



MERCHANT AGREEMENT

THIS AGREEMENT is made this ----- day of -----**2009** between **OCEANIC BANK INTERNATIONAL PLC** of Ozumba Mbadiwe Avenue, Victoria Island, Lagos (hereinafter referred to as "Oceanic Bank") and _____ of _____

hereinafter referred to as the "Merchant") for the purpose of setting out the terms and conditions for the use of Point of Sale (POS) terminals supplied by Oceanic Bank to the Merchant.

WHERE AS:

INTERSWITCH LIMITED (hereinafter referred to as "SWITCH") of 168c Oko Awo close, Victoria Island, Lagos is the initiator of a nation wide initiative to promote, utilize and adapt the technology of integrated circuit based electronic value payment system principally through the medium of smart cards, including electronic purses, debit cards, credit cards, charge cards, cheque guarantee cards, medical record cards, identity cards and loyalty scheme cards.

Interswitch Limited and Oceanic Bank as well as other Participating Banks had on ----- entered into a Master Agreement for the purpose of effective implementation of the **Electronic Funds Transfer Scheme**.

Oceanic Bank has permitted the Merchant under the INTERSWITCH Scheme to use Oceanic Bank's Point of Sale terminals subject to the terms and conditions contained in this Agreement.

1. Definitions

In this Agreement:

"Card", "Transport Card" or "Merchant Card" means the card, including any renewal or replacement issued to the Merchant by Oceanic Bank:

"Download" or "Feed" means the process by which electronic cash value is transferred from a Point of Sale terminal to the Merchant card and terms "Feeding" and "Fed" shall be construed in like manner;

"Hotlist" means the list containing the information on missing, stolen, expired, invalid, cancelled or disabled Interswitch Debit card;

"Master Agreement" means the Agreement between Oceanic Bank and other participating banks and the Interswitch Limited dated April 8, 2008;

"Participating Bank" means one of the Banks in the Interswitch Limited Switching Platform and which represents itself as such by the display of the Interswitch logo on its premises and includes "the bank";

"Point of Sale Terminal" or "POS" means the machine used for Electronic Funds Transfer transaction;

"PIN" means a personal identification number imputed or formulated by the Merchant for use on POS;

"Debit Card" means a cardholder card, including any renewal or replacement issued by a Participating Bank;

"Interswitch Logo" means the registered trademark of Interswitch Limited;

"Transaction Fees" means the fees payable by the Merchant every time electronic cash value is being updated;

"Transfer" means the process by which electronic cash value is transferred from a Debit card to a POS and the terms "Transferring" and "Transferred" shall be construed in like manner; and

2. Duration

This agreement shall remain in force for a period of 2 years with an option to renew for a further term as agreed by the parties.

3. Issue of POS Terminal

Oceanic Bank has the right to withdraw or repossess the POS from the Merchant at any time, for any reason or for no reason whatsoever.



4. Use of POS Terminal, Card and PIN

It is a fundamental term that:

- I. I All POS terminals are kept secure at all times;
- II. Oceanic Bank is notified immediately in respect of any change in the registered name and address of the Merchant;
- III. The Hotlist must be updated at least weekly from any of Oceanic Bank's designated branches the Merchant is working or has a relationship with;
- IV. Oceanic Bank shall not be liable for any loss incurred by the Merchant due to the malfunction or loss of the POS.
- V. Oceanic Bank shall not be liable for any losses to the Merchant arising from the use of the POS by any person obtaining possession of it with the Merchant's consent;
- VI. The Merchant consents to the disclosure to third parties of any relevant information concerning the relationship between the Merchant and Oceanic Bank;
- VII. The Merchant consents not to allow any other Interswitch POS on the Merchant premises without the Consent of Oceanic Bank.
- VIII. The Merchant must duly inform the Bank of the loss or theft or otherwise of the POS.

5. Fees

- I. The fees payable by the Merchant shall be 1.25% of all transactions.
- II. The fees payable may be reviewed upon due notice to the Merchant within 48 hours

6. Liability For Use of POS

- I. The Merchant hereby covenants and undertakes that the Merchant shall be liable for damages to or misuse of the POS beyond the normal cause of Usage.

7. Covenants By The Merchant

- I. The Merchant shall not discriminate against any Cardholder who presents His/her Card for payment for goods and services.
- II. The Merchant shall bear responsibility and liability for all state and federal taxes due on its transactions;
- III. The Merchant shall honor all Valid Cards regardless of the issuing bank;
- IV. The Merchant shall not misuse, damage, alter, and attempt to alter or tamper with the POS.

8. Termination of this Agreement

- I. Either party may terminate this Agreement upon two weeks' written notice to the other party. If either party exercises its right to terminate, then the POS, and the Merchant hereby agrees and undertakes not to take any injunctive step or seek an injunction to restrain the possession of the POS at any time whether or not the parties are in court or dispute.

9. Waiver

In the event of any dispute or litigation by way of court action, arbitration or otherwise Oceanic Bank shall without prejudice to its right have the right to repossess the POS, and the Merchant hereby agrees and undertakes not to take any injunctive step or seek an injunction to restrain the possession of the POS at any time whether or not the parties are in court or dispute.

10. Arbitration



If any dispute cannot be resolved by the Court recourse should be had to Arbitration in accordance with the Arbitration laws of Nigeria.

11. Governing Law

This Agreement is governed by the Laws of the Federation of Nigeria.

IN WITNESS WHEREOF the parties hereto have caused their respective common seals to be hereunto affixed the day and year first above written.

The Common Seal of the said
Oceanic Bank International Plc
was hereunto affixed

In presence of:

DIRECTOR

SECRETARY

Signed, Sealed and Delivered on behalf of
the Merchant:

Name:

Title:

In the presence of:

Name:

Title: