



MANGWEE PAYMENT SYSTEM

MERCHANT AGREEMENT

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This Agreement is dated the “Effective Date” and is entered into by and between MANGWEE PAYMENT SYSTEM, a company incorporated in The Republic of Zambia with registration number 320170005422 and having its registered offices at Shop Number 7, Lukind Building, Chachacha Road, Opposite Anti Corruption Commission Building, Lusaka, Zambia. (Herein after referred to as Mangwee Payment System which expression shall include its successors in title and assigns), and Mr/Mrs/Miss..... holder of National Registration Card Number/ Company Registration Number and having its registered Office/Trading place at herein after referred to as the Merchant which expression shall include its successors in title and assigns).

WHEREAS

Mangwee Payments is a brand operated by Virtual Space Company Limited. Mangwee Payments operates a mobile transfer service called Mangwee. Mangwee Payments issues Mangwee wallet services in return for real money. The Mangwee Payments value is denominated in Zambian Kwacha (K) and can be redeemed in Zambian Kwacha. The real money paid to Mangwee Payments in return for the issue of Mangwee value is placed to the credit of a trustee account maintained by Mangwee Payment System in order to ensure that the requisite funds are always available to redeem Mangwee Value at any time in issue.

NOW THE PARTIES AGREE AS FOLLOWS:

DEFINITIONS AND INTERPRETATION In this Agreement, the expressions MANGWEE PAYMENT BUSINESS SYSTEM Customers, MANGWEE PAYMENT BUSINESS SYSTEM Service, MANGWEE PAYMENT BUSINESS SYSTEM Value and Trustee have the meanings ascribed to them in the Recitals and, unless the context otherwise requires, the following words and expressions shall have the following meanings:-

“Mangwee Payment Business System’s Account” means the Mangwee Account created for the Mangwee Payment Business System within the Mangwee Payment Business System Platform.

“Merchant” means any entity or individual authorized by Mangwee Payment Business System to offer Mangwee Payment Business Services on its behalf;

“Agreement” means this agreement concluded between the Mangwee Payment Business System and Merchant for the participation by the Merchant in providing the Mangwee Payment Business System Services;

“Agreement Period” shall mean the period when this agreement is running from the Elective Date;

“Cash Float” means the cash provided by the Merchant at each outlet for the provision of the Mangwee Payment Business System Services;

“Conditions of use” means the customer terms and conditions of use of Mangwee Payment Business System;

“Confidential Information” means all secret information and data, whether or not in material form, whatsoever and how ever derived or acquired relating to Mangwee Payment Business Systems and the provision of the Mangwee Payment Business System Services and all other confidential or secret information disclosed by or on behalf of either party to the other including the terms of this Agreement;

“Customer” means a retail user or consumer of Mangwee Payment Business System Services”,

“E-Value” means the electronic value issued by Mangwee Payment Business System and representing an entitlement to an equivalent amount of the cash monies held by the Trustee in respect of the purchase of such electronic value;

“Equipment” means all the equipment provided to the Merchant by Mangwee Payment Business System for the purposes of providing the Mangwee Payment Business System Services and shall include without limitation the Smart phone handsets with SIM and related accessories, which may include point of sale branding materials, Mangwee Merchant training manual and instructions for the provision of the Mangwee Payment Business System Services;

“ID Document” means a person’s valid and original National Registration Card, Driver’s License or Valid Passport.

“Log Book” means the written record of Transactions performed by the Merchant at each outlet and against which each Customer is required to sign upon successful completion of a Transaction;

“MANGWEE” means the proprietary money transfer solution which is marketed and managed in the Republic of Zambia by Mangwee Payment Business System.

“MANGWEE PAYMENT BUSINESS SYSTEM Account” means an account maintained by Mangwee Payment Business System within the Mangwee Payment Business System Platform in the name of that MANGWEE PAYMENT BUSINESS SYSTEM customer in which all cash sums represented electronically are held;

“Mangwee Manual” means the manual issued to the Merchants which records methods of operation, procedures, and other practical matters relevant to the provision of the Mangwee Payment Business System services, and as may be as updated by Mangwee Payment Business System from time to time during the Agreement Period.

“MANGWEE PAYMENT BUSINESS SYSTEM Float” means the sum of E-value held by the Mangwee Payment Business System or Merchant for the provision of the Mangwee Payment Business System services from each Outlet.

“MANGWEE PAYMENT BUSINESS SYSTEM Operator” means each person within an outlet authorised to operate on the Mangwee Payment Business System Platform.

“MANGWEE PAYMENT BUSINESS SYSTEM web portal” means the web page situated at <https://www.mangwee.com>

“Outlet” means the physical addresses of each place of business from which the Merchant is authorised to provide the Mangwee Payment Business System Services to Customers.

“Transaction PIN” means each MANGWEE PAYMENT BUSINESS SYSTEM personal identification number associated with the operation of a MANGWEE PAYMENT BUSINESS SYSTEM Float by each MANGWEE PAYMENT BUSINESS SYSTEM Operator.

“Platform” means the technology platform which holds the MANGWEE PAYMENT BUSINESS SYSTEM Account details of all MANGWEE PAYMENT BUSINESS SYSTEM Customers”,

“SMS” means short messaging services.

“Trade marks & Trade names” means the MANGWEE PAYMENT BUSINESS SYSTEM name and logo, which may only be used by the Mangwee Payment Business System and/or Merchant in accordance with the terms of this Agreement.

“Transaction Limits” means the limits placed on the Transactions that may be effected by Merchants from specific outlets as specified in the MANGWEE PAYMENT BUSINESS SYSTEM Manual.

“Transactions” means the context required in respect of the Mangwee Payment Business System Services which include the following;

- (i) Receiving cash payments in respect of the purchase of E-value
- (ii) Crediting Customers’ MANGWEE PAYMENT BUSINESS SYSTEM Accounts in accordance with SMS instructions and
- (iii) Registering new Customers.

“Web Interface” means the internet interface through which MANGWEE PAYMENT BUSINESS SYSTEM Accounts details including Transactions and MANGWEE PAYMENT BUSINESS SYSTEM Float balances, can be viewed and through which Transactions can be completed as more particularly specified on the Virtual Space web page.

1. APPOINTMENT OF MERCHANT

1.1 The Mangwee Payment Business System hereby appoints the Merchant, and the Merchant accepts such appointment, to offer the Mangwee Payment Business System

Services to Customers as the Merchant of the Mangwee Payment Business System on a non-exclusive basis for the duration of this Agreement on the terms set out in this Agreement.

- 1.2 An Merchant shall be an individual or entity. An Merchant shall apply by completing an Merchant application form. Mangwee Payment Business system shall either accept or reject the application after verification of the details provided. Each application form shall be accompanied by a copy of the applicant's National Registration Card for individuals and Business registration documents for companies and organisations. Identity and company registration documents should be attached to all online applications. All accounts opened online shall be inactive until identity documents are verified.
- 1.3 Mangwee Payment Business System has two types of Merchants. Super Merchants and Merchants. Merchants shall be given a booth to trade from. They will also be given an internet enabled smart phone or computer for processing transactions.
- 1.4 Super Merchants should provide their own trading place, trading tools and a minimum trading capital of K2, 500 per booth.
- 1.5 The Merchant's authority to act as Merchant for the Mangwee Payment Business System in providing the MANGWEE PAYMENT BUSINESS SYSTEM Services is strictly limited to the performance of the tasks set out in this Agreement and shall not extend to any other matter or thing. The Merchant shall not hold itself out as an Merchant or representative of the Mangwee Payment Business System or Mangwee Payment Business System ,and shall have no authority or power to bind the Mangwee Payment Business System except as expressly authorised by this Agreement. For the avoidance of doubt, the Merchant shall have no authority or power to bind Mangwee Payment Business System.
- 1.6 The Merchant shall comply with all applicable laws, rules, regulations and statutory requirements existing in Zambia from time to time, including all applicable anti-money laundering requirements.

2. OBLIGATIONS AND RIGHTS OF THE MERCHANT

2.1 The Merchant's entitlement to remain appointed by the Mangwee Payment Business System as its Merchant is subject to the Merchant complying in all respects and at all times with its obligations as set out in this Agreement and any and all policies and procedures notified to it by the Mangwee Payment Business System.

Notwithstanding the generality of the provisions of clause 2.1 the Merchant shall:-

2.2 Offer the Mangwee Payment Business System Services to Customers on a non-exclusive basis for the duration of this Agreement;

2.3 Use its best endeavours to register new Customers for the Mangwee Payment Business System Services.

2.4 Ensure that each Customer signs the Log Book upon successful completion of a Transaction;

2.5 Receive cash payments from Customers into the Cash Float in exchange for credits to Customer's MANGWEE PAYMENT BUSINESS SYSTEM Accounts with a corresponding debit to the MANGWEE PAYMENT BUSINESS SYSTEM Float.

2.6 Upon appointment, the Merchant will be issued with branding materials and tools for use to perform Transactions and agrees to use the given tools in accordance with the terms of this Agreement and the MANGWEE PAYMENT BUSINESS SYSTEM Manual and will be granted access to the Web Interface.

2.7 The Merchant will be given access to the MANGWEE PAYMENT BUSINESS SYSTEM Platform and enabled to initiate Transactions.

2.8 The Merchant shall not initiate any Transactions other than for the purposes of effecting a bonafide transfer of value from a Customer via the Mangwee Payment Business System Services.

- 2.9 The Merchant shall not carry out any transaction with any Customer without receiving, and checking with reasonable diligence, the required customer identification material, as outlined in the MANGWEE PAYMENT BUSINESS SYSTEM Manual. The Merchant shall decline any application if the Merchant and/or Mangwee Payment Business System is not satisfied with proof of the Customer's identity.
- 2.10 The Merchant shall take full account of any related notifications given by the Mangwee Payment Business System- including any block on dealings which the Mangwee Payment Business System advises should be implemented in order to secure compliance with the law.
- 2.12 In the event that there are insufficient sums available in the MANGWEE PAYMENT BUSINESS SYSTEM Float at the relevant outlet to effect the Transaction, the Merchant must decline to carry out the Transaction and contact the Mangwee Payment Business System.
- 2.13 The Merchant shall be permitted at any time during the Agreement to display and or otherwise promote the products and services of any person or entity directly or indirectly in competition with the Mangwee Payment Business System.
- 2.14 All equipment supplied to the Merchant by the Mangwee Payment Business System shall remain the property of Mangwee Payment Business System. The Mangwee Payment Business System shall, on behalf of Mangwee Payment Business System, replace all lost equipment and SIM cards and all or any equipment or SIM card damaged from general wear and tear, other than in respect of any loss or damage caused by the Merchant's negligence or lack of care. Upon the Mangwee Payment Business System replacing any lost or damaged Equipment, the Merchant shall reimburse Mangwee Payment Business System for the cost of such replacement.
- 2.15 The Merchant shall only provide the Mangwee Payment Business System Services at the agreed outlets within any Transaction Limits placed on such Outlets.
- 2.16 The Merchant shall at all times comply with the terms of this Agreement and the procedures specified in the MANGWEE PAYMENT BUSINESS SYSTEM Manual, as

updated from time to time, and the Merchant further undertakes to comply with all laws, by-laws and any other regulations issued by any competent authority in relation to the operation of the Equipment.

- 2.17 The Merchant shall not be entitled to cede or assign any rights granted under this Agreement to any other person.
- 2.18 The Merchant shall not be entitled to appoint sub-dealers for the provision of the Mangwee Payment System Services.
- 2.19 The Merchant agrees to hold in confidence this Agreement and all information, documentation, data and know-how disclosed to it by the Mangwee Payment Business System and shall not disclose to any third party or use Confidential Information other than in connection with the performance of this Agreement or any part thereof without the written approval of Mangwee Payment Business, as the case may be.
- 2.20 The Merchant shall comply with the terms of this Agreement as may be updated from time to time.

3. OBLIGATIONS AND RIGHTS OF MANGWEE PAYMENT BUSINESS SYSTEM

- 3.1 The Mangwee Payment Business System will comply in all respects and at all times with its obligations as set out in this Agreement and the general provisions of the MANGWEE PAYMENT BUSINESS SYSTEM Manual.

The Merchant acknowledges that:

- 3.2 The Mangwee Payment Business System, or a person acting on its behalf, shall have the right to audit the Merchant's activities for all purposes
- 3.3 The Mangwee Payment Business System, or a person acting on its behalf, shall have the right at any time during the Agreement Period to inspect the Merchant's business operations and its Outlets to ensure compliance with the terms of this Agreement.

- 3.4 The Mangwee Payment Business System shall notify the Merchant of the Fee Amount applicable from time to time.
- 3.5 The Mangwee Payment Business System shall agree with the Merchant what percentage of the commissions earned may be retained by the Merchant and arrangements (including timing) for passing on the commissions.
- 3.6 The Mangwee Payment Business System shall maintain a sufficient balance in the Mangwee Payment Business System's MANGWEE PAYMENT BUSINESS SYSTEM Account to ensure that all transfer Transactions initiated with the Merchant can be honored.

4. TRANSACTION RECORDS

- 4.1 The Merchant shall keep proper records in relation to its provision of the Mangwee Payment Business System Services, and shall ensure that the registration particulars of each Customer on the Log Book are promptly sent to the Mangwee Payment Business System upon request.
- 4.2 Upon effecting a transaction the Merchant shall ensure that the customer receives an SMS confirmation of the Transaction that has been effected, and only upon customer receipt of such SMS confirmation will the Merchant complete the Transaction.

5. FLOAT PROVISION

- 5.1 The MANGWEE PAYMENT BUSINESS SYSTEM Float shall at all times during the Agreement Period be the property of the Merchant and shall be in accordance with the Transactions effected by the Merchant.

6. MANGWEE PAYMENT BUSINESS SYSTEM OPERATOR REGISTRATION

- 6.1 The Merchant shall appoint a primary MANGWEE PAYMENT BUSINESS SYSTEM Operator within each Outlet, who will be responsible for administering the Outlet's MANGWEE PAYMENT BUSINESS SYSTEM Float.

6.2 The Merchant shall make sure each operator under their outlet is registered by MANGWEE PAYMENT BUSINESS SYSTEM once they have completed all training and are issued with login credentials, so that the person can perform transactions and can be identified and recorded.

6.3 The MANGWEE PAYMENT BUSINESS SYSTEM Operator can then perform MANGWEE PAYMENT BUSINESS SYSTEM Transactions on behalf of the Merchant using any internet enabled smart phone or computer associated with that Outlet's MANGWEE PAYMENT BUSINESS SYSTEM Float. The information needed to register a MANGWEE PAYMENT BUSINESS SYSTEM Operator shall be:-

- (i) Full Name
- (ii) ID Number
- (iii) Address
- (iv) Mobile Phone
- (v) Scanned Copy of ID
- (vi) Area of operation

6.4 The Mangwee Payment Business System and the Merchant shall be responsible for all actions taken by each MANGWEE PAYMENT BUSINESS SYSTEM Operator on its behalf. All actions taken by the MANGWEE PAYMENT BUSINESS SYSTEM operator shall be deemed to be actions taken by the Merchant and Mangwee Payment Business System.

7. FRAUD MANAGEMENT

7.1 In the event of any loss or theft of any equipment by the Merchant or its staff, then an immediate written report of such loss or theft must be forwarded to Mangwee Payment Business System by the Merchant, to enable Mangwee Payment Business System to freeze or immobilize the effective use of the same account under the compromised login credentials.

- 7.2 The Merchant will be responsible for the safe keeping of system login details and Transaction PINs and proper use of the equipment by its staff.
- 7.3 Each MANGWEE PAYMENT BUSINESS SYSTEM Operator will be issued with a Username, Login Password/TRANSACTION PIN for use when effecting Transactions using the Equipment in accordance with the terms of this Agreement and the MANGWEE PAYMENT BUSINESS SYSTEM Manual. The Merchant shall inform each MANGWEE PAYMENT BUSINESS SYSTEM Operator that the Login Username, Password/TRANSACTION PIN must be kept secret. The Merchant shall be responsible for all Transactions undertaken using each Login Username, Password/TRANSACTION PIN. The Merchant shall indemnify and keep the Mangwee Payment Business System indemnified at all times against any and all costs, expense, actions, claims, demands and damages howsoever and when so ever arising as a result of the wrongful use of the equipment provided to the Merchant (or the Login Username, Password/TRANSACTION PIN.)
- 7.4 The Merchant shall not use the Equipment provided to them for any acts that are against Zambian Laws. In the event of any breach of the law, the Merchant may face prosecution or other legal proceedings at its sole risk as to costs and damages.
- 7.5 The Merchant shall, for its own protection, keep confidential all personal identification or security numbers used with the equipment for the provision of the Mangwee Payment Business System Services and ensure that they are not disclosed to anyone other than to MANGWEE PAYMENT BUSINESS SYSTEM Operators.
- 7.6 The Merchant acknowledges that the access and use of the MANGWEE PAYMENT BUSINESS SYSTEM Web Page via the Web Interface by MANGWEE PAYMENT BUSINESS SYSTEM Operators is subject to the policies and guidelines of acceptable information technology usage as may be published in the MANGWEE PAYMENT BUSINESS SYSTEM Manual.
- 7.7 The Merchant shall ensure that operators only access and provide the Mangwee Payment System in accordance with the terms contained herein and the MANGWEE PAYMENT BUSINESS SYSTEM Manual.

8. BRANDING & PROMOTIONAL MATERIALS & INTELLECTUAL PROPERTY RIGHTS

- 8.1 Mangwee Payment Business System shall provide all branding and advertising support materials such as posters, and internal point of sale material provided to Merchants only. For the avoidance of doubt, the Materials supplied to Merchants and Super Merchants (who in turn shall supply these to their outlets.) All branding and promotion materials shall remain the property of Mangwee Payment Business System, returnable upon demand or upon termination of this Agreement. The Merchant shall strictly comply with, all instructions given to them by or on behalf of Mangwee Payment Business System in respect of the Materials and their use.
- 8.2 The Merchant shall prominently display the Materials supplied by Mangwee Payment Business System. The Merchant shall not use any other branding or advertising materials in connection with the Mangwee Payment System Services.
- 8.3 The Merchant shall not modify the Materials in any manner whatsoever.
- 8.4 The Merchant shall not use any trademarks that are confusingly similar to (i) the Trademarks and Trade names, or (i) any other trademarks, copyright works or other materials in which Mangwee Payment Business System or its group companies own any intellectual property rights.
- 8.5 The Merchant shall, at the expense of Mangwee Payment Business system, take all reasonable measures to assist Mangwee Payment Business System to protect and maintain the intellectual property rights of Mangwee Payment Business from to time time.
- 8.6 licensed by Mangwee Payment Business System to provide the Mangwee Payment Business System Services and is not a branch or Merchant of Mangwee Payment Business System and no agency relationship exists or is hereby created between the Parties. Merchant shall display at its Outlets such other trade or service marks or Copyright notices as Mangwee Payment Business System may stipulate from time to time.

9. MERCHANT COMMISSIONS

Refer to our price and commission table

10. GENERAL PROVISIONS

- 10.1 This Agreement constitutes the entire agreement between the Parties and supersedes any previous agreement or relationship of whatsoever nature between the Parties in respect of the MANGWEE PAYMENT BUSINESS SYSTEM Service. A variation of this Agreement is valid only if it is in writing and signed by or on behalf of each Party.
- 10.2 All notices or other communications to be given under this Agreement to either Party shall be made in writing and sent by letter, email or SMS (unless as otherwise stated herein) to afore stated addresses or mobile phone numbers. All complaints must be handled as stated in our customer complaint procedure handbook which is available for free download on the virtual space website.
- 10.3 Except where this Agreement provides otherwise, the rights and remedies contained in it are cumulative and not exclusive to rights or remedies provided by Law. The failure to enforce at any time or for any period any one or more of the terms or conditions of this Agreement shall not be a waiver of them or of the right at any time subsequently to enforce all terms and conditions of this Agreement.
- 10.4 If any provision of this Agreement is declared by any judicial or other competent authority to be illegal or otherwise unenforceable, the Parties shall amend that provision in such reasonable manner as achieves the intention of the Parties without illegality and the remaining provisions of this Agreement shall remain in full force and effect.

11. ACCOUNT FUNDING

- 11.1 Merchant shall fund his/her Mangwee Payment Business System transaction account by depositing the funds/float in the Company's Trustee account number **9130000970569** held at Stanbic Bank Lusaka Main Branch or

Account Name : VIRTUAL SPACE LIMITED

Bank Name: Atlasmara (Formally Finance Bank)

Account Number: 0375825517018

Branch code: 037

Branch Name: Livonia

The transaction funds can be deposited at any Stanbic bank or Atlasmara branch country wide.

12. TERMINATION

12.1 This Agreement may be terminated for any reason or no reason by either party upon THIRTY DAYS (30) days written notice or immediately by the Company if;

- 1) Merchant fails to perform his/her duties or materially breaches any obligation in the Agreement, or
- 2) Merchant is unable to provide the services in this Agreement due to illness, death or disability.

13. DISPUTES

13.1 Any dispute, disagreement or request arising from this agreement and concerning this Agreement, its infringement, termination or invalidity, shall be settled by Parties by negotiation, or, in case of unavailability to resolve the disputes in negotiation way, the dispute shall be submitted to the Zambia Association of Arbitrators (“**ZAA**”) for mediation.

14. GOVERNING LAW

This Agreement shall be interpreted and governed in all respects in accordance with the laws of the Republic of Zambia.

SIGNED at _____ on this the ____ day of _____ 2017.

MERCHANT

**For and on behalf of
MANGWEE PAYMENT BUSINESS
SYSTEM**

Name:.....

Name:.....

Signature:.....

Signature:.....

Capacity:.....
Who warrants his/her authority hereto

Capacity:.....
Who warrants his/her authority hereto