

## CHANNEL PARTNER E-PAYMENT SERVICES AGREEMENT

**INSTITUTION:** \_\_\_\_\_ a Thai corporation having its principal office at \_\_\_\_\_ (hereinafter referred to as "INSTITUTION")

**KPM: Ksher Payment Co., Ltd.** a Thai corporation having its principal office at Level 17, 1705, No. 591, United Business Center 2 Building, Sukhumvit Rd., North Klongton, Wattana, Bangkok 10110. (hereinafter referred to as "KPM")

WHEREAS, KPM wishes to receive the outsourcing and consultant project from INSTITUTION for the Card Payments Merchant Service in Thailand, and INSTITUTION wishes to provide KPM with the above-mentioned services in accordance with the terms and conditions mutually agreed upon in this Agreement.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, both parties agree as follows:

### Article 1. Purpose of the Agreement

The purpose of this Agreement is to set all the terms and conditions for KPM to appoint INSTITUTION to be the Card Payments channel partner to promote the use of the E-Payment solutions to the Merchants in Thailand.

### Article 2. Definitions

In this Agreement, unless the context otherwise requires, the following expressions shall have the meaning as set forth below:

2.1. **"E-Payment / E-Payment Services"** refers to the electronic third-party payment system and funds transferring services including card payments and E-Wallet payments.

A card issued by a member of VISA INTERNATIONAL SERVICE ASSOCIATION (hereinafter referred to as "VISA") and / or MASTERCARD INTERNATIONAL INCORPORATED (hereinafter referred to as "MasterCard") and / or CHINA UNIONPAY COMPANY LIMITED (hereinafter referred to as "UnionPay") and / or JCB INTERNATIONAL COMPANY LIMITED (hereinafter referred to as "JCB") and / or Thai Payment Network Co.,Ltd (hereinafter referred to as "TPN") and / or other payment channel by financial INSTITUTIONs or other INSTITUTIONs under the agreement that the service providers will join in the future.

2.2. **"Merchant"** means a merchant expanded by INSTITUTION in accordance with this Agreement and successfully entered into an acquiring service agreement with KPM.

2.3. **"Outsourcing & Consultant service"** means a service offered by INSTITUTION to help KPM to on-board Merchants for the rollout of E-Payment solutions in Thailand, including but not limited to signing up Merchants, setting up EDC, training Merchants' staff for E-Payment acceptance in Thailand and etc.

2.4. **"Transaction"** means the process beginning from authorization request from Merchant in respect of the use of the Card Payments used at a point of payment until approval or rejection response is obtained from KPM.

2.5. **"Merchant Discount Rate"** or "MDR" means the rate of the fees that KPM collects from its affiliated Merchants for the amount of the transactions approved through KPM's system for the User/Customer' use of KPM's E-Payment services in Thailand.

2.6. **"Total Monthly Revenue"** or "TMR" means the total revenue stream from the transaction in E-Payment gateway by INSTITUTION's referred Merchants in one (1) calendar month.

2.7. **"User/Customer"** means a buyer who purchases products or services by using the E-Payment Services.

2.8. “**Business Day**” refers to a day other than a statutory public holiday in the Kingdom of Thailand, and the People’s Republic of China.

2.9. “**Relevant Country**” including the country and region where INSTITUTION is registered, the country and region where INSTITUTION business activities are involved, and the People’s Republic of China.

### **Article 3. Responsibilities of the Parties**

#### **3.1. KPM shall be responsible for the followings:**

3.1.1. KPM shall, together with INSTITUTION, establish the Merchant on-boarding plans as well as the implementation processes for developing Merchants, offer training sessions to INSTITUTION for technical and product know-how, and provide INSTITUTION with such promotional materials as commercially reasonable to market the E-Payment solutions to Merchants.

3.1.2. KPM shall ensure to undertake the deployment of E-Payment payment solutions on the best effort basis under the cooperation agreements with Different E-Payment gateway, and will maintain robust setup of IT infrastructure to ensure that the payment solution is carried out in Thailand legally and properly. Where non-disclosure agreement (NDA) with the Card Payments do not prohibit, KPM will disclose with as much transparency as reasonable, to INSTITUTION on the infrastructure setup, out of good will, for assurance to INSTITUTION that proper infrastructure are in place.

3.1.3. KPM will provide INSTITUTION with access to a transparent real-time Merchant transaction tracking platform whereby INSTITUTION may easily monitor the transaction volumes.

3.1.4. KPM shall be solely responsible for complaints and disputes related to the payment system, infrastructure, settlement system of non-risky merchant and remittance problems. Any complaints and disputes between INSTITUTION and Merchant, between Merchant and Customer, and related any third party shall be borne by INSTITUTION solely.

#### **3.2. INSTITUTION shall be responsible for the followings:**

3.2.1. INSTITUTION shall use commercially reasonable efforts to promote the signing of Merchants to the payment solutions of E-Payment in Thailand and abide by KPM’s policies as they are communicated, from time to time to KPM, including Card Payments sales communication, merchant due diligence information, Merchant on-boarding, training and troubleshooting.

3.2.2. INSTITUTION shall make reasonable effort, from time to time, to maintain contact with Merchant, and will, on behalf of KPM, oversee Merchants activities. INSTITUTION shall make reasonable commercial efforts in providing information that are not readily shared by the Merchants in cases where there may be any suspicion of Merchants conducting activities that are not to be supported by the Card Payments, that have been communicated on the E-Payment websites and via other forms of communication.

3.2.3. INSTITUTION shall distribute and request the Merchant to paste, display, hang and maintain “Ksher”, and different E-Payment services logo accepted identifying in a prominent position of the acquiring device, business place or official website. INSTITUTION shall ensure that the Merchant will not to use “Ksher”, E-Payment services logo and other related business logos and trademarks for any other purposes.

3.2.4. INSTITUTION shall distribute marketing materials required, which will be provided by KPM, for the acceptance of E-Payment business to the Merchant. INSTITUTION shall actively manage to work closely with KPM and ensure that Merchants are fully aware of any marketing and promotional activities that are in connection with the E-Payment services.

3.2.5. In the event that KPM or any User suffers any loss arising from the circumstances in the course of

transaction, including but not limited to fake, fraud, theft, disguised transaction, denial of transaction, chargeback, account information leakage, violation of applicable state laws, rules and regulations, breach of commitments to customer, money laundering, breach duties prescribed in this Agreement, INSTITUTION shall cooperatively investigate the cause of claims with Merchant and put its best efforts to ensure that Merchants expanded by INSTITUTION are not involved in these activities.

3.2.6 INSTITUTION shall update all Customers information in CRM platform of KPM since the first step of Approaching (Details see Appendix II ).

#### **Article 4. Term of this Agreement**

4.1. This Agreement is made on \_\_\_\_\_, and shall become effective immediately after being signed by the two parties concerned.

4.2. This Agreement shall be effective for twenty-four (24) months from the date of this Agreement.

4.3. Unless one party notifies the other in writing or email to terminate this Agreement, the term of this Agreement shall be automatically extended with an interval of another twelve (12) Months.

#### **Article 5. Service Fee and Payment Conditions**

5.1. In consideration for E-Payment Merchant Service provided by INSTITUTION under this Agreement, KPM shall pay to INSTITUTION the profit-sharing fees according to each transaction under the Merchant Account of INSTITUTION on monthly basis.

5.2. KPM will provide INSTITUTION with the Cost MDR (excluding vat) in the format set out as such:

<b>Payment Channels</b>	<b>Offline</b>	<b>Online (Non-Digital Content Platform)</b>	<b>Online (Digital Content Platform)</b>
Wechat Pay	0.90%	0.90%	N/A
Alipay	1.10%	1.30%	N/A
Promptpay	0.25%	0.35%	N/A
TrueMoney	1.20%	1.60%	12%
Linepay	1.80%	2.70%	Case by Case
Airpay	1.00%	2.70%	5%
Visa		2.30%	Case by Case
Master		2.30%	Case by Case
JCB		2.30%	Case by Case
Unionpay		2.30%	Case by Case

5.3 Profit sharing percentage of INSTITUTION shall be different according to the grade of INSTITUTION as follow

<b>Grades</b>	<b>Profit sharing percentage</b>
Grade one	100%
Grade two	80%

Grade three	60%
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Every INSTITUTION shall be started from INSTITUTION grade three (3) after the signing of this contract and shall be upgraded to the higher level according to the performance.

The INSTITUTION's profit sharing = (Merchant MDR - INSTITUTION Cost MDR)\*monthly transaction\*profit sharing percentage

5.4. The Parties acknowledge and agree that, when calculating the E-Payment Merchant Service Fees, the minor discrepancies that might arise from rounding down or up to two decimal places.

5.5. If there is policy adjustment in relation to this Agreement from the relevant regulatory authorities or cooperation INSTITUTIONs or there is any change in law or regulation which may impact on performance of this Agreement, KPM is entitled to unilaterally adjust the Charge Rate for E-Payment Merchant Service and shall notify INSTITUTION by written notice.

5.6. KPM shall send INSTITUTION a detailed Merchant revenue list of relative Merchants in a relevant month by the fifteen (15th) of the following month. If no mistake or error is found in the said list, INSTITUTION shall send KPM a tax invoice to request the payment of its service fee calculated based on the above-mentioned hereto within 5 business days after the receipt of the list. Then, KPM shall pay the amount of the tax invoice to INSTITUTION no later than the end of the said following month.

5.7. In case KPM informs INSTITUTION of any mistakes or errors which have been found on the above-mentioned list prepared by KPM, it shall send INSTITUTION its revised list immediately so that INSTITUTION can collect its service fee within the period as set forth in Clause 5.6.

5.8. All the revenue calculated by 5.2 for the INSTITUTION is VAT (7%) excluded, and shall be deducted WHT (3%) by KPM before the money transfer.

5.9 INSTITUTION agrees to pay deposit at the amount of 50,000 Thb to KPM, the amount shall be returned to INSTITUTION within 30 days after the termination of this contract.

## **Article 6. Mutual Responsibilities**

6.1. INSTITUTION shall be responsible for correctness of the services that it has provided to KPM except for the following cases:

- a) Loss or damages processed due to error(s) in the data provided by KPM;
- b) Loss or damages processed due to a delayed supply of data by KPM; or
- c) Loss or damages processed due to the causes as listed up in Article 12 (Force Majeure) hereof.

6.2. KPM reserves the right to refuse and terminate service with any Merchants, and in case KPM terminates any of its Affiliated Merchant Agreements, it shall notify INSTITUTION of such termination in writing without any delay.

## **Article 7. Rights and Interests of the Business & Equipment**

7.1. All business investment and all information that occurred during this agreement belongs to the property of KPM.

7.2. During the course of business, if the Merchant terminates the service, KPM has the right to discontinue the commission payout accordingly.

## **Article 8. Confidentiality**

Both parties shall keep confidential not only the contents of this Agreement but also all information about the Merchants, customers and respective counterpart and shall not disclose the above-mentioned information in whole or in part to any third party. Any party who has breached this obligation of confidentiality shall be solely responsible for the entire result of the breach.

#### **Article 9. Indemnity**

In the event of either party breaches any obligation under this Agreement, it shall be liable to the other party for any reasonable direct damages sustained by the other party.

#### **Article 10. Amendment to this Agreement**

In case both parties agree to amend any part of this Agreement or add any condition to this Agreement, such amendment or addition has to be made in writing and signed by both parties.

#### **Article 11. Termination**

11.1. This Agreement may be terminated upon occurrence of any of the following events: Agreement in writing of the parties;

- a) By the non-defaulting party, upon default by the other party in the performance of any of its obligations under this Agreement, if not remedied within thirty (30) days after receipt of a written notice from the non-defaulting party;
- b) By the other party, upon either party's (i) making an assignment for the benefit of creditors, being adjudged bankrupt, or becoming insolvent; (ii) having a reasonable petition filed seeking its dissolution or liquidation not stayed or dismissed within sixty (60) days; or (iii) ceasing to do business for any reason.
- c) INSTITUTION shall successfully onboard not less than four ( 4 ) Merchants each month. If INSTITUTION has continuously two ( 2 ) months failed to onboard four ( 4 ) merchants, KPM will inform INSTITUTION via email with a written notice of termination. INSTITUTION is entitled to all the service fees prior to the date of the written notice.
- d) To fulfill the risk control and Anti-money laundering duties, INSTITUTION agrees that KPM has the right to terminate this contract in case that INSTITUTION has more than two ( 2 ) Merchant were audited as risky merchant in one month.
- e) INSTITUTION provided fake merchant information to KPM in any way.

11.2. Upon termination of this Agreement, neither party shall be discharged from any antecedent obligations or liabilities to the other party under this Agreement unless otherwise agreed in writing by the parties.

11.3. Nothing in this Agreement shall prevent either party from enforcing the terms and conditions hereof by such remedies as may be available in lieu of termination.

11.4. For a period of six (6) months upon termination of this Agreement, INSTITUTION shall not refer existing referred Merchants to other E-Payment acquirers of similar business nature in Thailand.

11.5. INSTITUTION is liable for any damage and loss to reputation and goodwill of KPM caused by its referral Merchants. KPM has the right to seek compensation from INSTITUTION or terminate the contract with either INSTITUTION or the Merchants. This clause shall be subject to the findings of an independent arbitrator who shall be appointed by either party who suffers relatively major damage, and written notice by either party informing the said damage.

11.6. INSTITUTION is not entitled to the commission of referral partner upon termination.

11.7. When this agreement is terminated in any reason, INSTITUTION will send all equipment and all information of Merchants to KPM within 30 days.

## Article 12. FORCE MAJEURE

12.1. Force majeure means an event that is unforeseeable, unavoidable, insurmountable and beyond the reasonable control of the affected party. If any event of force majeure affects the performance of this Agreement, the affecting party shall immediately notify the other party with written notice. According to the force majeure's impact on the performance of this Agreement, the Parties shall determine whether to release this Agreement, exempt the performance responsibility in part, or delay the performance. In the event that a Party fails to perform the 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 cause to the other Party; otherwise, such Party shall indemnify the other Party against further loss incurred.

12.2. Due to the special nature of the network, either party shall be exempted from liability for indemnification in any of the following circumstances that may affect the normal operation of the network:

- (1) hacker attack, or computer virus attack or in activation;
- (2) computer system being destroyed, paralyzed or unable to operate in normal condition;
- (3) technological adjustment or breakdown in telecommunications department;
- (4) temporary suspension of service or discontinuation of service of either party as required by any government authority;
- (5) other reasons caused by intermediary banks or telecommunication service providers but neither party;
- (6) adjustment made by either party due to changes in laws and regulations.

12.3. In the event of any circumstances above mentioned, either party shall immediately notify the other party in writing, and produce valid certification and documents explaining the reasons for non-performance, failure in full performance, or delayed performance. The Parties shall decide again whether to continue to perform the Agreement or terminate early the Agreement in light of the extent of effect on the performance of the Agreement.

12.4. In the event that E-Payment Cross-border Service is prohibit, pause or stop to provide under the laws and regulations of the People's Republic of China, the Kingdom of Thailand or INSTITUTION's country or region, this Agreement will terminate immediately with the Parties' rights and obligations to be governed strictly by the provision of termination under this Agreement.

## Article 13. Governing Law

This Agreement shall be governed by and construed in accordance with the laws and regulations of Thailand.

## Article 14. Entire Agreement

This Agreement constitutes and embodies the entire understandings, written or oral, in effect between the parties relating to the subject matter hereof. All prior negotiations or agreements, if any, between the parties hereto relating to the subject matter are hereby terminated and rescinded.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

For and on behalf of

For and on behalf of

**Ksher Payment Co., Ltd.**

( \_\_\_\_\_ )

(Mr. Xu Wang, Mr. Premchai Kusolrerdee)

Authorized Person

Director

**Witness**

\_\_\_\_\_  
( )

**Witness**

\_\_\_\_\_  
( )

## Appendix I: Company Information

### 1. INSTITUTION

Company Full Name:

VAT Registration No.: .....

Address: .....  
.....

DID: .....

Contact Name:

Contact Title: .....

Telephone Number:

Email:

### 2. KPM

Company Full Name: KSHER PAYMENT CO., LTD.

VAT Registration No.: 0105560199507

Address: 591 United Business Center II Building, Level 17, Room 1705 Sukhumvit Rd.,  
North Klongton, Wattana, Bangkok 10110

DID: 02-150-0529

Contact Name: WANG XU (Austin)

Contact Title: Director

Telephone Number: +66 9 2572 4233

Email: [austin.wangxu@kshe.net](mailto:austin.wangxu@kshe.net)



## **Appendix II: Additional Terms**

### **Article 1 : Deposit conditions**

**1.1 Incase the following situation occur, KPM has the right to deduct 3,000 Thb from INSTITUTION deposit.**

- 1.1.1 Every time risk control incident occurred
- 1.1.2 The request for order inspection was not completed and responded within the agreed period
- 1.1.3 Failure to cooperate in providing feedback from market or merchant in a timely manner
- 1.1.4 No training provided to merchants
- 1.1.5 The merchant agreement is not returned to KPM within one month after on-boarded
- 1.1.6 KPM received channel-related complaints from merchants

**1.2 Incase the following situation occur, KPM has the right to deduct 5,000 Thb from INSTITUTION deposit.**

- 1.2.1. Expand merchants in unauthorized regions or industries
- 1.2.2. Maliciously snatching merchants from other channels or direct sales
- 1.2.3 In case the order is over due date, the refund will be caused. If the loss of the refund cannot be recovered from the merchant, the amount will be responsible by INSTITUTION.
- 1.2.4 Publish advertisement or any content related to KPM's services without authorization from KPM.

**1.3 Incase the following situation occur, KPM has the right to deduct 10,000 Thb from INSTITUTION deposit.  
and terminate this contract if any of following situation occur twice.**

- 1.3.1 Serious violation of VISA/Master, E-wallet, etc. payment business regulations, market rules and company channel management standards.

### **Article 2 : Channel benefit protect**

- 2.1 INSTITUTION shall upload Merchants information to CRM system which KPM provide.
- 2.2 INSITUTION could check from the system that a merchant is contacted by any channel partner or direct sales or not. If a merchant already exist in the system, any channel partner or direct sales could not contact to that merchant.
- 2.3 INSTITUTION and direct sales have different time limitation on acquiring different scale of merchants as below. If any INSTITUTION or direct sales fail to on-board a merchant in time limitation, the system will open for other channel partner or direct sale to contact that merchant.

SME merchant – 1 month  
Medium or chain store – 2 month  
Key account – 3 month

