

MYZAKAPAY MERCHANT TERMS & CONDITIONS

WHEREAS Mascom is desirous of appointing

_____ as its Merchant to accept payments through MyZaka Mobile Money Merchant Payment service ("MyZakaPay") as well as to provide related mobile money transfer services offered by Mascom Wireless Botswana ("Mascom") as part of its mobile phone services and products in Botswana on a non-exclusive basis.

AND WHEREAS the Merchant is agreeable to the provision of such merchant services to Mascom.

NOW THEREFORE IN CONSIDERATION OF THE AFOREGOING THE PARTIES HAVE AGREED AS FOLLOWS:

1. DEFINITIONS

- 1.1 **Cash-Out** means the process of redeeming e-value for cash from the Agent.
- 1.2 **Customer** means every person in whose name a MyZaka account is registered in connection with the use of MyZaka services and who also purchases goods and/or services from the Merchant.
- 1.3 **E-value or e-money** means the electronic money in the Mobile Money Transfer System which will equate to the deposits in the Mascom MyZaka Trust Account at Absa Bank.
- 1.4 **Wallet** means an E- value repository.
- 1.5 **MyZaka Agent** means an entity registered by Mascom to fulfil functions of registering customers and effecting payments, deposits and withdrawals.
- 1.6 **MyZaka Transfer and Payment system** means the MyZaka mobile money system on which the Mobile Money Transactions are done.
- 1.7 **Merchant** means an entity that accepts E-value as a payment mode for goods and/or services and for bulk disbursement of cash as e-value to beneficiaries.
- 1.8 **Merchant Code** refers to a 6-digit number assigned to a business or organization by Mascom upon registration as a Merchant
- 1.9 **SMS** means short message services.
- 1.10 **USSD** means the Unstructured Supplementary Service Data menu on your cellphone that lists all the services.

2. SCOPE OF MERCHANT AGREEMENT

Mascom hereby appoints and retains the Merchant, on a non-exclusive basis, to perform functions, services and such other acts as the Merchant is specifically required to do pursuant to the terms of this agreement. The Merchant agrees to perform its duties under the supervision of Mascom within Botswana commencing _____20_____, subject to renewal, extension, or termination by the Parties.

3. MERCHANT'S RIGHTS AND OBLIGATIONS

3.1 The Merchant shall forthwith upon execution of this Agreement, if not already done prior to such execution, register with Mascom as a Customer and have a Mascom line to facilitate registration as a Mascom mobile money Merchant ("MyZakaPay Merchant").

3.2 The Merchant's outlets shall be staffed with appropriately qualified and trained staff members to handle MyZakaPay payments. Should Mascom organize training for Outlet staff, the Merchant will ensure that Outlet staff are in attendance. The Merchant shall not do or omit to do anything which could reasonably be regarded as inconsistent with this obligation.

3.3 The merchant shall accept MyZakaPay payments from customers for goods and services bought.

The procedure for accepting MyZakaPay payments shall be as follows:

3.3.1 The merchant shall always display his merchant code where it is clearly visible to customers.

3.3.2 The customer will initiate a payment transaction for goods and/or services through USSD (cell phone) menu short code *167#

3.3.3 The Merchant shall ensure that the customer quotes the Merchant Code in all payments made through MyZakaPay.

3.3.4 The Merchant shall not deduct any charges for the payment transactions made by the Customer. In this regard the amount transferred by the Customer shall be equivalent to the price(s) of goods and/or services displayed on the till.

3.3.5 The Merchant shall release the goods and or/services to the customer upon successful completion of the transaction and the money reflecting in the Merchant's wallet.

In this regard the Merchant shall receive an SMS notification showing inter alia the amount paid by the Customer, their name and customer number. A receipt shall be generated where systems are integrated. Merchant can also go into the merchant portal to check the last transactions to validate in case SMS is not delivered.

3.3.6 At any time the merchant may choose to liquidate his/her wallet at any MyZaka agent's outlet or by issuing a bank transfer instruction for larger amounts in accordance with any limits as advised by the regulator from time to time.

3.4 The Merchant shall exercise full control over and take full responsibility to ensure that all payment transactions are done in line with the policies of Mascom and as per the procedures provided by Mascom as well as for its employees, their acts and omissions when carrying out MyZaka payment transactions.

3.5 The Merchant shall ensure that the staff members responsible for handling MyZaka transactions undergo an annual Anti Money Laundering and counter terrorism financing and proliferation training on an annual basis and shall share proof of such training with Mascom within the year in question.

3.6 Mascom has zero tolerance for money laundering and other forms of financial crime. Where the Merchant gets involved in or is found guilty of money laundering, terrorist financing or any unlawful activities not governed by this agreement; Mascom will not, in any way be party or held liable for such illegal activities and reserves the right to report this to the relevant authorities in line with the requirements of the regulations and terminate its relationship with the Merchant forthwith

3.7 The Merchant shall be responsible for the maintenance of accurate, up to date and verified information which Mascom shall deem true and correct and wholly rely on when making payments.

3.8 Any change or variation of Merchant information or management shall be communicated to Mascom in writing within 30 days of such change occurring.

3.9 The Merchant may redeem electronic money on behalf of the licensee, but shall not issue electronic money on its own behalf.

3.10 The Merchant acknowledges that the contract for their services shall not be exclusive.

3.11 The Merchant shall establish the identity of each customer as required under Section 5 of the FIA Regulations, and where the Merchant cannot establish the identity of a customer due to impossibility of reasonable impracticability, a specified party shall as far as is reasonably possible, take steps to ascertain and verify such identity and without delay give written notice to the Agency of such impossibility or impracticability indicating any alternative measures used to identify or verify the identity.

4. OBLIGATIONS OF MASCOM

Mascom shall:

- 4.1 Ensure that the Mobile Money Transfer and Payment System operates effectively in accordance with the provisions of the MyZaka Procedures Manual.
- 4.2 Ensure that adequate marketing material is available for use by the Merchants.
- 4.3 Have a fully operational Call Centre manned by qualified employees and/or automated systems to assist in the resolution

of problems related to the MyZakaPay Services.

4.4 Mascom excludes warranties of any kind and shall not be liable for any costs, loss, liability or damage whether direct or indirect, special or consequential whatsoever and howsoever arising whether from any suspension or termination of this Agreement or otherwise.

4.5 Mascom will train outlet staff so that they are proficient with MyZakaPay as well as aligned with the relevant Mascom policies and AML/CFT requirements before they start offering the MyZakaPay services to the market.

Mascom will meet all expenses related to the training venue and training material, while the Merchant meets all travel and accommodation expenses incurred by their officers when they attend training.

5. CHARGES

5.1 Mascom will prescribe a charge for the Merchant for the liquidation of e-money and the transaction charges are as follows:

5.1.1 Cashing out through a MyZaka Agent will attract the prevailing withdrawal charges with a maximum cap of BWP175. The charges may change from time to time at the discretion of Mascom.

5.1.2 A bank transfer will attract the prevailing bank charges for bank transfers.

5.1.3. Merchant irrevocably and unconditionally agrees and confirms that in consideration of Mascom facilitating payment services under the MyZakaPay Service, Mascom shall be entitled to impose a collection fee of ____% per payment.

6. INDEPENDENT CONTRACTOR

6.1 The Parties acknowledge that, save for the duties and powers of the Merchant as stated in clause 3, hereof nothing in this Agreement shall be construed to create a relationship of employment or partnership whatsoever between the Parties, whether for tax or any other purpose.

6.2 Subject to clause 3 hereof neither Party shall have the right to bind the other to any Agreement with a third Party or to incur any obligation or liability on behalf of the other Party.

7. SECURITY MANAGEMENT

7.1 In the event of loss of the Merchant's SIM card, the Merchant is required to inform Mascom immediately so that the SIM card is blocked.

The Merchant can contact the Mascom Call Centre or send an e-mail to mobilemoney@mascom.bw. Reporting immediately will prevent unauthorized use. The Merchant will be liable for any losses and costs incurred before the disconnection of the SIM card is made by Mascom.

7.2 The Merchant will be liable for any losses and costs incurred before they notify Mascom of the lost/stolen SIM card. The Merchant is responsible for securing their MyZakaPay wallet and the cell phone used for mobile

money transaction with an access pin. Mascom will not be liable for any loss of valuables from the Merchant's premises.

8. CONFIDENTIALITY

8.1 The Merchant shall treat as confidential all information relating to Customers, Transactions and Mascom.

8.2 Each Party agrees to keep all information confidential and agrees that it shall not without the prior written consent of the Merchant, Customer, or Mascom, divulge information relating to the Merchant, Customer, or Mascom, unless required to do so by law enforcement agents upon which the affected Party should be consulted.

The Parties agree to abide by and conduct their business in accordance with the relevant data protection and privacy laws in Botswana.

9. BREACH

9.1 Mascom shall have the right to terminate the Merchant Agreement in the event that the Merchant:

9.2 Commits any act of fraud or theft against customers or Mascom involving the use of the Mascom mobile money facility; and/or

9.3 Commits an act that brings Mascom into disrepute; and/or

9.4 Fails to perform any of its obligations in terms of this Agreement.

10. TERMINATION

10.1 If the Merchant is in breach of the provisions per clause 9 hereof, Mascom may terminate this Agreement immediately and thereafter inform the Merchant in writing of reasons thereof.

10.2 Mascom may also terminate the Merchant Agreement for whatever reason by giving 30 calendar days' notice to the Merchant but in the event of a regulatory breach, Mascom may terminate the Agreement with immediate effect.

11. LIMITATION OF LIABILITY AND INDEMNITY

11.1 Mascom will not be liable for any costs, loss, or damage whether direct, special or consequential, howsoever, and when so ever arising from any suspension or termination of this Agreement.

11.2 The Merchant shall indemnify Mascom, from and against any and all costs incurred by the Merchant of whatever nature and any loss, damage or liability, whether criminal or civil, suffered by Mascom resulting from a breach of this Agreement or any laws and regulations governing the provision of Mobile Money Transfer Services by the Merchant including but not limited to breaches caused by any act, neglect or default of the Merchant and/or its employees, or any subscriber or third party claim in respect of any matter arising from the Merchant's or its employees' conduct.

11.3 No warranties or representations are made with regard to potential revenues that may be earned by the Merchant from the

provision of the Mobile Money Transfer services and no reliance should be placed on any statements or projections provided, whether verbally or in writing in this respect.

11.4 Mascom shall not be liable for any transactions carried out on the face of inaccurate or unverified information or documentation as at the date of transaction.

12. DISPUTE RESOLUTION

12.1 In the event of any dispute, parties shall use their best efforts to resolve any dispute arising out of or in connection to these Terms and Conditions through good faith negotiations within seven days of dispute arising.

12.2 If the dispute is not resolved within this period, it shall be referred to arbitration in Gaborone in accordance with the Arbitration Act, as amended.

12.3 The arbitration shall be conducted by a single arbitrator appointed by the Law Society of Botswana shall the appointment by way of agreement between the parties fail.

12.4 The decision of the arbitrator shall be final and binding on both parties.

12.5 Nothing in this clause shall prevent either party from seeking interim or urgent relief from a court of competent jurisdiction.

12.6 This clause is severable from the rest of the Agreement and shall remain in force notwithstanding the termination, cancellation or invalidity of the Agreement or any part thereof.

13 MUTUAL CO-OPERATION

The Parties undertake to act in good faith with respect to each other's rights under this Agreement and to adopt all reasonable measures to ensure the realization of the objectives of this Agreement.

14. APPLICABLE LAW

This Agreement shall be governed by the laws of Botswana. In the event of a dispute, the Parties hereby submit to the jurisdiction of the Courts of Botswana.