

COMMENCEMENT & TERMINATION

- 1.1. This agreement shall be deemed to have come into effect on the date of signature by both parties in the conclusion of the agreement: -
 - a. If the date at which the agreement was signed is incomplete, unclear or in dispute for whatever reason,
 - b. The agreement shall be deemed to have come into effect on the date that client has been issued with a Welcome Letter confirming approval of the application and shall be accompanied by an invoice unless otherwise agreed.
- 1.2. This agreement shall continue to exist for a period of **3 (three) months, ("the initial period")** where after it shall automatically be renewed and continue to exist on a month-to-month basis until such time as: -
 - a. Either party notifies the other party in writing of its intention to terminate the contractual relationship,
 - b. Notice of such termination must be given **3 (three) months** in advance of its intention to terminate the contractual relationship,
 - c. All amounts due to PAYM8 by the client will become immediately due and payable upon the termination of this agreement.
- 1.3. The Client shall continue to be liable to PAYM8 for all charges and fees in respect of services rendered for the duration of the contractual relationship, as well as during the notice period and for all fees relating to disputes and any fees that may arise after the termination of the contractual relationship.
- 1.4. PAYM8 may terminate this agreement with immediate effect if the Client or any related party of the client is provisionally or finally liquidated, sequestered, or placed under judicial management.
- 1.5. **PLEASE NOTE:** Prior to the commencement of normal business transactions, a test transaction must be submitted via the Clients settlement account to ensure correct settlement of funds. Where an integration partner is used, the integration process will apply for the test transaction.

INDEMNITY

- 1.6. Neither PAYM8, its members, employees, agents or any third party acting for and on behalf of PAYM8 shall be held liable in respect of any action(s), claims, loss, damage (including consequential damages such as but not limited to loss of anticipated profits or other economic loss).
- 1.7. The provisions of this clause will survive termination of this Agreement.
- 1.8. The Client acknowledges that notwithstanding any contradicting statements, independent rules and/or regulations which may prevent or delay the processing of any specific request or instruction the Client will hold PAYM8 harmless for non-receipt of funds by any recipient hereunder, where the transaction is delayed or blocked, and any loss arising from a delay or cancellation of the request due to such ruling will be for the Client's account.

CLIENT'S OBLIGATIONS

Mandates and Regulatory Aspects: -

- 1.9. DebiCheck is an Authenticated Debit Order verified and authorised by the Payer in the form of mandate, and then presented as a preferential debit in the Early Collection window for up to 10 **(Ten)** days tracking or is presented without tracking and once only as a preferential debit against the relevant account.
- 1.10. The Payments Association of South Africa defines EFT Debits or Debit Orders as a payment instruction initiated by a third party authorising the relevant bank of the Payer to process a payment obligation against the account of the payer.
- 1.11. Debit Orders are widely used method to collect monthly premiums or instalments against the account holders of life- and investment policies, mortgages and hire purchase agreements, medical aid contribution, magazine, and TV subscriptions etc.
- 1.12. Mandate means authorisation given by the payer of the Client to collect funds against the bank account of the payer.
- 1.13. The mandate must be either in writing, electronic or recorded that clearly confirms the amount that will be collected, the cycle of collection, the specific day of the month when the collection will occur and the account number of the account that will be debited.
- 1.14. Authorisation by the account holder must be given in either writing, electronically or voice recorded, and such authorisation must be properly obtained prior to the collection of the payment instruction against the account holder's account.
- 1.15. The client hereby warrants and undertakes too always: -
 - a. Adhere to the respective item limits per transaction and aggregate limits as applied for,
 - b. Adhere and comply to any rules and regulations as determined from time to time by FNB,
 - c. Any other regulatory or legislative requirements as determined and enacted by the Parliament or relevant independent regulatory body,
 - d. Shall always adhere to all DebiCheck and Debit order rules as defined by PAYM8, The Payments Association of South Africa ("PASA"), First National Bank of South Africa ("FNB") and the South African Reserve Bank ("SARB"), or any other related industry as determined from time to time.
- 1.16. Ensure that a lawful, and in the case of DebiCheck verified, Mandate is obtained from the Accountholder prior to submission of any payment instruction to PAYM8,
- 1.17. Shall retain all original Mandates or Payment Instructions obtained and/or generated by the Client during the operation and administration of this agreement, for a period of **7 (Seven)** years (or such other period as may be prescribed by law) as from date of each Mandate.
- 1.18. Shall make available, on request by any independent auditors, FNB or any other interested 3rd Party copies of any mandates required for inspection within **24 (twenty-four)** hours.

- 1.19. Shall make the required changes and amendments to its existing and new mandates should, on inspection, the mandates fail to comply with standards and rules as defined by PAYM8, PASA, FNB, SARB or any other regulatory body within a reasonable time as agreed to by PAYM8 and the Client.
- 1.20. Shall not use or allow that the products and services as offered by PAYM8 and as agreed to in this agreement to be used for any improper or unlawful purposes.
- 1.21. If PASA, FNB, SARB or any other regulatory body recommends that PAYM8 reconsiders its service agreement and services offered to the Client, or if it has found that there is non-compliance by the client of any nature and PAYM8 reserves the right to terminate services to the Client, at its discretion, with immediate effect without notice and without prejudice to any other rights in law.

DISPUTES AND CHARGEBACK'S (RD)

- 1.22. The Client undertakes to manage its dispute and RD rates to ensure that the dispute or chargeback rate is not more than industry accepted dispute rates, as defined by its regulatory body, FNB or any other legislation that may be enacted from time to time.
- 1.23. If these thresholds have been exceeded, PAYM8 reserves the right to suspend all the Client's services at its discretion, following consultation with the Client.
- 1.24. The Client undertakes to manage their retries on failed transactions as per the industry norm.

APPLICATION SECURITY

The Client acknowledges and agrees that: -

- 1.25. Any recommended and or required security procedures will be properly followed and in such a manner to prevent any confidentiality breaches or any other breach of this agreement.
- 1.26. The safekeeping and confidentiality of all devices, passwords and signatures and other confidential information remains the responsibility of the Client and the Client shall ensure that the services are not used, or the instructions are not issued, or the relevant functions are not performed by anyone other than a person authorised to perform such functions.
- 1.27. The Client shall notify PAYM8 immediately on the Client becoming aware that a device or password has been lost or forgotten or may have been obtained by an unauthorised person.
- 1.28. The Client will be deemed to have read, understood, and applied the information displayed on any profile, system, or electronic site as well as the terms as set out in this agreement.
- 1.29. The Client understands and accepts that it may link users at different levels of authorisation to the Client's profile and it will be the responsibility of the Client to ensure that no unauthorised persons have access to the Clients profile on the PAYM8 Services.
- 1.30. The Client hereby agrees and confirms that they will not be using the system to send out unsolicited messages and should they breach this clause, PAYM8 reserves the right to terminate services to the Client, at its discretion, with immediate effect without notice and without prejudice to any other rights in law.



BANK RESERVE

- 1.31. PAYM8 shall be entitled to and at its own discretion require the Client to make a deposit into PAYM8's bank account for an amount to be calculated by PAYM8 and retained on a long term basis as security for all the Client's debt, which amount may be pledged / ceded to PAYM8's bankers as security for the right to collect transactions and which will only be paid back when PAYM8 is satisfied that all liabilities and risks of the Client have either been discharged, or reduced to levels acceptable to PAYM8.
- 1.32. On termination of this agreement and if PAYM8 does not deem itself to be under further unacceptable risk, deposits will be paid to the Client after a minimum of **60 (sixty)** days, and any interest earned on any deposits shall accrue to-, and for PAYM8s benefit. The Client or any other interested party shall have no claim thereto.
- 1.33. All transactions submitted by the Client to PAYM8 shall have due regard to the aggregate limit range as contained in the Client's arrangements with its bankers.

CHARGES

- 1.34. All pricing, at the discretion of PAYM8, is subject to an annual pricing review on the 1st of July,
- 1.35. PAYM8 will render monthly invoices to the Client: -
 - a. In advance, in the case of license fees,
 - b. In arrears, in the case of transaction fees.
- 1.36. Payment terms are strictly COD and payment is due on receipt of invoice. Debit Order deductions are processed within the first **10 ("Ten")** working days of the month.
- 1.37. The Client agrees and hereby authorises PAYM8 (Pty) Ltd to debit either of the bank accounts held by the Client as stipulated on the PAYM8 Application form, between the first and thirty first of the month for the costs owed by the Client in terms of this Agreement. PAYM8 (Pty) Ltd reserves the right to terminate this agreement if the Client: -
 - a. Cancels any such debit orders without the written consent of PAYM8 (Pty) Ltd,
 - b. Changes his banking details upon which the debit order relies without giving PAYM8 (Pty) Ltd prior notification of such change and providing PAYM8 (Pty) Ltd with the Client's new banking details.
- 1.38. PAYM8 (Pty) Ltd reserves the right to terminate this agreement or suspend or postpone the provision of any service to be performed as contemplated in the agreement with immediate effect, should the Client fail to effect full and timeous payment, as agreed to in terms of this agreement, of any invoiced amounts.
- 1.39. PAYM8 shall be entitled to charge any banking and/or administration fees and/or penalties in the event of the Client defaulting in its payments or effecting cash deposits to settle the Client liabilities due to PAYM8 or penalties incurred for non-compliance of any rules or any other of its obligations as set out in this agreement.

LIABILITY

- 1.40. PAYM8, its service provider and the bank shall not, in any circumstances, be liable to the Client for any direct, indirect, or consequential loss or damages including, without limitation, loss of business or profits save to the extent where direct loss or damage arises out of the wilful misconduct or gross negligence by PAYM8. For purposes of this Agreement, “wilful misconduct or gross negligence” means any intentional material act or failure to act which seriously and substantially deviates from a diligent course of action and which is in reckless disregard of or indifference to the harmful consequences.

DISCLAIMER

- 1.41. PAYM8 together with this agreement and its related products and/or services shall be governed by and interpreted in all respects in accordance with the laws of South Africa, and subject to the exclusive jurisdiction of the South African courts.
- 1.42. The use of PAYM8’s products and/or services are used at the Clients own risk and PAYM8 will not accept any liability or responsibility for any error or delay that may arise because of inaccessibility of any products or services due to any error on the Clients software or other services provided by independent third parties to the Client.
- 1.43. PAYM8 may at its sole discretion and at any time, suspend or terminate its products and/or services without prior notice, and at any time discontinue or disable certain parts of the services available for purposes of maintenance or upgrades or any other causes beyond PAYM8’s control.

FINANCIAL INTELLIGENCE BODY

- 1.44. The Client acknowledges that PAYM8 must obtain certain information to adhere to applicable acts regulating certain industries and for obtaining and validation of information.
- 1.45. The Client shall supply all information asked for in this regard without any delay, recognising that a delay may lead to a suspension of the agreement. PAYM8 is authorised to contact the Client’s auditor / accountant / other designated person to obtain confirmation of business activities.

USE OF PERSONAL INFORMATION

- 1.46. To successfully verify account holders’ information as supplied by the Company and to process payment instructions and obligations of the account holders: -
- a. I/we herewith acknowledge and grant consent in my capacity as nominated representative, and on behalf of the Company,
 - b. That any information provided to PAYM8 (Pty) Ltd by the company and vica versa,
 - c. Shall always be regarded as **“Personal Data”** as defined in **Section 1 of the Protection of Personal Information Act of 2003 (POP Act)**



- d. The **Nominated Representative** on behalf of the company further acknowledges that the information has been obtained in a proper manner and have the necessary consent to process this information,
- e. Lastly, PAYM8 (Pty) Ltd is hereby authorised to use and process information obtained as a debit order facilitation service provider.

GOVERNING LAW AND JURISDICTION

This agreement shall in all respects be governed by and construed in accordance with the laws of the Republic of South Africa, including all matters of interpretation, construction, validity, and performance. Accordingly, any reference in this agreement to any statute, place, organisation, court, meeting place, officer, or the like, shall relate to South Africa, unless the contrary is expressly stated.

If any dispute shall arise between the Parties as to any matter contained in this Agreement, the Parties agree that the court with jurisdiction shall be the High Court of South Africa, Gauteng Local Division which has its seat in Johannesburg.