



Subject:

This agreement is that Visa and MasterCard allow the Merchant who wishes to market and sell its goods and/or services online under E-commerce business transaction by accepting both Visa & MasterCard cards from the customers as the method of payment, and appoint CB Bank to act as its acquiring bank in order to effect settlement of the purchase of such goods and/or services over E-commerce, subject to the terms and the conditions set out below.

Should the Merchant have any questions or enquiries, please do not hesitate to contact CB Bank's Merchant Service Department on 09-457750560, 018- 378906 (within office hour)

1. Definition of Terms

1.1 In this agreement, the following words and expressions shall have the following meanings:

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| “Affiliate” | means any person or group, whether the bank participating in Visa and MasterCard program or the corporate entitled to issue the Cards or the company accepting Cards for trading. |
| “Bank’s Trading Day” | means the particular days (Saturday and Sunday exclusive) set by the Central Bank of the Republic of the Union of Myanmar, for the banks to trade. |
| “Bank’s Trading Hours” | means hours of banking operation of the day, determined by the Central Bank of the Republic of the Union of Myanmar, which is from 09:30AM to 03:00PM. |
| “Authorization” | means the approval or denial made by the Card Issuer or the processor on issuer’s behalf for the settlement by Visa and MasterCard. |
| “Card” | Means validly issued & unexpired Visa and MasterCard bearing Visa logo and MasterCard logo issued by the Bank, Financial Institution or Corporation that holds license to issue Cards. The face of the card contains the imprinted or embossed Cardholder’s name, Card Validity period, and the account number of the Cardholder. |
| “Cardholder” | Means the genuine and legitimate owner of the card who is eligible to make purchases of Merchandise and/or Services via Merchant’s Delivery Channels. |
| “Card Transaction” | Means any payment transaction effected or to be effected for the purchase of Goods and/or Services made by Cardholders by using their Cards. |
| “Card Transaction Date” | Means the date on which the Visa and MasterCard transactions are effected or such date that the Bank may determine in its discretion. |
| “Chargeback Claim” | Means any amount claimed from the bank or any refusal of any payment to the bank by an Affiliate of Visa and MasterCard regarding to Card Transaction for any reason. |
| “Delivery Channels” | Means convenient places provided by the Merchant for Visa and MasterCard holders to be able to make purchases using their Cards. For example, Merchant’s website or Online Stores. |

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| “Myanmar Currency (MMK)” | Means type of local currency in Myanmar, determined by the Central Bank of the republic of the Union of Myanmar. |
| “Goods and/or Services for sale” | Means merchandisable Goods and/or Services displayed on Merchant’s website or Online Stores. |
| “Merchant” | Means retailer, or any other person, firm, or corporation that facilitates transactions by accepting Visa & MasterCard via internet and/or mobile devices and/or any other sale/ delivery channels. |
| “Merchant Discount”(service fee to the bank) | Means the payable amount to the bank at the rate which can be varied from time to time, and calculated on the volume of sale that Merchant made via Visa and MasterCard. This amount will be deducted from Merchant’s Sale Account at the Bank. The insight about this fee is mentioned in clause 8 below. |
| “Portable Mobile Devices” | Means portable electronic devices equipped with necessary support required for communication, including but not limited to Mobile phones, Personal Digital Assistant (PDA) and Laptops. |
| “Payment Instructions” | Means instructions designed by Merchant in order to receive the payment from the Cardholders for the purchase of Goods and/or Services. |
| “Valid Card” | Means a Card which has a validity period imprinted thereon during which the Card Transaction Date falls or would fall. |

1.2 In this agreement, any reference to the “singular” includes the plural and vice versa, any references to “person” include legal persons, firm, society, entity or corporation and vice versa, any references to parties and clauses include parties and clauses of this agreement and references to any gender include the other gender.

1.3 Clause headings are for ease and convenience only and must not be used for the purpose of interpreting this agreement.

2. Card Transactions

2.1 The Merchant has agreed to accept both Visa & MasterCard in relation with the sale of Goods and/or Services on Merchant’s Website. The Cardholders are not entitled to be charged for MDR (Merchant Discount Rate) payable to CB Bank.

- 2.2 The Merchant shall ensure all security measures whether or not prescribed by the Bank in respect of acceptance of any Visa & MasterCard for any Card Transaction including but not limited to confirming that the Card accepted is a Valid Card.
- 2.3 The Merchant shall provide the detail means of clear payment instructions for the Cardholders who wish to pay for the purchase of Good and/or Services displayed on Merchant's Website.
- 2.4 The Merchant shall seek the automated authorization via Merchant Website from the Bank who issued Visa and MasterCard, for each and every Card Transaction.
- 2.5 Once the Visa & MasterCard Cardholder has made a purchase complying with all the payment instructions provided by the Merchant, the Merchant shall request the payment in connection with Card Transactions from the Bank in respect of those payment instructions.
- 2.6 Once the Cardholder has agreed to settle the payment for the purchase of Goods and/or Services from the Merchant's Website in accordance with the payment instructions set out by the Merchant, the Merchant shall request the payment by those instructions from the Cardholder. CB Bank may not authorize and tolerate if the Merchant shall request the payment from the Cardholder in improper and/or dishonored ways.
- 2.7 All Card Transactions shall be only either in USD (US Dollars) or MMK (Myanmar Kyat).

3. Merchant's system

- 3.1 The parties acknowledge that the Merchant shall be wearing all costs of installation/ setting up, maintenance, upgrading, security and integrity of the computer connecting to E-Commerce Server provided by CB Bank.
- 3.2 Notwithstanding clause 3.1, the Merchant shall keep all systems and media containing any information relating to Visa & MasterCard Cardholders, Card Account Number and transactions in a rigorously secured manner to prevent access by anyone other than the CB Bank's authorized personnel. However, in the event that any of the aforesaid information or transaction data stored in Merchant's computer system is lost, damaged, stolen, tampered with or otherwise comprised, the Merchant shall report to CB Bank immediately, and thereafter, the Merchant shall consult with CB Bank to take necessary steps to remedy the situation and prevent the same thing happens again.
- 3.3 If the Merchant wishes to upgrade/ change the software or the hardware or any other part of the system, the Merchant is to inform the Bank about such change prior to its implementation and conduct testing with the Bank's system. The Bank shall not be liable for any loss or damage suffered by any party or any incompatibility between the Merchant's system and the Bank's system due to such changes made by the Merchant.
- 3.4 The Merchant shall accept full responsibility and the Bank shall not be liable in any way for any claims, liabilities, expenses, costs, loss or damages due to the defect of Merchant's computer system and poor security measures.
- 3.5 The Bank shall be entitled to enter Merchant's premises with prior notice to inspect the Merchant's computer system connecting to the Bank's E-Commerce Gateway.

4. Website Requirements

- 4.1 The Merchant shall ensure that the Bank is promptly informed of any security breach, suspected fraudulent card account numbers or any suspicious activities that may be connected with the attempts to commit a security breach or to use fraudulent card account numbers in the Merchant's computer system or at the Merchant's Website.
- 4.2 All representations contained in the Merchant's Website, any advertisements or printed matter relating to the products and/or services offered shall be deemed to have been made by the Merchant and the bank shall not in any way be liable for any claim arising from them.
- 4.3 Neither party may use the other's logo or trade name in any manner whatsoever (whether on the Merchant's Website or in any other media or materials) without the prior written approval. The use of CB Bank's logo shall not imply that the Bank endorses sponsors, certifies, or in any way guarantees the Merchant's Merchandise.
- 4.4 The Bank reserves the right to participate at any time in promotions with any other vendors or suppliers featured on Merchant's Website and the Merchant hereby consents to such participation.

5. Settlement by the Bank

- 5.1 The Merchant shall submit all Card Transactions affected by Cardholder to the Bank to request for the settlement. The Merchant may not present any transaction record which is known to be fraudulent or declined by the Cardholder. The bank shall process the Merchant's request for payment at the relevant time upon the terms of this Agreement.
- 5.2 The bank agrees to pay the Merchant an amount of each Card Transaction less the Merchant Discount Rate (MDR) calculated in the manner and at the rate from time to time by notifying the Merchant. The Merchant shall keep the pre-set amount of () as minimum remaining balance in its Card Transaction Account.
- 5.3 CB Bank shall provide following payment options to the Merchant:
 - a. If the Merchant has an account with CB Bank, the amount can be credited to that account.
 - b. By the agreement between CB Bank and the Merchant, the amount can be credited to account opened at different bank in Myanmar.
 - c. By cashing out from the counter at CB Bank.
- 5.4 Referring to clause 5.3, CB Bank shall be entitled at all times for administration and other Card Transaction related services.
- 5.5 Payment (settlement) to the Merchant shall either be in MMK or USD of MMK equivalent.
- 5.6 If CB Bank is entitled to be settled by the Merchant in relation with Card Transaction, CB Bank reserves the right to perform the following:

- a. Deduction of the relevant amount from any account that the Merchant held with CB Bank.
 - b. Deduction of the relevant amount from the Merchant's Card Transaction payments from Cardholders (customers).
 - c. Billing the Merchant for the relevant amount or the outstanding amount as appropriate. According to clause 19 of this agreement, such bill shall be payable upon receipt.
- 5.7 The amount for the Card Transaction shall be settled to the Merchant by CB Bank 7 days after the transaction takes place. Such settlement can be completed during the Bank's operating Hours on Bank's Trading Days.

6. Refusal of Payment by CB Bank

- 6.1 CB Bank reserves the rights not to pay the Merchant or to credit to the Merchant's account if any of the following events has occurred.
- a) Merchandise is returned or service is not rendered for any reason.
 - b) The Visa & MasterCard Cardholder disputes the quality, quantity or fitness of Merchandise sold and/or the performance or quality of services rendered under the Card Transaction or the event that the Merchant has breached the term and contract of sale or misrepresentation and misleading of any information about Merchandise or fraudulent warranty made by the Merchant.
 - c) The Cardholder disputes and denies the existence of contract between the Merchant and the Cardholder or that the goods and/or services he has purchased is never delivered or that the payment for the purchase was against the Cardholder's desire or the payment amount has been altered by the Merchant.
 - d) Sale or purchase of illegal Goods and/or Services.
 - e) The Card Transaction Records are not submitted for settlement by the Merchant.
 - f) The Merchant refuses or fails to present to the Bank the original or copy or printout of any statement, bill or invoice or other document or record in association with Card Transaction upon the request by CB Bank.
 - g) The Chargeback claim relating to the Card Transaction is received by the Bank or the card issuer or an Affiliate of Visa & MasterCard .
 - h) CB Bank has the suspicion that there is any fraud, forgery or illegal circumstances attached to any Card Transaction.
 - i) There has been a breach by the Merchant of its obligations under this Agreement, or of any security measures or guidelines issued by the Bank, or of any other agreement entered into between the Merchant and the Bank, or of any other obligations owed by the Merchant to the Bank, whether or not related to this Agreement.
 - j) If this Agreement is terminated by CB Bank for any reason.
- 6.2 The Merchant agrees that CB Bank reserves the right at its absolute discretion to claim back from the Merchant any payments made to the Merchant and that such may be refunded or repaid to CB Bank on demand either by CB Bank debiting the Merchant's

accounts with CB Bank or by the Bank exercising its right or by the bank raising a claim on the Merchant for its immediate settlement.

7. Refunds and Rebates

- 7.1 If the Merchant accepts a return of any Merchandise sold under the Card Transaction and agrees to make a refund or provide a rebate to Cardholder to the amount of Card Transaction, or if the Cardholder validly cancels the Card Transaction or claims the refund for all or part of the amount of the Card Transaction, the Merchant shall give a refund or rebate to the Cardholder by making the necessary arrangements with CB Bank to effect such refund or rebate to the Cardholder's Card Account.
- 7.2 The Merchant shall pay CB Bank (if the Bank believes it is required) the amount of any refund or rebate granted to the Cardholder.

8. Merchant Discount Rate

If CB Bank does not disclose about the Merchant Discount Rate (MDR) in any other way whatsoever, the Merchant shall pay the MDR to CB Bank as stated in the "Merchant Agreement" on the total value of all Card Transactions presented to the Bank for Payment. The MDR shall be deducted by CB Bank before the Merchant is paid on each occasion. The information about MDR shall be kept highly confidential as it is the trade agreement only between the Merchant and CB Bank.

9. Appropriate Business Practices of Merchant

The Merchant hereby undertakes:

- 9.1 To provide full description of the Merchandise and/or service available to the Cardholder including the description of any Warranties granted by the suppliers of such Goods and/or Services and the relevant Terms & Conditions of Merchandise and/or Services.
- 9.2 To state clearly the accurate cost of the Merchandise and/or Services and the shipping charges in MMK or the currency accepted by CB Bank.
- 9.3 To use CB Bank's Gateway only for legitimate and legal purposes of communicating and conducting business with the Visa & MasterCard Cardholders.
- 9.4 To refrain from offering any Merchandise for sale at a price lower than that which it intends to sell such Merchandise, or from using promotional tactics which are not commercially accepted.
- 9.5 To post on the Merchant's Website that the Merchant has legal and legitimate right to sell and market Merchandise and/or services available on its Website.

10. Breach the Agreement by the Merchant

In the event of a breach or violation of any given Terms and Conditions of this Agreement by the Merchant, CB Bank is authorized at its sole and absolute discretion to deduct from subsequent Merchant Payment and/or debit the Merchant's current banking account with CB bank for the total amount as stated in the Merchant Report less the Merchant Discount. If the Merchant's current Bank Account shall have insufficient funds available, CB Bank reserves the right to debit the Merchant's Bank Account with a partial amount and/or subsequent Merchant submission to the Bank for Payment. CB Bank shall have full recourse to recover any payment made to the Merchant for any Chargeback Claim in the event of any breach or violation of the Terms and Conditions of the agreement by the Merchant.

11. Transferring the Agreement to the other party

The Merchant shall not the whole or part of the benefit of this Agreement without the prior written consent of CB Bank. No payments made by CB Bank or any other actions of CB Bank shall constitute a waiver of this condition. Any payments made by CB Bank following a breach of this condition shall be deemed to be payments to the Merchant.

12. International Trading/ Business

The Merchant agrees that the merchandise and/or Services available on the Merchant's Website shall not export and/or re-export to overseas without the appropriate approval from the relevant authorities and foreign government licenses. The Merchant also agrees to comply with all applicable export or import control law of any jurisdictions and restrictions on the export and/or import of Merchandise and/or Services to and from the countries.

13. Indemnity

The Merchant agrees to defend, indemnify and to hold harmless of CB Bank, its officers, shareholders, employees, agents, representatives, successors, heirs and assigns of the foregoing, from and against any of the claims, demands, legal actions, suits, proceedings, losses, damages, costs and expenses including but not limited to Solicitor's fees incurred, arising out of the connection with the following:

- a. Product Liability Claims.
- b. Claims arising from alleging inaccurate or incomplete information provided by the Merchant, or any of that information infringe the intellectual property rights of third parties.
- c. Claims that Merchant's Merchandise infringes any intellectual property rights of any third party.
- d. Damages and Loss arising from any violation by the Merchant of the export/ import control obligations.
- e. Damages and Loss arising any violation of applicable law or regulation.

- f. Any Libel, Invasion of Privacy, and/or disparagement claims.
- g. Any violation of rights of Third Party.

14. Interruption of Service

CB Bank reserves the right to withhold the Service to the Merchant for any reason over a certain period of time. CB Bank shall be to restore the service as soon as reasonably possible. CB Bank shall not in any circumstances be liable for any loss, damage, inconvenience, injury, embarrassment or loss of reputation incurred or suffered by the Merchant for such interruption of Service.

15. Termination of Contract

15.1 Termination by the Merchant

- a. The Merchant may terminate this Agreement (contract), after the contract is expired, at any time by giving (30) business days written notice to the Bank.
- b. Despite of such termination, the Merchant's liability to the Bank continues to exist as a result of remedies for any antecedent breach of the Agreement by the Merchant prior to the termination.

15.2 Termination by CB Bank

- a. CB Bank may terminate this Agreement if the Merchant fails, neglects or defaults in performing any of its obligations under this Agreement and the Merchant fails to remedy the failure, neglect or default within ten (10) Business Days of receiving notice which specifies the failure neglect or default, or if the Merchant or its employees or agents have acted fraudulently or have misused the programs/systems, or the Merchant has caused a situation of any form of insolvency administration, or the Merchant has involved in the threat or security breach exposed to CB Bank and its E-Commerce Gateway.
- b. Upon such notice of termination being given to the Merchant, the Merchant must immediately submit all claims for payment for processing by CB Bank.

16. Surcharge (Service Fee)

The Merchant shall not impose or demand Visa & MasterCard Cardholders to pay any surcharge, commission or discount whether through any increase in price or any other Terms and Conditions on any of the Cardholder's desire using the Card rather than any other methods of payment.

17. Amendment

17.1 The Terms and Conditions of this Agreement may be amended by the Bank at its sole and absolute discretion at any time and from time to time by sending out the notice to the Merchant.

17.2 Any such amendment shall be deemed to be effective and binding on the Merchant on receipt of the notice letter (as stated in clause 19).

18. Confidentiality

18.1 The Merchant shall not disclose or share the disclosure of any information obtained from the Visa & MasterCard Cardholder and the Bank to any other person or company other than CB Bank without the Cardholder and/or CB Bank's prior written consent.

18.2 CB Bank will be entitled to disclose information concerning the Merchant and its affairs to any person, agent or subcontractor appointed by CB Bank.

18.3 The clause 18 shall continue in effect even after the termination of this Agreement.

19. Notices

19.1 All notices required to be served under this Agreement shall be in formal writing and if the Merchant is to be notified, CB Bank will use the email address, fax number and/or postal address of the Merchant as stated in the latest communication from the Merchant to the Bank. If the CB Bank is to be notified by the Merchant, the Merchant may use CB Bank's email address, office address or fax number mentioned in the latest communication with the Bank. If it is posted by an ordinary mail, CB Bank may assume the receipt of the notification by the merchant after (3) working days of the postage, and if it is to be sent via email or fax, the same day receipt may be assumed.

19.2 In relation to the payment which it makes it respect of Card Transaction, CB Bank may delay sending notices to the Merchant concerning changes in the manner in which, and the rate at which, the Merchant Discount is calculated until the end of the month in which such changes occur. The Merchant shall not raise any objections by reason of the date upon which such notice is given.

20. Expenses

The Bank shall be entitled to take appropriate actions to enforce this Agreement and the Merchant is liable to pay all the costs incurred by such actions (including legal fees).

21. Effective Date

This agreement shall only take effect from and including the date upon which this Agreement is signed by both Parties (CB Bank & the Merchant) or by parties acting on behalf of CB Bank and the Merchant.

22. Stamp Duty

The Merchant shall be liable to pay all expenses in relation with the preparation and execution of the Agreement.

23. Law

This Agreement shall be governed by and constructed in accordance with the current relevant Laws of the Republic of the Union of Myanmar.

After having understood and acknowledged, the Merchant shall engage in the contract for using CB Bank's E-Commerce Gateway for at least (2) two years.