

Appendix A: DuitNow AutoDebit Merchant' Terms

1. The clauses in Part 1 (Clause 1 to Clause 11) shall be incorporated into the Merchant agreement between Crediting Participants and the Merchant.
2. The clauses in Part 2 (Clause 12 to Clause 21) may be customised to reflect the Crediting Participant's own requirements and procedures. Crediting Participants shall ensure that additional and customized clauses do not in any way contradict, dilute or detract from the spirit and principles of the DuitNow AutoDebit Merchant' Terms and the DuitNow AutoDebit Rules.
3. For the avoidance of doubt, in the event of inconsistencies between the additional or supplementary requirements and the DuitNow AutoDebit Merchant' Terms, the DuitNow AutoDebit Merchant' Terms shall prevail at all times.

Definition

"Account" means an e-money account offered by issuers of e-money issuer and all types of banking accounts offered by banks, except for fixed deposit accounts. This shall include, but is not limited to, savings accounts, current accounts, Wadiah accounts, Mudharabah accounts, virtual internet accounts. Additionally, means all line of credit accounts tied to payment cards where transaction is made for bill.

"Crediting Participant" means United Overseas Bank (Malaysia) Bhd. (Reg. No. 199301017069 [271809-K]).

"Beneficiary of Fraud" means party who ultimately benefits from the unauthorised/fraudulent payment.

"Merchant" means Merchant registered as per onboarding form

"Business Day" means any calendar day from Monday to Friday, except a public holiday or bank holiday in Kuala Lumpur.

"Debiting Participant" means banks and e-money issuer participating in RPP where the Payer maintains Account(s).

"Payer" means individuals, companies, body corporates, businesses (including sole proprietors and partnerships), government agencies, statutory bodies, societies and other customers who transfer funds via DuitNow AutoDebit service.

"Recipient" means individuals or government agencies, statutory bodies, companies, body corporates, businesses, (including sole proprietors and partnerships) societies, charities and other entities who receive funds via DuitNow AutoDebit service.

"DuitNow Brand" means brand, icon, logo, trademark and service mark for the DuitNow AutoDebit.

"DuitNow AutoDebit Owner & Operator" means Payments Network Malaysia Sdn. Bhd. (Company No.: 200801035403 [836743-D])

"Participants" means Banks and Non-Banks that have been granted approval to access the RPP Scheme to enable clearing and settlement of RPP transactions as well as exchange of Non-Value Messages.

"Unrecoverable Loss" means portion of funds transferred and credited to the wrong party due to erroneous/mistaken payments or unauthorised/fraudulent payments that cannot be retrieved after Participants have exhausted the recovery of funds process.

PART 1**1. Introduction**

- 1.1 United Overseas Bank (Malaysia) Bhd. is the Crediting Participant and [insert name of Merchant] is a registered Merchant under the DuitNow AutoDebit.
- 1.2 In consideration of the fees paid to the Crediting Participant, the Crediting Participant agrees to facilitate the participation of the Merchant in DuitNow AutoDebit services in accordance with these Terms.
- 1.3 The Merchant hereby agrees to observe all the DuitNow AutoDebit operating rules issued by the DuitNow AutoDebit Owner & Operator which are applicable to the Merchant as reflected in these Terms including any future revisions which will be communicated by the Crediting Participant to the Merchant.
- 1.4 These Terms apply to and regulate the Merchant use of the DuitNow AutoDebit service offered by the Crediting Participant. The DuitNow AutoDebit service allows the Merchant to receive an amount specified by the Merchant to the Merchant's designated United Overseas Bank (Malaysia) Bhd. account from a Payer's Account by initiating a payment request; or
- 1.5 The DuitNow AutoDebit service offered by the Crediting Participant is part of the Electronic Banking/ e-money Services, and accordingly these Terms are in addition to and shall be read in conjunction with the UOB Business Internet Banking Service Agreement

2. Obligation of Merchant

- 2.1 If the Merchant wishes to receive funds via DuitNow AutoDebit, the Merchant shall not charge any fees to the Payers for making payments via DuitNow AutoDebit services.
- 2.2 The Merchant shall accept payments that draw funds from savings accounts, current accounts or e-money accounts and optionally payments that draw funds from line of credit accounts.
- 2.3 The Merchant shall ensure that it has and maintains adequate procedures and systems for receiving and processing promptly payments it receives from the Crediting Participants and promptly and correctly credits or debits as the case may be the amounts of each payment to the applicable Payer's account with the Merchant.
- 2.4 The Merchant must not make any warranty or representation in respect of goods or services supplied which may bind the Crediting Participant, DuitNow AutoDebit Owner & Operator, Debiting Participant or any other Participants in the service.
- 2.5 The Merchant must establish and maintain a fair policy for rectification of errors and facilitation of recovery of funds for erroneous/mistaken payments and/or unauthorised/fraudulent payments.
- 2.6 The Merchant shall consent and allow the Crediting Participant to collect, store and disclose its information pertaining to the payment processes as the DuitNow AutoDebit Owner & Operator may reasonably require for DuitNow AutoDebit services.
- 2.7 Merchant shall ensure that their use of and conduct within PayNet's Developer Portal which includes Application Programming Interfaces ('APIs'), a sandbox environment, tools, content and intellectual property rights is in accordance with the Terms of Use for the PayNet's Developer Portal.

- 2.8 The Merchant who has been granted a non-transferable license to use the DuitNow Brand shall not license or assign the said right to use to any other third party. The Merchant shall comply with the DuitNow Brand Guidelines at all times.
- 2.9 For the purpose of **Clause 2.8**, the Merchant will be liable for any claims, damages and expenses arising out of or caused to arise from misuse or unauthorised usage of the DuitNow Brand. In the event of such breach, the Merchant sub-licensed rights of using the DuitNow Brand shall revoke and cease immediately, and whereupon this agreement shall be terminated accordingly. Upon such termination, **Clause 2.9** shall apply accordingly.
- 2.10 Upon termination of the DuitNow AutoDebit services and these Terms, the Merchant is required to do the following:
- 2.10.1 Immediately advise its Payers that they will no longer accept payment via DuitNow AutoDebit from the effective date of termination of the Merchant's access to DuitNow AutoDebit services;
 - 2.10.2 The Merchant will continue to maintain an account with the Crediting Participant to credit bill collection for a period of not less than five (5) Business Days after the effective date of termination;
 - 2.10.3 Shall ensure that Store-and-Forward transactions are completed;
 - 2.10.4 Cease all promotional and advertising that is related, or can be perceived to be related to the DuitNow AutoDebit services;
 - 2.10.5 Remove all DuitNow Brand and Marks from the Merchant's payment channels; and
 - 2.10.6 Return to DuitNow AutoDebit Owner & Operator all software, documents and intellectual property assets for DuitNow AutoDebit service.
- 2.11 The whole of **Clause 2** herein shall survive termination of these Terms. Termination does not affect either party's rights accrued, and obligations incurred before termination.

3. Obligation of Crediting Participant

- 3.1 The Crediting Participant shall implement reasonable measures that it deems necessary to detect, mitigate, resolve and prevent fraudulent acts, actual and suspected.

4. Recovery of Funds

- 4.1 The Merchant shall assist the Crediting Participant with investigation of erroneous/mistaken payments and unauthorised/fraudulent payments, shall make the necessary refund(s) to the Payers, Debiting Participants, as the case may be, in the event that it is found the Merchant is responsible for such erroneous/mistaken payment and unauthorised/fraudulent payment, as the case may be.
- 4.2 In the event erroneous/mistaken payment is caused by the Merchant after verification and confirmation from the Merchant with respect to such erroneous/mistaken payment, the Crediting Participant shall immediately reverse out all debits erroneously posted to the Bank's Customer's account regardless whether funds have been recovered from other affected parties.

5. **Erroneous/Mistaken DuitNow AutoDebit Payments**

5.1 The Crediting Participant shall inform the Merchant once the Crediting Participant receives a request to recover funds that is wrongly credited to the Merchant due to an erroneous/mistaken payment. The Merchant must facilitate the recovery of funds process stated in **Clause 5.2**.

5.2 Upon receiving a recovery of funds request for erroneous/mistaken payment, the Crediting Participant has the right to debit the Merchant's account to recover funds within five (5) Business Days provided the following conditions are met:

5.2.1 If the recovery of funds request is received within ten (10) Business Days from date of the erroneous/mistaken payment and:

5.2.1.1 The Crediting Participant is fully satisfied that funds were erroneously or mistakenly credited to the Merchant's account;

5.2.1.2 The Crediting Participant has provided notification to the Merchant regarding the proposed debit of Merchant's account; and

5.2.1.3 There is sufficient balance in the Merchant's account to cover the recovery amount.

5.2.2 If the recovery of funds request is received between eleven (11) Business Days and seven (7) months from date of erroneous/mistaken payment and:

5.2.2.1 The Crediting Participant is fully satisfied that funds were erroneously or mistakenly credited to the Merchant's account;

5.2.2.2 The Crediting Participant has provided written notification to the Merchant where the erroneous/mistaken payment will be recovered through debiting the Merchant's accounts within ten (10) Business Days of the notifications unless the Merchant provides reasonable evidence to substantiate ownership of the funds in question; and

5.2.2.3 There is sufficient balance in the Merchant's account.

5.2.3 If the recovery of funds request is received after seven (7) months from date of erroneous/mistaken payment:

5.2.3.1 The Crediting Participant has sought the Merchant's consent to debit the Merchant's account to recover funds, and the Merchant has given its gives consent to debit its account within ten (10) Business Days

5.3 When the Merchant receives a request for consent from Crediting Participant as described in **Clause 5.2.3.1**, Merchant shall not unreasonably withhold consent to debit its account when there is a legitimate recovery of funds request.

6. **Unauthorised/Fraudulent DuitNow AutoDebit Payments**

6.1 The Crediting Participant shall inform the Merchant once the Crediting Participant receives a written request to recover funds that was credited to the Merchant due to an unauthorised/fraudulent payment. The Merchant must facilitate the recovery of funds process stated in **Clause 6.2**.

- 6.2 If the Merchant receives unauthorised/fraudulent payment, the Merchant shall:
- 6.2.1 Immediately take all practicable measures to prevent the use or application of unauthorised/fraudulently transferred funds for the benefit of the Beneficiary of Fraud;
 - 6.2.2 Furnish to the Crediting Participant within seven (7) Business Days, information, including but not limited to the name, address, contact information and national identity card number/passport number to conclusively identify the Beneficiary of Fraud;
 - 6.2.3 Take all practicable measures permissible under the law to recover funds from the unintended recipient of funds including but not limited to reversing out credits, drawing on deposits or other financial guarantees that the Beneficiary of Fraud placed/ places with the Merchant, stopping delivery of goods, suspending services that the Beneficiary of Fraud has paid for, repossessing goods delivered to the Beneficiary of Fraud and taking legal action against the Beneficiary of Fraud; and
 - 6.2.4 Immediately provide information required in **Clause 6.2.2** to the Debiting Participant to facilitate the Debiting Participant's investigation.
- 6.3 In the event of unauthorised/fraudulent payment is received by the Merchant, the Crediting Participant shall do the following (upon becoming aware of the fraud):
- 6.3.1 Investigate the Merchant to determine whether the Merchant is implicated in the fraud. If the Crediting Participant has sufficient grounds to suspect the Merchant is involved in the fraud or is benefiting from the fraud, the Crediting Participant shall prevent withdrawal or use of the remaining funds in the Merchant's account with the Crediting Participant until there is satisfactory resolution of Unrecoverable Loss.
 - 6.3.2 The Merchant shall facilitate the Crediting Participant's investigation.
- 6.4 In the event the Merchant is responsible for Fraudulent Payment Instruction, **Clause 9** shall apply accordingly.
- 7. Dispute Resolution**
- 7.1 Merchant may lodge a complaint or refer their disputes to the DuitNow AutoDebit Owner & Operator if there are allegations of Crediting Participant's non-compliance to the DuitNow AutoDebit rules as reflected in these Terms.
 - 7.2 The DuitNow AutoDebit Owner & Operator shall review of such complaints and allegations in accordance with **Clause 7.3**.
 - 7.3 The DuitNow AutoDebit Owner & Operator will review such complaints and allegations, but such review will be confined to:

- 7.3.1 Determination whether there has been any such non-compliance as alleged by the Merchant;
 - 7.3.2 Stipulating remedies for Participant to correct or address the non-compliance; and
 - 7.3.3 Determination if penalties are applicable for the non-compliance.
- 7.4 All decisions rendered by the DuitNow AutoDebit Owner & Operator in response to complaints from Merchant shall be prima facie binding on the Crediting Participant.

8. Indemnity

- 8.1 Subject to the other party's compliance with **Clause 8.2**, each party ("Indemnifying Party") agrees to indemnify and hold the other party and its employees and agents harmless against and from any and all losses, expenses, claims, suits, demands, actions, and proceedings including all reasonable legal and other related fees or charges ("Liability") which the other party may suffer or incur or for which the other party may become liable as a result of:
- 8.1.1 Any negligence, misrepresentation or fraud on the part of the Indemnifying Party, its employees, and agents with respect to the performance of its obligations or the exercise of any of its rights under this agreement;
 - 8.1.2 Any claim by a Payer, Crediting Participant, Debiting Participant, DuitNow AutoDebit Owner & Operator or any other person for any breach by the Indemnifying Party of any applicable laws;
 - 8.1.3 The failure of the Indemnifying Party to observe any of its obligations under this agreement; or
 - 8.1.4 Any use of the DuitNow Brand by the Indemnifying Party other than as permitted by this agreement.
 - 8.1.5 Except to the extent that such liability arises or is incurred by the other party by reason of any act or omission on its part mentioned in **Clause 8.1.1** to **Clause 8.1.4**.
- 8.2 In the event a claim is made against a party in respect of which it is entitled to be indemnified pursuant to **Clause 8.1**, that party must:
- 8.2.1 Give written notice of any such claim to the other party;
 - 8.2.2 Consult with the other party in relation to any such claim; and
 - 8.2.3 Not to settle any claim without obtaining the prior written consent of the other party, such consent not to be unreasonably withheld.
- 8.3 The Crediting Participant is not liable to the Merchant for any loss or damage suffered by the Merchant as result of:
- 8.3.1 A missing or erroneous payment;
 - 8.3.2 The delay or disruption caused by any system failure beyond the Crediting Participant's reasonable control; or
 - 8.3.3 The negligence or willful misconduct on the part of the Merchant.
- 8.4 For the purposes of this clause, loss or damage includes any consequential or economic loss or damage.

9. Suspension

9.1 The DuitNow AutoDebit Owner & Operator or the Crediting Participants, as the case may be, reserve the right to suspend the Merchant's access to the DuitNow AutoDebit service under the following circumstances, which includes, but not limited to:

9.1.1 The Merchant breaches the terms of this agreement, applicable rules, guidelines, regulations, circular or laws related to DuitNow AutoDebit that was communicated to the Merchant by the Crediting Participant;

9.1.2 The Merchant has inadequate operational controls or insufficient risk management processes, resulting in potential threats to the stability, integrity, safety and efficiency of DuitNow AutoDebit and/or RPP;

9.1.3 The Merchant is suspected on reasonable grounds that it has committed or will commit fraudulent act in connection with the DuitNow AutoDebit; and

9.1.4 DuitNow AutoDebit Owner & Operator has determined that the Merchant is inactive in the service, after a continuous period of twelve (12) months in which the Merchant does not receive any Payment Instructions.

9.2 Upon suspension of the Merchant:

9.2.1 The services provided to the Merchant under the DuitNow AutoDebit services will be suspended immediately;

9.2.2 The Merchant will no longer have access to RPP Participant Portal;

9.2.3 The Merchant shall stop issuing any Bills with DuitNow Brand and is responsible for finding alternative method to issue Bills during the suspension period;

9.2.4 The Merchant shall stop sending Payment Requests and/or accepting Payment Instructions for the purpose of collecting funds via DuitNow AutoDebit;

9.2.5 The Merchant must take all reasonable steps to assist the Crediting Participants to notify each Payers affected by the action that the Merchant is no longer participating in DuitNow AutoDebit, in the form directed by the Crediting Participant;

9.2.6 The Merchant must cease all promotional and advertising that is related or can be perceived to be related to DuitNow AutoDebit;

9.2.7 The Merchant shall remove all DuitNow Brand from the Merchant's marketing collaterals, channels and website; and

9.2.8 The Merchant must take all reasonable steps to comply with any directions of the Crediting Participants to minimise the impact on Payers of the suspension or termination.

10. Termination

10.1 The DuitNow AutoDebit Owner & Operator or the Crediting Participant, as the case maybe, reserve the right to terminate the services provided under this agreement or DuitNow AutoDebit Scheme under the following circumstances, which includes, but not limited to:

- 10.1.1 This agreement between the Merchant and the Crediting Participant is terminated or expired;
 - 10.1.2 The Merchant breaches this agreement, applicable rules, guidelines, regulations, circulars or laws related to DuitNow AutoDebit that was communicated to the Merchant by the Crediting Participant;
 - 10.1.3 The Merchant fails to remedy or take adequate steps to remedy its default under this agreement to the satisfaction of the Crediting Participant or the DuitNow AutoDebit Owner & Operator, as the case maybe, within the timeframe specified by the Crediting Participant;
 - 10.1.4 The Merchant has inadequate operational controls or insufficient risk management processes resulting in potential threats to the stability, integrity, safety and efficiency of the DuitNow AutoDebit and/or RPP;
 - 10.1.5 Court order(s) or any litigation proceedings or regulatory action or investigation from authority affecting the Merchant or the Crediting Participant membership and/or legal status;
 - 10.1.6 Directive(s) issued by regulatory or government authority affecting the Merchant or the Crediting Participant(s) membership and/or legal status;
 - 10.1.7 The Merchant's insolvency, in liquidation or under receivership or being placed under judicial management (which shall include the proceeding commenced against the Merchant);
 - 10.1.8 The Crediting Participant's membership in DuitNow AutoDebit, DuitNow Consent, RPP or RENTAS is terminated or suspended and the Merchant has not appointed a replacement Crediting Participant; and
 - 10.1.9 The DuitNow AutoDebit Owner & Operator has determined the Merchant is inactive or the Merchant is deemed inactive when there are no DuitNow AutoDebit transactions for a period of twelve (12) consecutive months.
- 10.2 Upon termination of this agreement, the participation of Merchant in DuitNow AutoDebit is automatically terminated and the Merchant will no longer have access to DuitNow AutoDebit and the services provided under DuitNow AutoDebit.

11. ADVERTISEMENT AND USE OF LOGO

- 11.1 The Merchant must use the appropriate denotation or legend of trademark registration or ownership in connection with DuitNow Brand, as required or consented to by the Crediting Participant.
- 11.2 The Merchant is granted the consent to use the denotation or legend of the trade mark of DuitNow Brand, for the sole purpose of publicising, indicating and advertising that the Merchant accepts Payment Instruction through the DuitNow AutoDebit.
- 11.3 In the event of non-compliance or infringement or potential infringement or misuse of the DuitNow Brand, the DuitNow AutoDebit Owner & Operator or the Crediting Participant have the absolute right to revoke the consent granted and the Merchant shall cease all use of the denotation and trade mark of the DuitNow Brand by the Merchant with or without giving reason whatsoever.

- 11.4 If the Merchant desires to use a denotation or legend of trade mark registration or ownership in connection with any mark other than the DuitNow Brand, but used in association with the DuitNow Brand, the Merchant may do so provided that such use will not adversely affect the rights of the DuitNow AutoDebit Owner & Operator in the DuitNow Brand; and the specification for such use is notified in writing to the Crediting Participant, and the Crediting Participant gives its written approval to that specification prior to such use.
- 11.5 The Merchant must not use the DuitNow Brand in such a way to create an impression that the goods or services offered by the Merchant are sponsored, produced, offered or sold by the owner of the DuitNow Brand. The Merchant must not adopt “**DuitNow AutoDebit**” or any other DuitNow Brand as any part of the name of its business or apply it to any goods or services offered for sale.
- 11.6 The Merchant must immediately on becoming aware of any infringement or potential infringement of the DuitNow Brand, notify the Crediting Participant.

PART 2

12. CREDITING TO MERCHANT

- 12.1 Crediting Participants are required to credit Merchant’s bank account with funds from incoming Payment Instructions and make the incoming funds available for the Merchant’ unencumbered use immediately except for situations where the Merchant has specifically agreed for delayed or batched posting.
- 12.2 Crediting Participants must make payment in full to the Merchant and shall not deduct any fees from the payment proceeds due to a Merchant, except for situations where the Merchant has specifically agreed in writing that fees can be deducted from Payments Instructions.

13. GOVERNING LAW AND JURISIDCITION

- 13.1 These Terms are governed by and shall be construed in accordance with the laws of Malaysia and all parties agree to submit to the jurisdiction of the courts of Malaysia.