

SERVICES AGREEMENT FOR ZAPPER MOBILE UTILITY

Between **Zapper Marketing (Southern Africa) (Pty) Limited ('Zapper')**¹
and **the Merchant** (as described below)

1 **MERCHANT**

1.1	Name of Legal Entity:	
1.2	Trading Name:	
1.3	Registration number:	
1.4	VAT Number:	
1.5	Physical address:	
1.6	Name of Landlord of Physical address:	
1.7	Registered Address (if different from Physical Address):	
1.8	Nominated bank account:	
1.9	Email:	
1.10	Telephone:	
1.11	Web Address:	
1.12	Contact Person Owner: Contact Person Finance:	

¹ These are the terms and conditions upon which Zapper offers to provide the Merchant with Payment Services. Any purported amendments to or alterations of these Terms and Conditions will be of no force and effect and will at best constitute a counter offer by the Merchant to Zapper.

2 INTRODUCTION AND SCOPE OF SERVICES

- 2.1 By signing below or electronically checking the acceptance tick box, the Merchant confirms its unequivocal acceptance of these Terms and Conditions, and that this document therefore constitutes an agreement entered into by the Merchant and Zapper.
2.2 Zapper procures and provides Payment Services to its Clients. Zapper also offers the Additional Services set out in Schedule 1 to its Clients, and such services form part of this agreement if they have been checked by the Merchant per written indication on Schedule 1.
2.3 Payment Services are services enabling Zapper Users (customers of the Merchant, hereinafter referred to as 'Users'), by using the Zapper smartphone application, to scan QR Codes placed on emails, invoices, or other media or electronic displays of the Merchant or published on behalf of the Merchant, so as to make payments to the Merchant for goods or services sold by the Merchant in South Africa ('Transactions').
2.4 The Payment Services are provided to assist Merchants in processing debit and credit card transactions and to facilitate rapid payments from Zapper to the Merchants' nominated bank account, less the Transaction Fees due to Zapper. Any dispute whatsoever relating to the Merchants' goods or services remains between the Merchant and the Zapper User.
2.5 Zapper will appoint a Payment Services Provider for purposes of the Payment Services, including the collection of money on behalf of the Merchant under Zapper Transactions (Daily Merchant Collections).
2.6 Use of the smartphone application by a Zapper User will transmit the payment details and initiate a request for payment authorisation. Zapper will submit the request to the User's bank, and both the User and the Merchant will be notified, via the Zapper platform, of whether the Transaction has been approved or declined.
2.7 Additional Services are set out more fully in Schedule 1 and include additional functionality and services related to the Payment Services, such as transaction and data history, support, and digital loyalty and direct marketing opportunities. The Merchant will enjoy the free Starter Plan, whether or not Additional Services are selected by the Merchant.
2.8 Once this agreement is duly signed, Zapper will provide the Payment Services and the selected Additional Services to the Merchant in accordance with this document and the contract terms set out at https://www.zapper.com/merchantTermsofuse2

3 TRANSACTION FEES

- 3.1 Unless otherwise agreed in writing by Zapper, the Transaction Fees for the provision of the Payment Services and the Fees for the Additional Services shall be charged by Zapper in accordance with the rates published by it on [...] from time to time.
3.2 The above Transaction Fees and Fees exclude VAT. VAT will be added, as applicable, to all Fees due and payable by the Merchant in terms of this agreement.
3.3 Zapper reserves the right to amend the Transaction Fees and Fees at any time, on one month's written notice to the Merchant. The Merchant may terminate this agreement within such one-month period if it does not accept the changes.
3.4 Fees for Additional Services will be paid monthly in advance via EFT or Zapper, within 7 (seven) days of the Merchant's receipt of a tax invoice for such services. Alternatively, the Merchant may pay for the Additional Services via a debit order or an agreed set-off against Zapper's Settlement of the Merchant's account.

Table with 2 columns: Selection box, Payment Method. Rows: EFT/Zapper, Debit Order3, Set-off against Settlement.

2 Please read the full contract terms on the website before signing this document. In the event of an inconsistency between a provision of the full contract terms on the website and a provision of this document, the provision of the former will prevail to the extent of the inconsistency.

3 If the Debit Order option is selected, the Merchant is required to complete a bank authorisation document, obtained from Zapper on request.

Select preferred payment method above

- 3.5 Zapper may agree to allow the Merchant a free trial period in respect of certain of the Additional Services, as selected by Zapper, but any such free period shall never apply in respect of the charges for Payment Services.

4 PAYMENT SERVICES

- 4.1 The Payment Services Provider will daily collect the Daily Merchant Collections, and pay the Daily Merchant Collections, less Transaction Fees, into the Merchant's nominated bank account. Settlement terms are detailed in Schedule 2, but receipt into the Merchant's account will still be subject to inter-bank agreements and other delays outside the control of Zapper and/or the Payment Services Provider.
4.2 The risk of fraud of any nature rests with the Merchant, and Zapper will deduct amounts "charged back" by the bank from monies owing to the Merchant. If the Merchant is not owed money by Zapper, then the Merchant will make a payment to Zapper within thirty (30) days to cover the cost of the fraudulent transaction(s). Zapper shall be entitled to terminate this Agreement immediately in the event of a fraudulent transaction occurring.
4.3 Receipt into its account constitutes the Merchant's warranty that it has complied in full with its obligations to the Zapper User in regard to the supply of goods and services, and with the terms of this agreement.
4.4 Zapper shall at any time during the operation of this agreement be entitled to require that Transactions are subject to security protocols and/or payment authentication mechanisms (as selected/directed by Zapper).
4.5 Payment Services may not be utilised for the purchase and sale of undesirable products (as detailed at [...]) and in the event that the Merchant offers such products for sale, Zapper shall be entitled to terminate this Agreement on 24 hours' notice.

5 MERCHANT UNDERTAKINGS AND WARRANTIES

- 5.1 The Merchant shall ensure that it receives approval of a Transaction before releasing goods to a User and shall provide a written request for any refund due to a User.
5.2 The Merchant irrevocably authorises and instructs the Payment Services Provider daily to pay the Transaction Fees directly to Zapper from the Daily Merchant Collections.
5.3 The Merchant warrants to the Payment Services Provider4 that -
5.3.1 it (the Merchant) is not a payment services provider;
5.3.2 it has never been party to a contract with Visa or Mastercard that has been terminated at the instance of Visa or Mastercard, or by direction of any regulatory authority or court of law;
5.3.3 on written notice from the Payment Services Provider, it will provide transaction information to the Payment Services Provider;
5.3.4 it will not request that the Payment Services Provider pay out any monies collected on the Merchant's behalf to a bank account outside South Africa, which the Payment Services Provider will not do;
5.3.5 it will not attempt to limit its liability by asking or requiring that Zapper Users waive their dispute rights;
5.3.6 it will notify the Payment Services Provider in writing if its Visa and/or Mastercard turnover pursuant to this agreement with Zapper exceeds the equivalent of USD 50 000 per annum; and
5.3.7 if its turnover pursuant to this agreement with Zapper exceeds USD 100 000 per annum, it will take all reasonable steps to establish a direct relationship with its own bank.
5.4 The Merchant undertakes to cooperate (including but not limited to the provision of information and documentary evidence or records) with Zapper and/or the Payment Service Provider in any investigation into fraudulent transactions related to the Merchant or its offering.

4 Note that Zapper accepts these warranties on behalf of the Payment Services Provider; and a breach by the Merchant of any such warranty will automatically also be a breach by the Merchant of this agreement.

6 CANCELLATION

- 6.1 Either party shall be entitled to cancel this Agreement on written notice to the other party of not less than one month.
- 6.2 Zapper shall be entitled to cancel this agreement on written notice to the Merchant if –
 - 6.2.1 the Payment Services Provider has informed Zapper that it is no longer willing to provide Payment Services to the Merchant; or
 - 6.2.2 the Merchant refused to apply the security protocols and/or payment authentication mechanism required by Zapper; or
 - 6.2.3 in the reasonable opinion of Zapper, the Merchant's conduct or treatment of Users or the Merchant's relationship with Zapper is having a material adverse effect on the reputation of Zapper, or
 - 6.2.4 the Merchant is offering undesirable goods or services for supply; or
 - 6.2.5 a fraudulent transaction occurs in connection with goods or services supplied and sold by the Merchant.
- 6.3 If the Payment Services Provider receives notice from the Merchant's bank that the Merchant is no longer accepted by such bank, the Payment Services Provider will have the right

to identify and stop the acceptance from the Merchant, and in such circumstances, Zapper will be entitled to terminate this agreement on written notice.

- 6.4 If the Merchant's turnover exceeds an amount equivalent to USD 100 000 per annum, the Payment Services Provider and/or Zapper shall be entitled to:
 - 6.4.1 notify the Merchant that it is required to take all reasonable steps to establish a direct relationship with the Merchant's bank; and
 - 6.4.2 terminate this agreement on written notice to the Merchant.

7 HARDWARE

- 7.1 Note that all equipment, hardware, and systems for purposes of the Payment Services (**Hardware**) will remain the property of Zapper and must be returned to Zapper.
- 7.2 The Merchant must compensate Zapper for damage to or loss of any Hardware.

8 SIGNATURE

8.1 Signed by the Merchant:

8.1.1 Physically: At on the of 20....

Name: _____

Who warrants that he/she is duly authorised to represent the Merchant herein.

OR

8.1.2 Electronically: By insertion of the Merchant's digital signature below.



SCHEDULE 1:

If the Merchant has elected to receive the additional services as indicated below, Zapper shall, subject to payment by the Merchant of the Additional Services Fees in accordance with the Agreement to which this Schedule 1 is attached, provide the Additional Services to the Merchant.

Starter Plan:

- 3% Excluding VAT Transaction Fee;
- Twice a Week Settlements;
- 60 Days Transaction Data History;
- Email Support;
- Supported eCommerce Plugins

Basic Plan:

- 2.5% Excluding Vat Transaction Fee;
- 48 Hour Settlements;
- 4 Months Transaction Data History;
- Email Support;
- Supported POS Integration;
- Supported eCommerce Plugins;

Basic Plus Finance Booster:

- 2.5% Excluding Vat Transaction Fee;
- Processing Fees Billed in Arrears at Merchant's election;
- Daily Settlements;
- Unlimited Transaction Data History;
- Exportable Transaction Data;
- Customer Insights (Merchant Portal);
- Email and Phone Support;
- Opportunity to earn incentives

Basic Plus Marketing Booster:

- 2.5% Excluding Vat Transaction Fee;
- 48 Hour Settlements;
- 4 Months Transaction Data History;
- Loyalty Campaigns;
- Voucher Campaigns;
- Message Campaigns;
- Customer Reviews (Merchant Portal);
- Customer Insights (Merchant Portal);
- Email and Phone Support;
- Opportunity to earn incentives

Basic Plus Finance and Marketing Boosters:

- 2% Excluding Vat Transaction Fee;
- Daily Settlements;
- Unlimited Transaction Data;
- Processing Fees Billed in Arrears at Merchant's election;
- Exportable Transaction Data;
- Loyalty Campaigns;
- Voucher Campaigns;
- Message Campaigns;
- Customer Reviews (Merchant Portal);
- Customer Insights (Merchant Portal);
- Email and Phone Support;
- Opportunity to earn incentives

GLOSSARY OF TERMS:

- Twice a Week Settlements – Settlement days Monday (Transacting days Friday to Sunday) and Friday (transacting days Monday to Thursday) or the next working day should a settlement day fall on a public holiday;
- 48 Hour Settlements – Settlement day Monday (transacting days Thursday and Friday), Tuesday (transacting days Saturday and Sunday), Wednesday (transacting day Monday), Thursday (transacting day Tuesday) and Friday (transacting day Wednesday) or the next working day should a settlement day fall on a Public Holiday;
- Daily Settlements - a settlement per transacted day settled on the next working day after the transaction(s) occurred. i.e. On a Monday there will be separate settlements done for Friday, Saturday and Sunday;
- Merchant Portal – Portal provided to Zapper Merchants that allows a Merchant to communicate with and reward Customers as well as monitor business patterns and performance in real time;
- Loyalty Campaign - shall mean a Loyalty Campaign subject to Zapper's Fair Usage Policy and will include a monthly report and a social media design. There will be no voucher redemption fees payable under the Loyalty Campaign;
- Voucher Campaign - shall mean a Voucher Campaign subject to Zapper's Fair Usage and will include a social media design. There will be no voucher redemption fees payable under the Voucher Campaign;
- Message Campaign– shall mean One Campaign per month;
- Rate and Review (through Merchant Portal) - a feature that allows merchant to review customer evaluations of its business/service or products, it further allows the merchant to communicate with users via Zapper in-app messages;
- Transaction Data History (through Merchant Portal)- a feature that allows the merchant to view and export customer transactions within the allowed date range provided by the selected additional services;
- Exportable Transaction Data History – A feature available to merchants on the Finance Booster that allows the merchant the ability to export customer transactions within the allowed date range provided.

Signed by the Merchant:

Physically: At on the of 20....

Name: _____

Who warrants that he/she is duly authorised to represent the Merchant herein.

OR

Electronically: By insertion of the Merchant's digital signature:

SCHEDULE 2:

	Transaction Days			
Settlement Day	Daily	24 Hour	48 Hour	Twice a Week
Monday	Friday, Saturday and Sunday Individually	Friday, Saturday and Sunday Combined	Thursday and Friday Combined	Friday, Saturday and Sunday
Tuesday	Monday	Monday	Saturday and Sunday Combined	N/A
Wednesday	Tuesday	Tuesday	Monday	N/A
Thursday	Wednesday	Wednesday	Tuesday	N/A
Friday	Thursday	Thursday	Wednesday	Monday, Tuesday, Wednesday and Thursday
Saturday	N/A	N/A	N/A	N/A
Sunday	N/A	N/A	N/A	N/A