

PAYON Merchant Application Form

Please complete this form and provide documentary evidence as appropriate. Submission of fraudulent documentation and false information will lead to refusal of this application and denial of service.

Instructions [All fields with *asterisk are COMPULSORY]

1. Complete every part of this form in BLOCK letters.
2. Complete and submit a copy of this form.
3. Attach photocopies of relevant documents including Certificate of Company's Registration.
4. Provide your company logo on a CD in PNG format.

Merchant I.D. (for Acquirer Bank use only)

SECTION 1 GENERAL INFORMATION

Please complete this section with information about your organization. You should also attach a copy of your company's certificate of incorporation.

Company Name:

RC Number/Business Name No.:

Type of Ownership:

- ☐ Sole Owner ☐ Partnership/Joint Venture
☐ Limited Liability Company ☐ Non-Profit Organization/NGO
☐ Public Liability Company ☐ Religious Organization
☐ Government ☐ Other (Specify).....

Date Registered:

Office Telephone:

Staff Strength:

Customer Service Phone:

Office email address:

*Office Address:

Postal Address:

SECTION 2 CONTACT INFORMATION

This section gathers information about the contact persons for your organization. All correspondences between Sterling Bank and your organization will be addressed to the persons specified below.

*Name of Primary Contact Person:

E-mail Address:

Designation:

Mobile Phone:

*Name of Secondary Contact Person:

*Name of Website Developer:

Designation:

Company:

Office Telephone/Extension:

Office Telephone/Extension:

Mobile Phone:

Mobile Phone:

E-mail Address:

E-mail Address:

SECTION 3 E-COMMERCE WEBSITE INFORMATION

Please supply information about the website you intend to connect to Sterling Bank Payment Gateway, PAYON. Submit one set of forms per site:

Website Name:

Website URL:

*Description of Product(s) and Services sold on the site:

*Is Customer pre-registration required on the site before proceeding to transaction:

☐ YES ☐ NO

(If yes, what basic information is provided to you?)

- ☐ Name ☐ Phone No.
☐ Address ☐ Email address
☐ DOB ☐ Security Question
☐ Picture
☐ Other (Specify).....

*Website Development Platform:

- ☐ Java/JSP
☐ PHP
☐ Microsoft.NET
☐ Active Server Pages (ASP)
☐ ColdFusion
☐ Other (Specify)

Customer Refund Policy:

- ☐ Refund within 30 days
☐ Exchange Only
☐ Other (Specify)

Number of days until products/services is delivered:

Method of Goods/Service Delivery (Please attach additional sheets if possible):

- ☐ By Courier ☐ Online download ☐ Direct Credit to Account ☐ Other (Give details):

*Value range for goods and services offered on the site (e.g. N50 - N1,000,000):

SECTION 4 ACQUIRING BANK	Complete this section with information about the bank where you want payments on your website to be deposited.	
	Name of Preferred Acquiring Bank:	Complete this part if you already have a corporate account in the name of your company with the bank
	Sterling Bank	*Account Number: <input type="text"/>
		*Account Name: <input type="text"/>
		Type of Account: <input type="checkbox"/> Current Account <input type="checkbox"/> Savings Account
	Bank Branch: <input type="text"/>	

SECTION 5 OTHER INFORMATION	Provide any other information in the space below.
--------------------------------	---

I, _____, on behalf of _____ hereby certify that the information
(Individual's name) (Name of company)

provided on this form is true and accurate. I agree that Sterling Bank Limited reserves the right to take appropriate measures including legal actions if the information here is discovered to be false. I agree that I will provide Sterling Bank Limited details about any transaction performed on the site upon demand.

I agree that I shall abide by the PAYON terms and conditions.

Authorized Signature..... Designation..... Date.....

Section 6: For Bank Use Only	
Please confirm that appropriate KYC has been performed on this customer and that registration as an online merchant can continue.	
<input type="checkbox"/> YES <input type="checkbox"/> NO	Select requisite actions taken: <input type="checkbox"/> References <input type="checkbox"/> Site Visitation
I, _____, on behalf of _____ hereby certify that by signing (Bank Officer's name) (name of BANK)	
that the merchant has an active account with valid KYC in place.	
Signature/Stamp.....	Date.....

Section 7: For Sterling Bank Use Only			
LIST OF DOCUMENTS RECEIVED		CWIP	Comments and Other Information
<input type="checkbox"/> Copy of Certificate of Incorporation <input type="checkbox"/> Corporate Bank Account Details <input type="checkbox"/> Evidence of Service Delivery <input type="checkbox"/> Cheque/Draft for Sign-on Fee <input type="checkbox"/> Merchant Logo	Website Category: <input type="checkbox"/> Category 1 <input type="checkbox"/> Category 2 <input type="checkbox"/> Category 3 <input type="checkbox"/> Category 4	CWIP Assigned: <input type="checkbox"/> Yes <input type="checkbox"/> No	
Sign-on Fee paid: =N=.....			

Authorization to Go-Live:

Name:..... Signature:..... Date:.....

PAYON MERCHANT STANDARD TERMS & CONDITIONS

The PAYON Merchant Standard Terms and Conditions represent the legal attributes of the PAYON Service provided to you (the "Merchant" or the "PAYON Merchant") by Sterling Bank Ltd ("**the Bank**" or "**Sterling Bank**"). The content is binding and is not subject to any varying terms or conditions, unless as provided by Sterling Bank Limited subsequently upon due notice to the PAYON merchant.

The PAYON Merchant warrants that it shall be a Merchant for the purpose expressed by application and not use this service for other purposes.

It is hereby agreed as follows:

1. PAYON is an integrated electronic transaction switching and payment processing service with an elaborate payment infrastructure system in the country. PAYON is also a processor for various payment card schemes.
2. The merchant is desirous to accept Visa cards, MasterCard cards and Verve cards and such other payment cards as PAYON may accept as a payment method on its online payment gateway.

The Terms and Conditions are outlined as follows:

GENERAL DEFINITIONS

The expressions listed below have the respective meanings set out against them:

"Acquiring Bank" means the financial institution that performs settlement using reports provided by PAYON and provides merchant IDs to PAYON merchants or acquirers who accept cards as payment instrument.

"Commencement Date" means the date that these Terms and Conditions is executed and accepted.

"Designated Bank" means the bank where PAYON merchant's funds are deposited under the system.

"Electronic Request" Is a real time request from the PAYON Merchant Message to the customer's bank through PAYON to authorize the transaction & deduct the transaction amount from the customer's account.

"PAYON Merchant" or **"Merchant"** means a web merchant that has established a connection to the PAYON's Web Payment Gateway (PAYON).

"Participating Bank" means Banks or financial institutions that are members of the PAYON network and participate in the exchange of funds to effect payments.

"Regulatory Authority" means any ministry or department of the Government of Nigeria and statutory authority or body in Nigeria established with powers to regulate banking, credit or financial services and/or electronic transactions or communications.

"Set-Up Fee" means the sum charged by Sterling Bank Limited for integration to PAYON services.

"Website/ Site" means the website on which the PAYON Merchant integrates the service in order to offer goods and / or services for sale and to receive payment.

"Systems" means the Systems operated by PAYON services to allow cardholders to effect payment.

"Transaction" means a purchase and payment process initiated by a user or cardholder on the merchant's site.

"Transaction Fees" means the amount charged by payment gateway service provider per transaction done on the merchant site.

"Users" means Users of the Systems for the purpose of payment or funds transfer.

"Certificates" means Digital certificates issued by an approved certificate authority upon authenticating the site.

"Data" means any data, files, messages or other information irrespective of form, stored on the Systems directly or indirectly by, for and on behalf of the PAYON Merchant under the Services for which the PAYON Merchant assumes full responsibility whether for its legality, proprietorship or otherwise.

"Product" means any of the PAYON merchant's products or services marketed, sold or otherwise promoted using the Systems.

"Services Application" means the Services application forms accepted by PAYON detailing the Services to be provided to the PAYON merchant.

"Merchants" means the owner of the website that is integrated to the PAYON service gateway.

"System Ready" means the status of data and material at which no additional manipulation by PAYON services is required.

1. PAYON MERCHANTS' RESPONSIBILITIES AND UNDERTAKINGS

1.1 The PAYON Merchant agrees and undertakes that it shall:

- a) Be responsible for integrating to the PAYON Payment Application through its own connection.
- b) Not circumvent PAYON services in any way or manner.
- c) Not make any warranty or representation whatsoever in relation to the Services which may bind PAYON Payment Gateway service provider (Sterling Bank Limited) or make it liable in any way whatsoever.
- d) Where required, comply with all security or encryption standards, rules and procedures advised by PAYON Payment Gateway service provider.
- e) Comply with and ensure the strictest adherence to the PAYON Payment Gateway service provider Guidelines for merchants
- f) Make connections to such other systems as PAYON Payment Gateway service provider may require from time to time.
- g) Be responsible for any action or inaction of any customer or corporate or entity that makes payment on the PAYON Payment Gateway service Platform through it.
- h) Inform Sterling Bank of any change in the particulars of its bank account in the designated Bank.
- i) Ensure that it provides all proper and effective KYC (Know your customers) to Sterling Bank.
- j) Provide information as stated in the Merchant guideline
- k) Not capture, by any means possible, user (cardholder) payment card details including but not limited to Primary Account Number (PAN) or Card Number, Personal Identification Number (PIN), Card Verification Value (CVV)

1.2 Where applicable, the PAYON Merchant agrees and undertakes that it shall:

- a) Keep the Certificates current and valid.
 - b) Notify Sterling Bank of any change to the internet protocol address of its website used for Transactions; and
 - c) Take all necessary measures to protect the security and secrecy of its Certificates.
- 1.3 In order to permit the merchant's website to interoperate with the Systems, the PAYON Merchant will provide Sterling Bank with material and data that is e-commerce Ready.
- 1.4 Sterling Bank shall provide the PAYON Merchant with a list of requirements in order to enable the PAYON Merchant to create System Ready material and data. The PAYON Merchant shall have full responsibility for the content or correctness of the System Ready material and data.
- 1.5 The PAYON Merchant shall be responsible for validating information or Data for content, correctness, or usability. The PAYON Merchant shall at all times adhere to all standards and policies as may be prescribed by PAYON in relation to these PAYON Merchant terms and conditions.
- 1.6 The PAYON Merchant will be fully responsible and liable for (including without limitation, all charges, losses, or damages whatsoever arising from):
- a) Data stored or transmitted on or through the Systems; or
 - b) Any use of the Systems passwords or identification codes assigned by PAYON or Payment Gateway service provider.
 - c) Any action or in-action of the Merchant that results in damages or cost of any nature to PAYON.
- 1.7 The PAYON Merchant shall observe and comply with all security measures and ensure to comply with such measures whether or not prescribed by Sterling Bank and shall further comply with any instruction given by Sterling Bank or the relevant bank in respect of card transaction or customer (cardholder) payment instruction.
- 1.8 The PAYON Merchant shall ensure that Sterling Bank is promptly notified of any suspected security breach, misuse, and irregularity, suspected fraudulent transaction, account numbers or any suspicious activities that may be connected with attempts to commit fraud or other illegal activity through the use of the website.
- 1.9 The PAYON Merchant shall take all steps to keep secure and confidential any information or data related to transactions initiated on the website. In the event any such information is lost, stolen or otherwise compromised, the PAYON Merchant shall forthwith report and give written notice of such occurrence to Sterling Bank whereupon the PAYON Merchant shall, in consultation with Sterling Bank, take immediate steps to remedy the situation and prevent its reoccurrence.
- 1.10. Not discriminate against any cardholder who presents a Card in payment for goods and services either by charging a premium or fixing a minimum limit for such use or by allowing a discount or other incentive for the use of another means of payment.
- 1.11. Honour all Cards acceptable to and processed by PAYON Payment Gateway service regardless of whether they are issued by his Bank or other participating banks or issued overseas.

2. SERVICES FEES AND CHARGES

- 2.1 Local transactions shall be charged at 1.5% (with a maximum cap of N2,000.00) per transaction for use of the systems as detailed. Sterling Bank Limited shall have the right to revise such fees and charges from time to time upon 30 days' notice to the PAYON merchant. International transactions shall also be charged at 4% per transaction or more for use of the systems.

- 2.2 All refunds to the users (cardholders) in connection with any Transaction shall be effected by Sterling Bank, the Acquiring Bank. Upon receipt of the PAYON merchant's instructions, Sterling Bank Limited, the Acquiring Bank will refund any sum approved by the PAYON Merchant to the nominated Cardholder. No refund of any service charge levied on the original Transaction will be made. There shall be no transaction fee charged to such a refund.
- 2.3 Sterling Bank, as the Acquiring Bank reserves the right to initiate a Debit process on the account of PAYON Merchant for any penalty that might have accrued to the PAYON Merchant by virtue of this agreement.
- 2.4 All payments required to be made by the PAYON Merchant on this Service shall be payable unconditionally, without any deduction, claim, counterclaim, setoff, notice or demand.
- 2.5 All fees and charges paid by the PAYON Merchant under this Service shall not be refundable in the event of termination of the Service howsoever caused.
- 2.6 The PAYON Merchant agrees that Sterling Bank will not undertake payment or settlement procedures on the following non-settlement days:
 - a) Any day declared by the Association of Banks in Nigeria or the Acquiring Bank as being a holiday; and
 - b) Saturdays, Sundays, and public holidays as gazette and declared in Nigeria; in which case Transactions effected on such days shall be paid and settled on the day immediately following which is not any of the aforesaid non-settlement days.

3. SETTLEMENT OF TRANSACTION FUNDS

- 3.1 Sterling Bank shall settle successful transactions to the PAYON Merchant on a next day basis (T+1). Payments shall comprise actual funds cleared and received by PAYON from the relevant issuing bank since the previous settlement date. If the PAYON Merchant does not raise any objection to the amount settled within seven (7) working days after such payment date, the PAYON Merchant shall not be entitled to object to it thereafter, provided that nothing in this clause shall preclude PAYON from correcting any error or discrepancy in such amount paid.
- 3.2 Any payment by Sterling Bank , hereunder whether or not the PAYON Merchant has complied with all its obligations hereunder shall be made without prejudice to any claims, rights or remedies that Sterling Bank, may have against the PAYON Merchant and shall not constitute any admission or acknowledgment by Sterling Bank that the PAYON Merchant has duly performed its obligations hereunder or of the correctness of any amount so paid.
- 3.3 The PAYON Merchant agrees that Sterling Bank Limited may, if and whenever instructed to do so by the merchant, limit or refuse any or all transactions to the PAYON merchant's Bank account with the Sterling Bank and no liability shall be imputed to Sterling Bank for acting on such instructions.

4. TAXES, TRANSACTION CHARGES AND REFUNDS

- 4.1 Sterling Bank will not be liable for any taxes or other fees, including but not limited to goods and services tax, sales taxes, VAT, withholdings taxes or any other tax assessed by any tax authority with competent jurisdiction, to be paid in accordance with or related to the sale of the PAYON merchant's Products through the Systems or transactions generated by the users.

- 4.2 The PAYON Merchant agrees to bear and take full responsibility for all taxes and fees of any nature associated with Products sold or the PAYON merchant's use of the Systems and will indemnify and hold Sterling Bank Limited and the Acquiring Bank harmless in accordance herewith.
- 4.3 The terms of payment for Transaction Fees and charges shall be in accordance with the Services Application. Sterling Bank shall be entitled to deduct all the aforementioned fees and charges from successful transactions from funds payable by Sterling Bank to the PAYON Merchant here under.

5. ELECTRONIC TRANSACTIONS

- 5.1 The PAYON Merchant agrees that when it submits an electronic request message only to Sterling Bank, the PAYON Merchant is thereby deemed to confirm to Sterling Bank that:
- a) the electronic request is to pay for the PAYON merchant's goods and/or services and/or any other charges due to the PAYON merchant; and
 - b) The contract for providing those goods and/or services is legal, valid and enforceable both in Nigeria and in the country where such goods and/or services are provided.
- 5.2 The PAYON Merchant accepts that payment can sometimes fail either for reasons known only to the Participating Bank or due to a data communication failure between servers. The PAYON Merchant can only obtain proof of payment from the transaction message bearing a successful transaction status or the successful transaction report available to the PAYON Merchant the day after the Transaction date.

6. UNDERTAKINGS OF STERLING BANK

- 6.1 Sterling Bank agrees and undertakes that the Merchant shall use its best endeavors to ensure that the System shall facilitate the Transactions and the functions required to enable the PAYON Merchant to provide the Services.
- 6.2 While we will use our best endeavor to ensure that the System is available optimally, the PAYON Merchant acknowledges that the Bank makes no warranty (express or implied) that any part of the System will operate uninterrupted or error free and the Bank accepts no liability for loss or damage caused from any interruption or error on any part of the System. The Bank does not guarantee that the System will be risk or fail proof, or be available on a continuous, uninterrupted basis, or that -access to any part of the System shall be uninterrupted at all times. Accordingly, the Bank shall not be liable for any loss or damage howsoever caused and regardless of the form of loss or damage which may be suffered or incurred by the PAYON Merchant in connection with the foregoing or any loss of profit in consequence of the situations envisaged hereunder.
- 6.3 Sterling Bank shall allow the Merchant to display the brand marks indicating that the Merchant website accepts approved cards for payments of goods and/or services.

7. FURTHER UNDERTAKINGS OF THE PAYON MERCHANT

The PAYON Merchant further undertakes and agrees as follows:

- 7.1 That subject to 7.2, it shall not disallow the use of the Systems as a means of payment for goods or services provided by it to Users who wish to effect such payment and shall indemnify and keep Sterling Bank harmless from and against any liabilities, losses and other consequences arising from any such refusal.

- 7.2 That if a Transaction involving payment by users under the Systems is rejected for any reason whatsoever, the PAYON Merchant may agree to alternative means of payment with the Users.
- 7.3 That only the Website expressly stated upon its registration with Sterling Bank shall be integrated into the Systems and derive the Services provided.
- 7.4 That it shall produce any required evidence in any fraudulent transaction or that is required to be produced by any law enforcement.
- 7.5. That where its monthly turnover amount is within the limit as may be prescribed by Central Bank of Nigeria from time to time, the PAYON Merchant shall, and Sterling Bank shall ensure that the PAYON Merchant mandatorily screens its employees against the BVN Watch-list at least once a year.
- 7.6. That once a Merchant or an employee(s) of the Merchant is identified by Sterling Bank as the source of or a participant in fraudulent transactions and related activities; Sterling Bank shall propose the Merchant or employee for Watch-listing.
- 7.7. That Sterling Bank shall screen directors and signatories of the PAYON Merchant against the BVN watch-list, prior to on-boarding the Merchant on the PAYON payment gateway.

8. DISCLAIMER

Sterling Bank shall not be involved in any dispute or claim that may arise between the Users and the PAYON merchant, unless the said dispute or claim relates specifically to the use of the Systems in which case the same shall be subject to the relevant Terms and Conditions governing the use of the Systems prevailing from time to time. Any such disputes or claims must be notified to Sterling Bank within thirty (30) days of occurrence.

9. INTERNATIONAL PAYMENTS

In addition to other provisions in these Terms, this provision shall apply to International Payment processing services offered by PAYON. PAYON's robust infrastructure provides merchants with the ability to accept credit or debit cards across different Countries on a website or through any other payment methods.

9.1. Collateral For International Acceptance Capacity

- a) Merchants who request for international acceptance capacity shall provide collateral cover of 100% of the daily expected collections through the platform.
- b) In the event that the Merchant's daily collections increase beyond the collateral cover placed, additional collateral shall be required for the continued use of the service.
- c) The collateral cover shall subsist at all times while the service is still in use for international acceptance.

9.2. Conditions for International Payments

- 9.2.1.** In order to enable Sterling Bank comply with Applicable Laws, including but not limited to Anti-Terrorism financing, Anti-Money Laundering laws and regulations imposing Customer Due Diligence ("CDD") requirements and/or Enhanced Due Diligence ("EDD") requirements, the Merchant must, prior to being onboarded on PAYON , and upon our first request, provide information: documentary information about itself, and in particular about its financial status, solvency and liquidity, its activities, its shareholders and/or its ultimate beneficial shareholders (where applicable), the Merchant Products/Services, its registered office address, any/all regulatory licences and permits required to sell the Merchant's Products/Services and any other requirements which Sterling Bank may at its sole discretion from time to time request from the PAYON Merchant (herein defined as "the Merchant Data").

- 9.2.2.** The Merchant warrants and represents unconditionally that all Merchant Data it provides to Sterling Bank is accurate and up to date.
- 9.2.3.** The Merchant agrees that Sterling Bank may run further checks on Merchant's identity, creditworthiness and background by contacting and consulting relevant registries and governmental authorities or any other relevant sources.
- 9.2.4.** The Merchant hereby authorizes Sterling Bank to submit Merchant Underwriting Data, or any other relevant information received from the Merchant to the relevant Payment Scheme to obtain a permission for providing access to their Payment Methods for the Merchant, or for any ongoing monitoring related purpose.
- 9.2.5.** Under no circumstance shall Sterling Bank be responsible for the Merchant's Customer's payment obligation nor take ownership of or responsibility for any goods or services agreed to be supplied or transferred by the Merchant to the Customer. For all intent and purposes, Sterling Bank shall only act and be deemed to act solely as a Payment Gateway provider.
- 9.2.6.** Collected payments from Merchant's Customers may be processed into the PAYON Merchant's naira account or received in the Merchant's domiciliary account in the currency in which the payment was collected. The exchange rate for the purposes hereunder shall be the Bank's applicable exchange rate at the time.
- 9.2.7.** Total Payments to be collected from Merchant's Customers per transaction shall not exceed 3000USD/day or such other limits as the Bank may from time to time impose.

10. MERCHANT'S WARRANTY AND REPRESENTATION

The PAYON Merchant represents and warrants that:

- 10.1.** the business carried on by the Merchant is a legitimate business and the Merchant is not engaged in any conduct or transactions which may be considered unlawful in any jurisdiction in which the Merchant conducts its business and/ or receives payment from its customers.
- 10.2.** the PAYON Merchant has complied and will continue to comply with all relevant laws, regulations and requirements applicable to its business; and
- 10.3.** it has to the best of its knowledge, provided to Sterling Bank all information reasonably required and expected to be disclosed for the purpose of making an informed assessment of the Merchant and its ability to perform its obligations under the Agreement.
- 10.4.** You may not use PAYON in connection with any product, service, transaction or activity listed below:
- If such transaction, service or product falls within the Prohibition List of the Nigerian Customs Administration of the Federal Republic of Nigeria; or
 - relates to the sale and/or purchase of:
 - a) banned narcotics, steroids, certain controlled substances or other products that present a risk a consumer's safety;
 - b) blood, bodily fluids or body parts;
 - c) burglary tools;
 - d) counterfeit items;
 - e) illegal drugs and drug paraphernalia;
 - f) fireworks, destructive devices and explosives;
 - g) identity documents, government documents, personal financial records or personal information (in any form, including mailing lists);

- h) offensive material or hate speech or items that promote hate, violence, racial intolerance, or the financial exploitation of a crime;
- i) prohibited services;
- j) unlicensed financial services, stocks or other securities;
- k) stolen property;
- l) items that infringe or violate any copyright, trademark, right of publicity or privacy or any other proprietary right under the laws of any jurisdiction;
- m) obscene material or pornography;
- n) unauthorized firearms, firearm parts or accessories, ammunition, weapons or knives;

The Merchant acknowledges that the above list is not exhaustive and the Bank from time to time designate a business, transaction or products as non-permissible, in line with an existing regulation and/or industry practice.

11. MERCHANT'S AML/CFT UNDERTAKING

- a) The PAYON Merchant shall not be involved in or assist anyone directly and willingly in money laundering/terrorism financing/proliferation financing or transactions having any criminal element or illegal sources. The Merchant covenants that it shall fully comply with all applicable Anti-Money Laundering (AML) and Counter-Terrorism Financing (CTF) laws, regulations, and policies as may from time to time be in force.
- b) The Merchant agrees to conduct all necessary Know Your Customer (KYC) procedures as required by law and to maintain ongoing monitoring of all transactions and relationships for signs of suspicious activity. For any high-risk parties or transactions, enhanced due diligence (EDD) shall be conducted, including periodic reviews and investigations as deemed necessary.
- The Merchant acknowledges that Sterling Bank is at liberty to request for all relevant documentation and/or information required under the applicable KYC and AML/CFT/CPF rules and regulations and that failure of the Merchant to provide same, Sterling Bank may suspend the Service or take such steps as are legally necessary to protect itself from a regulatory sanction.
- Where Sterling Bank in carrying out its monitoring duties, discovers or reasonably suspects a fraudulent or money laundering/terrorism financing/proliferation financing transaction/activity in respect of the Merchant's operations, Sterling Bank shall promptly notify the Central Bank of Nigeria (CBN) and/or Nigerian Financial Intelligence Unit (NFIU) as the case may be, of such transaction/activity.

12. STERLING BANK'S ACTIONS

- 12.1. If Sterling Bank is of the opinion or reasonably suspects that the Merchant's Transactions pose an unacceptable level of risk or has reasons to believe that the Merchant has breached the terms of this Agreement, or a transaction initiated by the Merchant's Customer is perceived or identified as being suspicious, or that the Merchant's account has been compromised, Sterling Bank reserves the right to take any action(s) deemed necessary to avoid liability. The actions Sterling Bank may take include but are not limited to.
 - a) request additional information from the PAYON Merchant as to the origin of the funds, the aim of the transaction and the identity of the beneficiary.
 - b) refuse to process the transaction.
 - c) make a formal report of the suspicious transaction to the relevant authorities.
 - d) suspend or limit your ability to use the PAYON service to reduce potential fraud and disputes.
- 12.2. where it is reasonably practicable, Sterling Bank will provide the Merchant with advance notice of its actions and resolution steps. However, notice may not be

provided if it is impracticable to do so or in Sterling Bank's reasonable belief that there is an immediate need to take actions to forestall a security threat, potential fraud, or illegal activity.

13. SERVICE TERMINATION

13.1 This PAYON Payment Gateway service provider Terms & Conditions ("Agreement") shall remain in force and effect until either Party terminates the Agreement in writing or the Agreement is automatically terminated in accordance with the terms hereof.

13.2 Either Sterling Bank or the PAYON Merchant may elect to terminate the PAYON Service Provision by giving one (1) month's prior notice in writing to the other party of its intention to do so.

13.3 Notwithstanding 13.1 and 13.2, Sterling Bank shall have the right (but not the obligation) at any time to give immediate notice in writing to the PAYON Merchant to terminate this Service forthwith upon the happening of any one or more of the following events of default, whether or not such event is of a continuing nature:

- a) If the PAYON Merchant has breached any of the Terms and Conditions of this Service.
- b) The PAYON Merchant enters liquidation, receivership, judicial management or otherwise compounds with its creditors or takes or suffers any similar action or occurrence in any jurisdiction.
- c) The PAYON Merchant becomes insolvent or ceases or threatens to cease to carry on its business or any part of its business.
- d) if any resolution is passed or steps taken by the PAYON Merchant or any other person to apply for judicial composition proceedings with its creditors or an order is made by any competent court for such proceedings or a receiver, judicial manager, administrator or other similar official is appointed in relation to the PAYON Merchant or any part of the assets or undertakings of the PAYON Merchant or encumbrance taking possession of any part of the assets or undertakings of the PAYON Merchant or a distress or execution or other process is being levied or enforced upon or sued out against any part of the assets or undertakings of the PAYON merchant;
- e) If the PAYON Merchant is deceased or its partnership is dissolved.
- f) if the PAYON Merchant or any of its shareholders, partners, proprietors, officers, employees, agents or contractors is or is suspected by Sterling Bank Limited to be involved in any fraudulent or unlawful activity whether or not relating to the PAYON merchant's business.
- g) If the PAYON merchant's site contains any material or involves any trade or activity deemed undesirable by Sterling Bank Limited or any Regulatory Authority.
- h) If the PAYON merchant's site or security system has been breached or compromised; or
- i) If there had been multiple complaints and disputes relating to the PAYON merchant's goods or services by the Users.

13.4 In the event of termination of this Service for whatever reason:

- a) the PAYON Merchant agrees and undertakes to return to Sterling Bank Limited immediately all materials, books, records or otherwise pertaining to the Systems, and shall not thereafter use the Trademarks or any part or derivatives thereof; and
- b) Any antecedent right and liability of either party shall not thereby be prejudiced or impaired.

13.5 In the event that Sterling Bank terminates this Service in accordance with the terms hereof, the PAYON Merchant acknowledges and agrees that no reason whatsoever needs to be communicated to the PAYON Merchant for such termination and Sterling

Bank Limited shall not be liable in any way for any loss or damage incurred or suffered by any party due to such termination.

14. GOVERNING LAW & DISPUTE RESOLUTION

- 14.1. These Terms and Conditions shall be governed and construed in accordance with the laws of the Federal Republic of Nigeria.
- 14.2. Any unresolved dispute, difference or disagreement arising out of or in connection with the provisions of these Terms and Conditions shall be referred to Mediation under the provisions of Lagos State Multi-Door Courthouse (LMDC) Law 2007 or any extant law. The Mediation proceeding shall take place in Lagos and be conducted in English language. Each party shall bear its respective cost of the proceedings. Notwithstanding the above, each Party reserves the right to apply for and obtain any interim relief(s) from a court of competent jurisdiction.
- 14.3 Where parties are unable to reach an amicable settlement at mediation, either of the Parties may refer the dispute to a court of competent jurisdiction for final resolution.

15 WAIVERS

The failure by either Party to enforce any of the provisions of this Terms and Conditions and the Nigerian Courts shall not constitute a waiver of the same or affect that Party's rights thereafter to enforce the same.

16. ASSIGNMENT

Neither Party shall assign any of its obligations under these Terms and Conditions without prior written consent of the other Party, which shall not be unreasonably withheld.

17. CONFIDENTIALITY

Each of the Parties hereto undertakes to the other to keep confidential all information [written or oral] concerning the business and affairs of the other that it shall have obtained or received as a result of the discussions leading up to or the acceptance of this Terms and Conditions save that which is [a] trivial or obvious or [b] already in its possession other than as a result of a breach of this clause; or [c] in the public domain other than as a result of a breach of this clause. And each of the Parties undertakes to the other to take all such steps as shall from time to time be necessary to ensure compliance with the provisions of this clause by its employees, agents, and subcontractors. The confidentiality obligations shall survive the termination of the PAYON Payment Gateway service provisions.

18. INDEMNITY

- 18.1. Sterling Bank shall be entitled, upon receiving notification from Users or a Participating Bank and without any requirement for or any obligation to obtain any further proof thereof, to
- i. Refuse full or partial payment to the PAYON merchant.
 - ii. Set-off against any payment accruing to the PAYON merchant.
 - iii. Deduct from the PAYON Merchant account; or
 - iv. Seek immediate reimbursement to the User for the amount of the relevant transaction including but not limited to pending the outcome of investigation by Sterling Bank , where:
 - a) The PAYON Merchant's Product is returned or rejected by the User for any reason.
 - b) The User did not receive the Product(s) ordered on the PAYON Merchant website; and
 - c) The relevant bank otherwise refuses for any reason to clear or settle the funds in connection with a Transaction.
- 18.2. If any amount withheld, set-off, deducted or reimbursed (as the case may be) as mentioned above becomes payable or refundable to the PAYON merchant, Sterling Bank shall pay or refund, without interest, such amount to the PAYON Merchant as soon as practicable.

- 18.3.** The PAYON Merchant agrees to use the Platform free from loss or harm to the Bank and in consideration of permissions granted for usage within the New Limit, the PAYON Merchant hereby irrevocably and unconditionally indemnifies, and continues to keep the Bank fully indemnified against all claims, demands, liabilities, damages, losses, costs, charges, fees, expenses, actions and proceedings which may be brought against the Bank; or, which the Bank may pay or incur in connection with or arising from any litigation or claim regarding the usage of the Platform and Services.
- 18.4.** The PAYON Merchant agrees to defend, hold harmless and indemnify the Bank from and against all claims, liabilities, costs or expenses (including reasonable attorney fees as well as those necessary to successfully establish the right to indemnification) threatened, asserted or filed against the Bank relating to or arising directly or indirectly out of or in any way connected with a violation of any Anti-Money Laundering and Counter Terrorism Financing Rules in force at any time in Nigeria or where relevant, any other jurisdiction.
- 18.5.** The PAYON Merchant acknowledges, unless with evidence to the contrary, that usage of the Platform by the PAYON Merchant's customers and / or any third-party it may have dealing with neither binds the Bank in any way nor create any contractual relationship with the said customers and third-parties; and as such, acknowledges and agrees to honour, on demand, any demand made consequent to damage, loss, liability or claims made on the Bank by its customers and third-parties.

19. FORCE MAJEURE

If the provision of the PAYON payment gateway is prevented, restricted or interfered with by reason of circumstance beyond the reasonable control of the Bank, the Bank shall take steps, to the extent practicable to notify the Merchant, and shall be excused from performance to the extent of the prevention, restriction or interference. The Merchant so affected shall use its best endeavors to avoid or remove the causes of non-performance and shall continue performance under this Terms and Conditions with utmost dispatch whenever such force majeure event ceases or abates.

20. NOTICES

- 20.1** Any notice required under these Terms and Conditions shall be in writing and may be served either personally, or by registered or recorded delivery mail, or by telex or facsimile transmission to the last known address of the parties.
- 20.2.** A notice shall be deemed to have been served, if it was served in person, at the time of service, or if it was served by post, 48 hours after it was posted, or if it was served by telex or facsimile transmission, at the time of transmission.
- 20.2.** All notices shall be issued by a management staff of either party or an authorized representative of the management staff which source of authority must be stated.

21. ESCALATION PATH

- 21.1.** Turnaround time for the Escalation Path shall be 48 hours. The Escalation Path shall follow the mode as described in the scenario below
- 21.2.** Sterling Bank Limited shall provide full support between the hours of 8am- 6pm Monday to Friday, and 8am to 1PM on weekends and public holidays. However, the Bank's dedicated Contact Care team would however be available for 24-hour support via CustomerCare@sterling.ng
- 21.3.** All support requests shall be forwarded to customersuccess@sterling.ng
- 21.4.** The PAYON Merchant can also place calls (+234) 0700STERLING, (070078375464) or

01-44844815-5

22. DISPUTE RESOLUTION FRAMEWORK

The PAYON Merchant agrees to maintain chargeback and fraud threshold levels as defined by Sterling Bank Limited. in Table 1 below:

THRESHOLD LEVELS	Sterling Bank Chargeback/Dispute Monitoring Program	Workout Period/Action
Warning	Chargeback Count 30	Identification:
Standard	Chargeback Count : 50	10-days workout period (Remediation)
High-Risk	Chargeback Count : Above 100	5-days workout period or Termination

THRESHOLD LEVELS	Sterling Fraud Monitoring Program	Workout Period/Action
Warning	Fraud Amount: \$100 or it's naira equivalent	Identification
Standard	Fraud Amount: \$500 or it's naira equivalent	10-days workout period (Remediation)
High-Risk	Fraud Amount: \$1000 above or it's Naira equivalent	5-days workout period or Termination

- 22.1. The PAYON Merchant shall be liable for any assessment from the card schemes or regulators as a result of frauds or chargeback breaches as defined in table 1 above
- 22.2. The Bank shall have the right to withhold funds or debit the PAYON Merchant's account in the event of any investigation and to cater for chargebacks. There shall be recourse to the Merchant's account in the event of any assessment or fines incurred.

I (We) have read the Terms and Conditions of the PAYON Merchant Application as stated in this document and we agree to its contents.

Company

Name

Designation

Signature

Date

Name

Designation

Signature.....

Date