

MERCHANT SERVICES TERMS AND CONDITIONS

These Merchant Service Terms and conditions include the Privacy Statement and Consent, the E-Com Terms, the Other Payment Method (OPM) Terms and the Operating Guide form part and parcel of the Merchant Processing Application Form ("Application"). You, the Merchant, is expected to read these General Terms to understand the mutual rights and obligations of each party for the purposes of the Services. These General Terms including the Privacy Statement and Consent, the E-Com Terms, the Other Payment Method (OPM) Terms and the Operating Guide may be revised from time to time by Letzpay Solution Private Limited.

Letzpay and Merchant are hereinafter collectively referred to as the "Parties" and individually as a "Party", as the context may require. WHEREAS:

A. Letzpay is, inter-alia, engaged in the business of providing payment processing services ("Services") enabling individuals and businesses to manage their payment activities. The Merchant desires to avail itself of the Services from Letzpay and Letzpay has agreed to render, the Services, on the terms and conditions set out herein.

B. Letzpay has received from the Merchant a duly filled-in Application Form, which shall be deemed to be an integral part of this Agreement. This Agreement shall be binding immediately after Merchant registers/activates and uses the Services for the first time by using a Merchant ID number and/or Terminal ID number. The details and commercial terms provided in the Application Form shall be read together with the terms of this Agreement and the Parties agree to be bound thereby

1. GENERAL

- 1.1 By accessing and browsing the Letzpay Software Private Limited website www.letzpay.com ("Website") or by using and/or downloading any content from the Website or installing any part of Letzpay service, whichever is earlier, you agree to and accept the Terms and Conditions as set forth below.
- 1.2 The Website is copyrighted and proprietary to Letzpay Software Private Limited. Access is limited to authorized users only. To become an authorized user, you must enter into a Merchant Agreement with Letzpay Software Private Limited and obtain an identification code and password from Letzpay Software Private Limited for use solely by your entity and the employees, officers and directors of your entity and solely to access the website. Any distribution or use of your assigned identification code and password not expressly authorized herein is prohibited. All rights not expressly granted herein are reserved by Letzpay Software Private Limited.
- 1.3 The Merchant Application Form (whether physical or online), Privacy Policy, the Website Terms of Use and the terms and conditions mentioned herein shall be collectively termed as an "Agreement". This Agreement is a legal document between the Merchant (as defined below)/ You and Letzpay Software Private Limited ("Letzpay", "we", "our" or "us") governing the Merchant's relationship with Letzpay. Letzpay and Merchant are hereinafter individually referred as "Party" and collectively referred to as "Parties".
- 1.4 These Terms and Conditions/ Agreement shall govern the terms of use of Letzpay Online Payment Gateway Solutions ("Letzpay Services") and collecting and transfer of amount collected through online payments received through Letzpay Service. In the event that the Parties have agreed in writing that other terms and conditions shall apply, the latter terms and conditions

shall apply only for the specific arrangements for which they have been agreed.

- 1.5 These Terms and Conditions/ Agreement shall be deemed to have been formed at Letzpay's administrative office at 1F, CS-06, Ansal Plaza, Vaishali, Ghaziabad, Uttar Pradesh 201010. Letzpay reserves the right, at its sole discretion to modify these terms & conditions / Agreement at any time without any prior written notice to you. Any modifications will be effective immediately upon the date of posting of the modified terms and conditions on the Website and you hereby waive any right to receive additional notice of such changes or modifications. Your continued use of Letzpay Services following the posting of changes will mean that you accept and agree to the modified terms and conditions; therefore it is your responsibility to review these terms and conditions from time to time. If you do not agree to the amended/revised terms, you must stop using the Letzpay Services. Any use of Letzpay Services in violation of these terms and conditions / Agreement may result in among other things termination or suspension of your right to use Letzpay Services. When you use Letzpay Services, you will be subject to rules, guidelines, policies, terms, and conditions applicable to such services, as may be modified from time to time and they shall be deemed to be incorporated into these terms and conditions/ Agreement and shall be considered as part and parcel of these Terms and Conditions/ Agreement. You are solely responsible for understanding and complying with any and all laws, rules and regulations that may be applicable to you in connection with your use of Letzpay Services.
- 1.6 This Agreement/ terms and conditions is an electronic record in terms of Information Technology Act, 2000 and its subsequent amendments. This agreement is system generated and does not require a physical or digital signature. This agreement is governed by the laws of India and rules and guidelines set by Reserve Bank of India, Financial institutes, Card Companies, Facility Providers from time to time.
- 1.7 This Agreement/ terms and conditions shall be binding on you from the date of signing up with Letzpay. You must forward all the requisite documents to Letzpay for processing your Merchant account. Letzpay will not release any payout to you unless the entire documentation process is complete. The Merchant is aware that Letzpay is liable to comply with all the rules and guidelines set by RBI and other financial institutes, hence the Merchant shall co-operate and provide all the necessary documents as and when asked by Letzpay.

2. SCOPE OF SERVICES OF LETZPAY

- 2.1 Letzpay has agreed to avail the facilities offered through Internet by various Acquiring Banks, Financial Institutes, Card Schemes, Payment Instrument Providers, Issuing Banks, software providers, as well as third party service providers (hereinafter referred to collectively as '**Facility Providers**'). These facilities and services include the provision of net banking facilities; internet based electronic commerce, internet payment gateway and electronic software distribution services and provides authorization and settlement facilities in respect of payment instructions initiated by various Customers of the Merchants on the Merchant's Websites/ apps/ web links/ payment link etc. These Facility Providers allows Letzpay to use the internet payment gateways developed by them to process all type of online Payment Instruments and all online transaction initiated by a Customer on Merchant's Site which includes websites/ apps/ web links/ payment links etc.
- 2.2 Letzpay is *inter alia* engaged in the business of offering e-commerce services which include bill presentments / payment and accepting instructions through the internet in respect of payments to be made by the Customers using valid Payment Instruments to purchase/ avail various Products and Services offered by Merchant and accordingly transfer funds from the Customer's bank account to the Merchant's bank account. Letzpay act as an authorised Payment Aggregator that facilitate e-commerce sites and Merchants to accept various Payment Instruments from the Customers for completion of their payment obligations in accordance with RBI Guideline bearing

No. - RBI/DPSS/2019-20/174 DPSS.CO.PD.No.1810/02.14.008/2019-20 dated March 17, 2020 titled "Guidelines on Regulation of Payment Aggregators and Payment Gateways" (hereinafter referred to as the said "**RBI Guidelines**").

- 2.3 For providing the above stated e-commerce services Letzpay has signed up with Facility Providers and has requested them to accept the instructions given by Customers of Merchant through a valid online Payment Instrument and support Letzpay to facilitate the online transactions and further direct and settle the proceeds of transactions from Customer's bank account to Letzpay's Escrow bank account and in turn to the bank account of Merchant.
- 2.4 Letzpay has also established a web-site with the domain name **www.letzpay.com** ("**Letzpay Site**") to enable its Merchant to link up with various payment gateways and Facility Providers so as to enable the Merchant's Customers to place Customer Orders for purchase and pay for the Products and Services through the Internet.
- 2.5 Letzpay is desirous of passing on all these services to its appointed Merchants as more particularly hereinafter provided on the terms and conditions hereinafter appearing and subject to the Merchant giving the indemnities and the declarations hereinafter contained.
- 2.6 Along with services mentioned herein; if required by Merchant, Letzpay shall additionally provide Payment Gateway Service as mentioned in the said RBI Guidelines, electronic bill presentment and payment settlement under Bharat Bill Payment System (BBPS) to the Merchant in accordance with the terms and conditions as detailed in this Agreement. The provision of services to Merchant under BBPS is subject to feasibility and approval process and guidelines of BBPS.

2.7 The Merchant shall follow the approval and registration process as per the set process of Letzpay.

3. DEFINITIONS

- 3.1 "**Acquiring Bank**" shall mean various banks and financial institutions licensed under the Payment and Settlement Systems Act, 2007 to acquire, authorize and authenticate the online payment transactions.
- 3.2 "**Agreement**" shall mean this agreement, terms & conditions set forth herein, declaration and indemnity and any and all tables, schedules, appendices, annexures and exhibits attached to it or incorporated in it by reference.
- 3.3 "**Authentication**" shall mean the process by which the Customer's identification is authenticated by the Card Schemes/ Issuing Bank / Payment Instrument Provider.
- 3.4 "**Authorization**" shall mean the process hereunder by which the Issuing Bank/ Institution and/or the relevant Acquiring Banks/ Payment Instrument Provider, Card Schemes electronically or otherwise convey the approval of a charge on a Transaction being undertaken by a Customer on Site/ website/ app/ web link/ payment link.
- 3.5 "**Business days**" shall mean any day on which Letzpay, Facility Providers are open for business in India other than Sunday or any day which is a public holiday in India and/or in Delhi / NCR.
- 3.6 "**Card Schemes**" shall mean national or payment card networks including but not limited to Master Card, Maestro, Visa, Diners, American Express and Rupay etc. which Authenticates, Authorizes and enables card transactions.
- 3.7 "**Chargeback**" shall mean any approved reversal of any online card transaction made by the Customer of Merchant on account of (i) any alleged forgery of his / her card or other details (ii) duplicate processing of the transaction; (iii) any amount required to be refunded due to, denial of transaction by the Customer as wrongly charged payment/ extra payments and/or due to the fraudulent use/misuse of the personal and financial information of the Customer by any

unauthorized person; (v) non-delivery or deficiency in the Merchant's Product or Service and/or any other reason as required/approved by the concerned banks, as the case may be

- 3.8 **"Customer"** means any person holding a valid Payment Instrument and who desires to purchase Products or Services from the Merchant and makes payment for the same over the Internet using a Payment Instrument.
- 3.9 **"Customer Order"** shall mean an order for purchase of Products or availing of Services provided by the Merchant at the Merchant's Site and made by the Customer at the Merchant's Site and every Customer Order shall be specifically designated by a Customer Order number on mention or use of which the details of the Customer Order could be obtained by the Customer from the Merchant on-line at the Site, including without limitation details of the status of the Customer Order.
- 3.10 **"Customer Charge"** means:
- a. in respect to Product means the sale price of the Product purchased by the Customer plus the shipping charge (if any) and all other taxes, duties, costs, charges and expenses in respect of the Product that are to be charged to the Customer's valid Payment Instrument.
 - b. In respect to Services means the sale price of the Services rendered to the Customer plus the all other taxes, duties, costs, charges and expenses in respect of the Services that are to be charged to the Customer's valid Payment Instrument.
- 3.11 **"Delivery"** means,
- a. in respect of a Product, delivery of the Product by a reputed courier /parcel service to the Customer at the address specified by the Customer in this behalf proof of which shall be submitted by the Merchant to Letzpay electronically through their Letzpay account backend to the satisfaction of Letzpay and the Facility Providers. Letzpay and the Facility Providers reserve the rights to call for physical Proof of Delivery in respect of a Product, delivery/performance of the Product, or
 - b. in respect of a Service, delivery/performance of the Service, proof of which shall be submitted by the Merchant to Letzpay electronically through their Letzpay account backend to the satisfaction of Letzpay and the Facility Providers. Letzpay and the Facility Providers reserve the rights to call for physical Proof of Delivery in respect of a Service, delivery/performance of the Service.
- 3.12 **"EMI"** means equated monthly instalment payment plan which is a facility provided by the Issuing Bank / Payment Instrument Provider to its Customer.
- 3.13 **"Effective Date"** means the date of execution of this Agreement or date of provision of services by Letzpay to the Merchant, whichever is earlier.
- 3.14 **"Facility Providers"** means various Acquiring Banks, Financial Institutes, Card Schemes, Issuing Bank/ Institutions, Payment Instrument Provider, software providers, as well as third party service providers that participate in Authorization/ Authentication/ facilitation of online payments. These Facility Providers allows Letzpay to use the internet payment gateways developed by them to process all type of online Payment Instruments and all online transaction initiated by a Customer on Merchant's Site.
- 3.15 **"Financial Institutes"** means all bank and non-banking financial institutes or any financial institute other than Acquiring Banks, Card Schemes and Payment Instrument Providers that are authorized to issue a valid online Payment Instruments and/or to participate as facilitator of an online transaction.

- 3.16 **“Issuing Bank/ Institution”** in respect of a Customer, means the bank or institution which has issued the valid card and/or any other Payment Instrument to the Customer with which Customer makes the payment for the Products / Services.
- 3.17 **“Escrow Bank”** means the bank(s) appointed by Letzpay for purpose of pooling funds collected from Customers on behalf of the Merchant and facilitating the transfer of funds in final settlement to the Merchant after deduction of TDR or any other amount receivable from Merchant pursuant to the said RBI Guidelines or any other RBI guidelines amended from time to time.
- 3.18 **“Payment Instrument/s”** means a valid Payment Instruments physical or virtual issued by an authorized Card Schemes, Financial Institute and any other Payment Instrument Providers that are authorized to issue valid card and/or any other Payment Instrument to the Customer which enables the Customer to initiate and complete an online transaction to purchase/ avail Products and Services of Merchant.
- 3.19 **“Payment Instrument Provider”** shall mean any legal entity authorized to issue online Payment Instruments such as wallet, prepaid cards etc. including Issuing Bank/Institution. The term Payment Instrument Provider does not include Card Schemes, Acquiring Banks and Financial Institutes.
- 3.20 **“Product”** means a tangible product that is manufactured or distributed by the Merchant and that is purchased by the Customer, the payment for which is to be made on the Customer’s valid Payment Instrument.
- 3.21 **“Proof of Delivery”** shall mean:
- a. In respect of Product, sufficient legitimate records evidencing Delivery of the Product to the Customer (i.e. charge slips bills etc.), All proof of delivery of Products shall be maintained by the Merchant for a period of at least one year from the date of delivery by the Merchant and shall be open to inspection by Letzpay and the Facility Providers at any time whatsoever.
 - b. In respect of Service, sufficient legitimate records evidencing receipt of the Service to the Customer (i.e. invoice, bills, etc.) All proof of delivery of Services shall be maintained by the Merchant for a period of at least one year from the date of delivery by the Merchant and shall be open to inspection by Letzpay and the Facility Providers at any time whatsoever.
- 3.22 **“Payment Mechanism”** means the entire processing and facilitation of online payments by Letzpay with help of the services of Facility Providers, mechanism through the Internet utilizing the internet banking facility; internet based electronic commerce, internet payment gateway of various Facility Providers and through such other modes and mechanisms of payment and delivery as may be notified by Letzpay from time to time.
- 3.23 **“Refund”** shall mean a refund issued by the Merchant through merchant panel provided by Letzpay to the Merchant within the timeline provided by Facility Providers or Tr i.e. date of expiry of Refund period fixed by Merchant, whichever is earlier.
- 3.24 **“Service”** means tangible or intangible services provided to the Customer by the Merchant the payment for which is to be made on the Customer’s valid Payment Instrument.
- 3.25 **“Transaction Discount Rate” (TDR”)** means, the non-refundable rate charged to the Merchant by Letzpay on the transaction amount processed through Letzpay and / or the Facility Providers payment gateway system and it includes the Merchant Discount Rate as notified by the Reserve Bank of India, the Facility Providers from time to time and the processing and other charges charged by Letzpay as its service charges from time to time. The Transaction Discount Rate is exclusive of GST and/or any other Taxes as notified by the Government from time to time.

Transaction Discount Rate applicable to this agreement is accepted by both the Parties by way of a written electronic communication. However, the Transaction Discount Rate may be revised quarterly by Letzpay, and Letzpay will advise the Merchant of any such change not less than 7 days in advance of its effectiveness.

- 3.26 “**Transaction**” means every Customer Order that result in the Delivery by the Merchant to the Customer of the Product(s) / Services in respect of which the Customer Order was placed by Customer on Merchant’s Site processed by Letzpay’s Payment Mechanism successfully.
- 3.27 “**Tp**” shall mean date of charge / debit to the Customer’s account against the purchase of Product/ Services.
- 3.28 “**Ts**” shall mean date of intimation by the Merchant to Letzpay about shipment of Product / Services.
- 3.29 “**Td**” shall mean date of confirmation by the Merchant to Letzpay about Delivery of Product / Services to the Customer.
- 3.30 “**Tr**” shall mean date of expiry of Refund period as fixed by the Merchant.
- 3.31 “**Letzpay’s Website/ Site**” shall mean the web-site with the domain name “www.letzpay.com/” established by Letzpay for the purposes of enabling on-line trading instructions by the Customers of the Merchant to Letzpay.
- 3.32 “**Merchant’s Website/ Site**” shall mean the web-site/ mobile app/ web link/ payment link as mentioned in the application form, established by the Merchant for the purposes of enabling its Customers to place Customer Order for purchase of Products and Services through the Internet.

4. TERM; NON-EXCLUSIVE

- 4.1 **Term:** This Agreement shall become effective on the Effective Date and shall remain in full force until a notice of termination by Letzpay or the Merchant is given or until terminated under other provisions of this Agreement.
- 4.2 **Non-exclusive:** Nothing in this Agreement shall prohibit Letzpay from furnishing the services similar to those provided under this Agreement to others, including competitors of the Merchant.

5. PAYMENT TERMS

- 5.1 Subject to the terms of this Agreement, Letzpay will send to Merchant’s bank account Customer Charge from Transactions taking place on Merchant’s Site using the Payment Mechanism of Letzpay, minus any fees including TDR, invalidated payments, convenience fee, handling fee, express payout charges, platform fee, Chargebacks, Refunds or any refund processing charges, bank fees or penalty by banks for excessive Chargebacks or Refunds, applicable taxes, any excess amount paid to Merchant and other amounts that the Merchant owe to Letzpay under this Agreement. If there are insufficient funds available in Merchant’s account, Letzpay shall claim from the Merchant such amount to the extent the funds are insufficient; which the Merchant on receipt of the claim undertakes forthwith to pay to Letzpay without any delay.
- 5.2 **Rejection of Payment:** Letzpay and the Facility Providers may reject payment in respect of Customer Orders where:
 - a. The Merchant has not obtained a necessary Authorization or Letzpay, Facility Providers and the Acquiring Banks are entitled to reject payment in terms of clauses hereof;
 - b. Any Customer Order is deemed to be fraudulent or otherwise illegal;
 - c. Any Customer Order which the Customer refuses to pay because the Product / Service was not as promised or was defective or was not delivered;

- d. Any Customer Order in respect of which Customer raises a Chargeback/ Dispute;
 - e. The card Issuing bank advises that the card number does not match any number on file;
 - f. Payment in respect of the Customer Order or the relevant instalment of the purchase price has already been made;
 - g. Any Products or Services provided by the Merchant using Letzpay's Payment Mechanism without prior written approval of Letzpay.
 - h. The Customer Order was not confirmed by Merchant within permissible time mentioned on the panel provided by Letzpay from the date the Customer Order was placed;
 - i. Any amount duly receivable by Letzpay from Merchant.
- 5.3 Where Letzpay and the Facility Providers are entitled to reject payments in respect of a Customer Order or demand a Refund, Letzpay shall be entitled to set off and deduct from any payment due to the Merchant and in doing so Letzpay may:-
- a. debit the Merchant's account held with Letzpay, forthwith; and/or;
 - b. deduct the outstanding amount from subsequent credits to the Merchant's account, and/or;
 - c. if there is insufficient funds available therein; claim from the Merchant the amount paid to the Merchant by Letzpay in respect of the relative sales; which the Merchant on receipt of the claim from Letzpay undertakes forthwith to pay to Letzpay, the amount of the Refund to the extent to which such funds proves inadequate;
- 5.4 Payment of Customer Charge in respect of a Customer Order shall be made as per the TDR, other charges and payment schedule mentioned in Agreement between Letzpay and Merchant which is further agreed by both the Parties in writing through electronic communication from time to time. The Customer charges to be paid in the bank account of the Merchant instructed by the Merchant in writing and on receipt of Proof of Delivery of the relevant Product / Service and Letzpay will deliver its payments to the Merchant as promptly after these dates as is practicable. The TDR amount charged by Letzpay to the Merchant is non-refundable; although the Merchant shall be liable to pay any refund charges if it is required to be paid by the Facility Providers.
- 5.5 The Merchant may avail the facility of Express Settlement i.e. Settlement of Customer Charge on Tp+0 basis i.e. on the date of Transaction subject to approval of Letzpay. The Merchant has further instructed Letzpay to charge express payout charges on the transaction amount to the Merchant for the facility of Express Settlement. The Merchant agrees and confirms that facility of Express Settlement i.e. Settlement of Customer Charge on Tp+0 basis i.e. on the date of Transaction is subject to approval of Letzpay and Letzpay shall have a right and sole discretion to revoke the approval without any reason whatsoever. The Merchant confirms that where Tp is a Sunday or public holiday the payment of Customer Charge shall be made on the next business day of the date of Transaction.
- 5.6 **EMI Services:** The Merchant hereby agrees that EMI services shall be offered at the discretion and as per the terms and conditions of the respective Issuing Bank/ Institution, Payment Instrument Provider, Facility Providers and Letzpay. The Merchant further undertakes that:-
- a. EMI calculator shall be available on the Merchant Site in order to provide the EMI calculation to the Customer. The Customer shall be charged the full amount of the Customer Charge at the time of making transactions.
 - b. Thereafter, Letzpay shall send details of settled transactions for conversion of the transaction to EMI along with complete details to the Issuing Bank/ Payment Instrument

Provider within prescribed time. Letzpay shall not be responsible if the EMI transactions are cancelled / reversed.

- c. The Issuing Bank/ Payment Instrument Provider shall convert all transactions approved by them to EMI within their prescribed time. The final decision on whether a Transaction can be converted to EMI is taken solely by the respective Issuing Bank/ Payment Instrument Provider.
- d. The Merchant further confirms, undertakes and assures that Letzpay shall not be liable in case of any dispute raised by the Customer with respect to the rejection of EMI option to a Customer after a transaction has been confirmed, irrespective of the Customer Charge amount is already paid to the Merchant or not. The Merchant assures that the Customer shall raise such dispute related to non-conversion of EMI directly with the Issuing Bank/ Payment Instrument Provider.
- e. The Merchant agrees that Issuing Bank/ Payment Instrument Provider may charge interest rate to the Customers as per its internal policies and other regulatory factors from time to time. Letzpay has no authority deciding the rate of interest, repayment terms, charges and any other terms and conditions of the EMI Scheme.

5.7 **Taxes:** Each Party shall bear and pay respective taxes as made applicable by the Government authorities from time to time. The Merchant covenants to comply with all the compliances mandated under the Goods and Services Tax (GST) as and when the same is implement by the relevant Government authority, including but not limited to filing valid tax return relating to its transactions with Letzpay. In case any credit, refund or other benefit under GST is denied to Letzpay or is delayed due to any non-compliance by the Merchant (such as failure to upload the details of Supply of goods/service on the GSTN portal, failure to pay GST to the Government, lower compliance rating etc.) or due to non-furnishing or furnishing of incorrect or incomplete documents by the Merchant with the Government or Letzpay, the Merchant agrees to indemnify, defend and hold harmless Letzpay and reimburse Letzpay for the loss including ,but not limited to, the tax loss, interest, penalty, reasonable costs or expenses of any nature whatsoever, whether accrued, absolute, contingent or otherwise; including, without limitation, reasonable attorneys' fees and costs (whether or not a suit is filed).

5.8 **Merchant's Minimum Deposit Account Balance:** It is mutually agreed by the Merchant and Letzpay, that Letzpay may retain a minimal amount "Reserve Deposit Amount" out of amounts payable to the Merchant in terms of Clause 5 hereof. The Merchant agrees that Letzpay will impose additional Reserve Deposit Amounts, either temporarily or permanently, which are more restrictive than limits placed on the Merchants in order to reduce Letzpay's reasonable apprehension of risk of loss under varying circumstances.

6. COVENANTS AND REPRESENTATIONS OF THE MERCHANT

- 6.1 Letzpay and the Facility Providers shall not be a party to the Agreement or dispute between the Customer and the Merchant. In the event of any dispute between the Merchant and the Customer whether in relation to any deficient, improper or incomplete Product or Service provided by the Merchant or otherwise, Letzpay and the Facility Providers shall not be made a party to any litigation, arbitration or other proceeding instituted in respect of such disputes.
- 6.2 The Merchant undertakes to make timely payments of all the monies, charges, and Chargeback amounts, Refund amount duly payable to Letzpay as and when demanded by Letzpay. Merchant also undertakes to payback any amount received in excess or erroneously from Letzpay within 7 (Seven) calendar days of receipt of claim from Letzpay without any delay, demur or protest.

- 6.3 The Merchant assures and guarantees to Letzpay and the Facility Providers that the Merchant is acting in compliance with and shall at all-time act in compliance with all laws, rules and regulations, notification, and guidelines set by RBI/ Letzpay and the Facility Providers and further assures and guarantees that the Products and Services mentioned on Letzpay website shall not be sold on the Merchant's Site using services of Letzpay. Any Product or Service which is not in compliance with all applicable laws and regulations whether federal, state, local or international including the laws of India shall not be offered by the Merchant to its Customers through the services of Letzpay.
- 6.4 The Merchant further confirms, undertakes and assures that in the event of violation of any of the byelaws and standards of RBI, the Facility Providers and Letzpay by the Merchant AND any penalty or charge imposed by the Facility Providers on Letzpay for any violation for any reason whatsoever, the Merchant shall on receipt of the claim from Letzpay undertakes forthwith without any demur, protest, dispute or delay, to pay to Letzpay, the amount of the penalty / fine imposed by the Facility Providers on Letzpay.
- 6.5 The Merchant shall not at any time require the Customer to provide the Merchant with any details of the accounts held by them with the Issuing Bank/ Payment Instrument Provider including, the passwords, account number, card numbers and PIN which may be assigned to them by the Issuing Banks or Payment Instrument Provider from time to time.
- 6.6 In the event of any inconsistency between any provision of this agreement and the standards set out by Facility Providers, the standards shall govern.
- 6.7 The Merchant is aware that Letzpay and the Facility Providers are not guaranteeing any Transactions with the Customers in any manner whatsoever. The Merchant assures that the Customers will place the orders themselves and agree not to place orders on behalf of Customers.
- 6.8 The Merchant shall use Letzpay's services and other facilities offered on Letzpay's Site only for the Merchant's Site and for no other Site/s. The Merchant shall use Letzpay's Payment Gateway services only for selling/ providing the products and services as mentioned in the application form and accepted by Letzpay and for no other products or services. In case of any deviation from the Services without prior written approval of Letzpay, the Merchant undertakes to be abiding by the decisions of Letzpay including suspension of the pay out or refund to Customer or termination of Letzpay's services.
- 6.9 The Merchant must ensure that it shall not:- (a) undertake/allow Transactions for anything other than the genuine purchase of the Products and/or Services that the Merchant provides; (b) impose any minimum or maximum Transaction values; (c) discriminate against the use of any Card or Payment Instrument in any way; (d) split a Transaction into two or more Transactions; (e) accept a Transaction or present Transaction Data for processing which was not undertaken directly between the Merchant and the Customer; (f) accept or process Transactions in order to give Customers cash; (g) accept any Transaction using any Card or Payment Instrument issued in the Merchant's name, or related to the Nominated Bank Account or of a partner in, or director or other officer of Merchant's Business or the Business of the Merchant, or of the spouse or any member of the immediate family or household of any such person; (h) submit Transaction data which Merchant know or ought to have known is illegal; (i) Refund Transactions to a Card/ Payment Instrument which was not originally used to make such Transactions, and Merchant must not, under any circumstances, accept money from a Customer in connection with processing a Refund to the Customer's Account.
- 6.10 The Merchant acknowledges that the Facility Providers and Letzpay have the right to enforce any provision of the standards and to prohibit any Merchant conduct that may injure or may create a risk of injury to the Facility Providers and Letzpay including injury to reputation, or that may

adversely affect the integrity of the Facility Providers and Letzpay's core payment systems, information or both. The Merchant agrees that he will not take any action that might interfere with or prevent exercise of this right by the Facility Providers and Letzpay.

- 6.11 The Merchant shall take all precautions as may be feasible or as may be directed by Letzpay and the Facility Providers to ensure that there is no breach of security and that the integrity of the link between the Merchant's Site, Letzpay's Site and the Payment Mechanism is maintained at all times during the term of this Agreement. In the event of any loss being caused as a result of the link being breached or as a consequence of the link being improper or being in violation of the provisions of this clause, the loss shall be to the account of the Merchant and the Merchant shall indemnify and keep indemnified Letzpay and the Facility Providers from any loss as may be caused in this regard. The Merchant shall comply with the Payment Application Data Security Standard ("**PA-DSS**") compliances (if applicable) and shall report to Letzpay in case of an Information Security Incident related to systems or information.
- 6.12 The Merchant hereby grants to Letzpay and the Facility providers, a non-exclusive, royalty-free, limited license to use, display and reproduce the trademarks, service marks and logos of the Merchant solely in connection with the marketing of their facilities and services to the public. The Merchant shall prominently display on its Website and in other online marketing materials if applicable, a statement/logo/image etc. ("**Marks**") provided by Letzpay and or upon instructions of Facility Provider. The Facility Providers may at any time, immediately and without advance notice, prohibit the Merchant from using any of the Marks for any reason.
- 6.13 The Merchant ensures that it shall prominently and unequivocally inform a Customer of the identity of the Merchant, which will enable the Customer to distinguish the Merchant from any other third party and will ensure that its website:- (i) prominently displays the name of the Merchant; (ii) prominently identifies the name of the Merchant as displayed on the website and as the name that will appear on the Customer's statement and (iii) display the Merchant name and information as prominently as any other information depicted on the website, other than the images of the Products or the Services being offered.
- 6.14 The Merchant represent and warrant to Letzpay and the Facility Providers that: (a) Merchant is duly organized, validly existing and in good standing under the laws of the territory in which its business is registered, and a resident of India for income tax purposes; (b) Merchant has all requisite license, registrations, right, power and authority in full force to enter into this Agreement and perform its obligations and grant the rights, licenses and authorizations hereunder; and (c) Merchant and its subcontractors, agents and suppliers will comply with all applicable Laws in the performance of its obligations and exercise of the rights under this Agreement.
- 6.15 The Merchant states that the individual signing this Agreement is an authorized representative of the Merchant and is thereby fully authorized to bind the Merchant to contractual obligations and is authorized to provide the information and documentation submitted in connection with this agreement are complete and correct in all material respects. Merchant authorizes Letzpay to obtain and verify, and to continue to obtain and verify any information submitted by Merchant any relevant information regarding principals, partners, officers or other authorised representatives of Merchant and any other individuals listed on this Agreement including the individual signing below, and for Letzpay use such information as reasonably necessary during the course of providing the services contemplated here under as well as for Letzpay to share such information with its affiliates or as otherwise allowed by applicable law. The Service Provider reserves the right to conduct audits and periodic oversight reviews of Merchant determining compliance with this Agreement and byelaws and standards of RBI, the Facility Providers and Letzpay referenced herein.

- 6.16 The Merchant hereby agrees, covenants (i) to accept Cards in accordance with the terms of the Merchant Agreement; (ii) to authorise Letzpay to submit transactions to, and receive settlement on behalf of the Merchant; (iii) to authorise Letzpay to disclose transaction data, Merchant data, personal information and other information about the Merchant; (iv) to enable Letzpay to comply with its obligations in relation to Card member disputes, transaction processing, authorisation, submission and protecting Card member information; (v) to comply with all applicable laws, rules and regulations relating to the conduct of the Merchant's business; (vi) to ensure that Merchant Website shall display the details of its products and services offered along with the terms & conditions of payments, refunds, shipping and privacy policy; (vii) to ensure that Merchant website does not contain libellous, defamatory, obscene, pornographic, or profane material or any information that may cause harm to any individuals; (viii) to allow Letzpay to conduct audits, periodic oversight reviews, collect documents, "know your customer" ("KYC") and anti-money laundering ("AML") checks in accordance with all applicable laws and regulations to satisfy its obligations under applicable local law and any other requirements imposed by regulators.
- 6.17 The Merchant will process the transaction only from countries as approved by Letzpay from time to time.
- 6.18 The Merchant shall share with Letzpay complete details of any required transaction as per escalation. In the event of any failure by the Merchant to do so, Letzpay shall be entitled to mark the concerned transaction as potential risk of chargeback and the full transaction amount will be deducted from the settlement or the account linked with Letzpay.
- 6.19 For any new addition of services on Merchant Website, the Merchant shall seek prior approval from LetzPay before enabling them on Merchant Website or any other place.
- 6.20 The Merchant shall not sell banned products as per banned categories list mentioned below. The Merchant hereby expressly agrees not to deal in the following products/s or services/s directly or indirectly at any time during the tenure of this agreement. 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 LetzPay or owing to claims by any third party immediately upon demand damages suffered.
- a. Adult goods and services which includes pornography and other sexually suggestive materials (including literature, imagery and other media); escort or prostitution services. Dating services/Relationship engagement sites. Escort Services. Apparatus such as personal massagers/vibrators and sex toys and enhancements.
 - b. Alcohol, which includes alcohol or alcoholic beverages such as beer, liquor, wine, or champagne.
 - c. Body parts, which includes organs or other body parts – live, cultured/preserved or from cadaver.
 - d. Bulk marketing tools which include email lists, software, or other products enabling unsolicited email messages (spam).
 - e. Cable TV descramblers and black boxes which include devices intended to obtain cable and satellite signals for free.
 - f. Child pornography in any form.
 - g. Copyright unlocking devices which includes Mod chips or other devices designed to circumvent copyright protection

- h. Copyrighted media, which includes unauthorized copies of books, music, movies, and other licensed or protected materials
- i. Copyrighted software which includes unauthorized copies of software, video games and other licensed or protected materials, including OEM or bundled software.
- j. 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.
- k. Drugs and drug paraphernalia which include illegal drugs and drug accessories, including herbal drugs including but not limited to salvia and magic mushrooms.
- l. Drug test circumvention aids which includes drug cleansing shakes, urine test additives, and related items.
- m. Endangered species, which includes plants, animals or other organisms (including product derivatives) in danger of extinction.
- n. Gaming/Gambling/Betting which includes lottery tickets, sports bets, memberships/enrollment in online gambling sites, and related content.
- o. Hacking and cracking materials which include manuals, how-to guides, information, or equipment enabling illegal access to software, servers, websites, or other protected property.
- p. Illegal goods which includes materials, products, or information promoting illegal goods or enabling illegal acts.
- q. Miracle cures which include unsubstantiated cures, remedies or other items marketed as quick health fixes.
- r. 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.
- s. Offensive goods, crime which includes crime scene photos or items, such as personal belongings, associated with criminals
- t. Prescription drugs or herbal drugs or any kind of online pharmacies which includes drugs or other products requiring a prescription by a recognized and licensed medical practitioner in India or anywhere else.
- u. Pyrotechnic devices and hazardous materials which includes fireworks and related goods; toxic, flammable, and radioactive materials and substances.
- v. 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.
- w. Tobacco and cigarettes which includes E-cigarettes, cigars, chewing tobacco, and related products.
- x. Traffic devices, which includes radar detectors/ jammers, license plate covers, traffic signal changers, and related products.

- y. Weapons, which includes firearms, ammunition, knives, brass knuckles, gun parts, firecrackers, and other armaments.
 - z. Wholesale currency, which includes discounted currencies or currency, exchanges.
 - aa. Live animals or hides/skins/teeth, nails and other parts etc. of animals.
 - bb. Multi-Level Marketing schemes or Pyramid / Matrix sites or websites using a matrix scheme approach.
 - cc. Any intangible goods or services or aggregation/consolidation business.
 - dd. Auction sites
 - ee. Drop-shipped merchandise
 - ff. Web-based telephony/ SMS/Text/Facsimile services or Calling Cards. Bandwidth or Data transfer/ allied services. Voice process /knowledge process services.
 - gg. Web host/Domain sellers without PCI certifications.
 - hh. Time-sharing, Subscriptions (magazines etc.)
 - ii. Technical support sites
 - jj. Real Estate & related sub brokers, specially promising high returns on investment etc.
 - kk. Any business or activity which is in direct competition with Letzpay.
 - ll. Recharge, Gift Vouchers & Wallet Top-ups merchants.
 - mm. All forms of Crypto currencies.
 - nn. Any product or service, which is not in compliance with all applicable laws and regulations whether federal, state, both local and international is including the laws of India.
 - oo. Government IDs or documents which includes fake IDs, passports, diplomas, and noble titles.
 - pp. Any other business or activity as communicated by Letzpay from time to time.
- 6.21 The Merchant ensures that each of its owners, directors, employees and every other person working on its behalf, has not and shall not, in connection with this Agreement or in connection with any other business transactions, make any payment or transfer, or transfer anything of value, directly or indirectly, to: (i) any governmental official or employee (including employees of a government corporation or public international organisation); (ii) any political party, official of a political party, or candidate for public office; (iii) an intermediary for payment to any of the foregoing; or (iv) any other person or entity if such payment or transfer would violate the laws of the country in which it is made or the UK Bribery Act, 2010 or the US Foreign Corrupt Practices Act 1977.
- 6.22 If the Merchant is going to store the confidential data of customers on Merchant's Site, then the Merchant shall be Payment Card Industry Data Security Standard certified (PCIDSS) and shall continue to be certified as per the required regulations during the term of the agreement with respect to the security obligations pertaining to Letzpay's services provided by Letzpay. The Merchant hereby undertakes and agrees it shall not store any confidential information of the Customers such as card details, Customer's confidential details etc. if it is not PCI DSS certified and shall further indemnify Letzpay in case of any claim, proceeding, loss or liability arising due to non-compliance of the same.

- 6.23 The Merchant undertakes to abide by the rules and regulations formed by the governing authority in respect of the Anti-Money Laundering Act 2002, Information Technology Act 2000 and subsequent amendments incorporated thereon and guidelines issued by the Department of Regulation, RBI from time to time for Combating Financing of Terrorism (CFT).
- 6.24 The Merchant hereby undertakes that, all the representations made herein are true and valid as per laws of India. The Merchant represent that the Merchant holds valid licenses, brand proofs, tie-up agreements from its business associates and the Merchant is legally authorised to sale the Products and Services online through the Merchant's Site.
- 6.25 The Merchant shall provide supporting documents to Letzpay at the time of execution of this Agreement and upon change in details provided under this Agreement. The Merchant shall provide the KYC documents to Letzpay on an interval of one year.
- 6.26 The Merchant shall keep updated on its Site all the policies including but not limited to privacy policy, refund and return policies, chargeback policy (I accept policy), customer grievance redressal (including turnaround time for resolving queries), and other terms and conditions pertaining to the Products and Services of the Merchant. The merchant provide a copy of these documents as and when requested by Letzpay.
- 6.27 If required by Letzpay, the Merchant shall, for availing any services from Letzpay and for due performance of these terms & conditions, provide interest free security deposit to Letzpay. The terms & conditions for such security shall be such as may be mutually agreed by the parties in writing.

7. REPRESENTATIONS OF LETZPAY

- 7.1 Letzpay has received requisite authorisation/ license from RBI as per the said RBI Guideline and has right, power and authority in full force to enter into this Agreement and perform its obligations.
- 7.2 Letzpay is PCIDSS certified and has implemented applicable security measures as per the said RBI Guideline.
- 7.3 Letzpay will comply with Know Your Customer (KYC) / Anti-Money Laundering (AML) / Combating Financing of Terrorism (CFT) guidelines issued by the Department of Regulation, RBI, in their "Master Direction – Know Your Customer (KYC) Directions" which are updated from time to time.

8. DATA PROTECTION

- 8.1 All the data processed under this agreement is subject to the Data Privacy Regulations under applicable laws. Merchant shall be subject to and will comply with the Information Technology Act, 2000 and the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011, General Data Protection Regulation (GDPR) (EU) 2016/679 as amended from time to time, and any other applicable Laws restricting collection, use, disclosure, storage, processing and free movement of personal information (collectively, the "**Privacy Regulations**").
- 8.2 Letzpay, its employees, contractors or agents may, in connection with this Agreement, collect Personal Information in relation to Merchant (including Merchant Customers, employees and directors) Letzpay may process, use and disclose, transfer and store the Merchant's Customer's personal information for purposes connected with this Agreement and otherwise for the purposes of its legitimate business and business operations or as required by law. The Merchant shall co-operate with Letzpay and Facility Providers in respect of any issues arising out of a breach or potential breach of security in relation to the holding of confidential data.

- 8.3 Insofar as information provided, or to be provided, by Merchant to Letzpay includes the Personal Information of Customers, Merchant represents and warrants that it has obtained sufficient informed prior consent in writing from each Customer to whom any Personal Information relates to, in order for Letzpay to comply with applicable data privacy regulations and which allows Letzpay to collect, use, disclose, process, transfer and store such information for the purposes specified in this Agreement and the schedules, including in the circumstances described above, and will provide Letzpay with such consent as and when requested by Letzpay.

9. FAIR USE OF LETZPAY SERVICES

- 9.1 The Merchant shall use the services of Letzpay only for the purpose of receiving online payments against the Products/ Services approved by Letzpay. Using the services of Letzpay for any other purpose shall entitle Letzpay to take appropriate legal action and/or charge penalty suspend all the pay-outs to the Merchant.
- 9.2 The Merchant shall not submit for payment, any transaction they know or ought to have known is illegal or misuse the services of Letzpay for illegal gains including but not limited to illicit use of Credit Cards.
- 9.3 The Merchant in case of any fraud or ill intentional transaction by Customer shall cooperate with Letzpay and forward all necessary transaction and Customer details to Letzpay at the earliest.
- 9.4 The Merchant data related to transactions taking place through Letzpay's payment gateway services shall be stored by Letzpay for a maximum period of one year from the date of transaction. Post completion of this one year the data will automatically get deleted from Letzpay's database. Letzpay shall not be liable to produce the data that is older than one year.
- 9.5 **Breach by Merchant:** If Letzpay, the Facility Providers suspects on reasonable ground, that the Merchant has committed a breach of this agreement or dishonestly or fraud against Letzpay, the Facility Providers, or any Customer, Letzpay shall be entitled to suspend all payment under this agreement to the Merchant pending enquiries by the Service Provider. Letzpay shall not be liable to pay any interest upon the suspended pay-outs during or after the pendency of the inquiry. Letzpay reserve right to charge appropriate penalty to the Merchant in case of breach of terms of this agreement. Letzpay may adjust such penalty amount from the next pay out of Customer Charge. In the event of no balance in the Merchant account, the Merchant shall make the payment of such penalty amount; failure to make payment of the penalty amount will attract interest over the penalty as per the prevailing interest rates.
- 9.6 **Breach by Customer:** In case the Customer of Merchant commits fraud against the Merchant using Letzpay's services, Letzpay in such cases shall be entitled to suspend the pay-outs of the disputed amount till the issue is resolved between Merchant and Customer. Letzpay shall not be liable to pay any interest upon the suspended pay-outs during or after the pendency of the inquiry.
- 9.7 **Authorizations:** The Merchant shall obtain Authorisation from Letzpay, before accepting any Customer Order. This process of Authorization is an automatic process that takes place in real-time.

10. CHARGEBACK AND REFUND

- 10.1 The Merchant agrees that payment made in respect of any Customer Order, in respect of which the Customer or Issuing Bank raises a claim, demand, dispute or chargeback on Letzpay or the Facility Providers for any reason whatsoever or in case of refund initiated by the Merchant shall be the financial responsibility of the Merchant. The chargeback or refund shall be processed as per the set processes of Facility Providers and Letzpay. Once the Chargeback is received and the Merchant is ordered to make payment of the Chargeback amount or in case of Refund once the Refund requested is initiated by the Merchant, the Merchant shall make the payment of the

Chargeback/ Refund amount as the case may be without any demur or protest, dispute or delay. The Merchant agrees that it shall initiate Refund only within Tr i.e time period fixed by Merchant or 90 days from the date of transaction whichever earlier. However, Merchant agrees that it shall not be allowed to initiate Refund on the date of Transaction if it has opted for Express Settlement Facility. The Merchant shall make payment of Chargeback amount within 48 hours from the time of receiving the request for making payment of Chargeback and or in case of Refund immediately at time of initiating the refund. The Merchant hereby agrees that all Refunds and Chargebacks shall be the sole responsibility of the Merchant and Letzpay shall not be liable for any claims or disputes which may arise in connection with such Refunds or Chargebacks to the Merchant or its Merchants. Letzpay shall have right to withhold the payment in case of anticipated Chargebacks or excessive chargebacks raised against Merchant The Merchant agrees to indemnify Letzpay in respect of any claims, disputes, penalties, cost and expenses arising directly or indirectly in relation Refunds or Chargebacks for all transaction initiated and instructed through the Merchant's Site.

- 10.2 If Letzpay and/or the Facility Providers determine that the Merchant and/or its business associates registered with Letzpay are incurring an excessive amount of Chargebacks or Refunds, Letzpay may establish controls or conditions governing the Transactions contemplated under this Agreement, including without limitation, by (a) establishing new processing fees, (b) by requesting a reserve in an amount reasonably determined by Letzpay to cover anticipated Chargebacks and Refunds (c) by asking the Merchant to first make payment of the Chargeback amount / Refund amount and then only process the chargeback and refund request.(d) delaying or suspending pay-outs to Merchant, (e) block the refund or refuse to process (f) adjusting the Chargeback and Refund amount from the Customer Charge payable to Merchant and (g) imposing penalty amount if any charged by Facility Providers (h) charge interest over the Chargeback and Refund amount (i) terminating or suspending Letzpay services.
- 10.3 The Merchant hereby authorises Letzpay to appropriate the Merchant's current balance amounts with Letzpay to the extent of the aforesaid Chargeback and Refund and any other moneys due to Letzpay by the Merchant in terms of this Agreement. If there is insufficient funds available therein; the Merchant shall within 48 (forty eight) hours of finding out negative balance or insufficient balance in his Merchant Accounting and Reporting System (M.A.R.S) Interface and/or on receipt of the e-mail from Letzpay and/ or claim from Letzpay undertakes forthwith without any demur, protest, dispute or delay, to pay to Letzpay, the amount of the Chargeback/dispute/Refund to the extent to which such funds proves inadequate. Without prejudice to any other Letzpay's rights and remedies, in the event that the Merchant does not make any payment to Letzpay by its due time (within 48 hours) or on demand as required under this Agreement, Letzpay shall be entitled to charge interest on such overdue amount upon completion of the said 48 (Forty Eight) hours (as the case may be) until the date of payment in full, at the rate of 2-4 % per month, solely as per Letzpay's discretion. It is agreed that any claim or dispute arising out of non-payment of Refund / insufficient balance shall be the absolute liability of the Merchant AND the Merchant hereby agrees to indemnify Letzpay and the Facility Providers against any claims, dispute initiated by any Customers/ Facility Provider or any third party / authority enforced on Letzpay, Acquiring Banks/ Card Schemes/ payment Letzpay etc. for the non-refund of such transactions.
- 10.4 Credit Facility on Refunds: Since the Merchant will not be allowed to initiate Refunds of amount greater than the balance amount held with Letzpay; The Merchant may face Refund related issues from the Customers such as, *"the Refunds were blocked by Letzpay due to insufficient or no balance amount in Merchant account held with Letzpay"*. In order to avoid such refund issues and to continue the smooth refund process, the Merchant may avail the credit facility on refunds where in Letzpay at its sole discretion may allow the Merchant to initiate refunds of amount

greater than the balance amount available with Letzpay. This facility will allow additional time not exceeding 7 (Seven) days to the Merchant to arrange for funds against refunds so initiated. To avail the credit facility the Merchant shall give separate written instructions to Letzpay, Letzpay on its sole discretion may grant the credit facility on refund to the Merchant. The Merchant agree that the repayment of credit facility on refund shall be governed by all the sub clauses (10.1), (10.2) and (10.3) above and also by the special terms and conditions formed by Letzpay for credit facility on refund.

- 10.5 Customer Grievance Redressal and Dispute Management Framework which includes Customer grievances redressal and Turnaround time for dispute resolution, dispute resolution mechanism and reconciliation of payments by Letzpay is mentioned in **Annexure A**.
- 10.6 The Merchant agrees that Refunds of failed transactions are dealt as per the process mentioned in Customer Grievance Redressal and Dispute Management Framework mentioned in **Annexure A**.
- 10.7 The Merchant agrees that the refunds initiated by Merchant shall be routed through the escrow account and original method of payment unless specifically agreed between the Merchant and Customer to credit through an alternate mode. The Merchant hereby confirms that Letzpay has no responsibility if Refunds are processed through alternate mode agreed between Merchant and Customer.
- 10.8 The Merchant acknowledges that TDR charged by Letzpay shall not be refunded by Letzpay irrespective of any Chargeback or Transaction being rejected, refunded or disputed.

11. INDEMNITY

- 11.1 The Merchant hereby undertakes and agrees to indemnify, defend and hold harmless Letzpay and the Facility Providers including their officers, directors and agents from and against all actions, proceedings, claims (including third party claims), liabilities (including statutory liability), penalties, demands and costs (including without limitation, legal costs), awards, damages, losses and/or expenses however arising directly or indirectly, including but not limited to, as a result of:
 - a. Breach or non-performance by the Merchant of any of its undertakings, warranties, covenants, declarations or obligations under this Agreement;
 - b. Breach of confidentiality and intellectual property rights obligations by the Merchant;
 - c. Any claim or proceeding brought by the Customer or any third party against Letzpay and/or the Acquiring Banks in respect of any Products or Services offered by the Merchant;
 - d. Any act, deed, negligence, omission, misrepresentation, default, misconduct, non-performance or fraud by the Merchant, its employees, contractors, agents, Customers or any third party;
 - e. Chargebacks or refunds relating to the Transactions contemplated under this Agreement; and incapacity of Merchant to make payment against the chargeback/ refunds or any amount due payable to Letzpay;
 - f. Breach of law, rules regulations, legal requirements (including RBI regulations, Facility Providers rules) in force in India and/or in any place from where the Customers is making the Transaction and/or where the Product is or to be Delivered and/or where the respective Issuing Bank/ Institution is incorporated/registered/established; or
 - g. Any fines, penalties or interest imposed directly or indirectly on Letzpay on account of Merchants or transactions conducted through the Merchant under this Agreement.
- 11.2 The indemnities provided herein shall survive the termination of this Agreement.

12. WARRANTY

- 12.1 Letzpay and the Facility Providers disclaims all warranties, express or implied, written or oral, including but not limited to warranties of merchantability and fitness for a particular purpose. The Merchant acknowledges that Letzpay and the Facility Providers may not be uninterrupted or error free. The Merchant also acknowledges that the services provided by the facility providers to Letzpay which is passed on to the Merchant under this agreement, can be in any event be brought to an abrupt end in any event whatsoever by the facility providers for any reason whatsoever.
- 12.2 Letzpay's sole obligation and the Merchant's sole and exclusive remedy in the event of interruption to the services or loss of use and/or access to Letzpay's Site, and the Facility Provider's facilities, shall be to use all reasonable endeavors to restore the Services and/or access to the Payment Mechanism as soon as reasonably possible.
- 12.3 In case if the Merchant's customer raises a claim on Letzpay or the Facility Providers, the Merchant shall release Letzpay (and its officers, directors, employees, agents and affiliates) from claims, demands and damages (actual and consequential) of every kind and nature, known and unknown, suspected and unsuspected, disclosed and undisclosed, arising out of or in any way connected with such claims or disputes.
- 12.4 Without prejudice to any other provisions of this Agreement, Letzpay, and the Facility Providers shall not be liable to the Merchant for any loss or damage whatsoever or howsoever caused arising directly or indirectly in connection with Letzpay's site and services, and the Facility Provider's facilities and/or this Agreement.

13. LIMITATION OF LIABILITY

Letzpay shall not be liable for any indirect, incidental, punitive, special or consequential damages or losses (including without limitation loss of profit or revenue etc.), whether under contract or in tort, and even if the Merchant had been advised of the possibility of such damage or loss. In no event Letzpay shall be liable to the Customers or any third Party.

14. INSPECTION AND AUDIT

- 14.1 Letzpay shall have right to audit and/or inspect periodically the system and records of Merchant (including but not limited to Merchant's refund and return policy, infrastructure, customer grievance policy, T&Cs, etc.) by its internal or external auditors or by its agents appointed to act on its behalf, in order to ensure Merchant's compliance with the obligations with respect to Services rendered under this Agreement and applicable laws and to obtain copies of any audit or review reports and findings made on the Merchant in connections with the Services undertaken hereunder.
- 14.2 Merchant shall allow Letzpay, its management, its auditors and/or its regulators, the opportunity to inspect, examine and audit Merchant's operations, system and records which are directly relevant to the Services. RBI, statutory, regulatory, Letzpay or any authority vested with such rights shall be entitled to cause an inspection to be made on Merchant and its books and account by one or more of its officers or employees or other persons
- 14.3 Merchant shall keep complete and accurate records of all the orders and expenses in connection with its Services and/or Products. All said records shall be kept on file by Merchant for a period as required under applicable laws from the date the record is made.
- 14.4 Letzpay's audit rights shall survive the expiration or termination of this Agreement for the period required under applicable laws and regulations.

15. TERMINATION

- 15.1 Immediate Termination:

- a. Termination for Breach: - Letzpay may terminate this Agreement with immediate effect if the other the Merchant commits any breach of the terms of this Agreement.
 - b. Termination in Case of Violation of Law:- In addition to any other termination rights granted by this Agreement, Letzpay may terminate this Agreement immediately without liability upon verbal or written notice if
 - (i) Letzpay or the Facility Providers is notified or otherwise determines in good faith that the Merchant or is using Letzpay's services and facilities in furtherance of any activity which violates any law, rule, or regulation or
 - (ii) Letzpay, or the Facility Providers or any of their directors, officers, stockholders, employees or agents are made the subject of a criminal or civil action or investigation or are threatened by such action as a consequence of use of the Facility or services by the Merchant.
 - (iii) If number or amount of fraudulent Transactions submitted by Sub-Merchant or the number of Chargebacks in relation to the business of Sub-Merchant is excessive
 - (iv) If Merchant submits for processing, Transactions on behalf of any third party entity other than that agreed between Parties;
 - (v) the Sub-Merchant materially alters its website content without Letzpay's prior written consent or changes its business or alters its business model during the term of the Merchant Agreement or if there is a direct or indirect change of Control of the Merchant or any parent company of the Merchant.
 - (vi) If Facility Providers de-registers the Merchant.
 - c. Termination for Disruption: If any program or facility used by Letzpay to implement this Agreement is disrupted or terminated by the Facility Provider for any reason Letzpay may terminate this Agreement immediately.
- 15.2 Termination by notice: In addition to any other termination rights granted under this Agreement, either Party may terminate this Agreement on 30-days written notice to the other.
- 15.3 Termination for non-use:- Letzpay may terminate this Agreement if the Merchant fails or neglects to use the facilities and services of Letzpay and the Acquiring Banks for a continuous period of 90 days.
- 15.4 Withholding of charge on termination: - In the event that either of the Parties serve a notice of termination of this Agreement on the other party, Letzpay shall be entitled to withhold for a period of 210 days from the date of such notice, 40% of amounts payable to the Merchant in terms of Clause 5 of this Agreement in respect of each Customer Charge arising after the date of such notice. In the event that Letzpay terminates this Agreement as a result of breach of any of the terms of this Agreement by the Merchant, Letzpay shall be entitled to withhold for a period of 210 days from the date of such breach 100% of amounts payable to the Merchant in terms of Clause 5 of this Agreement in respect of each Customer Charge arising after the date of such breach.

16. INTELLECTUAL PROPERTY

Each party shall retain all ownership rights, title, and interest in and to its own products and services and all intellectual Property Rights therein, subject only to the rights and licenses specifically granted in writing.

17. FORCE MAJEURE

- 17.1 Letzpay shall not be in breach of its obligation hereunder if it is delayed in the performance of, or is unable to perform (whether partially or fully) its obligations (provide the services) as a result of the occurrence of a Force Majeure Event (defined below).
- 17.2 Force Majeure Event means any event, whatever be the origin, not within the reasonable control of Letzpay, which Letzpay is unable to prevent, avoid or remove or circumvent by the use of reasonable diligence. Force Majeure event shall include, but shall not be limited to, acts of god, acts, orders, directions of governmental/ regulatory/ judicial/ quasi-judicial/ law enforcement authorities/ agencies which hinders Letzpay from performing its obligations under any agreement, including these Terms and Conditions, with you, war, hostilities, invasion, armed conflict, act of foreign enemy, embargoes, riot, insurrection, labour stoppages, outages and downtimes systems failures experienced by a Facility Provider, revolution or usurped power, acts of terrorism, sabotage, nuclear explosion, earthquake, pandemic, epidemic, intrusions, fires, typhoons, storms and other natural catastrophes.
- 17.3 Any payment obligations of Letzpay, in case of a Force Majeure event, shall be limited by and be subject to the fulfillment of the payment obligations of the partners banks/ financial institutions, counterparties and any other parties involved in or intrinsically linked to the provision of the services of Letzpay.

18. MISCELLANEOUS

- 18.1 Entire Agreement: This Agreement constitutes the entire agreement between Letzpay and the Merchant pertaining to the subject matter hereof and supersedes in their entirety all written or oral agreements between the Parties.
- 18.2 Relationship between Parties: The Parties to this Agreement are independent contractors and nothing in this Agreement shall make them joint ventures, partners, employees, agents or other representatives of the other Party hereto. Neither Party shall make any representation that suggests otherwise.
- 18.3 Severability: If any provision of this Agreement is determined to be unenforceable for any reason, then the remaining provisions hereof shall remain unaffected and in full force and effect.
- 18.4 Variations of Agreement: Both Parties hereto may amend these terms and conditions or to introduce new terms and conditions. Any such variations 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 such variation or amendment or introduction, the Merchant shall notify Letzpay in writing by registered post within five days from the receipt of the notification by Letzpay.
- 18.5 Assignment: This Agreement may not be assigned by the Merchant without the prior written consent of Letzpay. Letzpay may assign all its rights, titles, benefits under this Agreement to any of its affiliates/ third party, such assignment shall apply to and bind any successor or permitted assigns of the Parties hereto.
- 18.6 Rights And Remedies; Waiver: All rights and remedies hereunder shall be cumulative and may be exercised singularly or concurrently. If any legal action is brought to enforce any obligations hereunder, the prevailing Party shall be entitled to receive its attorney's, fees, court costs and other collection expenses, in addition to any other relief it may receive. If either Party fails to perform its obligations under any provision of this Agreement or the other Party does not enforce such provision, failure to enforce on that occasion shall not prevent enforcement on later occasions.

- 18.7 Survival of Provisions: Notwithstanding any other provision to the contrary herein, terms which by their nature survive termination or expiration of this Agreement shall bind the parties following any expiration or termination of this Agreement.
- 18.8 Liability upon Expiration: Neither Party shall be obligated to extend or renew this Agreement.
- 18.9 Jurisdiction and Governing law: The laws of India only and no other nation shall govern this Agreement. The Parties agree to submit to the exclusive jurisdiction of the Courts located in Delhi, India as regards any claims or matters arising under or in relation to these terms and conditions.
- 18.10 Arbitration: The parties will endeavour to settle amicably by mutual discussion any disputes, differences or claims whatsoever related to this agreement. Failing such amicable settlement the dispute shall be settled by arbitration. The Arbitration and Conciliation Act 1996 (and any subsequent amendment to this act) shall govern the arbitration proceedings. The arbitration shall be held in Delhi, India. The language of arbitration shall be English and the arbitral award shall be final and binding on both the parties. The arbitration proceedings will be held before the sole Arbitrator appointed by mutual consent of both the parties. Any arbitration award will be final and binding on the parties, and judgment there on may be entered in any court of competent jurisdiction
- 18.11 Headings and sub – headings: The headings and sub headings in this Agreement are for convenience only and do not affect the meaning of the relative section / clause.
- 18.12 Disclosure of information: Letzpay will be entitled at any time to disclose information concerning the Merchant to any authorised assignee, Facility Providers or to its own employees or directors basis in connection with the payment gateway mechanism facilities provided by Letzpay. This clause shall survive the termination of this Agreement. The Merchant shall not, without the prior written consent of Letzpay, the Facility Providers, disclose the identity of any Customer who has entered into a Transaction or any information whatsoever relating to any Transactions to any other person or otherwise use any information acquired by it in relation to such Customers other than for the purposes of this Agreement except where (i) information already known or independently developed by the recipient prior to or independent of the disclosure; (ii) information in the public domain through no wrongful act of the recipient, (iii) information received by the recipient from a third party who was not under any legal impediment to disclose it, (iv) information required to be disclosed by any order of a court or regulatory authority of competent jurisdiction to the extent specified in the order.
- 18.13 The individual signing this Agreement certifies that he/she is an authorized principal, partner, officer, signatory or other authorized representative of Merchant identified above, is thereby fully authorized and appointed by valid board resolution and/or authority letter to bind Merchant to contractual obligations and is authorized to provide the information contained in this Application. The signatory of this Agreement also certifies that all information and documentation submitted in connection with this Agreement are complete and correct in all material respects. Merchant authorizes Letzpay to obtain and verify, and to continue to obtain and verify, any information submitted in this application, including banking information, financial credit, or other information about Merchant, any relevant information regarding principals, partners, officers, or other authorized representatives of Merchant, and any other individuals listed on this Agreement, including the individual signing below, and for Letzpay to use such information as reasonably necessary during the course of providing the services contemplated here under as well as for Letzpay to share such information with its affiliates or as otherwise allowed by applicable law.

18.14 Notices

- a. Any notice, direction or instruction given under these Terms and Agreement to Letzpay shall be in writing and delivered by hand, post or email to 1F CS 06, Ansal Plaza, Vaishali, Ghaziabad (UP) - 201010.
- b. Any notice, direction or instruction given under these Terms and Agreement to the Merchant shall be in writing and delivered by hand, post or email as provided by the Merchant in the application form.
- c. Notice will be deemed given: In the case of hand delivery or registered mail or e-mail or overnight courier upon written acknowledgement of receipt by an officer or other duly authorized employee, agent or representative of the receiving party;
- d. Nothing in the aforesaid clauses shall affect any communication given by way of the internet or other electronic medium as otherwise provided in these Terms and Agreement for the purpose of rendering the services.

Annexure A

Customer Grievance Redressal and Dispute Management Framework

At LetzPay we aim to deliver smooth and hassle-free transactions, but in rare cases, disputes may occur. As a payment gateway, we suggest that you (the buyer) contact the merchant (or seller) as early as possible to resolve any issue relating to your order. We have often found that prompt and clear communication is the key to a speedy resolution.

The FAQs below will help you understand our dispute resolution process better.

Customer Dispute Guidelines

When should a customer file a complaint regarding the non-receipt of an order?

We suggest that you wait for 7-10 business days for physical goods and 1 business day for digital goods. In case you do not receive the services/goods even after the said time interval or if the items received are materially different, defective, or damaged, then you should visit the merchant website and refer to the terms & conditions, shipping policy, refund policy and contact the merchant to resolve the issue.

In order to contact the merchant please visit the Merchant Website → Click on contact us tab → Call on support number or send an email to the support email address of the merchant. While sending an email you should include following details:

1. Date of transaction
2. Amount of transaction
3. Order ID shared by the merchant.
4. Payment ID shared by LetzPay (LPxxxxxxxxxxxx)
5. Description of the problem

In case the merchant does not respond to your emails & phone calls within 3-5 working days then you can contact us to mediate and amicably resolve the issue.

Does LetzPay intervene to resolve a pending dispute between a buyer and a merchant?

We want our customers to buy with confidence every time they initiate a transaction via LetzPay, and we are always willing to resolve problems. As a first step, we usually recommend that customers initiate direct communication with the merchant to resolve issues pertaining to a specific order. However, if the merchant is non-responsive to emails or phone calls, then LetzPay will intervene to amicably resolve the issue.

What should you remember when filing a dispute on LetzPay?

While raising a support request with LetzPay, you should briefly address the issue you have faced, and attach a screenshot of the email sent to the merchant in the initial stage. You are also required to provide us with the following details:

1. Date of transaction
2. Amount of transaction
3. LetzPay Payments Transaction ID (like LPxxxxxxxxxxx)
4. Description of the problem
5. Details of email communication with the merchant(Screenshot of the communication)

Once a complaint is raised, LetzPay will investigate and would take 3-5 working days to resolve the issue.

Cancellation of Orders/Refunds/Returns:

Please note that all the queries relating to the full or partial cancellation of orders should be routed to the merchant since we are a payment gateway, and we only facilitate online payments for merchants. We do not handle shipping or order dispatch and you should directly contact the merchant for queries regarding returns and follow instructions as specified in the return & cancellation policy on the merchant website.

Once a refund is initiated, or if the order is not generated at the time of the transaction, then you should get the credit in your bank account within 5-7 business days failing which you can contact LetzPay for refund related queries.

Best Practices for hassle-free transactions

As mentioned above, communication with the merchant is the best recourse to prevent disputes. You can also follow these tips to avoid disputes:

- Clearly understand the product service description before making a purchase.
- Make sure to review the T&C, return & cancellation, refund policies on the merchant website before making a payment.
- Wait 7-10 business days for the delivery of tangible items or services, and one business day for the - delivery of digital items (from the date of transaction) before filing a complaint.
- Follow the seller's instructions to return your purchase. Remember to keep a copy of your return shipping receipt.
- Only enter details on secure sites. Look for an https connection and valid security certificates.
- Don't enter credit card details on suspicious merchant websites as it may be a phishing attempt.
- Keep your antivirus software and browsers up to date

If your item is defective and it is under warranty, you must contact the manufacturer for repair or replacement.

In case of issues related to bank processing, you should wait for 5-7 business days & check for refund status in your bank statement. In case the refund is not reflecting in your bank account then you may refer to this link to understand why do refunds take time.