



MERCHANT SERVICE AGREEMENT

by and between

OXPAY SG PTE LTD

And

<Merchant Name>

<Date>



THIS MERCHANT SERVICE AGREEMENT is made on <_____, by and between:

1. **OXPAY SG PTE LTD**, a private limited liability company incorporated under the laws of Singapore, whose registered office is at 10 Ubi Crescent, #03-48 Ubi Techpark, Singapore 408564 ("**OXPAY**"); and

<Merchant Name> ("Merchant") a private limited liability company incorporated under the laws of Singapore, whose business registration number: <UEN>, and with registered office at <Address> ("**Merchant**").

Each shall be referred to as the "**Party**" and both of them shall be collectively referred to as the "**Parties**".

WHEREAS:

- (A) OXPAY is engaged in the business of providing payment facilitator services through an online payment gateway and/or portable point of sale terminals to merchants to facilitate the sale of merchant goods and services to end users.
- (B) The Merchant desires to engage OXPAY to process payments.

IT IS AGREED as follows:

1. DEFINITIONS

1.1 Definitions

In this Agreement, the following words and expressions shall have the respective meanings set forth below, unless otherwise specifically stated herein:

Acquirer	means the financial institution to which OXPAY routes Transaction data to process the Transaction data on to the Issuer;
Agreement	means this Merchant Service Agreement;
Authority	means any government or governmental, administrative, fiscal, judicial, or government-owned body, department, commission, authority, tribunal, agency or entity, including



	any central bank or other fiscal, monetary or other authority;
Authorisation	means the process through which a merchant obtains permission through a Card Scheme for payment. This involves assessing transaction risk and if approved, reserving the sales amount on the customer's account for the Transaction;
Business Day	means any day on which banking institutions in Singapore are normally open (but excludes Saturdays, Sundays, and public holidays);
Card	means a credit card, debit, or charge card that OXPAY may accept for processing, including AMEX, VISA and Mastercard;
Card Scheme	means a payment network through which the Merchant's Transactions are processed by OXPAY. This includes, but is not limited to, VISA, Mastercard, Unionpay, Discover, Diners Club, and AMEX;
Chargeback	means a demand by an Issuer or Card Scheme or Acquirer to be repaid a sum of money by OXPAY in respect of a Transaction which has been previously subject to settlement and for which OXPAY has been paid by the relevant Card Scheme;
Cardholder or Customer	means the individual purchasing goods and/or services from the Merchant, and who chooses to pay through OXPAY's Payment Gateway;
eWallet	means a payment solution such as Alipay or WeChat Pay, where a Customer can store value and effect payment to a Merchant out of that stored value facility;
Extended Term	means the term defined in Clause 6 of this Agreement;
Initial Term	means the term defined in Clause 6 of this Agreement;
Issuer	means the party who receives Transaction data from the Acquirer. The Issuer contracts with the Cardholder/Customer and is responsible for verifying and authorising a Transaction;

Merchant Discount Rate or MDR	means the respective rate charged to a merchant for each Payment Processing Service as set out in the Schedule(s), on debit and credit Transactions. Fees are expressed as a percentage of the Transaction amount, and depends on the level of risk or fraud in a given merchant's business;
Payment Gateway	means OXPAY's proprietary software to process payments. The primary function of a Payment Gateway is to collect, encrypt and transmit Transaction data to an Acquirer to authorise a Transaction;
Payment Method	means the routing of Transaction data to an Acquirer for the purposes of Authorisation and Settlement;
Payment Processing Services	has the meaning set out at Clause 2 below;
Refund	means a demand by Merchant to reverse a credit or debit made to the Cardholder's Card or wallet solution for any given Transaction;
Security Deposit	means any security deposit that the Merchant is liable to pay OXPAY under this Agreement;
Settlement	means the process following Authorisation of a Transaction, where the Settlement Funds accumulated within a relevant Settlement Cycle is paid by OXPAY to Merchant;
Settlement Funds	has the meaning set out at Clause 2.2 below;
Settlement Cycle	means the relevant length of time as set out in the Schedule(s) before each Settlement is made, which differs between each Payment Method;
Services	means the services stipulated in Clause 2 of this Agreement;
Fees	has the meaning set out at Clause 3 below;
Transaction	means any payment request made by a Customer through each respective Payment Method to debit or credit the Customer's account or eWallet.

1.2 Interpretation

In this Agreement, unless otherwise specified herein:

- (a) Any reference to any Recitals, Sections, Clauses, Annexes, and Schedules in this Agreement are to recitals, sections and clauses of, and schedules to, this Agreement.
- (b) Any reference to any statute or statutory provision in this Agreement will be construed as a reference to the same as it may have been, or may from time to time be, amended, modified, or re-enacted.
- (c) Any reference in this Agreement to this Agreement, a document, instrument, or authorisation is a reference to such agreement, document, instrument, or authorisation as amended, varied, modified, or novated from time to time, or any replacement thereof or predecessor thereto.
- (d) Any reference to a “day” shall mean a period of twenty-four (24) hours running from midnight to midnight.
- (e) Any reference to a time of day shall mean such time in Singapore unless otherwise specified.
- (f) Any reference to days shall refer to calendar days and any reference to months shall refer to calendar months.
- (g) The table of contents and the headings of Clauses, Sections, Annexes, and Schedules are intended for convenience only, and shall not in any way affect the meaning or construction of any provision therein.
- (h) Any use of the words “include” or “including” shall be deemed to be followed by “without limitation” or “but not limited to”, whether or not they are followed by such phrases or words of similar import.
- (i) Words implying the singular number shall include the plural number, and vice versa.
- (j) When calculating the period of time within or following which an act is to be done or steps taken pursuant to this Agreement, the reference date in calculating such a period shall be excluded. If the last day of such period is not a Business Day, then the period in question shall end on the next Business Day.

2. PROVISION OF SERVICES

- (a) OXPAY shall provide the Merchant with the ability to accept payments by employing the services set out in the Schedule(s) enclosed.
- (b) OXPAY agrees to provide Payment Processing Services to the Merchant, which includes Authorisation of a Transaction, and to make payment of Settlement Funds to the Merchant's bank account.

1.1 Authorisation

- (a) To accept payments through the Payment Processing Services provided by OXPAY under this Agreement, the Merchant shall send such information (e.g. a customer's name, credit card number, expiry date, etc.) as OXPAY may specify, to an Acquirer via OXPAY's Payment Gateway.
- (b) If an Issuer approves the Transaction, a message of approval is encrypted and sent back as an electronic confirmation to the Merchant. In the event of a successful Transaction, the Merchant's account with OXPAY will be credited and the Customer's account with his Issuer will be debited accordingly.
- (c) OXPAY shall not be responsible for any Transactions that fail to be authorised after being processed by the Acquirer or Issuer. OXPAY gives no assurances that any Transaction will be honoured or that the Acquirer, Issuer, or Card Scheme will not issue a demand for Chargeback.

1.2 Payment of Settlement Funds

- (a) OXPAY will calculate the amount of Settlement Funds due and payable to the Merchant at the end of every Settlement Cycle by calculating the amounts of successful Transactions for that period less:
 - (i) Fees;
 - (ii) any amount deducted by OXPAY to be paid towards the Security Deposit pursuant to this Agreement; and
 - (iii) any other payments or charges due to OXPAY, and permitted deductions pursuant to this Agreement, including Chargebacks and tax.
- (b) OXPAY will initiate a transfer of the applicable Settlement Funds to the Merchant based on the Settlement Cycle set out in the Schedule(s) and to the Merchant's bank account identified in Schedule(s).

- (c) The Merchant acknowledges and agrees that OXPAY may retain or withhold Settlement Funds due by OXPAY in the event the Merchant breaches any of the terms of this Agreement.
- (d) The Merchant shall advise OXPAY immediately of any changes to its bank account details as set out in the Schedule(s). If OXPAY is unable to verify the Merchant's bank account for the purposes of effecting Settlement, OXPAY retains the right to immediately suspend acceptance of the Merchant's Transactions until OXPAY is able to effect a deposit into the Merchant's nominated bank account(s).

2. FEES

2.1 Merchant Discount Rate

As consideration for OXPAY's services, the Merchant agrees that OXPAY shall be entitled to deduct the relevant Merchant Discount Rate before making payout of the Settlement Funds to the Merchant.

2.2 Service fees

In addition to per transaction MDR, the Merchant agrees to pay OXPAY the other fees set out in the Schedule(s).

2.3 Late payment

Any sums due and remaining unpaid 30 days after the date of issue of an invoice from OXPAY shall bear interest at a rate of 15% per annum.

2.4 Taxes

Fees and expenses arising under this Agreement do not include taxes or duties. OXPAY shall be entitled to deduct from the Settlement Funds the amount of any taxes and duties chargeable on OXPAY's fees and expenses, including but not limited to withholding tax.

3. SECURITY DEPOSIT

3.1 Obligation to place Security Deposit

The Merchant shall pay Security Deposit to OXPAY as stated in the Fee Schedule.

1.1 Amount and payment of Security Deposit

- (a) For each service offered by OXPAY to the Merchant, the amount payable by the Merchant to OXPAY to the account of the Security Deposit shall be computed (and adjusted from time to time) as a percentage, set out in the row titled "*Security*

Deposit” in the tables titled “*Service Fee / Pricing Schedule*” in the Schedule(s), of every approved Transaction processed by OXPAY on the Merchant’s account.

- (b) The Security Deposit is payable by way of deduction and set off against any amount that may be payable by OXPAY to the Merchant. In respect of all sums payable by the Merchant to OXPAY to the account of the Security Deposit, the Merchant hereby authorises OXPAY to deduct and set off all such sums against any amount payable by OXPAY to the Merchant (including the Settlement Funds), provided always that if any amount to be deducted or set off by OXPAY are the proceeds from Transactions processed by OXPAY on the Merchant’s account, OXPAY may only set off a maximum of 10% of the gross value of each relevant Transaction (*i.e.* the amount collected by OXPAY for each relevant Transaction before Fees).

1.2 Nature of Security Deposit

Any payment by the Merchant to OXPAY to the account of the Security Deposit, including by way of deduction or set off by OXPAY, shall be free from all encumbrances and with the intent that OXPAY shall be solely, legally, and beneficially entitled to the Security Deposit.

1.3 Usage of Security Deposit

OXPAY may (but is not obliged to) apply the Security Deposit to meet any charge, fees, expenses, or liabilities arising out of or in connection with OXPAY’s processing of the Transactions on the Merchant’s account, including but not limited to:

- (a) any charges, Fees, fines, penalties, Chargebacks, and Refunds; and
- (b) any liabilities to any Acquirer, Issuer, and Authority.

1.4 Refund of Security Deposit

- (a) Subject to the Merchant’s due observance and performance of the provisions under this Agreement, OXPAY shall every 6 months from the date of this Agreement (each a “**Refund Date**”), refund to the Merchant the aggregate amount previously paid as Security Deposit by the Merchant to OXPAY and which has been in OXPAY’s retention for a period not less than 6 months prior to that Refund Date, less all proper deductions made pursuant to this Agreement.

- (b) For the avoidance of doubt, OXPAY's obligation under this Clause shall be subject to OXPAY's right to utilise the Security Deposit for, among other things, the purposes identified in this Agreement.

2. INTELLECTUAL PROPERTY AND USE OF INFORMATION

2.1 Intellectual property

All right, title and interest in the content, terminals, API, web interfaces, brand names, licenses shared to the Merchant in accordance with OXPAY's performance of the Services, including without limitation, any copyright, patents, and/or trademarks shall remain with OXPAY.

2.2 Confidentiality

- (a) Each Party shall keep data relating to card payments, Refunds and Chargeback secure.
- (b) Neither party shall put together or use any lists of Customers or personal data relating to those Customers other (if any) than to send OXPAY payment, Chargeback, or Refund details. The Merchant shall not use any other information relating to this Agreement for extraneous purposes.
- (c) Neither Party may disclose Customers' data, card numbers, or any information relating to the subject matter of this Agreement to any third party. This restriction does not apply to disclosures made to either Party's professional advisers or agents who have similar obligations of confidentiality.
- (d) The confidentiality clauses herein do not apply to information which are public knowledge, or to which either Party is compelled to disclose in any legal proceedings or due to any other legal obligation.

3. TERM OF SERVICE

This Agreement shall come into effect on <Date> and, unless the Agreement is terminated, shall continue for an initial period of two years (the "**Initial Term**"). Thereafter, this Agreement shall automatically renew for successive periods of two years (each a "**Extended Term**") unless the Agreement is terminated.

4. TERMINATION

- (a) Either Party may terminate the Agreement by giving notice in writing to the other Party at least 30 days before the date of any automatic renewal.
- (b) Additionally, OXPAY shall have the right to terminate the Agreement with immediate effect if:
 - (i) either Party becomes insolvent or bankrupt;
 - (ii) the Merchant fails to pay any amounts to OXPAY by the due date;
 - (iii) the Merchant breaches any representation or warranty set out at Clause 8 below;
 - (iv) the Merchant fails to notify OXPAY in advance of any change in the nature of the Merchant's business or the goods and/or services supplied; or
 - (v) OXPAY is required by the Acquirer to do so.
- (c) Termination or expiry of this Agreement shall not affect any rights, remedies, obligations, or liabilities of the Parties that have accrued up to the date of termination or expiry.

5. REPRESENTATIONS AND WARRANTIES BY OXPAY

OXPAY represents and warrants to the Merchant that the respective representations and warranties set out below are true and correct when made, and are true and correct to the best of its knowledge as of the date of this Agreement and during the Initial Term and/or the Extended Term (as the case may be):

- (a) OXPAY has full power to execute and deliver this Agreement, to perform its obligations hereunder, and to consummate the transactions contemplated hereby on its respective parts. This Agreement has been duly executed and delivered by OXPAY and is a valid and binding obligation of OXPAY enforceable against OXPAY in accordance with its respective terms; and
- (b) This Agreement and the transactions provided for herein will not conflict with or result in a breach of any agreement, or instrument to which OXPAY is a party or by which OXPAY is bound or to which it is subjected or constitute a default under any such agreement or instrument.

6. REPRESENTATIONS AND WARRANTIES OF THE MERCHANT

The Merchant represents and warrants to OXPAY that the respective representations and warranties set out below are true and correct when made, and are true and correct as of the date of this Agreement and during the Initial Term and/or the Extended Term (as the case may be):

- (a) The Merchant is a corporation duly organised, validly existing under the laws of Singapore, and has full corporate power and authority to execute and deliver this Agreement, to perform its obligations hereunder, and to consummate the transactions contemplated hereby on its respective parts. This Agreement has been duly authorised and approved by all required corporate action of the Merchant. This Agreement has been duly executed and delivered by the Merchant and is a valid and binding obligation of the Merchant enforceable against the Merchant in accordance with its respective terms;
- (b) This Agreement and the transactions provided for herein will not conflict with or result in a breach of the Merchant's bylaws, or any agreement, or instrument to which the Merchant is a party or by which the Merchant is bound or to which it is subjected, or constitute a default under any such agreement or instrument;
- (c) The Merchant warrants that it will perform verification checks, "know your customer" and anti-money laundering checks in accordance with all applicable laws and regulations, and will implement related screening, transaction monitoring and fraud/risk controls together with mutually agreed upon reports and processes, beginning on the date OXPAY first enables the Merchant to accept card payments under this Agreement; and
- (d) The Merchant agrees and undertakes to procure all necessary consents in relation to the collection, use, disclosure, and transmission of its Customer's personal data routed through OXPAY's Payment Gateway pursuant to its obligations under this Agreement and/or otherwise required for the Services provided by OXPAY and/or the Acquirer, and to comply with the Personal Data Protection Act 2012 of Singapore (as may be amended from time to time) with regard to any and all such personal data.

7. MISCELLANEOUS

7.1 Notice

Subject to Clause 10.2 of this Agreement, any notice or other communication hereunder shall be in writing and shall be delivered by hand or sent by facsimile, and confirmed by delivery by hand, courier, or registered mail to each Party at their respective address specified below, or to such addresses as either Party may subsequently notify the other of. Notice and other communications shall be effective upon receipt.

If to OXPAY:

OXPAY SG PTE LTD

Address: 10 Ubi Crescent, #03-48 Ubi Techpark,
Singapore 408564
Telephone No.: +65 6299 0030
Email: cso@OXPAYayment.com

If to the Merchant:

<Merchant Name>

Address: _____

Name: _____

Email: _____

7.2 Amendment and waivers

- (a) Subject to Clause 10.2(b) of this Agreement, neither Party shall be bound by any modification or amendment of this Agreement or any waiver of any provision hereof unless such modification, amendment, or waiver is set forth in a written instrument signed by both Parties.
- (b) The Merchant acknowledges that OXPAY shall be entitled, by not less than 14 calendar days' prior notice to the Merchant in writing ("**Amendment Notice**"), supplement, vary, and/or modify the terms of this Agreement at any time and such supplement, variation, and/or modification shall take effect from the date specified by OXPAY in the Amendment Notice ("**Amendment Date**").

If the Merchant does not agree to any such supplement, variation, and/or modification:

- (i) the Merchant shall notify OXPAY in writing within 7 calendar days of receiving the Amendment Notice, and cease utilising the Services provided by OXPAY within 7 calendar days of providing such written notification to OXPAY; and
- (ii) this Agreement shall be terminated immediately preceding the Amendment Date.

If OXPAY does not receive the notice referred to at Clause 10.2(b)(i) of this Agreement, the Merchant is deemed to have agreed without reservation to such supplement, variation, and/or modification, stated therein.

- (c) Except as otherwise provided in this Agreement, failure on the part of either Party to exercise any right thereunder, or to insist upon strict compliance by the other Party with any of the terms, covenants, or conditions thereof, shall not be deemed a waiver of such a right, term, covenant, or condition. No provision of this Agreement shall be construed to be a waiver by either Party of any rights or remedies such a Party may have against the other Party for failure to comply with the provisions of this Agreement.

7.3 Severability

If any term or condition of this Agreement is void, invalid, unlawful, or unenforceable, all remaining terms of this Agreement shall remain in full force and effect.

7.4 Further assurance

Each Party agrees that, from time to time, upon notice to the other Party, it shall execute and deliver such further documents and do such other acts and things as the other Party may reasonably request in order to give full effect to the purpose of this Agreement.

7.5 Priority

Should the terms of this Agreement be found inconsistent with the terms in the Schedule(s), the terms in this Agreement shall take precedence over the terms in the Schedule(s).

8. FORCE MAJEURE

- (a) Force Majeure refers to an event that is unforeseeable, unavoidable, insurmountable, and beyond the reasonable control of both Parties. If any event of Force Majeure affects the performance of this Agreement, the affected Party shall immediately give written notice to the other party. Depending on the Force Majeure's impact on the performance of this Agreement, the Parties shall determine whether to release this Agreement, exempt performance in part, or delay performance of their obligations thereto. In the event that a Party fails to perform this Agreement due to Force Majeure, it shall promptly take measures to prevent further loss, and promptly notify the other Party in writing to mitigate the loss that may be caused. Failure to give such notification by any affected Party shall impose an obligation to indemnify the other Party against any and all further losses.
- (b) Due to the special nature of the payment network, and provided the affected Party provides adequate written notification to the other Party, both Parties shall be released from their performance obligations under this Agreement and exempted from liability if any of the following circumstances affect the normal operation of the payment network:
 - (i) hacker attack, or computer virus attack or in activation;
 - (ii) computer system being destroyed, paralysed, or unable to operate in normal condition;
 - (iii) technological adjustment or breakdown in telecommunications infrastructure;
 - (iv) temporary suspension of service or discontinuation of service of either party as required by any government authority;
 - (v) other reasons caused by intermediary banks or telecommunication service providers but not contributed by either party;
 - (vi) adjustments made by either party due to changes in laws and regulations.



9. LIMITATION OF LIABILITY

To the extent permitted by law, the liability of OXPAY for any loss arising out of or relating in any way to this Agreement, including but not limited to losses arising out of any malfunction of equipment or the failure of equipment to operate, the unavailability or malfunction of the Services, or property damage, shall, in the aggregate, be limited to actual, direct and, general money damages in an amount not to exceed one (1) month's average Fee paid by the Merchant hereunder (exclusive of fees or costs that are imposed by a third party in connection with the Merchant's payment processing) for Services during the previous twelve (12) months or such fewer number of months as shall have elapsed subsequent to the effective date of this Agreement. The scope of the limitation of liability in this Clause 11, shall extend to alleged acts of negligence, breach of contract, wilful default, and all other forms of legal or equitable action.

10. GOVERNING LAW

This Agreement shall be governed by, and interpreted and construed in accordance with, the laws of the Republic of Singapore.

11. DISPUTE RESOLUTION

When any dispute or difference arises between the Parties arising under or in connection with this Agreement, the Parties agree to submit to the exclusive jurisdiction of the courts of the Republic of Singapore.

IN WITNESS WHEREOF the Parties have caused this Agreement to be duly executed on the date first written above.

OXPAY SG PTE LTD

THE MERCHANT

Name:

Title:

Name:

Title:

SCHEDULE 1

PRICING SCHEDULE – Credit Cards

	Visa Mastercard	Diners Discover
Merchant Discount Rate		
1-time set up fee		
Annual fee		
Per transaction fee		
Refund fee		
Chargeback fee		
Security Deposit		
Settlement Cycle		
Minimum amount for payout		
Settlement Details		
<div> Account Name: Bank Name: Bank Account No: Bank Address: </div>		

General

- All prices exclude Tax unless otherwise stated.
- Pricing information provided here is solely for the Merchant and is given in commercial confidence.

Terms specific to Schedule 1

1. REFUNDS

- The Merchant shall have the right to initiate a Refund process by advising OXPAY either by such automated systems as OXPAY shall make available from the gateway, or by email or fax on the Merchant's letterhead.



- (b) OXPAY shall process Refunds only to the extent of the anticipated aggregate value of prospective remittances based on Transactions actually processed after allowing for actual and prospective disputed Transactions.

2. CHARGEBACK AND DISPUTED TRANSACTIONS

- (a) All Chargebacks and all costs and expenses arising from Chargebacks and disputed Transactions shall be borne by the Merchant.
- (b) In the event OXPAY is notified of any Chargeback procedure filed by the Acquirer, Issuer, or Card Scheme, OXPAY will be entitled to debit the Merchant's account with OXPAY or Settlement Funds in respect of the concerned Transaction (if not already debited as a disputed Transaction), or to recover from Merchant by other means the amount paid by OXPAY in respect of the relevant Transaction.
- (c) Neither OXPAY nor the Merchant shall have the right to dispute a decision to proceed with Chargeback from the Acquirer, Issuer, or Card Scheme.
- (d) OXPAY will notify the Merchant once a Chargeback has been initiated by Acquirer or Issuer by way of email, fax, or letter.
- (e) If the Acquirer or Issuer includes an explanation for the basis of the Chargeback, OXPAY shall provide that explanation in its notification to the Merchant.
- (f) OXPAY may, with prior notification, debit the Merchant's account to recover any other costs and expenses OXPAY may have incurred as a result of or in connection with a Chargeback or disputed Transaction,
- (g) The Merchant must retain the documents and/or correspondences relating to the Chargeback decision, or reproducible records thereof, for 12 months from the date of notification of a Chargeback.
- (h) The Merchant shall agree to investigate disputed Transactions and take all reasonable steps to resolve disputes with Cardholders in a timely manner.
- (i) The Merchant shall follow disputed Transaction procedures as OXPAY may advise from time to time.
- (j) OXPAY reserves the right to suspend the processing of any Transaction or withhold Settlement to the Merchant of the amount of the disputed Transaction pending resolution of the investigation process.

3. ADMINISTRATIVE COST OF CHARGEBACK

All fines and fees imposed by the Card Scheme regulations shall be borne by the Merchant.

[END]