliance on any representation statement or warranty (whether written or oral and whether expressed or implied) made by or on behalf of the bank other than such as and expressly set out herein.

32. WAIVER

The failure by the bank to enforce at any time or for any period any one or more of the terms or conditions of this agreement shall not be a waiver of such right or remedy or of the right at any time subsequently to enforce all terms and conditions of this agreement.

33. GENERAL

- 33.1 If signed by a firm, the expression "the merchant" shall include the person or persons from time to time carrying on the business of such firm and, if there are two or more signatories hereto, the expression "the merchant" shall include all and each of them and their liabilities under this agreement shall be joint and several.
- 33.2 This agreement shall be governed by and constructed in accordance with the laws of Sri Lanka. The parties here to agree that the sole and exclusive jurisdiction and venue for actions related to this agreement shall be the district of Colombo.
- 33.3 If any provision of this agreement is or proves to be 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 from this agreement and the legality, validity and enforceability of the remaining provisions of this agreement shall not be in anyway affected there by.
- 33.4 This agreement shall be deemed to be made when it is signed on both on behalf of the bank and on behalf of the merchant.
- 33.5 Any notice or communication by either party to the other shall be in writing and shall be deemed to have been duly given if either delivered personally or by prepaid registered post addressed to the other party at the appropriate address stated above or at such other address as such party here to may hereafter specify to the other party.
- 33.6 In this agreement, if the context permits or requires words importing the masculine gender shall include the feminine and neuter genders, and words in the singular number shall include the plural number and vice versa.

34. VARIATION OF AGREEMENT

The bank reserves the right at all times to vary or amend these terms and conditions. any such variation or amendment or introduction will become effective and binding on the merchant upon notification to the merchant by ordinary post and if the merchant is unwilling to accept any such variation or amendment or introduction the merchant shall notify the bank in writing by registered post within five days from the receipt of the notification by the bank. a notice sent by the bank by post shall be deemed to have been received by the merchant on the day following the date of posting.

35. GOVERNING LAW

This Agreement will be governed by and construed in accordance with the laws of Democratic Socialist Republic of Sri Lanka.

IN WITNESS WHEREOF the parties hereto have executed this Agreement the day and year below written.

Signed by

.....

.....

Name of the Authorized Signatory:

Business Name
Business Registration No.

Title :
Date:

.....

Name of the Authorized Signatory:

Title :
Date:

For and behalf of Peoples Bank

.....

Name:
Title:
Date:

.....

Name:
Title:
Date: