

## Standard Merchant Acquisition Conditions

### 1. Acceptance of CNP Transactions

- 1.1 The provisions of this Condition 1 shall not apply unless the Merchant has been authorised by the Bank in writing (whether in the Merchant Agreement Form or otherwise) to effect and complete CNP Transactions.
  - 1.2 Subject to Condition 1.10, the Merchant must seek (through the relevant Payment Gateway, or otherwise over the telephone at the number(s) specified by the Bank from time to time) and obtain an Approval Code from the Bank with respect to each CNP Transaction proposed to be effected by the Merchant before the Merchant accepts the CNP Transaction.
  - 1.3 Notwithstanding any term in the Agreement, the Bank shall not have any liability whatsoever to the Merchant in respect of any CNP Transaction unless the Merchant had first sought, and the Bank had issued, an Approval Code for that CNP Transaction. Nothing in the Agreement shall be construed as imposing any obligation on the Bank to issue an Approval Code with respect to any CNP Transaction or at all, even if the Merchant had complied with the rules, procedures and/or instructions prescribed by the Bank for the purpose of seeking Approval Codes from the Bank. Any Approval Code issued by the Bank with respect to any CNP Transaction shall not in any way preclude or prevent the Bank from relying upon any other provision in the Agreement to:
    - 1.3.1 refuse or withhold any payment to the Merchant in respect of that CNP Transaction; or
    - 1.3.2 recover from the Merchant any amount paid to the Merchant in respect of that CNP Transaction.
  - 1.4 An Approval Code issued by the Bank with respect to any CNP Transaction shall be valid and remain in force only for the Specified Period. If the Merchant fails to complete a CNP Transaction within the Specified Period after the issuance by the Bank of the Approval Code for that CNP Transaction, the Merchant must seek and obtain a fresh Approval Code from the Bank with respect to that CNP Transaction.
  - 1.5 The Merchant shall observe and comply with any and all instructions given to the Merchant by the Bank (whether through any Payment Gateway or otherwise) in response to any request for an Approval Code for any CNP Transaction. Without prejudice to the foregoing, if the Merchant receives a "Referral" message following a request for an Approval Code for any CNP Transaction, the Merchant shall contact the Bank through the telephone at the number(s) specified by the Bank for instructions.
  - 1.6 Upon obtaining an Approval Code from the Bank with respect to a CNP Transaction proposed to be effected by the Merchant, the Merchant may then accept the Card Details furnished by the Cardholder through a Payment Instruction during the Contract Period (or such shorter period as the Bank may notify the Merchant) for the purpose of effecting such CNP Transaction.
  - 1.7 Following the issuance of an Approval Code with respect to a CNP Transaction, the Merchant shall complete the CNP Transaction with the Cardholder by providing the Cardholder with a transaction receipt. Such transaction receipt may be in a documentary or electronic form but shall in any case include all of the following data:
    - 1.7.1 the name of the Merchant and the Merchant's identification code assigned by the Bank;
    - 1.7.2 the Approval Code issued by the Bank with respect to the CNP Transaction;
    - 1.7.3 the Transaction Amount (and if the amount is denominated in a currency other than Singapore dollars, the currency);
    - 1.7.4 the date on which the CNP Transaction is effected;
    - 1.7.5 the unique transaction identification number assigned by the Merchant to the Cardholder with respect to the CNP Transaction;
    - 1.7.6 the uniform resource locator of the Site (if there is one) and a description of the goods and/or services sold, supplied or provided; and
-

- 1.7.7 any other information as the Bank may from time to time specify.
- 1.8 The Merchant shall retain a record of the transaction receipt provided for each CNP Transaction for a period of at least 18 months from the date of the CNP Transaction and shall forthwith submit the Merchant's record of the transaction receipt to the Bank if and when requested to do so.
- 1.9 The Merchant warrants and undertakes to the Bank that at all times throughout the Contract Period:
- 1.9.1 the Merchant shall ensure that the Site not offer any products and services other than such goods and services that are available for delivery or may be performed in the normal course of the Merchant's business;
- 1.9.2 the Site shall clearly set out the following information:
- (i) a complete description of the products and/or services offered by the Merchant;
  - (ii) all the Merchant's terms and conditions (including its policy of refunds and returns) concerning the services and/or products sold, supplied and/or provided by the Merchant;
  - (iii) the Merchant's customer service contact numbers, including electronic mail address and telephone number;
  - (iv) the prices payable to the Merchant for the products and/or services and any other fees or charges of the Merchant;
  - (v) the currency in which the transaction will be transacted;
  - (vi) export restrictions relating to any goods or services (if any);
  - (vii) the means by which goods sold will be delivered to the purchaser; and
  - (viii) the Merchant's country of domicile; or, if a body corporate, of incorporation;
- 1.9.3 the Merchant shall not (whether through the Site or by any communication with or representation to any person) cause, permit or create any misrepresentation as to price, nature, quality or any aspect of any product or service being offered by the Merchant;
- 1.9.4 the Merchant shall ensure that the Site shall not contain any libellous material or otherwise disparage any person (whether a competitor of the Merchant or otherwise);
- 1.9.5 the Merchant shall maintain adequate and appropriate personnel, equipment, software, telephone services and e-mail addresses to gain access to and receive communications from the Site; and
- 1.9.6 the Merchant shall promptly respond to purchase orders and other enquiries received by the Merchant from any person on or relating to the Site.
- 1.10 The Bank may from time to time exempt the Merchant from the need to obtain an Approval Code with respect to any CNP Transaction, subject any qualifications, limitations and restrictions as the Bank may impose and for such period as the Bank may determine. Any such exemption shall not be valid unless documented in writing, and any such exemption which may be granted shall not affect the obligations of the Merchant or the rights of the Bank under any other provision of the Agreement.

## **2. Acceptance of IPP Transactions**

- 2.1 The provisions of this Condition 2 shall not apply unless the Merchant has been authorised by the Bank in writing (whether in the Merchant Agreement Form or otherwise) to effect and complete IPP Transactions.
- 2.2 Subject to Condition 2.9, the Merchant must seek (over the telephone at the number(s) specified by the Bank from time to time) and obtain an Approval Code from the Bank with respect to each IPP Transaction proposed to be effected by the Merchant before the Merchant accepts the IPP Transaction.
- 2.3 Notwithstanding any term in the Agreement, the Bank shall not have any liability whatsoever to the Merchant in respect of any IPP Transaction unless the Merchant had first sought, and the Bank had issued, an Approval Code for that IPP Transaction. Nothing in the Agreement shall be construed as imposing any obligation on the Bank to issue an Approval Code with respect to any IPP Transaction or at all, even if the

Merchant had complied with the rules, procedures and/or instructions prescribed by the Bank for the purpose of seeking Approval Codes from the Bank. Any Approval Code issued by the Bank with respect to any IPP Transaction shall not in any way preclude or prevent the Bank from relying upon any other provision in the Agreement to:

- 2.3.1 refuse or withhold any payment to the Merchant in respect of that IPP Transaction; or
  - 2.3.2 recover from the Merchant any amount paid to the Merchant in respect of that IPP Transaction.
- 2.4 An Approval Code issued by the Bank with respect to any IPP Transaction shall be valid and remain in force only for the Specified Period. If the Merchant fails to complete an IPP Transaction within the Specified Period after the issuance by the Bank of the Approval Code for that IPP Transaction, the Merchant must seek and obtain a fresh Approval Code from the Bank with respect to that IPP Transaction.
- 2.5 The Merchant shall observe and comply with any and all instructions given to the Merchant by the Bank in response to any request for an Approval Code for any IPP Transaction. Without prejudice to the foregoing, if a Terminal responds with a "Referral" message following a request for an Approval Code for any IPP Transaction, the Merchant shall contact the Bank through the telephone at the number(s) specified by the Bank for instructions.
- 2.6 Upon obtaining an Approval Code from the Bank with respect to an IPP Transaction proposed to be effected by the Merchant, the Merchant may then accept the Card Details furnished by the Cardholder through a Payment Instruction during the Contract Period (or such shorter period as the Bank may notify the Merchant) for the purpose of effecting such IPP Transaction.
- 2.7 Following the issuance of an Approval Code with respect to an IPP Transaction, the Merchant shall complete the IPP Transaction with the Cardholder by providing the Cardholder with a transaction receipt. Such transaction receipt may be in a documentary or electronic form but shall in any case include all of the following data:
- 2.7.1 the name of the Merchant and the Merchant's identification code assigned by the Bank;
  - 2.7.2 the Approval Code issued by the Bank with respect to the IPP Transaction;
  - 2.7.3 the Transaction Amount (and if the amount is denominated in a currency other than Singapore dollars, the currency);
  - 2.7.4 the amount of each monthly instalment and the number of instalments;
  - 2.7.5 the date on which the IPP Transaction is effected; and
  - 2.7.6 any other information as the Bank may from time to time specify.
- 2.8 The Merchant shall retain a record of the transaction receipt provided for each IPP Transaction for a period of at least 18 months from the date of the IPP Transaction and shall forthwith submit the Merchant's record of the transaction receipt to the Bank if and when requested to do so.
- 2.9 The Bank may from time to time exempt the Merchant from the need to obtain an Approval Code with respect to any IPP Transaction, subject any qualifications, limitations and restrictions as the Bank may impose and for such period as the Bank may determine. Any such exemption shall not be valid unless documented in writing, and any such exemption which may be granted shall not affect the obligations of the Merchant or the rights of the Bank under any other provision of the Agreement.
- 3. Acceptance of Recurring Transactions**
- 3.1 The provisions of this Condition 3 shall not apply unless the Merchant has been authorised by the Bank in writing (whether in the Merchant Agreement Form or otherwise) to effect and complete Recurring Transactions.
- 3.2 Subject to Condition 3.10, the Merchant must seek (through the relevant Payment Gateway) and obtain an Approval Code from the Bank with respect to each Recurring Transaction proposed to be effected by the Merchant before the Merchant accepts the Recurring Transaction.

- 3.3** Notwithstanding any term in the Agreement:
- 3.3.1** the Bank shall not have any liability whatsoever to the Merchant in respect of any Recurring Transaction unless the Merchant had first sought, and the Bank had issued, an Approval Code for that Recurring Transaction; and
- 3.3.2** the Merchant shall not effect or attempt to effect any Recurring Transaction with any Cardholder unless the Payment Instruction given by the Cardholder remains in force and the Merchant had obtained an Approval Code for each Recurring Transaction.
- 3.4** Nothing in the Agreement shall be construed as imposing any obligation on the Bank to issue an Approval Code with respect to any Recurring Transaction or at all, even if the Merchant had complied with the rules, procedures and/or instructions prescribed by the Bank for the purpose of seeking Approval Codes from the Bank. Any Approval Code issued by the Bank with respect to any Recurring Transaction shall not in any way preclude or prevent the Bank from relying upon any other provision in the Agreement to:
- 3.4.1** refuse or withhold any payment to the Merchant in respect of that Recurring Transaction; or
- 3.4.2** recover from the Merchant any amount paid to the Merchant in respect of that Recurring Transaction.
- 3.5** An Approval Code issued by the Bank with respect to any Recurring Transaction shall be valid and remain in force only for the Specified Period. If the Merchant fails to complete a Recurring Transaction within the Specified Period after the issuance by the Bank of the Approval Code for that Recurring Transaction, the Merchant must seek and obtain a fresh Approval Code from the Bank with respect to that Recurring Transaction.
- 3.6** The Merchant shall observe and comply with any and all instructions given to the Merchant by the Bank (whether through any Terminal or otherwise) in response to any request for an Approval Code for any Recurring Transaction. Without prejudice to the foregoing, if a Terminal responds with a "Referral" message following a request for an Approval Code for any Recurring Transaction, the Merchant shall contact the Bank through the telephone at the number(s) specified by the Bank for instructions.
- 3.7** Upon obtaining an Approval Code from the Bank with respect to a Recurring Transaction proposed to be effected by the Merchant, the Merchant may then accept the Card Details furnished by the Cardholder in a Payment Instruction during the Contract Period (or such shorter period as the Bank may notify the Merchant) with a view to effecting Recurring Transactions with that Cardholder.
- 3.8** The Merchant shall retain a record of all data relating to or in connection with each Recurring Transaction for a period of at least 18 months from the date of the Recurring Transaction and shall forthwith submit the Merchant's record of such data to the Bank if and when requested to do so.
- 3.9** The Merchant warrants and undertakes to the Bank that at all times throughout the Contract Period, the Merchant shall maintain adequate and appropriate personnel, equipment software, telephone services and e-mail addresses to receive and respond to any queries or requests from Cardholders in relation to any Payment Instruction or Recurring Transaction.
- 3.10** The Bank may from time to time exempt the Merchant from the need to obtain an Approval Code with respect to any Recurring Transaction, subject any qualifications, limitations and restrictions as the Bank may impose and for such period as the Bank may determine. Any such exemption shall not be valid unless documented in writing, and any such exemption which may be granted shall not affect the obligations of the Merchant or the rights of the Bank under any other provision of the Agreement.
- 4. Settlement of Transactions**
- 4.1** If the Approval Code for a Transaction completed by the Merchant was obtained through a Payment Gateway, the Merchant shall transmit, through the relevant Payment Gateway, to the Bank's System all the data specified in Condition 4.2 with respect to such Transaction no later than the end of the first Banking Day immediately following the day on which the Approval Code was issued for that Transaction, or such other date as the Bank may specify.
- 4.2** The data required to be transmitted to the Bank pursuant to Conditions 4.1 shall include all the following:
-

- 4.2.1 where the Transaction comprises a CNP Transaction, the data listed in Conditions 1.7.1 to 1.7.4;
  - 4.2.2 where the Transaction comprises an IPP Transaction, the data listed in Conditions 2.7.1 to 2.7.5;
  - 4.2.3 where the Transaction comprises a Recurring Transaction, the following data:
    - (i) the name of the Merchant;
    - (ii) the Approval Code issued by the Bank with respect to the Recurring Transaction;
    - (iii) the Transaction Amount; and
    - (iv) the date on which the Recurring Transaction is effected; and
  - 4.2.4 in each case, any other information as the Bank may from time to time specify.
- 4.3 The Merchant shall not make or cause to be made more than one transmission to the Bank's System of the data relating to a Transaction. The Merchant shall observe and comply with any and all instructions given to the Merchant by the Bank (whether through any Terminal, Payment Gateway or otherwise) in connection with the transmission of data relating to any Transaction(s).
- 4.4 The Merchant shall, in transmitting to the Bank's System the data relating to a Transaction be deemed to have made the following representations, warranties and undertakings to the Bank with respect to the Transaction:
- 4.4.1 the Merchant has fully observed and complied with all the terms of the Agreement in relation to the Transaction;
  - 4.4.2 the Transaction was completed within the Specified Period of the Approval Code issued by the Bank for that Transaction;
  - 4.4.3 the Transaction constitutes payment for goods and/or services sold, supplied and/or provided by the Merchant, or the fees or charges of the Merchant, and neither the contract nor the performance of the contract relating to the sale, supply and/or provision of such goods and/or services or under which such fees or charges were incurred is or shall be illegal, invalid or unenforceable for any reason whatsoever in Singapore and in the country where they are to be supplied or provided or incurred;
  - 4.4.4 the Transaction Amount is due and immediately payable by the Cardholder, with whom the Transaction was effected, to the Merchant (or in the case of an IPP Transaction, the Transaction Amount will accrue due and payable by the Cardholder, with whom the Transaction was effected, to the Merchant in the instalments stated);
  - 4.4.5 such Cardholder had in fact made the Payment Instruction and the Merchant had been duly authorised by the Cardholder to use the Card Details for the purposes of the Transaction;
  - 4.4.6 if the Transaction comprises an IPP Transaction, all the goods and/or services underlying the Transaction which are required to be sold, supplied and/or provided have in fact been duly delivered, supplied and/or performed, as the case may be; and
  - 4.4.7 all information and data transmitted to the Bank's System or otherwise furnished to the Bank (whether in writing or electronically) is true, accurate and correct in all respects.

## **5. Payments to the Merchant**

- 5.1 Subject to the terms of Conditions 5 and 7, the Bank shall, with respect to each Transaction whose data is duly transmitted to the Bank's System in accordance with Condition 4, pay the Merchant the Payment Amount of that Transaction within 7 Banking Days after the data pertaining to the Transaction was captured in the Bank's System.
- 5.2 If the data pertaining to a Transaction is received by the Bank's System after the time prescribed in Condition 4.1, the Bank may at its sole discretion elect as follows:
- 5.2.1 exercise its rights under Condition 7.1.8 with respect to that Transaction; or

- 5.2.2** increase, with respect to that Transaction, the MDR which would otherwise have been applicable to that Transaction by an additional 0.60% (or such other rate or amount as the Bank may notify the Merchant from time to time).
- 5.3** Notwithstanding Condition 5.1, the Bank may at its sole discretion, by notice to the Merchant, withhold payment to the Merchant of the Payment Amount of any Transaction or any type or category of Transaction for such period (not exceeding 7 months from the date the Transaction was completed) as the Bank may notify the Merchant.
- 5.4** The Bank will make payment to the Merchant of the Payment Amount for each Transaction (including any Transaction which is denominated in a Designated Currency) in the Settlement Currency. For this purpose, where the Payment Amount is denominated in a currency other than the Settlement Currency, the Bank:
- 5.4.1** will convert the Payment Amount into the Settlement Currency at such rate as may be determined by the Bank at its sole discretion at the time payment of the Payment Amount is made to the Merchant; and
- 5.4.2** may at its sole discretion, deduct a sum equal to the Administrative Fee (if any) from such Payment Amount to be made to the Merchant.
- 5.5** Any payment by the Bank to the Merchant with respect to a Transaction is made in reliance of the truth and correctness of the representations, warranties and undertakings made by the Merchant to the Bank with respect to such Transaction. Any such payment shall not constitute an admission or acknowledgement by the Bank that the Merchant had in fact duly observed, complied with and performed the Merchant's representations, warranties, undertakings and obligations under the Agreement with respect to that Transaction, and shall not prejudice in any way any rights, remedies and claims which the Bank may have against the Merchant, whether pursuant to any term in the Agreement or otherwise.
- 6. Refunds to Cardholders**
- 6.1** The Merchant shall not make any refunds to any Cardholder in connection with any Transaction, save by way of crediting the amount of such refund to the account of the Cardholder (from which account the payment for such Transaction was made) in accordance with the provisions of this Condition 6.
- 6.2** If during the Contract Period, the Merchant proposes to make a refund to a Cardholder in connection with a Transaction completed by the Merchant with that Cardholder, the following terms shall apply:
- 6.2.1** The Merchant shall submit a request to the Bank (by such means and in such form as the Bank may require) to credit the account of the Cardholder (from which account the payment for such Transaction was made) with the amount of the refund specified in such request.
- 6.2.2** The Bank shall not be obliged to effect any refund in relation to any Transaction or credit an account of any Cardholder. If the Bank, at its sole discretion, accedes to any request to credit an account of any Cardholder whether in respect of goods and services tax or otherwise, the Merchant shall pay the Bank the amount to be credited before Bank effects such credit.
- 6.2.3** The Merchant shall provide the Cardholder with a transaction receipt containing the following data:
- (i) the name of the Merchant and the Merchant's identification code assigned by the Bank;
  - (ii) the amount to be refunded and credited (and if the amount is denominated in a currency other than Singapore dollars, the currency);
  - (iii) the date on which the refund is effected; and
  - (iv) any other information as the Bank may from time to time specify.
- 6.3** If the Bank had authorised the Merchant in writing (which authorisation may be made subject to any restrictions and requirements as the Bank may prescribe at its sole discretion) to carry out Refunds, the following terms shall apply (in place of and notwithstanding Condition 6.2) for as long as such authorisation continues in force:

- 6.3.1** Any refund proposed to be made during the Contract Period by the Merchant to a Cardholder in connection with a Transaction completed by the Merchant with that Cardholder shall be made by means of a Refund.
- 6.3.2** The Merchant shall, immediately after a Refund has been transmitted through a Terminal (or, if the Transaction was a CNP Transaction effected through the Internet or a Recurring Transaction, a Payment Gateway) to the Bank's System, pay the Bank the amount specified in the Refund as the amount to be credited or refunded.
- 6.3.3** The Merchant shall provide the Cardholder (in relation to which the Refund is effected) with a transaction receipt for the Refund, which shall contain the data described in Condition 6.2.3.
- 6.4** Notwithstanding any term in the Agreement, the Bank shall not be obliged to take any action to process any refund or give effect to any request to credit an account of any Cardholder with any refund until and unless the Bank had received from the Merchant the whole of the amount to be refunded and credited.
- 6.5** The Merchant shall retain a record of the transaction receipt provided for each refund for a period of at least 18 months from the date of the refund and shall forthwith submit the record of the transaction receipt to the Bank if and when requested to do so.

## **7. Refunds to the Bank**

- 7.1** Notwithstanding any term in the Agreement to the contrary and any Approval Code that may have been issued by the Bank with respect to a Transaction, the Bank shall not be required to make any payment to the Merchant pursuant to Condition 5.1 with respect to the Transaction, and, if any payment had been made to the Merchant pursuant to Condition 5.1 with respect to the Transaction, the Merchant shall immediately refund to the Bank the amount of the payment (or any part thereof) on demand, if one or more of the following circumstances applies to the Transaction:
- 7.1.1** the Merchant failed to observe, comply with or duly perform any one or more of the Merchant's obligations under the Agreement with respect to that Transaction, or any of the representations, warranties, undertakings made or deemed to be made by the Merchant to the Bank under the Agreement with respect to that Transaction is untrue, incorrect or inaccurate in any respect;
- 7.1.2** if the Transaction comprises a Retail Transaction, the Bank is of the opinion or is notified (whether by the Cardholder (with whom the Transaction was supposedly effected) or by the issuer of the Card) that such Cardholder did not sign the Sales Draft or effect the Retail Transaction;
- 7.1.3** if the Transaction comprises an IPP Transaction, the Merchant failed to comply with any obligation prescribed in Condition 2.7 or the Bank is of the opinion or is notified by the Cardholder (with whom the Transaction was supposedly effected) that such Cardholder did not sign the IPP Draft or effect the Transaction, or that the Merchant had not been authorised by the Cardholder to use the Card Details;
- 7.1.4** the Bank is of the opinion or is notified (whether by the Cardholder (with whom the Transaction was supposedly effected) or by the issuer of the Card) that:
- (i) the Merchant had failed to deliver or supply the requisite goods and/or perform the requisite services to which the Transaction relates;
  - (ii) such Cardholder disputes the nature, quality or quantity of such goods and/or services or had returned or rejected any such goods or services; or
  - (iii) the contract relating to the sale, supply and/or provision of such goods and/or services or for the fees or charges of the Merchant is illegal, invalid or unenforceable for any reason whatsoever;
- 7.1.5** the Transaction Amount payable by the Cardholder (with whom the Transaction was supposedly effected) to the Merchant in respect of the transaction between the Merchant and the Cardholder exceeds the amount which the Merchant would otherwise charge for cash payment;

- 7.1.6 the Bank is of the opinion that the Cardholder (with whom the Transaction was supposedly effected) had not effected the Transaction;
- 7.1.7 the Transaction was completed after the expiry of the Specified Period of the Approval Code issued by the Bank for the Transaction;
- 7.1.8 the data pertaining to the Transaction was received by the Bank's System after the time prescribed in Condition 4.1; or
- 7.1.9 the issuer of the Card which was used (or whose Card Details were used) in the Transaction is entitled to refuse to pay, or to claim a refund of the amount paid to, or refuses to pay, or claims a refund of the amount paid to, the Bank in respect of the Transaction.

## **8. Additional Matters and Undertakings**

- 8.1 The Merchant warrants and undertakes to the Bank that at all times throughout the Contract Period the Merchant shall:
  - 8.1.1 offer only such products and/or services which the Merchant is lawfully entitled to offer, provide, supply, sell and deliver;
  - 8.1.2 establish and maintain a fair policy of refunds to its customers (including Cardholders) and shall accept the return of, and refund to any customer the price paid by the customer for any products or services purchased or procured which are unsatisfactory to the customer; and
  - 8.1.3 duly comply with all, and perform and discharge all its obligations under the Agreement in a manner which does not infringe any, laws and regulations, guidelines, codes, policies, directions, requests or requirements of any government or other governmental authority or any law enforcement, supervisory or tax authority, regulatory body or court or tribunal (including any Regulatory Authority) (whether or not having the force of law), as may be applicable to the Merchant and the performance and discharge of any obligation of the Merchant under the Agreement (including any data retention laws and regulations).
- 8.2 The Merchant must not impose any additional charge, levy or condition for the Merchant's acceptance of any Card in payment for any goods and/or services sold, provided or offered by the Merchant or any fees or charges of the Merchant. The Merchant shall not require or recover any payment (or attempt to do so) from a Cardholder of the Transaction Amount of any Transaction, notwithstanding any dispute between the Bank and the Merchant in connection with that Transaction, save with the Bank's prior written consent.
- 8.3 The Merchant confirms and agrees that no more than one Approval Code may be issued by the Bank for a particular Transaction proposed to be effected or accepted by the Merchant. The Bank shall not be required or obliged to:
  - 8.3.1 debit or charge any amount to a Card other than the amount for which the relevant Approval Code was obtained, save in accordance with the provisions of the Agreement; or
  - 8.3.2 pay the Merchant any amount other than the amount for which the relevant Approval Code was obtained, save in accordance with the provisions of the Agreement.
- 8.4 The Merchant shall at all times observe and comply with the Visa Merchant Fraud Performance program and MasterCard Global Merchant Audit Program (attached as Appendix 1), the Payment Card Industry Data Security Standards (attached as Appendix 2), the steps related to the management of e-commerce risk (attached as Appendix 3), and any and all rules and procedures as may be prescribed by the Bank from time to time, including that concerning:
  - 8.4.1 the use of any Terminal and/or any Payment Gateway for the purpose of seeking Approval Codes from the Bank, transmitting data to the Bank's System or otherwise in connection with any Transaction;
  - 8.4.2 the effecting of any refund or credit in respect of any Transaction;
  - 8.4.3 the acceptance or processing of any Card or Payment Instruction; and

- 8.4.4** the administration of any matter relating to and/or arising out of the Agreement.
- 8.5** The Merchant must ensure that the Transaction Amount of a Transaction is denominated in a Designated Currency. Unless otherwise authorised by the Bank, the Merchant shall not accept or complete any Transaction which is denominated in a currency other than a Designated Currency.
- 8.6** If the Merchant is requested by the Bank to withhold any Card presented by any person for any reason whatsoever, the Merchant shall use its best efforts by peaceful means to retrieve and retain the Card.
- 8.7** Without prejudice to Condition 8.6, if:
- 8.7.1** the Merchant believes or suspects that the Payment Instruction relating to a Transaction is made by a person other than the Cardholder;
- 8.7.2** the Merchant has any reason to suspect or believe that the person seeking to use any Card is not the Cardholder; or
- 8.7.3** the circumstances in which the Card is sought to be used are suspicious or unusual,
- the Merchant shall not process the Transaction and shall immediately inform the Bank of the same, and comply with such instructions as may be prescribed by the Bank.
- 8.8** The Merchant shall not act in breach of the peace or defame or injure any person or damage any property, and the Merchant shall indemnify and hold the Bank harmless against any claim arising from any injury to any person or damage to any property or a breach of the peace or for the defamation of any person in the course of the retrieval or retention of any Card by the Merchant, or the non-processing of any Transaction (pursuant to Condition 8.6, Condition 8.7 or otherwise).
- 8.9** The Merchant shall during the Contract Period and at its own costs, acquire, install, operate and maintain such number of Terminals as the Merchant considers appropriate for the purposes of its business. The Merchant shall, at all times during the Contract Period:
- 8.9.1** make such arrangements and connections to the systems of such other person(s), and/or subscribe for such services (including the use of a Payment Gateway), as may be stipulated by the Bank from time to time to enable Transactions to be processed and the data in respect of such Transactions to be transmitted to the Bank's System;
- 8.9.2** procure from such suitably qualified persons the services required to properly operate and maintain such Terminals, Payment Gateway and any other equipment and systems of the Merchant;
- 8.9.3** not use any equipment or software other than a Terminal for the purposes of processing any Transaction (including obtaining an Approval Code from the Bank for any Transaction), or any particular category or type of Transactions, or any refund to a Cardholder in connection with any Transaction; and
- 8.9.4** not use any Terminal, or permit any Terminal to be used, for the purpose of enabling any Cardholder to make any payment to any person other than the Merchant.
- 8.10** The Merchant shall comply with such encryption standard as may be from time to time imposed by the Bank, a Card Network or any Regulatory Authority for the purpose of protecting any data or information relating to Transactions, Refunds and/or Cardholders transmitted whether to or from any Terminal, via any Payment Gateway, the Internet or any electronic or telecommunications equipment, medium or network.
- 8.11** The Bank may, at any time during the Contract Period, require the Merchant to furnish the Bank with security for the due performance by the Merchant of its representations, warranties, undertakings and obligations under the Agreement, and any and all sums which may become payable by the Merchant to the Bank (whether as damages or otherwise).
- 8.11.1** The Merchant shall, upon request made by the Bank in writing from time to time during the Contract Period, furnish the Bank with such amount as the Bank may specify by way of security, within 7 Banking Days of the Bank's request.

- 8.11.2** The Bank may utilise at any time (whether during or after the termination of the Contract Period) the whole or any part of the amount of security held by the Bank towards settlement (in whole or in part) of any sum due from or payable by the Merchant to the Bank in connection with or arising from the Agreement.
- 8.11.3** In the event that the whole or any part of the amount of security held by the Bank is utilised by the Bank, the Merchant shall forthwith procure that the amount held by the Bank as security for the purposes of this Condition 8.11 be reinstated to such sum as may be required by the Bank for the time being for this purpose.
- 8.11.4** The Bank shall be entitled to retain the amount of the security provided by the Merchant until the expiry of 8 months after the termination of the Contract Period, after which, subject to the rights conferred on or exercisable by the Bank under the Agreement, the Bank shall return to the Merchant the balance for the time being held by the Bank, free of interest.
- 8.11.5** Any security held by the Bank shall not preclude, affect or restrict the exercise of any rights by the Bank under the Agreement or any legal remedy or relief to which the Bank may be entitled arising from any breach of the Merchant. In addition, nothing in the Agreement shall be construed as in any way limiting the Bank's right of recovery against the Merchant to the amount of the security.
- 8.12** Without prejudice to Condition 8.11:
- 8.12.1** If a Prescribed Event occurs, or the Bank has reasonable grounds to apprehend that a Prescribed Event has occurred or may occur, the Bank shall not be required to make payment of, and may withhold and retain, all monies (or any part thereof as the Bank may consider appropriate) which would otherwise fall payable pursuant to Condition 5.1 in respect of any and all Transactions. In this connection, the following terms shall apply:
- (i) All monies so withheld shall be retained by way of security for such duration as the Bank may reasonably consider appropriate (but not exceeding 8 months after the termination of the Contract Period, after which, subject to the rights conferred on or exercisable by the Bank under the Agreement, the Bank shall return to the Merchant the balance for the time being held by the Bank, free of interest). The Bank may utilise, at any time (whether during or after the termination of the Contract Period), the whole or any part of the amount of such monies towards settlement (in whole or in part) of any sum due from or payable by the Merchant to the Bank in connection with or arising from the Agreement.
  - (ii) In determining the amount of the security to be established pursuant to this Condition 8.12.1, the Bank will take into account all the surrounding circumstances leading to the occurrence of the Prescribed Event, and estimate of the amount of the refunds which the Merchant may potentially be liable for pursuant to Condition 7.
  - (iii) The Bank will periodically review the adequacy of the amount of the security for the time being held by the Bank pursuant to this Condition 8.12.1 in the light of the prevailing circumstances, and if the Bank considers it reasonably appropriate to do so, the Bank will reduce the amount of the security for the time being held by the Bank, and return the surplus to the Merchant.
- 8.12.2** The Bank may, in addition, require that the Merchant:
- (i) furnish the Bank with a projection of the aggregate of the Transaction Amounts which the Merchant estimates will likely fall due and payable to the Merchant in any year (or such other period as may be specified by the Bank);
  - (ii) maintain at all times in any account or accounts of the Merchant with the Bank such amount as may be specified by the Bank from time to time. The Merchant undertakes to maintain a credit balance not less than such amount in such account or accounts at all times; and
  - (iii) procure that one or more of the shareholders, partners or directors (as the case may be) of the Merchant shall execute a guarantee in such form and content as the Bank may require

in favour of the Bank for the Merchant's obligations in connection with or arising from the Agreement.

- 8.13 The Merchant shall not use, publish or represent in any visible form or manner any name, service mark and/or logo of the Bank or of any Card Network except with the Bank's prior written approval. Any approval given shall be deemed withdrawn and the Merchant shall immediately cease to use, publish or represent any such name, service mark and/or logo for which approval was so given upon the termination of the Contract Period.
- 8.14 The Bank shall, during the Contract Period, be authorised and is entitled to use the Merchant's name, trademark(s), service mark(s) and/or logo(s) in advertisements and for general publicity relating to the merchants of the Bank.
- 8.15 The Merchant will prominently display any promotional material provided by the Bank and publicise to its customers that the Cards will be accepted by the Merchant as a means of payment.
- 8.16 The Merchant represents and warrants to and for the benefit of the Bank that all information, details and other matters provided by or on behalf of the Merchant to the Bank are true, accurate, correct and complete as at the time of such provision, and the Merchant shall ensure that such information, details and other matters remain true, accurate, correct and complete throughout the Contract Period. If there are, or the Merchant becomes or ought to be aware of, any change to such information, details or matters, the Merchant shall forthwith notify the Bank in writing of such change. The Bank shall thereafter be entitled to take such steps as the Bank considers appropriate having regard to such change, and require the Merchant to, and the Merchant shall, do such things as may be necessary to facilitate and give effect to the Bank's intentions.

## **9. Examination of Records**

- 9.1 The Merchant shall maintain and retain all records (whether in documentary or electronic form or in computer disks or other storage medium) relating to each Transaction and each Refund, and the goods and/or services supplied, sold or provided or the Merchant's fees or charges in respect thereof, for a period of at least 18 months from the date of the Transaction or Refund, as the case may be.
- 9.2 If and when requested by the Bank, the Merchant shall allow the Bank to inspect all the documents and records of the Merchant referred to in Condition 9.1 and the Merchant shall promptly provide the Bank with copies of all such documents and records if so requested by the Bank.
- 9.3 All records retained by the Merchant pursuant to Condition 9.1, including any and all information and data relating to any Cardholder, whether given provided or revealed to the Merchant by the Cardholder or by the Bank, shall be protected and securely stored. The Merchant shall observe and adopt such security measures as may be appropriate to ensure that the confidentiality of such records is not at any time or in any way compromised. Without prejudice to the generality of the foregoing, such records shall not be stored in any equipment (including any Terminal) to which on-line access may be obtained acquired or established, whether electronically or otherwise, by any third party. It shall not be a defence for the Merchant to assert that it has exercised due diligence or acted reasonably in ensuring the maintenance of the confidential status of such records.

## **10. Termination**

- 10.1 The Merchant shall not be entitled to terminate the Agreement, or the Contract Period except in accordance with Condition 10.2.
- 10.2 Either Party may terminate the Contract Period by giving the other Party not less than 30 days' prior written notice, in which event the Contract Period shall terminate on the date specified in the notice.
- 10.3 The Bank shall be entitled to terminate the Contract Period with respect to any type or category of Transactions by giving the Merchant not less than 30 days' prior written notice, in which event the Contract Period shall terminate on the date specified in such notice with respect to the type or category of Transactions stated in such notice, but without affecting the continuation in force of the Contract Period with respect to the remaining type(s) and/or category(ies) of Transactions which are not affected by such notice.

- 10.4** The Bank shall be entitled to terminate the Contract Period immediately by written notice to the Merchant in any of the following events:
- 10.4.1** (where the Merchant is a natural person or a firm) the Merchant or any of the partners comprising the Merchant dies or becomes mentally incapacitated, or proceedings are commenced for the bankruptcy of the Merchant or any of the partners comprising the Merchant or an interim order (within the meaning of the Bankruptcy Act, Chapter 20) is applied for or made in respect of the Merchant or any of the partners comprising the Merchant;
  - 10.4.2** (where the Merchant is a society or a body corporate) proceedings are commenced or a resolution is passed for the winding up or dissolution of the Merchant or (where the Merchant is a body corporate) proceedings are commenced for the judicial management of the Merchant or a receiver or receiver and manager is appointed over the Merchant or any of its assets;
  - 10.4.3** distress or other execution is levied against the Merchant or any of its assets;
  - 10.4.4** the Merchant enters into any composition or arrangement with its creditors;
  - 10.4.5** the Merchant has commenced the winding down or cessation of its business, or has ceased to carry on business;
  - 10.4.6** any Terminal is used for the purpose of any payments to be made by any Cardholder to a person other than the Merchant;
  - 10.4.7** the Merchant breaches any of the Merchant's representations, warranties, undertakings and obligations under the Agreement or any such representation or warranty is or becomes untrue; or
  - 10.4.8** the Merchant or any of its shareholders, partners, officers, employees and/or agents is or is suspected by the Bank or is notified to the Bank by a Card Network to be involved or suspected to be involved in any fraudulent or unlawful activity whether or not relating to the Merchant's business.
- 10.5** The rights of termination conferred on the Bank shall not prejudice any right or remedy which may be available to the Bank under the Agreement, at law or otherwise. The termination of the Contract Period shall not affect any accrued rights, obligations and liabilities of either Party or the continuance in force of the provisions of the Agreement which are not expressed or by their nature ought not to be contingent on the continuance in force of the Contract Period.
- 10.6** Without prejudice to the generality of the foregoing, the termination of the Contract Period shall not affect the continued application of the provisions of the Agreement in respect of any Approval Codes issued by the Bank and any Transactions and/or Refunds completed by the Merchant before the termination of the Contract Period, and any payment of any Payment Amount made by the Bank to the Merchant in respect thereof after the termination of the Contract Period.

## **11. Change in Constitution**

- 11.1** The Merchant shall give the Bank not less than 30 days' written notice prior to effecting any disposal or transfer of the business of the Merchant (or any part thereof) to any person.
- 11.2** Where the Merchant is a partnership, the Merchant shall immediately notify the Bank in writing of any admission, retirement or death of any partner, or any change in any of its particulars furnished to the Bank.
- 11.3** Where the Merchant is a society or a body corporate (other than a company listed on the Singapore Exchange, or such other national securities exchange), the Merchant shall immediately notify the Bank in writing upon any change in the Merchant's organisation (including the composition of the board of directors, shareholders or partners of the Merchant, as applicable), or corporate or business structure or in any of its particulars furnished to the Bank.

## **12. Communications**

**12.1** Any and all notices, demands and other communication may be sent by the Bank to the Merchant by pre-paid post or facsimile transmission to the address of the Merchant stated in the Merchant Agreement Form or at any other address notified by the Merchant to the Bank or the facsimile transmission number notified by the Merchant to the Bank or from which any facsimile transmission from the Merchant or purporting to be from the Merchant is sent to the Bank. Any notice, demand/or communication so sent shall be effective and deemed to have been received by the Merchant:

**12.1.1** on the Banking Day immediately following the date it was sent, if sent by pre-paid post; or

**12.1.2** immediately, if sent by facsimile transmission,

notwithstanding that it is not received or returned through the post undelivered.

**12.2** The Bank may at its sole discretion rely and act on any notice, request, approval, consent and other communication which are or purport to be issued, made or given on behalf of the Merchant (whether verbally, in electronic form or in writing) and in the event that the Bank acts in reliance on any such notice, request, approval, consent or other communication, the same shall be deemed to have been issued, made or given by the Merchant.

## **13. Conclusiveness**

**13.1** Any statement issued by the Bank and signed by any of its officers as to any amount due or owing by the Merchant to the Bank in respect of any matter or account stated in such statement shall constitute conclusive evidence as against the Merchant as to the amount due or owing in respect of the matter or account stated. However, nothing in this Condition 13.1 shall prevent the Bank from correcting any error or discrepancy in such statement and issuing a substitute statement.

## **14. Provision of Information**

**14.1** The Merchant shall furnish, and shall procure that each of the Merchant's customers, officers, partners and/or shareholders shall furnish, the Bank with such information (including the Relevant Information and Personal Information) as the Bank may from time to time require for any of the following purposes:

**14.1.1** in connection with the enforcement of rights or fulfilment of obligations under these Standard Merchant Acquisition Conditions, such as the daily operation of the services and credit facilities provided to customers, conducting credit checks, assisting other financial institutions to conduct credit checks and collect debts, ensuring ongoing credit-worthiness of customers, designing financial services or related products for customers' use, determining the amount of indebtedness owed to or by customers, and the collection of amounts outstanding from customers and those providing security for customers' obligations;

**14.1.2** developing and providing banking facilities, products or services (whether made available by us or through us) to customers;

**14.1.3** providing updates on changes to products, services and banking facilities (whether made available by the Bank or through the Bank) including any additions, expansions, suspensions and replacements of or to such products, services and banking facilities;

**14.1.4** seeking professional advice, including legal advice;

**14.1.5** under or in connection with, or complying with, all applicable laws, regulations, rules, directives, orders, instructions and requests from any local or foreign authorities, including regulatory, governmental, tax and law enforcement authorities or other authorities (including Applicable Law);

**14.1.6** financial reporting, regulatory reporting, management reporting, risk management (including monitoring credit exposures), audit and record keeping purposes;

**14.1.7** addressing or investigating any complaints, claims or disputes;

**14.1.8** responding to queries or feedback; and

14.1.9 in respect of any Transaction, including to effect any Transaction, and such other purposes relating or relevant thereto as may be expressly notified to the Merchant by the Bank from time to time (“**Relevant Purposes**”).

## 15. Confidentiality and Personal Data

15.1 The Merchant hereby gives written consent to and authorises, both on its own behalf as well as on behalf of each of the Merchant’s customers, officers, partners and/or shareholders (as the case may be), the Bank (and its officers, service providers, Card Network providers, and any Bank Entity, and their respective officers) to list, collect, use or disclose any Relevant Information to any person, system or database (whether in Singapore or outside Singapore), including the following:

15.1.1 any agent, contractor or third party service provider who provides administrative, operational, telecommunications, computer, payment or securities clearing, or other services to the Bank or any Bank Entity in connection with the operation of its business;

15.1.2 any other person under a duty of confidentiality to the Bank or Bank Entity;

15.1.3 the drawee bank providing a copy of a paid cheque (which may contain information about the payee) to the drawer;

15.1.4 credit reference agencies, and, in the event of default, to debt collection agencies;

15.1.5 any person (including any law enforcement, supervisory or tax authority, regulatory body or court or tribunal) pursuant to the requirements of any Applicable Law;

15.1.6 any actual or proposed purchaser, transferee, assignee, participant or sub-participant of any of the rights or obligations of the Bank or any Bank Entity in respect of a customer (or any security interest, guarantee or collateral relating thereto), or of all or part of the business or assets or shares of the Bank or any Bank Entity;

15.1.7 any other Bank Entity and its employees and agents;

15.1.8 any person with whom the Bank or any Bank Entity enters into (or may potentially enter into) any contractual or other arrangement in relation to any facilities, products or services provided by the Bank (including any guarantor, surety and/or provider of security or collateral);

15.1.9 any insurer of the Bank or any Bank Entity; and

15.1.10 any person or class of persons set out in the second column of Part I or Part II of the Third Schedule to the Banking Act,

for any of the Relevant Purposes.

15.2 The Merchant hereby represents and warrants that it has the full authority to give consent, authorisation and permission on behalf of each of its customers, officers, partners and shareholders for the purposes of Condition 15.1. Where instructed by the Bank, the Merchant shall provide the Bank with evidence in a form the Bank deems appropriate and/or procure any additional consents, authorisations and permissions, which demonstrate that all consents, authorisations and permissions required to be obtained for the purposes of Condition 15.1 have been or will be obtained.

15.3 In the event that any untrue, inaccurate or erroneous information provided by the Merchant to the Bank is disclosed by the Bank or any of its officers, employees or agents to any person pursuant to Condition 15.1 or otherwise, the Merchant agrees that the Bank (and its officers, employees and agents) shall not be liable to the Merchant for any loss or damage to the Merchant resulting therefrom, including loss or damage to the reputation of the Merchant.

15.4 The Merchant shall keep confidential and shall not (unless under legal compulsion to do so) disclose to any person (other than the Bank) or use directly or indirectly for its own or any other person’s benefit, any information whatsoever relating to any Card, Transaction, Refund or Cardholder obtained or acquired by the Merchant. Without prejudice to the generality of the foregoing or to Condition 16, the Merchant agrees with respect to all Personal Information, where required and in the manner required by any Applicable Law, to:

- 15.4.1 only collect, use and disclose such information strictly for the purposes for which the information was obtained or acquired by the Merchant;
- 15.4.2 provide relevant individuals with access to their Personal Information and the ability to correct such Personal Information upon request;
- 15.4.3 use reasonable efforts to ensure accuracy and security;
- 15.4.4 securely destroy such information where it is no longer required; and
- 15.4.5 limit transfers of Personal Information outside Singapore.

## 16. DBS Personal Data

16.1 The Merchant shall comply and shall procure that its employees comply with all applicable data protection laws (including the PDPA) in respect of Personal Information that it receives from the Bank ("**DBS Personal Data**"). Without prejudice to the foregoing, the Merchant agrees that in relation to DBS Personal Data, it shall and shall procure that its employees shall:

- 16.1.1 adhere to the requirements of the PDPA and shall not by any act or omission cause the Bank to be in breach of the PDPA;
- 16.1.2 only use DBS Personal Data for the purposes for which the Bank had disclosed it to the Merchant under this Agreement, and in accordance with the Bank's written instructions from time to time, including all instructions relating to the collection, use, disclosure, treatment, protection, storage and return of Personal Data. Without prejudice to the foregoing, the Merchant agrees that where reasonably required by the Bank, including where there are amendments to the PDPA or new regulations or advisory guidelines to the PDPA issued by the relevant authority in connection with the PDPA, the Merchant shall comply with any new restrictions or requirements imposed by the Bank as a result of or for compliance with the PDPA;
- 16.1.3 protect DBS Personal Data against unauthorised or accidental access, collection, use, disclosure and destruction, and ensure that security measures are implemented to give such protection which deal with, as may be appropriate: (a) all physical locations where DBS Personal Data is stored; (b) security measures in equipment where DBS Personal Data is stored; (c) methodologies for secure transmission of DBS Personal Data where such transmission is necessary for fulfilling its obligations under the Agreement; and (d) measures to maintain the integrity and competence of personnel tasked with dealing with DBS Personal Data;
- 16.1.4 give the Bank notice in writing immediately of it becoming aware of or suspecting that any of the events referred to in Condition 16.1.3 has occurred and shall promptly take all necessary steps to remedy the event and prevent its re-occurrence;
- 16.1.5 not retain DBS Personal Data for any period of time longer than is necessary to serve the purposes for which the DBS Personal Data was disclosed by the Bank;
- 16.1.6 immediately return or destroy DBS Personal Data in the event the Agreement or the Contract Period is terminated or expires, or as instructed by the Bank in writing, except where the Merchant is required under applicable laws to retain such DBS Personal Data;
- 16.1.7 limit disclosure of DBS Personal Data to its employees, and strictly on a need-to-know basis, for the purposes of fulfilling the Merchant's obligations under the Agreement. All such personnel shall be bound by written confidentiality and other contractual provisions which require such personnel to limit further disclosure of DBS Personal Data, and shall be trained by the Merchant or its subcontractors to ensure that they are and continue to be in full compliance with this Condition 16.1 when dealing with or having access to DBS Personal Data;
- 16.1.8 not transfer or disclose DBS Personal Data to any third party (whether in Singapore or otherwise) without the Bank's prior written consent. Where such consent is given by the Bank, the Merchant shall procure that the third party complies with the Agreement and all of the Bank's written instructions in relation to the access, collection, use, disclosure, accuracy and correctness, protection, transfer, retention and destruction of DBS Personal Data;

- 16.1.9** not transfer DBS Personal Data out of Singapore; and
- 16.1.10** not cause the Bank to be in breach of and shall enable the Bank to comply with the Bank's Privacy Policy available at <http://www.dbs.com/privacy>, as amended supplemented and/or substituted from time to time.
- 16.2** The terms of this Condition shall continue without limit in time and shall survive the expiry or termination of the Contract Period. If there is any inconsistency between the terms of this Condition and any other Conditions, the terms of this Condition shall prevail insofar as the inconsistency relates to the PDPA.
- 17. Additional Fees**
- 17.1** In addition to any fee(s) payable by the Merchant under any term of the Agreement, the Bank shall be entitled to impose a fee or fees for any additional services or equipment that may be provided from time to time by the Bank to the Merchant of such sum and payable at such times as the Bank may from time to time in its sole discretion determine.
- 18. Amendments**
- 18.1** The Bank may from time to time amend, add or vary any one or more of the terms of these Standard Merchant Acquisition Conditions, update, revise and replace these Standard Merchant Acquisition Conditions or revise the MDR by giving not less than 30 days' prior written notice to the Merchant. Such amendment, addition, variation, revision and/or replacement shall take effect as from the date specified in such notice unless the Contract Period is terminated prior to such date.
- 18.2** Without prejudice to Condition 18.1, the Bank may from time to time by written notice to the Merchant amend, add or vary any one or more of the terms of these Standard Merchant Acquisition Conditions if such amendment, addition or variation is necessitated or required as a consequence of any direction, requirement or stipulation of or by a Card Network. The amendment, addition or variation shall take effect on the date specified by the Bank in the notice.
- 19. Assignment**
- 19.1** The Merchant shall not assign or transfer any or all of its rights, interests and benefits under the Agreement without the prior written consent of the Bank.
- 19.2** The Bank shall be entitled to assign and transfer any or all its rights, interests, benefits and obligations under the Agreement to any person at any time.
- 20. Disclaimer**
- 20.1** The Merchant is solely responsible for dealing with any dispute of whatsoever nature concerning any goods and/or services offered, supplied, sold, delivered and/or performed by or through the Merchant or which constitute the subject matter of a Transaction, including any dispute concerning the quality, nature, adequacy and/or price of any such goods and/or services. The Bank shall not have any liability arising out of any such dispute.
- 20.2** The Merchant acknowledges that the effecting and completing of a Transaction necessitate the availability, operation and interface at the relevant time of a combination of systems, including the Terminals, Payment Gateway, the Bank's System and various equipment, software and telecommunication system of or operated by other persons.
- 20.2.1** The Merchant is therefore advised to institute such alternative modes of payment and other contingency measures as may be needed for the proper conduct of the Merchant's business.
- 20.2.2** The Bank shall have no liability whatsoever to the Merchant for any claims, liabilities, expenses, costs, loss or damage of whatever nature brought against, suffered or incurred by or caused to the Merchant due to or arising out of the Merchant's inability or failure to obtain any Approval Code or effect or accept any Transaction, whether as a result of any breakdown, deficiency, malfunction or

failure in any equipment, software or telecommunication system (whether belonging to or operated by the Bank or otherwise) howsoever caused.

**20.2.3** The Bank shall also not be liable for any indirect or consequential losses, loss of profit, goodwill, reputation or business contracts, or any other form of economic loss suffered or incurred by the Merchant, however arising or caused.

**20.3** The Bank may at its sole discretion engage any agents, contractors or correspondents to carry out or procure the carrying out of any of the matters and processes required for, relevant or incidental to the Agreement. The Bank shall not be liable to the Merchant for any act, omission, neglect or default on the part of such agents, contractors and/or correspondents, however caused.

## **21. Entire Agreement**

**21.1** The Agreement supersedes and cancels all previous agreements, warranties and undertakings whether verbal or written, express or implied, given or made by or between the Parties, and constitutes the entire agreement between the Parties in respect of the matters set out herein, and no other terms and conditions shall be included or implied.

## **22. Exclusivity**

**22.1** The Merchant shall not at any time during the continuance of the Contract Period:

**22.1.1** enter into any agreement with any person other than with the Bank, which provides for the Merchant to accept, recognise or honour any card or token bearing the name, mark or logo of any Card Network (whether issued by the Bank or any other person) tendered for the purpose of payment of any transaction (including any transaction made on or through the Internet) with the Merchant or of the charges of the Merchant (including any Transaction); or

**22.1.2** submit under or pursuant to such agreement with any such person, any request or claim for payment or reimbursement in respect of the use of any such cards or tokens,

except with the Bank's prior written consent.

## **23. Illegality and Severability**

**23.1** If any provision in the Agreement shall be, or at any time shall become invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not in any way affect or impair any other provision of the Agreement but the Agreement shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein.

## **24. Indemnity and Waiver**

**24.1** The Merchant shall indemnify the Bank against all claims, liabilities, expenses, costs, loss or damage of whatever nature (including legal costs on a full indemnity basis incurred by the Bank) brought against, suffered or incurred by the Bank arising out of or in connection with the Agreement or any Transaction, including without prejudice to the generality of the foregoing:

**24.1.1** any breach of the terms and conditions of the Agreement by the Merchant;

**24.1.2** any statement, act, omission, fraud, negligence or default whatsoever of the Merchant or any of its officers, employees and/or agents (which the Merchant agrees it shall be fully and solely liable and responsible for);

**24.1.3** any enforcement or attempted enforcement by the Bank of its rights or remedies against the Merchant and/or any of its officers, employees and/or agents;

**24.1.4** any Applicable Law which may have an effect on the Agreement, any Transaction or Refund or any payment to the Merchant; and

- 24.1.5** any act or omission of the Merchant in respect of any Relevant Information or Personal Information obtained or acquired by the Merchant and/or disclosed to the Bank, including any amount the Bank may be required to pay to any Regulatory Authority or Card Network.
- 24.2** Any liability to the Bank under the Agreement may in whole or in part be released, compounded or compromised, or time or indulgence given, by the Bank in its sole discretion without in any way prejudicing or affecting its other rights and remedies against the Merchant.
- 24.3** No failure on the part of the Bank to exercise, and no delay on its part in exercising, any right or remedy under the Agreement will operate as a waiver thereof, nor will any single or partial exercise of any right or remedy preclude any other or further exercise thereof or the exercise of any other right or remedy. The rights and remedies provided in the Agreement are cumulative and not exclusive of any other rights or remedies (whether provided by law or otherwise).
- 24.4** Any provision or breach of any provision of the Agreement may be waived only if the Bank so agrees in writing. Any waiver or consent given by the Bank in relation to any provision of the Agreement must also be in writing. Any such waiver or consent may be given subject to any conditions thought fit by the Bank and shall be effective only in the instance and for the purpose for which it is given.
- 25. Partnership**
- 25.1** Neither Party shall by virtue of the Agreement be deemed to be in a relationship of partnership or agency with the other and nothing in the Agreement shall constitute the Bank as the agent of any Cardholder.
- 26. Set off and Debit of Accounts**
- 26.1** The Bank may at any time and without notice to the Merchant, deduct from or set off against any payment or sum due to the Merchant, any amount due from the Merchant to the Bank (including any refunds which the Merchant may potentially be liable for pursuant to Condition 7), whether under the Agreement or otherwise and whether as damages or otherwise. The Bank may for such purpose convert into Singapore currency at such rate as may be determined by the Bank at its sole discretion any sum due to or from the Merchant.
- 26.2** The Merchant irrevocably authorises the Bank to debit at any time and from time to time any account or accounts of the Merchant with the Bank with any amount due or owed to Bank from or by the Merchant.
- 27. Taxes**
- 27.1** The Merchant shall bear and pay any and all taxes (including goods and services tax) imposed on the supply or provision of any goods or services under the Agreement or on any discount, payment or fee imposed or charged under the Agreement. The Merchant shall reimburse the Bank on demand any and all amounts paid by the Bank in respect of any such taxes.
- 28. Time**
- 28.1** Time shall be of the essence as regards any dates, times and periods specified in the Agreement, and as regards any dates, times and periods which may be substituted for them in accordance with the Agreement or by the Bank in writing.
- 29. Improper Payments**
- 29.1** The Merchant acknowledges and agrees that the Bank does not authorise, condone or approve of Improper Payments, and the Merchant's breach of its undertaking pursuant to Condition 29.2 may cause the Bank to incur court or government fines, regulatory sanctions and/or other financial claims and penalties.
- 29.2** The Merchant undertakes that, in the performance of its obligations under the Agreement, the Merchant, and the Merchant's officers, directors, employees, representatives, sub-contractors and agents, will not, and shall refuse to, promise, make or offer to make any Improper Payments to any officer, employee, agent or fiduciary of any third party or the Bank, or to any Public Official, in connection with the Agreement or the matters and transactions contemplated hereunder. The Merchant shall not comply with any instructions

(including instructions purportedly from the Bank) that may cause the Merchant to breach any of its obligations under this Condition 29, and shall procure the same of each of its officers, directors, employees, representatives, sub-contractors or agents. The Bank may, but is not obliged to, issue to the Merchant from time to time the Bank's further requirements and guidelines to be complied with by the Merchant in relation to Improper Payments, and the Merchant shall comply with the same.

- 29.3** The Bank shall be entitled to audit the Merchant's compliance with, or investigate the Merchant's potential or suspected breach of, its undertakings and obligations in relation to Improper Payments, at any time during the Contract Period. The Merchant shall render, and shall procure that each of the Merchant's officers, directors, employees, representatives, sub-contractors or agents render, full cooperation to, and provide full access to all relevant information to, the Bank and the Bank's representatives in any such audit or investigation.
- 29.4** The Merchant shall notify the Bank in writing if the Merchant suspects, is notified of or otherwise becomes aware of any breach of the Merchant's undertakings and/or obligations in relation to Improper Payments, or any solicitation, request or direction to the Merchant to commit such breach, including by person(s) acting or purporting to act for the Bank. The Merchant shall further keep and maintain all relevant documents and records relating to the same, and may not destroy such documents or records without the written consent of the Bank.
- 29.5** In the event of breach of the Merchant's undertaking and/or obligations in relation to Improper Payments:
- 29.5.1** the Bank may at its discretion terminate the Contract Period, or, in the alternative, require the Merchant to take such necessary remedial action as the Bank regards as reasonable in the circumstances, including the removal of officers, directors, employees or agents from their involvement in the Agreement and/or the matters and transactions contemplated hereunder;
- 29.5.2** to the extent permissible by law, the Merchant shall render all cooperation and provide full access to all relevant information, documents and/or records to the Bank in any legal, regulatory or governmental action against the Bank arising from or attributable to such breach by the Merchant; and
- 29.5.3** the Merchant shall indemnify the Bank against any court or government fines, regulatory sanctions and any other financial claims and penalties that the Bank incurs, or that are otherwise imposed on the Bank, as a result of such breach by the Merchant.
- 29.6** Conditions 29.4, 29.5.2 and 29.5.3 shall continue without limit in time and shall survive the expiry or termination of the Contract Period.
- 29.7** For the purposes of this Condition 29, all references to the "Bank" shall include any Bank Entity for which the Merchant undertakes to perform obligations pursuant to the Agreement. For the avoidance of doubt, a Bank Entity shall not in any event have the right to terminate the Agreement or the Contract Period.
- 30. Third Parties**
- 30.1** A person who or which is not party to the Agreement shall not have any right under the Contracts (Rights of Third Parties) Act, Chapter 53B to enforce any provision of the Agreement.
- 31. Governing Law and Jurisdiction**
- 31.1** The Agreement shall be governed by and construed in accordance with the laws of Singapore.
- 31.2** The Merchant hereby submits unconditionally to the jurisdiction of the Singapore courts.
- 32. Definitions and Interpretation**
- 32.1** In the Agreement, save as otherwise expressly provided, the following words shall have the following meanings:

- 32.1.1 “**Administrative Fee**” in relation to any Transaction, means the sum specified or calculated in accordance with the formula specified (as applicable) as the “Administrative Fee” in the Merchant Agreement Form (if any).
- 32.1.2 “**Agreement**” means the agreement between the Bank and the Merchant constituted by the terms set out in the Merchant Agreement Form signed by or on behalf of the Bank and the Merchant and the terms in these Standard Merchant Acquisition Conditions, as may from time to time be amended, modified or supplemented.
- 32.1.3 “**Applicable Law**” means such laws and regulations, guidelines, codes, policies, directions, requests or requirements of any government or other governmental authority or any law enforcement, supervisory or tax authority, regulatory body or court or tribunal (including any Regulatory Authority) (whether or not having the force of law), as may be applicable to the Bank or any Bank Entity.
- 32.1.4 “**Approval Code**” means the unique transaction code issued by the Bank in respect of a Transaction proposed to be effected or accepted by the Merchant.
- 32.1.5 “**Bank Entity**” means any of the Bank’s, offices, related corporations, associates or affiliates.
- 32.1.6 “**Bank’s System**” means the computers, equipment and software operated and maintained by the Bank for the purpose of recording and processing Transactions and Refunds, but excluding all computers, equipment and software at any premises occupied by the Merchant.
- 32.1.7 “**Banking Act**” means the Banking Act, Chapter 19.
- 32.1.8 “**Banking Day**” means any day on which the Bank is open for business in Singapore.
- 32.1.9 “**Card**” means any credit, debit or charge card or token bearing the name, service mark and/or logo of a Card Network and which is issued by any person licensed by that Card Network to issue such cards or tokens.
- 32.1.10 “**Card Details**” in relation to the Card issued to a Cardholder, means the name of the Cardholder, the account number and the expiry date of the Card imprinted on the Card.
- 32.1.11 “**Card Network**” means any or all of UPI, JCB, MasterCard and VISA which the Bank has for the time being authorised in relation to the Merchant, as indicated as the “Card Network” in the Merchant Agreement Form.
- 32.1.12 “**Cardholder**” in relation to any Card, means the person to whom the Card is issued and whose name is imprinted on the Card.
- 32.1.13 “**CNP Transaction**” means any payment to be made to the Merchant by a Cardholder in respect of any goods and/or services sold, provided or offered by the Merchant or any fees or charges of the Merchant, effected by a Payment Instruction made by the Cardholder.
- 32.1.14 “**Contract Period**” means the period commencing on the Start Date and ending upon its termination in accordance with the Agreement.
- 32.1.15 “**DBS Personal Data**” shall have the meaning ascribed to it in Condition 16.1.
- 32.1.16 “**Designated Card**” means credit card issued by the Bank and which bears the name, service mark and/or logo of a Card Network, and which is of a type and/or category as may be notified by the Bank to the Merchant.
- 32.1.17 “**Designated Currencies**” means Singapore dollars, the currencies specified as a “Designated Currency” in the Merchant Agreement Form (if any), and any other currency which the Bank may from time to time agree in writing, whether in addition to or replacement of any of the such currencies, and “**Designated Currency**” means any one of them.
- 32.1.18 “**Eligible Cardholder**” in relation to a Designated Card, means the Cardholder of that Designated Card.

- 32.1.19 “**Improper Payments**” means the conferring of bribes, undue advantage, improper gratifications, gifts and/or payments, whether of a financial nature or otherwise, in violation of the UK Bribery Act 2010 and/or such other applicable anti-corruption laws and regulations.
- 32.1.20 “**IPP Transaction**” means any payment to be made to the Merchant by an Eligible Cardholder in respect of any goods and/or services sold, provided or offered by the Merchant or any fees or charges of the Merchant, effected by the use of a Designated Card issued to the Eligible Cardholder or through a Payment Instruction made by the Eligible Cardholder, and the settlement of which as between the Eligible Cardholder and the Bank shall be by way of such number of monthly instalments as may be agreed by the Bank.
- 32.1.21 “**JCB**” means JCB International Co., Ltd..
- 32.1.22 “**MasterCard**” means MasterCard International Incorporated.
- 32.1.23 “**MDR**” means the merchant discount rate notified by the Bank to the Merchant in writing with respect to each Card Network and with respect to any particular category or type of Transaction.
- 32.1.24 “**Payment Amount**” in relation to a Transaction, means the Transaction Amount less a discount at the MDR.
- 32.1.25 “**Payment Gateway**” means any electronic payment system or platform which enables the transmission and/or processing of Payment Instructions for the purpose of effecting real-time electronic and/or on-line payments as may from time to time be specified by the Bank.
- 32.1.26 “**Payment Instruction**” means any request, direction or instruction (whether contained in a document, made verbally, or otherwise) for the use of any Card Details made through the post or over any telephone, computer, electronic or other telecommunications equipment, medium or network (whether through the Internet or otherwise).
- 32.1.27 “**PDPA**” means the Personal Data Protection Act 2012 (Act 26 of 2012), and any and all subsidiary legislation passed thereunder.
- 32.1.28 “**Personal Information**” means any information or data which can be related to an identifiable individual or which falls within the definition of “personal data” as set out in the PDPA.
- 32.1.29 “**Prescribed Event**” means any of the following:
- (i) the Merchant has commenced the winding down or cessation of its business, or has ceased to carry on business, or is or may be bankrupt or insolvent;
  - (ii) the Merchant has engaged in any fraudulent, unconscionable or unlawful activity or practice relating to the Merchant’s business, or is alleged by one or more customers to have done so;
  - (iii) the Merchant or any of its officers, employees and/or agents had committed, or are being investigated by any authority in relation to, any fraudulent, unconscionable or unlawful activity or practice relating to the Merchant’s business; or
  - (iv) the Merchant has failed to observe, comply with or duly perform any one or more of the Merchant’s obligations under the Agreement, or any of the representations, warranties, undertakings made or deemed to be made by the Merchant to the Bank under the Agreement is untrue, incorrect or inaccurate in any respect, and in the circumstances, there are reasons to believe that the Merchant will not or may not be able to honour and perform the Merchant’s payment obligations (including any contingent payment obligations) in accordance with the Agreement or otherwise when required to do so.
- 32.1.30 “**Public Official**” means any individual who:
- (i) holds a legislative, administrative or judicial position of any nature in a country or territory;
  - (ii) exercises a public function for or on behalf of a country or territory or public agency or public enterprise of such country or territory; and/or

- (III) is an official, member, servant or agent of an organisation which comprises wholly or a mixture of countries or territories and/or governments of countries or territories, or is a collection of organisations comprising of same.
- 32.1.31** “**Recurring Transaction**” means any payment to be made to the Merchant by a Cardholder, which recurs on a monthly or other periodic basis, to be effected by the Merchant pursuant to a subsisting Payment Instruction given by the Cardholder to the Merchant.
- 32.1.32** “**Refund**” means any request, direction or instruction effected through any Terminal or Payment Gateway to credit any refund or rebate by the Merchant to an account of a Cardholder.
- 32.1.33** “**Regulatory Authority**” means any ministry or department of the Government of Singapore, and includes any statutory authority or body in Singapore established with powers to regulate banking, credit and/or financial services and/or electronic transactions and/or telecommunications and/or personal data.
- 32.1.34** “**Relevant Information**” means any:
- (i) “customer information” as defined under the Banking Act relating to the Merchant and/or the Merchant’s accounts;
  - (ii) information relating to the Merchant’s accounts or the conduct thereof, the Merchant’s or any of its customers’, officers’, partners’ or shareholders’ particulars and affairs (financial or otherwise); and
  - (iii) document or transaction and/or any other matter.
- 32.1.35** “**Relevant Purposes**” shall have the meaning ascribed to it in Condition 14.1.
- 32.1.36** “**Settlement Currency**” in relation to any Transaction, means Singapore dollars, or the relevant Designated Currency, as indicated as the “Settlement Currency” in the Merchant Agreement Form.
- 32.1.37** “**Site**” means any website on the Internet at or from which any goods and/or services are offered by the Merchant.
- 32.1.38** “**Specified Period**” in relation to any Approval Code issued by the Bank with respect to any Transaction proposed to be effected by the Merchant, means a period of 5 consecutive days (or such other longer or shorter period as the Bank may from time to time notify the Merchant in writing) after the date the Bank’s System transmits that Approval Code to the Merchant (whether through a Terminal or a Payment Gateway).
- 32.1.39** “**Start Date**” means the date as from which the Merchant may commence accepting Transactions, as specified as the “Start Date” in the Merchant Agreement Form.
- 32.1.40** “**Terminal**” means any equipment or software for the time being approved by the Bank for use by the Merchant for the purpose of processing any Transaction (including obtaining an Approval Code from the Bank for any Transaction), or any particular category or type of Transactions), or any refund to a Cardholder in connection with any Transaction.
- 32.1.41** “**Transaction**” means any CNP Transaction, IPP Transaction or Recurring Transaction.
- 32.1.42** “**Transaction Amount**” in relation to a Transaction, means the amount of the Transaction communicated by the Merchant to the Bank in conjunction with the seeking of an Approval Code from the Bank for that Transaction, as recorded in the Bank’s System following the issuance of the Approval Code for that Transaction.
- 32.1.43** “**UPI**” means UnionPay International Co., Ltd..
- 32.1.44** “**VISA**” means VISA International Service Association.
- 32.2** The headings and sub-headings of the provisions of the Agreement are to facilitate reference only and do not form part of the agreement between the parties, and shall not in any way affect the construction or interpretation thereof.

**32.3** Unless the context otherwise requires:

- 32.3.1** words using the singular or plural number also include the plural or singular number, respectively; words denoting any gender shall include all genders;
- 32.3.2** the terms “**hereof**”, “**herein**”, “**hereby**”, “**hereto**” and similar words refer to the entire Agreement and not any particular Condition, or any other subdivision of the Agreement;
- 32.3.3** 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 like import;
- 32.3.4** references to any “**person**” include any natural person, corporation, judicial entity, association, statutory body, partnership, body corporate, limited liability company, joint venture, trust, estate, unincorporated organisation or government, state or any political subdivision, instrumentality, agency or authority;
- 32.3.5** references to “**Condition**” or any other agreement or document in the Agreement shall be construed as references to the conditions of these Standard Merchant Acquisition Conditions, or such other agreement or document, as may be amended, modified or supplemented from time to time, and shall include a reference to any document which amends, modifies or supplements it, or is entered into, made or given pursuant to or in accordance with its terms; and
- 32.3.6** any reference to any person shall be construed as a reference to such person’s successors and permitted assigns.

## Appendix 1

### Fraud-Related Compliance Programs

#### Visa – Merchant Fraud Performance (MFP) Program

Thresholds	Total Fraud US\$	# Fraud Transaction	Fraud / Sales \$ Ratio
Level 1	\$25,000 and above	25	2.5%
Level 2	\$250,000 and above	-	2.5%

***\*Note: The criteria listed above are based on “AND” conditions. Therefore, all criteria will need to be achieved in order to meet the threshold set.***

When a merchant breached Level 1 thresholds, the merchant will be given a 3 month workout period to reduce their fraud below the program thresholds. The merchant will be considered compliant with the MFP program and case closed, after the merchant has performed below the program thresholds for three consecutive months

If the merchant's fraud performance meets or exceeds the program threshold after the workout period expires and before they are considered compliant with the MFP program, a chargeback window will be opened from the first day of the month after the workout period expired. The impact will be issuers will be given the right to chargeback all fraudulent transactions whilst the chargeback window is open.

When a merchant breached Level 2 threshold, a chargeback window will be opened from the first day of the month of which the threshold is breached. The merchant will be given a 3 month workout period to reduce their fraud below the program threshold; however, the chargeback window will remain open during the workout period.

If the merchant meets or exceeds the MFP threshold (Level 1 or Level 2) after the three months workout, a financial penalty at US \$5,000 will apply, and increasing in US \$5,000 increments will be assessed, for every month the merchant exceeds the program threshold.

Note: Visa Merchant Fraud Performance Program only applies to cross-border transactions, i.e, for transactions made on Visa credit cards that are not issued in Singapore.

#### MasterCard – Global Merchant Audit Program (GMAP)

Thresholds	Total Fraud US\$	# Fraud Transaction	Fraud / Sales \$ Ratio
GMAP Tier 1	\$3,000 and above	3 or more	3 to 4.99%
GMAP Tier 2	\$4,000 and above	4 or more	5 to 7.99%
GMAP Tier 3	\$5,000 and above	5 or more	8% and above

***\*Note: The criteria listed above are based on “AND” conditions. Therefore, all criteria will need to be achieved in order to meet the threshold set.***

The Global Merchant Audit Program (GMAP) uses a rolling six months of data, to identify merchant locations that in any calendar month, meet the criteria set forth in the above.

If a merchant location is identified in multiple tiers during any rolling six-month period, GMAP will use the highest tier for the merchant identification.

For Tier 3 merchant, MasterCard requires the Acquirer to either:

- i) terminate the merchant, or
- ii) inform MasterCard of 1) any exceptional or extenuating circumstances pertaining to the identified merchant's fraud and 2) the fraud control measures in place at the merchant location.

If the Acquirer did not terminate the merchant, MasterCard will review item ii), and may assign chargeback responsibility for the merchant location for up to 12 months.

#### Chargeback-related Compliance Programs

Visa and MasterCard have put in place the following chargeback monitoring programs to instill discipline in merchant towards managing chargeback. Merchant is expected to adhere to the following monthly chargeback performance thresholds:

<b>Visa – Global Merchant Chargeback Monitoring Program (GMCMP)</b>
Below 200 international chargeback count, AND
Below 2% international chargeback count to international sales count
(The above apply when there is 200 or more international sales count in the month)

<b>MasterCard – Excessive Chargeback Program (ECP)</b>
Below 100 chargeback count, AND
Below 1% chargeback count to sales count

Kindly note that merchants are liable for penalty assessment fees ranging from US\$ 20,000 and above monthly, if they fail to adhere to the above thresholds.

***\*Note: The criteria listed above are based on “AND” conditions. Therefore, all criteria will need to be achieved in order to meet the threshold set.***

## Appendix 2

### Payment Card industry Data Security Standard (PCI DSS)

The Payment Card Industry Data Security Standard (PCI DSS) is intended to help protect cardholder data—wherever it resides—ensuring that merchants and their service providers maintain a high information security standard. It offers a baseline approach to safeguarding sensitive data for all card brands.

#### Payment Card Industry Data Security Standard Requirements

The PCI DSS is a comprehensive set of international security requirements to help protect cardholder data. The PCI DSS was developed by the PCI Security Standards Council to help facilitate the broad adoption of consistent data security measures on a global basis.

The PCI DSS consists of twelve basic requirements. Below is a high-level overview of the 12 PCI DSS requirements.

#### PCI Data Security Standard – High Level Overview

<b>Build and Maintain a Secure Network and Systems</b>	1. Install and maintain a firewall configuration to protect cardholder data 2. Do not use vendor-supplied defaults for system passwords and other security parameters
<b>Protect Cardholder Data</b>	3. Protect stored cardholder data 4. Encrypt transmission of cardholder data across open, public networks
<b>Maintain a Vulnerability Management Program</b>	5. Protect all systems against malware and regularly update anti-virus software or programs 6. Develop and maintain secure systems and applications
<b>Implement Strong Access Control Measures</b>	7. Restrict access to cardholder data by business need to know 8. Identify and authenticate access to system components 9. Restrict physical access to cardholder data
<b>Regularly Monitor and Test Networks</b>	10. Track and monitor all access to network resources and cardholder data 11. Regularly test security systems and processes
<b>Maintain an Information Security Policy</b>	12. Maintain a policy that addresses information security for all personnel

The PCI DSS can be found at [www.pcisecuritystandards](http://www.pcisecuritystandards)

PCI DSS compliance is required of all entities that store, process, or transmit cardholder data and/or sensitive authentication data.

Cardholder data and sensitive authentication data are defined as follow.

Account Data	
Cardholder Data includes:	Sensitive Authentication Data includes:
<ul style="list-style-type: none"> <li>▪ Primary Account Number (PAN)</li> <li>▪ Cardholder Name</li> <li>▪ Expiration Date</li> <li>▪ Service Code</li> </ul>	<ul style="list-style-type: none"> <li>▪ Full track data (magnetic-stripe data or equivalent on a chip)</li> <li>▪ CAV2/CVC2/CVV2/CID</li> <li>▪ PINs/PIN blocks</li> </ul>

The primary account number (PAN) is the defining factor for cardholder data. If cardholder name, service code, and/or expiration date are stored, processed or transmitted with the PAN, or otherwise present in the cardholder data environment, they must be protected in accordance with applicable PCI DSS requirements.

#### Validation Compliance

Separate from the mandate to comply with PCI DSS is the validation of compliance. Validation identifies vulnerabilities and helps ensure that appropriate levels of cardholder information security are maintained. The card brands have prioritized and defined validation levels based on the volume of transactions and the potential risk and exposure introduced into the payment system.

## Steps and Requirements for Compromised Entities

Merchants that have experienced a suspected or confirmed security breach must take prompt action to help prevent additional exposure of cardholder data and ensure compliance with the Payment Card Industry Data Security Standard (PCI DSS) and PCI Payment Application Data Security Standard (PA-DSS).

1. Immediately contain and limit the exposure. Minimize data loss and prevent the further loss of data by conducting a thorough investigation of the suspected or confirmed compromise of information. Compromised entities should consult with their internal incident response team. To preserve evidence and facilitate the investigation:

- Do not access or alter compromised system(s) (i.e., don't log on at all to the compromised system(s) and change passwords; do not log in as ROOT). It is highly recommended that compromised system(s) not be used to avoid losing critical volatile data.

- Do not turn the compromised system(s) off. Instead, isolate compromised systems(s) from the network (i.e., unplug network cable).

- Preserve evidence and logs (i.e., original evidence, security events, web, database, firewall, etc.)

- Document all actions taken.

- If using a wireless network, change the Service Set Identifier (SSID) on the wireless access point (WAP) and other systems that may be using this connection (with the exception of any systems believed to be compromised).

- Be on high alert and monitor traffic on all systems with cardholder data.

2. Alert all necessary parties immediately:

- Your internal incident response team and information security group.

- Your acquiring bank, DBS.

3. Notify the appropriate law enforcement agency.

4. Consult with your legal department to determine if notification laws are applicable.

5. Provide all compromised accounts to DBS within ten business days. The card brands will distribute the compromised account numbers to the impacted card issuers.

6. Within three business days of the reported compromise, provide an Incident Report to DBS or to the card brands.

Note: If deemed necessary, an independent forensic investigation by a Payment Card Industry Forensic Investigator (PFI) will be required. For the PFI listing, go to [https://www.pcisecuritystandards.org/approved\\_companies\\_providers/pci\\_forensic\\_investigator.php](https://www.pcisecuritystandards.org/approved_companies_providers/pci_forensic_investigator.php) for a list of approved PFIs.

## **Appendix 3**

### **Managing E-Commerce Risk**

The following steps have been identified as those that are most important to managing e-commerce risk.

#### **E-Commerce Start -Up**

##### 1. Know the risks and train your staff

Your exposure to e-commerce risk depends on your business policies, operational practices, fraud prevention and detection tools, security controls, and the type of goods or services you provide. Your entire organization should have a thorough understanding of the risks associated with any Internet transaction and should be well-versed in your unique risk management approach.

##### 2. Develop essential website content

When designing your website, keep operational needs and risk factors foremost in your mind. Key areas to consider are privacy, reliability, refund policies, and customer service access.

#### **Website Utility**

##### 3. Focus on risk reduction

Your sales order function can help you efficiently and securely address a number of risk concerns. You can capture essential payment card and cardholder details by highlighting required transaction data fields and verifying the payment card and customer data that you receive through the Internet.

#### **Fraud Prevention**

##### 4. Build internal fraud prevention

By understanding the purchasing habits of your website visitors, you can protect your business from high-risk transactions. The profitability of your virtual storefront depends on the internal strategies and controls you use to minimize fraud. To avoid losses, you need to build a risk management infrastructure, robust internal fraud avoidance files, and intelligent transaction controls.

##### 5. Deploy fraud tools

To reduce your exposure to e-commerce risk, you need to select and use the right combination of fraud prevention tools. Today, there are a number of options available to help you differentiate between a good customer and an online thief. These tools include authentication tools such as 3D Secure and CVV2/CVC2 validation.

##### 6. Apply fraud screening

Fraud-screening methods can help you minimize fraud for large-purchase amounts and for high-risk transactions. By screening online payment card transactions carefully, you can avoid fraud activity before it results in a loss for your business.

##### 7. Implement 3D Secure

The tool 3D Secure can create the most significant reduction in merchant risk exposure by increasing transaction security through cardholder authentication and by providing chargeback protection against fraud. E-commerce merchants who implement 3D Secure are protected from certain fraud-related chargebacks on all Consumer and Commercial cards (exceptions apply).

##### 8. Protect your merchant account from intrusion

Using sophisticated computers and high-tech smarts, criminals are gaining access to shopping cart and payment gateway processor systems, attacking vulnerable e-commerce merchant accounts, and making fraudulent merchant deposits. By taking proactive measures, you can effectively minimize this kind of cyber attack and its associated fraud risks.

## **Payment Card Acceptance**

### 9. Create a secure process for routing authorizations

Before you accept payment cards for online payment, you must ensure that you have a secure and efficient process in place to submit authorization requests through the Internet.

### 10. Be prepared to handle transactions post-authorization

There are a number of steps you can take to deal effectively with approved and declined authorizations before you fulfill an order. The idea here is to apply appropriate actions that best serve your business and the customer.

## **Information Security Program**

### 11. Safeguard cardholder data through PCI DSS compliance

The Payment Card Industry (PCI) Data Security Standard (DSS) provides e-commerce merchants with standards, procedures, and tools for data protection. For maximum security, you need reliable encryption capabilities for transaction data transmissions, effective internal controls

to safeguard stored card and cardholder information, and a rigorous review of your security measures on a regular basis. PCI DSS compliance can help you protect the integrity of your operations and earn the trust of your customers.

## **Chargeback and Loss Recovery**

### 12. Avoid unnecessary chargebacks and processing costs

For your business, a chargeback translates into extra processing time and cost, a narrower profit margin for the sale, and possibly a loss of revenue. It is important to carefully track and manage the chargebacks that you receive, take steps to avoid future chargebacks, and know your representation rights.

### 13. Monitor chargebacks

Merchants with chargeback monitoring mechanisms are in a better position to spot excessive chargeback activity, identify the causes, and proactively bring chargeback rates down by applying appropriate remedial actions.