

### BUSINESS INFORMATION

Business Name:

Business Type:  Sole Proprietor  Partnership  Pvt. Ltd.  Public Ltd.  
 Trust  Club/Firm  Others.....

Address:

Province			
District			
Rural/Municipality		Ward No.	
Tole			

PAN No.  VAT:  Yes  No

Mobile No.  Email ID:

Note: If already registered from esewa, please provide different registered number

Phone No.

Business/Company Registration No.:

Category:  Hotel  Mart  Retail Store  Travel & Tours  Restaurant/Dining  
 Other (specify)

Registered with:  Rural/ Municipality  Department of Cottage and Small industry  
 Department of Commerce  Office of Company Registrar

Estimated Daily Transaction: Count  Value

### BANK DETAILS

Finance Name:  Progressive Finance Limited Branch

Account No.:

Account Name:  Account Type:  Business  Personal

### BUSINESS PERSONNEL CONTACT INFORMATION

Name:

Mobile No.  Email ID:

Note: If already registered from esewa, please provide different registered number

Phone No.  Job Title:

Citizenship No.:

### ATTACHMENT

Attachment:  Business Registration Certificate  
 PAN Certificate  
 Citizenship Certificate (Business Contact)

# AGREEMENT FOR QR MERCHANT ACQUISITION

This Agreement for collection of payment (hereinafter known as "Agreement"), made on..... is entered into between **Progressive Finance Limited**, having corporate office at Tinkune, Kathmandu (hereinafter referred to as **THE FINANCE** ) and M/s ....., a Company/Partnership Firm/Firm registered with.....Nepal with Registration No.: ..... and PAN No.:.....having its registered office in .....(hereinafter referred to as **MERCHANT**) wherein, MERCHANT will avail the electronic payment through the mobile banking application introduced by THE FINANCE (hereinafter referred to as **QR Code payment** ) under the following terms and conditions.

## 1. General Terms and Conditions:

THE FINANCE shall provide an option for mobile payment facility via QR Code (Quick Response Code) to MERCHANT for fees related to the purchase of goods and services (hereinafter referred to as "goods") by MERCHANT under the QR code or Merchant Payment option of .....Mobile Banking Facility.

## 2. Specific Terms and Conditions:

- 2.1 MERCHANT will be the customer of THE FINANCE and will maintain an account with THE FINANCE and provide details. This account will be solely utilized for receipt of online payment of the goods and payment as agreed with THE FINANCE.
- 2.2 The payments and collections received through the mobile banking shall be deposited in Merchant Account Number as mentioned in 'QR Code Payment Registration Form' maintained with THE FINANCE in real time.
- 2.3 The service is for the sole and exclusive use for the payment collection of goods from Merchant by the customers (hereinafter referred to as "user"), who have an account with THE FINANCE.
- 2.4 All the users of the mobile banking service have to enter the agreement to finance for availing the service with THE FINANCE at the time of account opening or any time after account opening to avail this facility and shall abide the mobile banking terms and condition of THE FINANCE.
- 2.5 After successful transaction, system confirmation will be set automatically to both the user and Merchant. Merchant have to provide a trusted email address and mobile number to THE FINANCE for the payment information in 'QR Code Merchant application form'.
- 2.6 The Merchant shall display the promotional materials supplied by THE FINANCE from time to time in the noticeable area.
- 2.7 MERCHANT agrees to pay service charge of .....for each QR Code transaction which is exclusive of TDS.
- 2.8 The merchant agrees that any charge accepted by THE FINANCE is proved to be uncollectable on any of the following circumstances; the financial responsibility will be of merchant. THE FINANCE reserve the rights to settle such amount either through debit to nominated account or adjusting in future payments.
  - a. Charges are not Valid Charge as defined.
  - b. Charges incurred outside the authorized territory.
  - c. Charges for undelivered merchandise or services.
  - d. Any charges with respect to which mobile banking user's complaint or request for an adjustment has not been resolved by the merchant.
  - e. Transaction prepared in any other currency than Nepalese Rupees.
  - f. Merchant fails to comply with any other terms and conditions spelled in this Agreement.
- 2.9 The service and the terms and conditions of this Agreement shall be governed by and construed in accordance with the internal rules and regulation of finance unless otherwise contrary to the law of land.
- 2.10 The customers are free to avail any payment mode option of the mobile banking service provide by THE FINANCE. This agreement doesn't prohibit the mobile banking's customers to make payment other than the QR code option.
- 2.11 All disputes and differences relating to charges or claim arising out of QR Code transaction or as to the interpretation of this Agreement shall be subject to the exclusive jurisdiction of the courts at Kathmandu valley.
- 2.12 The rights obtained under this agreement are not transferable without written approval from THE FINANCE.
- 2.13 Finance, at its own discretion, is entitled to add, alter, delete or modify any of the terms and conditions contained here in by prior written intimation to merchant.
- 2.14 Merchant can terminate this Agreement by giving thirty (30) days prior notice to the Finance. However, in the event of Merchant failing to comply the terms of this Agreement or committing breach hereoff or the activities not acceptable to Finance, Finance reserves the rights, without any notice or require to prove actual breach, to terminate this Agreement immediately.
- 2.15 This Agreement comes into effect once it is signed by both contracting parties and remains valid until it is terminated with the clause stated in clause 2.16
- 2.16 By signing this Agreement, the Merchant represents that the signatory hereoff has full authority to do so and execution of this Agreement by the signatory hereoff creates a fully binding obligation on the Merchant.
- 2.17 The **MERCHANT** agrees to permit user to charge the purchase of goods and services normally sold by Merchant. The Merchant acknowledges that any purchase from it by the user creates direct obligations on finance to pay it and merchant shall not bill the user directly. Merchant agree that prices charged to user will not exceed prices charged to the public or will not include any surcharge.
- 2.18 The Merchant will indemnify and not hold THE FINANCE responsible for any claims demands, Actions suits or proceeding, liabilities, losses, costs, expenses, legal fees or damages asserted against THE FINANCE by the user because of acts or omissions by the Merchant in connection with the sale of goods and services (by the Merchant) and the performance of this Agreement. The indemnify herein shall service the termination/cancellation hereoff in so far as it pertains to events which transpired during the subsistence hereoff.
- 2.19 The Merchant agree to support the Finance by providing all necessary documents/information for resolution of any payment disputed case unresolved due to what so reason. The Merchant shall abide by such decisions made by the Finance.
- 2.20 The Merchant should treat all its customers on unabashedly and should not charge the customer the extra amount on account of merchant service fee or any others such charges for availing QR payment option. Similarly, the Merchant agree to provide the discounts to QR pay customers unabashedly whenever the Merchant offers discounts on certain products service.

For and on behalf of

Progressive Finance Limited.

.....  
Name:.....

Designation:.....

Witness:

.....

Name:.....

Designation:.....

Date:.....

Place:.....

For and on behalf of

Merchant Name:

.....  
Name:.....

Designation:.....

Witness:

.....

Name:.....

Designation:.....

## MERCHANT SERVICE AGREEMENT

This Merchant Service Agreement (the "**Agreement**") is a Legal and Binding Agreement between .....**Finance** and..... and will be effective from .....

### INTRODUCTION.

In this Merchant Service Agreement ("**Agreement**"), "**Finance**" refers to....., a company established and existing under the law of Nepal Government licensed by **Nepal Rastra Bank (NRB)** as ....., located at....., Kathmandu, Nepal and "**Merchant**" refers to.....existing under the law of Nepal Government licensed by Kathmandu Municipality, located at....., Nepal.

Finance and Merchant are hereinafter separately referred to as the '**Party**' and collectively referred to as the '**Parties**'.

### 1. DEFINITIONS.

- 1.1 "**Mobile Banking User**" means an individual end user who subscribed mobile banking of any Fonepay Network Bank and finance.
- 1.2 "**Fonepay Network**" is a shared mobile payment switching system developed and managed by **Fonepay Payment Service Limited** (hereinafter referred to as '**Fonepay**') which allows transactions and payments routing among and within its member Financial Institutions.
- 1.3 "**Fonepay transactions**" mean electronic fund transfer within or between the members of **Fonepay Network**, utility and merchant bill payments and any other services introduced and performed on the **Fonepay Network**.
- 1.4 "**Merchant's Platform**" means the payment counter of the **Merchant** where **bank and finance** facilitate the payment collection of **Fonepay transactions** through **Fonepay Network**;
- 1.5 "**Service/Product**" means all the service/products that **Merchant** makes available for sale and agrees to receive payment using **Fonepay Network** on **Merchant's Platform**;
- 1.6 "**Refund**" means funds to be returned to **Mobile Banking User**' upon **Merchant's** prior written instructions.
- 1.7 "**Transaction Value**" means the total payment (in NPR) made via Fonepay Network by Mobile Banking Users for the Services/Product of Merchant;
- 1.8 "**Merchant Account**" means an account maintained in the **Finance** to receive and withdraw payment collection made for the **Service/Products** of the **Merchant** in its designated Finance account. The **Merchant** must provide the details of Merchant Account to the **Finance** via Annex- A attached with this **Agreement**.

### 2. Details of Merchant:

- i. Name:
- ii. Registered Address
- iii. Registration Number:
- iv. Tax Registration Number (PAN/VAT):
- v. Contact Information:

vi. Nature of Business:

vii. Merchant ID:

### 3. DURATION OF AGREEMENT.

This “**Agreement**” shall come into effect from the date written first above (hereinafter the ‘**Effective Date**’) and unless terminated earlier pursuant to Clause 16 it shall remain valid for ..... years from the Effective Date (Hereinafter the ‘**Tenure**’). Upon completion of the Tenure, unless any of the Party submits in writing its intention not to renew the Agreement, this Agreement shall automatically be renewed for another subsequent Tenure.

### 4. SERVICE FEE.

4.1 Finance shall charge ..... as Service Charge to the Merchant.

4.2 Not with standing whatsoever provisioned in Clause 4.1. herein above, the Bank shall waive the Service Charge for initial ..... years of the initial Tenure.

### 5. OBLIGATION.

#### 5.1 Obligation of the Merchant

5.1.1 The **Merchant** shall carry out its payment for the **Service/Product** in **Merchant’s platform** via **Fonepay Network** on a real time basis as one of the payment method.

5.1.2 The **Merchant** shall inform, educate and convince its customer to pay for the **Service/Product** via **Fonepay Network**.

5.1.3 The Merchant shall pay all taxes, fees or charges of any nature whatsoever imposed by Nepal Government, or measured by, the transaction between the Merchant and the Customers.

5.1.4 Unless otherwise permitted by the local regulator and/or Fonepay Payment Service Ltd., the Merchant shall not impose a surcharge on a customer making payment via Fonepay Network and shall accept such payments at the same price and terms as applicable to cash payment.

5.1.5 The Merchant shall display the Fonepay Acceptance Mark prominently at the premise of the Merchant’s business to indicate that it accepts payment via Fonepay.

5.1.6 Subject to the guidelines issued by Fonepay Payment Service Ltd., the Merchant shall place Fonepay’s logo on their website, and wherever possible to promote Fonepay as its payment partner through all possible promotion mediums.

5.1.7 The Merchant shall perform its obligations under this Agreement in compliance with applicable laws or regulations.

5.1.8 The Merchant shall not knowingly submit any Transaction that is illegal or that the Merchant should have known was illegal.

5.1.9 The Merchant shall maintain confidentiality of all Fonepay information.

5.1.10 Merchants shall hold harmless and release Fonepay Payment Service Ltd. (and affiliates and officers, directors, agents, and employees of Fonepay thereof) from any claims demands and damages (actual and consequential) of every kind and nature, known and unknown, arising out of or in any way connected with any disputes relating to Fonepay Transaction.

#### 5.2 Obligation of Finance

- 5.2.1 **Finance** agrees to provide a fully functional payment solution system which enables the **Merchant** to receive payment for **Service/Product** made by the **Mobile banking user** through **Fonepay Network**.
- 5.2.2 **Finance** shall provide a real time transaction processing system for the payment of **Service/Product** made by the **Mobile banking user** through **Fonepay Network**.
- 5.2.3 **Finance** shall ensure that its system shall be up and running 24 hours a day for whole 7 days a week (24x7). In the event of system being upgraded/ unavailable due to various reasons. Finance shall inform timely to the Merchant, if possible at least 3 hours prior to such upgrade/unavailability.

### 5.3 Joint obligation of both the Parties

- 5.3.1 Both **Parties** shall prepare the required reports regarding the Fonepay Transactions in their respective system and shall exchange the reports, if required to each other.
- 5.3.2 A quarterly meeting shall be called to discuss and improve the business environment of both the **Parties**.
- 5.3.3 Both the **Parties** shall not do or permit to harm the market image of either party.
- 5.3.4 In the event of trouble shooting/technical issues in the use of Fonepay Network for Fonepay Transaction the **Parties** shall provide each other with necessary technical assistance to resolve such issue.
- 5.3.5 Both the Parties shall comply with all the guidelines issued by Fonepay Payment Service Ltd. in relation and applicable to use of Fonepay Network.

## 6. FINANCIAL TRANSACTION AND SETTLEMENT.

- 6.1 The **Merchant** shall receive, the **Transaction Value** after deducting the service fee as per Clause 4, in the **Merchant Account** as mentioned in the Operational Guidelines of Fonepay.
- 6.2 The service fee as per clause 4 payable to **Finance** by **Merchant** under the **Agreement** shall be exclusive of any Taxes.

## 7. PROMOTION.

- 7.1 Both the Parties shall be open for all sorts of promotion activities conducted in order to boost the Fonepay Transaction.

## 8. CONFIDENTIALITY.

Both the **Parties**, during the entire Tenure and up to five years from the date of termination of this **Agreement**, shall not and shall procure that its employees and agents shall not disclose, divulge and/or disseminate to any third party, any confidential information of the other Party including but not limited to business secrets of the Parties, information regarding **Mobile Banking User** and logistics. Any loss, damages resulting from the breach of this Confidentiality Clause shall be compensated by the Party violating this Clause to the other Party who suffered such loss, damage due to the breach.

Not with standing whatsoever provisioned herein above, this Clause shall not apply to information, which is or becomes public knowledge through no fault of the Parties or was already known to or becomes known to the receiving Party without any obligation of confidentiality, as well as information, which the Parties might be required to disclose under applicable law or by order of competent judicial or governmental authority.

## 9. Guidelines issued by Fonepay Payment Service Ltd.

Guidelines issued by Fonepay Payment Service Ltd. (including any amendments thereof), from time to time at its sole discretion, in relation to and applicable to use of Fonepay Network,

including but not limited to, Fonepay Operational Guidelines, Fonepay Dispute Settlement Guidelines and Guidelines for Branding and Promotional, shall be an integral part of this Agreement and the provision of such guidelines shall be binding on both the Parties. Failure to comply with or breach of any of the provisions of such Guidelines shall be construed as breach of this Agreement.

## **10. ARBITRATION AND EQUITABLE RELIEF.**

The **Parties** agree that any dispute or controversy arising out of or relating to any interpretation, performance or breach of this **Agreement**, shall be settled by expedited, confidential arbitration in accordance with the provisions of prevailing Nepal laws on arbitration. The arbitration may grant injunctions or other relief in such dispute of controversy. The decisions of the arbitrator shall be final, conclusive and binding on the **Parties** to the arbitration.

## **11. GOVERNING LAW.**

This **Agreement** has been made in accordance with the provisions of Muluki Civil Code, 2074 and shall be governed and interpreted by and construed in accordance with the prevailing laws of Nepal. In case of conflict of the provision of this **Agreement** with the laws of Nepal, the contradicting provision of this **Agreement** shall become automatically invalid to the extent of contradiction.

## **12. ENTIRE AGREEMENT.**

This **Agreement** and the document referred to in it constitute the entire **Agreement** between the **Parties** regarding its subject matter and its terms supersede any previous **Agreements**, if any, entered upon between the **Parties**.

## **13. AMENDMENT.**

The terms and condition of this **Agreement** may not be changed except by the amendment in writing, which references this **Agreement** and is signed by an authorized officer of each party. The **Parties** agree that any amendments to be entered upon and to be made under and to this **Agreement** shall be done with the mutual consent of both the parties. Such amendment made shall be an integral part of this **Agreement**.

## **14. INDEMNIFICATION.**

Both the **Parties** agrees to defend, indemnify, save, and free their officers, agents and employees against any or all losses, injuries, claims, actions, causes of action judgments or liens arising from or alleged to have arisen from the misconduct, negligence or willful default or breach of this **Agreement** by its officers, agents, or employees.

## **15. FORCE MAJEURE.**

### **15.1 Definition and Consequences of Force Majeure**

“**Event of Force Majeure**” means an event beyond the control of the **Parties**, which prevents a Party from complying with any of its obligation under this **Agreement**, including but not limited to the reason of act of God, fire, flood, or other natural disaster, pandemics, malicious injury, strikes, lock-outs, or other labor troubles, riots, insurrection, war or other reason like nature not the fault of the party in performing under his **Agreement**, then performance of such act shall be excused for the period of the delay.

### **15.2 Optional Termination and Release**

Irrespective of any extension of time, if an Event of Force Majeure occurs and its effect continues for a continuous period of 60 days or more, either Party may terminate this Agreement with immediate effect by providing a written notification of the same to the other Party.

**15.3 Neither** Party shall be liable for any loss(es) suffered by the other Party arising as a result of a Force Majeure Event.

## **16. TERMINATION.**

**16.1 The Agreement** may be terminated by either party at any time, for any reason, with or without cause, upon a written notification at least 30 days prior to the date of termination to the other party.

**16.2** Notwithstanding whatsoever provisioned in Clause 16.1 above, either Party may terminate this Agreement with immediate effect under following circumstances:

- i. If the other Party or business of the Party is found illegal under the laws of Nepal by the Authority of Nepal government or court in Nepal.
- ii. If the other Party is in breach of any the terms and condition of this **Agreement**.

**16.3** The **Agreement** shall be deemed to be terminated from the effective date of any laws, rules, directives, circulars, orders or decision prohibiting any contract of this type pronounced by the laws of Nepal under Authority of Nepal Government or Nepal Rastra Bank or any other regulatory bodies or courts of Nepal. In such case, thirty (30) days prior written notification pursuant to Clause 15.1 need not to be served by the Parties.

**16.4** Upon termination of this **Agreement** for whatsoever reasons pursuant to the provisions of the Agreement, the respective obligations of the **Parties** set out in this **Agreement** shall cease. Any amounts due and payable under this **Agreement** shall continue to be due and payable in full.

## **17. INDEPENDENT ENTITIES.**

The **Parties** are independent entities. Neither party nor any consultant of either the party shall be deemed to be an employee, agent, partner, joint venture or legal representative of the other for any purpose, and neither shall have any right, power or authority to create any obligation or responsibility on behalf of the other, solely as a result of this **Agreement**.

## **18. RETURN OF DATA.**

Upon termination or expiration of this **Agreement**, each party's rights to use or possess Confidential Information automatically terminate immediately. Each party will return, or at the other party's request provide verification of destruction of, any copy of any the other party's Confidential Information it may possess.

## **19. NOTICES.**

1) Any notice required to be given hereunder shall be in writing and shall be given by registered mail, hand delivery or by facsimile or cable to the following addresses of the concerned **Parties**:

To the **Finance**  
.....**Branch**

Phone No: .....  
Email: .....

To the **Merchant**

.....  
Kathmandu, Nepal  
Phone No:  
Email:

