



Merchant Rules

November 2022



Billzy Pty Ltd
ABN 26 602 796 298

Level 4, 130 Bundall Road, Bundall, Qld, 4217

1300BILLZY
compliance@billzy.com
billzy.com

Merchant Rules



Background

- A. Billzy is an on-line business community ("Billzy Community") enabling a Merchant to securely transact with another merchant via the Billzy Payment Platform.
- B. By becoming a member of the Billzy Community a Merchant, via the Billzy Payment Platform, is able to accept Card transactions and direct debit transactions.
- C. Billzy has entered into the Payment Facilitator Agreement with Global Payments Australia 1 Pty Ltd ("Global").
- D. Global has agreed to provide Billzy with a Merchant Facility to enable Merchants to make and accept Card payments subject to the terms and conditions set out in the Payment Facilitator Agreement.
- E. Part of the Payment Facilitator Agreement requires Billzy to ensure that any contractual arrangement between Billzy and Merchants must be consistent with the provisions of the Payment Facilitator Agreement.
- F. Organisations can become Merchants and thus be able to utilise the Merchant Facility by completing a Merchant Application and submitting it to Billzy for consideration.
- G. If Billzy accepts the Merchant Application, then the person submitting the Merchant Application agrees to be bound by the terms and conditions set out in these Merchant Rules and agrees to comply with Billzy's reasonable and lawful instructions.
- H. By agreeing to the Merchant Rules the Merchant agrees to comply with the Card Scheme Rules, PCI-DSS Standards (including those relating to privacy and the collection, storage and use of personal and sensitive information, data security, cyber security and electronic transactions) and all Relevant Laws.

Operative Provisions

1. Definitions

In these Merchant Rules unless the context otherwise requires:

"ADC" (being an Account Data Compromise) means any event whereby Global, Billzy (or any of its officers or employees) or the Merchant (or any of its officers or employees), or any service provider facilitating the storage, transmission or processing of Card payments for or on behalf of Billzy or the Merchant's behalf, suspect or have confirmation of unauthorised access to Cardholder Data.

"Adjustment" means an adjustment by BPAY, Global or Billzy to rectify a BPAY Transaction.

"Authorisation" means the response by Global to Billzy or

the Merchant (as the case may be) authorising a Card to be used for a particular transaction.

"Banking Day" means a day other than a Saturday or a Sunday or a public holiday listed throughout Australia.

"Billzy" means Billzy Pty Ltd ABN 26 602 796 298 which pursuant to the Payment Facilitator Agreement is designated as the "Payment Facilitator".

"Billzy Payment Platform" means the platform that enables the acceptance of Card transactions and Direct Debit transactions.

"BPAY" means the electronic bill payment system in Australia which enables payments to be made through a financial institution's online, mobile or telephone banking facility to organisations which are registered BPAY billers.

"BPAY Information Files" means a file produced by BPAY on a Banking Day, containing details of BPAY Transaction instructions processed on that day.

"BPAY Transaction" means a transaction facilitated through BPAY.

"Card" means:

- a. a valid financial Transaction Card issued by a member or affiliate of MasterCard on which the MasterCard marks appear;
- b. a valid financial Transaction Card issued by a member or affiliate of Visa on which the Visa marks appear;
- c. a valid financial Transaction Card capable of acceptance under the eftpos mark issued by an Australian bank or financial institution;
- d. a Charge Card;
- e. any other valid financial Transaction Card that is issued under any loyalty program; or
- f. any other financial Transaction Card which Global requests Billzy to honour.

"Card Scheme" means the MasterCard, Visa, American Express, Diners Club, Discover, JCB and EPAL or any other card scheme provider that Global is a member of or participates in.

"Card Scheme Rules" means the relevant rules and regulations which regulate participants in the respective Card Schemes, as amended or varied from time to time.

"Cardholder" means a person to whom a Card has been issued.

"Cardholder Data" means the account information of a Cardholder.

"Chargeback" means either (as the context requires):

- (a) in respect of a Card Transaction, the reversal of a Card Transaction to Billzy (i.e., a Transaction returned by Billzy or the relevant Card issuer in accordance with the applicable Card Scheme rules); or
- (b) in respect of BPAY Transactions, the reversal of the Transaction to Billzy (including Adjustments and other reversals of BPAY Transactions).

“Charge Card” means a Card issued under any one of the following Card Schemes: American Express, Diners Club, Discover or JCB.

“Commencement Date” means the date of which the Person who submitted the Merchant Application is notified by Billzy as having been accepted as a Merchant.

“Confidential Information” means information that is by its nature confidential, or is designated as confidential, and includes but is not limited to all statements, contracts or agreements, specifications, drawings, reports, documents, technology, know-how and information (regardless of form and specifically including any electronic data irrespective of how it is held or stored) relating to the business of each party and disclosed to each other at any time either in contemplation of or otherwise in connection with these Merchant Rules and either before or after the date of these Merchant Rules. Reference to Confidential Information includes a reference to any part of the Confidential Information.

“Credit Card Transaction or Card Transaction” means a Transaction where the details of a MasterCard or Visa Card have been presented and the Transaction is processed using the Billzy Payment Platform. This definition applies even where the ultimate destination of a MasterCard or Visa Card Transaction may be a deposit account.

“Credit Card Scheme Rules” means the relevant rules and regulations which regulate participants in the respective Card Schemes, as amended or varied from time to time.

“Customer(s)” means a Cardholder or other person making a payment to a Merchant as a customer through or using the Services.

“Data Security Standards” means the data security standards mandated by the Card Schemes for the protection of the Cardholder details and Transaction information (including the Payment Card Industry Data Security Standards (PCI-DSS) and the Payment Application Data Security Standard (PA-DSS), issued by the Payment Card Industry Security Standards Council, as amended from time to time), and any additional standards of which Global advises Billzy from time to time.

“Debit Payment” means a particular transaction where a debit is made.

“Fee Schedule” means the fees and charges payable by the Merchant to Billzy set out in **Schedule 5** of these Merchant Rules which may be varied from time to time by Billzy.

“Global” Global Payments Australia 1 Pty Ltd (ABN 26 601 396 543).

“GST” has the meanings given to those terms in *A New Tax System (Goods and Services Tax) Act 1999*, as amended from time to time.

“Insolvency Event” means, in respect of a Person:

- (a) the Person is, presumed or taken to be unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, begins negotiations with one or more of its creditors with a view or rescheduling any of its debts;
- (b) a moratorium is declared in respect of any debts of the Merchant;

- (c) any corporate action, legal proceedings or other procedure or step is taken in relation to any of the following:

- (i) the suspension of payments, a moratorium of any debts, winding up, liquidation, dissolution, administration or reorganisation (by way of a formal or informal arrangement or compromise or otherwise) of the Person;
- (ii) a composition, assignment or arrangement with any creditor of the Person;
- (iii) the appointment of a liquidator (other than in respect of a solvent liquidation), receiver, receiver and manager, administration or reorganisation (by way of a formal or informal arrangement or compromise or otherwise) of the Person;
- (iv) enforcement of any security interest over any property of the Person, where that property has an aggregate value of at least \$1,000,000;
- (v) any expropriation, attachment, sequestration, distress or execution affects any property of the Person having an aggregate value of at least \$1,000,000 and is not discharged within five business days; or
- (vi) an order or judgment requiring the Person to pay an amount in excess of \$1,000,000 is not complied with within five business days (unless, in good faith, Billzy or the Merchant (as applicable) appeals against the order or judgment).

“Law” includes any law, statute, regulation, ordinance, proclamation, by-law, statutory instrument or order, rules or codes of conduct issued by regulatory bodies.

“Manual” means any material or practical operating instructions that Global make available to Billzy and which Billzy may onforward to the Merchant or otherwise make available on the Billzy website from time to time.

“MasterCard” means MasterCard International Incorporated.

“MCC” means the “Merchant Category Code” or four-digit number assigned by a Card Scheme in relation to a Card.

“Merchant” means a Person whose Merchant Application has been accepted by Billzy and who Billzy nominates to Global to use a Merchant Facility in accordance with these Merchant Rules.

“Merchant Account” means the account nominated by the Merchant and approved by Billzy for acceptance of credit and debit entries under these Merchant Rules and for related purposes.

“Merchant’s Bank Account” means the bank account nominated by the Merchant from which Billzy is authorised to arrange for funds to be debited or credited.

“Merchant Application” means an application to use the Services available to members on the Billzy Payment Platform, submitted online through the Billzy website or other means made available by Billzy from time to time, which must be completed by an applicant and submitted to Billzy for approval.

“Merchant Rules” means this document together with

all written amendments or modification from time to time and the Schedules, as well as any brochures that Global provides to Billzy or the Merchants or makes available to Billzy or the Merchants via the Global website.

“Merchant Facility” means the facility made available to Billzy for the benefit of the Merchant to enable the Merchant to accept payments using Cards.

“Merchant’s Financial Institution” means the financial institution providing the Merchant’s Bank Account.

“MSF” means the Merchants service fee payable by the Merchant being the amount charged as a % of the gross dollar value processed by Billzy via the Merchant Facility.

“Payment Facilitator Agreement” means the “Payment Facilitator Agreement” between Global and Billzy dated 4 January 2021.

“PCI PA-DSS” means Payment Card Industry Payment Application Data Security Standards, developed and updated by the PCISSC from time to time, and applying to software vendors and other vendors developing payment applications that store, process or transmit Cardholder Data, as part of an authorisation or settlement process, where these payment applications are sold, distributed, or licensed to third parties.

“PCI PTS” means Payment Card Industry PIN Transaction Security.

“PCIDSS” means Payment Card Industry Data Security Standards. This refers to the data security standards mandated by Visa and MasterCard to facilitate protection of Cardholder payment data from unauthorised access, which is applicable to any person who stores, processes or transmits Card data regardless of that storage or transmittal device.

“PCISSC” means the Payment Card Industry Security Standards Council, being a not-for-profit organisation responsible for the development of the PCIDSS, the PCI PTS and the PCI PA-DSS standards.

“Person” includes an individual, firm, body corporate, unincorporated body or association, partnership, joint venture and any government agency or authority.

“PPSA” means the *Personal Property Securities Act 2009* (Cth).

“Privacy Laws” includes the Privacy Act 1988 (Cth) (as amended and supplemented) (Privacy Act), the Australian Privacy Principles contained within the Privacy Act, the privacy policy as published by Billzy on the Billzy website from time to time all other applicable privacy laws.

“Recurring Transaction” means when the Merchant is authorised to make regular drawings on a Card at predetermined intervals (such as monthly or quarterly, but not to exceed one year between Card Transactions) with the Cardholder’s written authority.

“Related Bodies Corporate” has the meaning given to it in the *Corporations Act 2001* (Cth).

“Relevant Laws” means any:

(a) statute, ordinance, code or other law including

regulations and other instruments under them;

(b) code of practice, guidelines or standards issued by relevant regulators or industry bodies, whether or not having the force of law; and

(c) Card Scheme Rules (including the Consumer Electronic Clearing System (CECS) Regulations,

applicable to the Confidential Information, the provision of the Billzy services and any other obligation to be performed by either party under these Merchant Rules.

“Rules” means the Card Scheme rules set by Card Schemes from time to time including the EPAL Scheme Rules.

“Secure Socket Layer” (SSL) means the encryption technology used on a server that encrypts important data such as credit Card numbers and other information when it is being stored or passed from one computer to another.

“Security Interest” includes any security interest under the PPSA, mortgage, pledge, lien, charge, hypothecation, trust arrangement, title retention arrangement or other security interest or encumbrance.

“Sensitive Authentication Data” includes any full magnetic stripe, PIN verification or code otherwise known as CAV, CVC, CVC2, CVV, CVV2, PVV, PIN and PIN Block data.

“Services” means any services, including via the App, the Q Wallet, any sites located on the Q Wallet browser and web sites provided by BPS that are provided to You.

“Transaction” includes a Debit Payment and Credit Card Transaction.

“Tri-Party Agreement” means the agreement entered into between Billzy, Global and a Merchant, and set out in **Schedule 6**, (in respect of Billzy’s delivery of the Services involving Card Schemes to Merchants) in the event a Merchant accepts a card dollar volume which exceeds \$1 million per annum.

“Visa” means Visa Inc.

“Web Hosting Provider” means the provider of web hosting services that hosts or otherwise assist a Merchant to make their web page available on the world wide web.

2. Interpretation

The following rules apply unless the context requires otherwise:

2.1. headings are for convenience only and do not affect interpretation;

2.2. a reference to a clause, schedule, annexure or exhibit is a reference to a clause of or a schedule, annexure or exhibit to these Merchant Rules;

2.3. the singular includes the plural and vice versa;

- 2.4. a reference to a person includes an individual, corporation, trust, partnership, unincorporated body or other entity whether or not it comprises a separate legal entity;
- 2.5. a reference to a party to these Merchant Rules includes the party's successors and permitted substitutes or assigns;
- 2.6. a reference to these Merchant Rules is to these Merchant Rules as amended, novated, supplemented or replaced from time to time except to the extent prohibited by these Merchant Rules or that other agreement or document;
- 2.7. a reference to conduct includes, without limitation, an omission, statement or undertaking whether or not in writing;
- 2.8. a reference to "writing" includes any means of reproducing words in a tangible and permanently visible form and, where the parties agree specifically to the giving of notices and communication by facsimile transmission;
- 2.9. a reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it;
- 2.10. mentioning anything after include, includes or including does not limit what else might be included;
- 2.11. a sale includes both the supply of goods or the supply of services or both; and
- 2.12. reference to any time is Brisbane time.

3. Term

- 3.1. The Merchant agrees to be bound by these Merchant Rules from the Commencement Date until such time the Merchant either notifies Billzy that it is foregoing its membership, the Merchant is notified by Billzy that it is no longer a Merchant due to some default on the part of the Merchant or the Merchant's membership is terminated in accordance with these Merchant Rules.
- 3.2. Notwithstanding any other provision in these Merchant Rules, Billzy may terminate the Merchant's membership without prejudice to Billzy if Global no longer provides a Merchant Facility to Billzy for the benefit of the Merchants or for the benefit of the Merchant as notified by Global to Billzy.

4. Nomination and Obligations of Merchants

- 4.1. In order to become a Merchant, a Person must fully, truthfully, and accurately complete the Merchant Application and submit that Merchant Application to Billzy for approval.
- 4.2. Billzy will access the Merchant Application but the final approval will rest with Global as to whether the Person is accepted as a Merchant.
- 4.3. Each Person applying to become a Merchant acknowledges that Global may require Billzy to make a separate written application to Global for each Person that would like to gain the benefit of a Merchant Facility.
- 4.4. Each Person submitting a Merchant Application acknowledges that Global has sole responsibility for, and sole discretion to, approve or reject any Merchant Application.
- 4.5. Prior to submitting a Merchant Application to Billzy, or providing any information about it, the Person submitting the Merchant Application must give its consent permitting Billzy to disclose that information to Global and permitting Global to:
 - 4.5.1. use that information to contact the prospective Merchant regarding Global products and services or that of its third party affiliates; and
 - 4.5.2. perform checks on the prospective Merchant to ensure that the prospective Merchant is able to satisfy any obligation that Billzy or Global may impose in order for Billzy to meet its obligations under the Payment Facilitator Agreement.
- 4.6. If Global approves a Merchant Application or declines a Merchant Application, then Billzy will promptly notify the relevant Person as to whether its application has been approved or declined.
- 4.7. Once approved the Merchant must provide Billzy with all the necessary information and documents relevant to the Merchant, the Services and the Merchant's customers to enable Billzy to perform the Services.
- 4.8. Once approved the Merchant must promptly notify Billzy of any change in its financial position which will, or is reasonably likely to, affect Billzy's ability to perform its obligations to Global.
- 4.9. The Merchant agrees to promptly notify Billzy of all enquiries or complaints by the Merchant's customers in respect of transactions and the Services.

5. Commencement and Provision of a Merchant Facility to a Merchant

- 5.1. The Merchant acknowledges that each Merchant
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Facility established must be operated in accordance with these Merchant Rules and the requirements of **Schedule 2**.

6. Prohibited Changes to Merchant without Consent

- 6.1. The Merchant warrants that it will not whilst it is a Merchant make any change in the following without first notifying Billzy in writing of that change and receiving the written consent from Billzy for that change:
 - 6.1.1. the ownership or effective control of the Merchant;
 - 6.1.2. the principal business activities of the Merchant;
 - 6.1.3. the types of goods or services that the Merchant supplies to its customers or clients;
 - 6.1.4. supply goods or services outside of Australia without Billzy's consent;
 - 6.1.5. accept payment for goods or services that have been supplied to a Cardholder by a third party; or
 - 6.1.6. knowingly submit any transaction that is illegal or that should have known was illegal;
- 6.2. The Merchant acknowledges and agrees that Billzy cannot give its consent to the change without first notifying Global in writing of that change and receiving Global's written consent for that change.
- 6.3. Consent may be withheld by Billzy, acting reasonable and subject to any consent required from Global first being obtained.
- 6.4. Without limiting the rights of Billzy under these Merchant Rules, if the Merchant undertakes any of the changes referred to in clause 6.1, the Merchant must reapply with, and be approved by, Billzy to receive the Services.

7. Transactions

- 7.1. The Merchant must:
 - 7.1.1. only accept valid Cards and instigate Transactions in accordance with these Merchant Rules and any other practical operating instructions Billzy provides to the Merchant from time to time; and
 - 7.1.2. accept and instigate Transactions in Australian dollars only.
- 7.2. The Merchant will not instigate any Transaction:
 - 7.2.1. representing refinancing or transfer of an existing Cardholder's financial obligation to Billzy or any other Merchant (whether or not Billzy or the Merchant considers that the obligation is uncollectible); or

- 7.2.2. as an alternate way of accepting payment due to the dishonour of a Cardholder's personal cheque.
- 7.3. The Merchant must not, under any circumstances, request that the Cardholder provide the Merchant with the Cardholder's Card and/or PIN number for the Merchant to retain. The Merchant may only retain a Cardholder's Card if Billzy has advised the Merchant that Global has requested the Merchant to do so. Without limiting the other obligations in these Merchant Rules, the Merchant will not, disclose (unless required by these Merchant Rules or by Law), buy, sell or exchange a Cardholder's name or Card details to any person.
- 7.4. Under no circumstances will the Merchant store Sensitive Authentication Data of another Merchant.
- 7.5. Under no circumstances should the Merchant request that the Merchant's client provide Credit Card details via email for payment of the provision of goods and/ or services. Should such details be provided to the Merchant, the Merchant must not use this information to provide goods and/or services and must immediately securely destroy these details.
- 7.6. The Merchant acknowledges that neither Global nor Billzy will be responsible or liable for any delay that might occur in the processing of payments or any lost Transactions that might occur where the Merchant Facility is not available for any reason. This includes instances where cash-out Transactions are not available.
- 7.7. If the Merchant participates in the storage of Card payment details, then the Merchant must fully comply with the PCIDSS. Billzy will promptly advise the Merchant on the volume of Transactions permitted to be processed.
- 7.8. The Merchant warrants that it:
 - 7.8.1. will at all points of Cardholder contact, prominently and unequivocally inform the Cardholder of the Merchant's identity so that the Cardholder can readily distinguish the Merchant from any supplier of goods or services to other third parties;
 - 7.8.2. will not, either directly or indirectly, process any Transaction to Billzy which does not originate from a Transaction between the Merchant and a Cardholder to whom the Merchant has actually supplied the goods and or services for which the Card was used in payment unless the Merchant has been approved by Billzy to process pre-payment Transactions and the Cardholder has expressly authorised the Transaction;
 - 7.8.3. will not split a Transaction into two or more Transactions on the same Card to avoid having to obtain an Authorisation. The Merchant will not be considered to be avoiding having to obtain an Authorisation by splitting a Transaction when the Cardholder bills a portion of the Transaction to a Card and pays the remaining balance by cash or cheque or where facilitated using the Billzy Split service available on the Billzy Payment Platform.

- 7.9. The Merchant agrees to the following:
 - 7.9.1. Global is permitted to automatically process Transactions pursuant to these Merchant Rules in accordance with the business rules set out in Schedule 1;
 - 7.9.2. Global will not be required to act on any request to change the business rules set out in **Schedule 1** unless Global receives a written request signed by both Billzy and the Merchant for such a change and acknowledgement that Global will not be liable or responsible for any cost or other loss arising out of, or in connection with, any delays in agreeing to such request and making such changes.
- 7.10. Global, Billzy and the Merchant agree to enter into a Tri-Party Agreement in the event the Merchant accepts a card dollar volume which exceeds \$1 million. For the avoidance of doubt, notwithstanding Billzy being a party to the Tri-Party Agreement, will continue to perform the Services and provide the Services to the Merchant.

8. Invalid Transactions

- 8.1. A Transaction is invalid if:
 - 8.1.1. it was processed after the Merchant's membership is terminated or whilst it was suspended in accordance with these Merchant Rules;
 - 8.1.2. the Transaction is split into two or more Transactions on the same Card or over two or more cards, other than through use of the Billzy Split product, to avoid having to obtain an Authorisation for the total amount of the sale (each Transaction will be invalid);
 - 8.1.3. the Card relating to the Transaction is not current at the time of the Transaction;
 - 8.1.4. the Card was used without the Cardholder's authority;
 - 8.1.5. the Transaction did not originate from an act between the Merchant and the Cardholder;
 - 8.1.6. it is a Credit Card Transaction and:
 - 8.1.6.1. it is not for the supply of goods or service to a genuine customer;
 - 8.1.6.2. it represents a transfer of funds, not supply of goods or services;
 - 8.1.7. it was submitted as a Transaction authorised by Global where an Authorisation was never obtained from or given by Global;
 - 8.1.8. the Merchant is unable to demonstrate the validity of the Transaction to both Billzy's and Global's satisfaction;
 - 8.1.9. the Merchant does not observe the obligations set out in these Merchant Rules

in relation to the Transaction; or

- 8.1.10. Global advises Billzy that Global deems the Transaction to be invalid for any reason Global so determines.
- 8.2. A telephone, internet or mail order Transaction is invalid if the Transaction is not authorised by the Cardholder, or in the case of a standing authority, the authority has expired or was cancelled prior to the Transaction. The Merchant acknowledges that authorisations obtained provide no guarantee that the person providing the Card details is the Cardholder.
- 8.3. The Merchant acknowledges and agrees, that Global may refuse to accept, or may Chargeback, any Transaction if:
 - 8.3.1. the Transaction is invalid or Global considers it to be invalid;
 - 8.3.2. the Cardholder claims the Transaction is invalid or disputes liability for any reason;
 - 8.3.3. The Merchant processes a cancelled Recurring Transaction;
 - 8.3.4. the Cardholder asserts a claim for set-off or a counterclaim.
- 8.4. The Merchant acknowledges that Chargebacks may be processed to the Merchant's Account up to 18 months after the date of the original Transaction.
- 8.5. The Merchant undertakes to abide by industry best practices to minimise fraud and chargebacks as set out in any Manuals from time to time.

9. Cost of acceptance reporting

- 9.1. This **clause** is intended to give effect to Standard No. 3 of 2016 as amended or replaced issued by the Reserve Bank of Australia under section 18 of the *Payment Systems (Regulation) Act 1998* (Cth) (**Standard**). For the purposes of this **clause** capitalised terms have the same meaning as in the Standard, unless the context requires otherwise.
- 9.2. On or as soon as practicable after the Commencement Date, Billzy will issue to the Merchant a written notice advising them of the provisions of the Standard. Such notice must provide sufficient detail to allow the Merchant to understand the provisions of the Standard.
- 9.3. Billzy will issue monthly statements to the Merchant as soon as practicable after the end of the period that the statement covers. Each statement must set out:
 - 9.3.1. the dates on which the period covered by the statement begins and ends;
 - 9.3.2. for the relevant period covered by the statement:
 - 9.3.2.1. the aggregate cost of the *Acquirer Supplied Elements* of the *Cost of Acceptance* for Merchant of:

- 9.3.2.1.1. *Credit Cards* of each applicable *Credit Card Scheme*, and
- 9.3.2.1.2. *Debit Cards* and *Prepaid Cards* of each applicable *Scheme Pair*, over the relevant period (each such aggregate being a *Month Element Cost Total*);
- 9.3.2.2. the aggregate value of Card Transactions processed for the Merchant for:
 - 9.3.2.2.1. each applicable *Credit Card Scheme*, and each applicable *Scheme Pair* over the relevant period (each such aggregate being a *Month Value Total*); and
 - 9.3.2.2.2. for each applicable *Credit Card Scheme* and each applicable *Scheme Pair*, the *Month Element Cost Total* expressed as a percentage of the corresponding *Month Value Total*;
- 9.3.3. if it is the last statement covering the end of a *Financial Year*:
 - 9.3.3.1. the aggregate cost of the *Acquirer Supplied Elements* of the *Cost of Acceptance* for the Merchant over the 12 month period ending on the last day of the period the statement covers of:
 - 9.3.3.1.1. *Credit Cards* of each applicable *Credit Card Scheme*, and
 - 9.3.3.1.2. *Debit Cards* and *Prepaid Cards* of each applicable *Scheme Pair*, (each such aggregate being an *Annual Element Cost Total*);
 - 9.3.3.2. the aggregate value of *Card Transactions* processed for the Merchant for:
 - 9.3.3.2.1. each applicable *Credit Card Scheme*, and
 - 9.3.3.2.2. each applicable *Scheme Pair*, the 12 month period ending on the last day of the period the statement covers (each such aggregate being an *Annual Value Total*); and
 - 9.3.3.3. for each applicable *Credit Card Scheme* and each applicable *Scheme Pair*, the *Annual Element Cost Total* expressed as a percentage of the corresponding *Annual Value Total*.

10. Accounts

- 10.1. Billzy is permitted to record debit and credit entries to reflect Transactions processed in accordance with these Merchant Rules.
- 10.2. The Merchant acknowledges that Billzy may debit the Merchant's Account (and the Merchant authorises Billzy to do so) with the following:
 - 10.2.1. all service charges, fees and other charges set by Billzy and which are notified to the Merchant from time to time.
 - 10.2.2. all government charges and taxes (including GST) that apply;
 - 10.2.3. any overpayments or credits Billzy has made in respect of Transactions due to errors or omissions;
 - 10.2.4. the value of Transactions which are invalid;
 - 10.2.5. any Chargeback;
 - 10.2.6. any moneys paid by Global to the Merchant (if applicable) for Card Transactions where Global is investigating the validity of the Transaction or a suspected Chargeback;
 - 10.2.7. any fees, fines or penalties that Global is required to pay to Card Scheme(s) pursuant to the Card Scheme rules as a direct or indirect result of the Merchant's failure to observe obligations under these Merchant Rules including any procedures set out in any Manuals and any other practical operating instructions Billzy has provided to the Merchant;
 - 10.2.8. a Card Transaction not being a valid Transaction or being charged back to Global or Billzy (as the case may be);
 - 10.2.9. Global's maintenance of the facilities Global supplies to either the Billzy or the Merchant under the Payment Facilitator Agreement;
 - 10.2.10. all penalties and costs incurred by Global because of an ADC or the Merchant's non-compliance to the PCIDSS (including any service providers) including but not limited to the cost of all forensic investigations as required by Global or the Card Schemes;
 - 10.2.11. any other money the Merchant owes either Billzy or Global under these Merchant Rules; and
 - 10.2.12. reasonable enforcement expenses under these Merchant Rules, including any amount reasonably incurred using Billzy staff and facilities, in the event of a breach of these Merchant Rules.
- 10.3. If Billzy debits a Merchant's Account in which there are insufficient funds, then the payment may be reversed and the Merchant will be regarded as not having made the payment.
- 10.4. Billzy may withhold release of the funds in the

Merchant's Account or withhold or suspend payment of any money that would otherwise be owing to the Merchant until further notice If Billzy becomes aware that Global has concerns:

- 10.4.1. about the Merchant's solvency;
- 10.4.2. that the Merchant is involved in a disproportionately high number of Chargebacks or invalid Transactions; or
- 10.4.3. about the Merchant or the Merchant's business.
- 10.5. The Merchant acknowledges that Global may appropriate money the Merchant holds in the Merchant's Account (where applicable), or any other account with Global, held in the Merchant's name(s), towards any and all amounts the Merchant owes Global pursuant to these Merchant Rules. If Global does this, the balance of the Merchant Account will reduce by the amount used for this purpose. It is understood that Global will notify Billzy promptly after exercising its right to appropriate money in the Merchant's Account and Billzy will advise the Merchant accordingly.
- 10.6. The Merchant accepts that Global will record debit and credit entries to reflect Transactions processed in accordance with these Merchant Rules, where applicable, to the Merchant's Account. The Merchant must notify Billzy immediately if the Merchant Account details (such as, but not limited to, signatories to the Merchant Account) change.
- 10.7. The Merchant is responsible for, reconciling sales and settlements for all Transactions. If the Merchant has any concerns about any missing amounts, it must, contact Global within 7 days from the date of the Transaction to have it reviewed. Any disputes raised after this time will not be reprocessed.
- 10.8. The Merchant is responsible for reconciling the statements that Global sends the Merchant to ensure that payments to and from the Merchant Account have occurred in accordance with these Merchant Rules.
- 10.9. It is the Merchant's obligation to check the accuracy of the statements. If the Merchant fails to notify Global within 3 months of an incorrect fee being processed, and thus an incorrect amount was debited from the Merchant Account, or a payment should have been made to the Merchant, then the Merchant will have no claim against either Billzy or Global and the account with Global will be deemed settled.

11. Fees, Costs, Taxes and Expenses

- 11.1. The Merchant will pay the fees and charges set out in the Fee Schedule as outlined in **Schedule 5**.
- 11.2. The Merchant acknowledges that the Fee Schedule is based in part upon what is detailed in the Payment Facilitator Agreement and as such Global has the right to review from time to

time the Fee Schedule.

- 11.3. Billzy may upon giving 28 days' notice to the Merchant vary the Fee Schedule to take account of any increase in costs incurred by Billzy in its business operations, including any alterations to any fees charges by Global to Billzy.
- 11.4. If Global does review the fees and charges payable under the Payment Facilitator Agreement and advises Billzy accordingly then Billzy will promptly notify the Merchant of such changes in accordance with these Merchant Rules.
- 11.5. The Merchant must pay:
 - 11.5.1. all stamp, transaction and other similar duties, taxes and charges in relation to becoming a Merchant under these Merchant Rules or any document related to these Merchant Rules to which it is a party. The Merchant must also pay all fines and penalties unless they result from a failure by Billzy to lodge a document for stamping in sufficient time, having received from the Merchant the amount of stamp duty in good time;
 - 11.5.2. all costs and expenses incurred by Billzy in enforcing its rights under these Merchant Rules; and
 - 11.5.3. GST.
- 11.6. Unless stated otherwise in the Fee Schedule, the amounts payable to Billzy under these Merchant Rules include any GST.
- 11.7. To the extent that anything done or to be done under or in connection with these Merchant Rules by Billzy constitutes a taxable supply for the purposes of any GST legislation, the amounts expressed elsewhere in these Merchant Rules as payable or to be provided in relation to that supply will automatically include the additional amount on account of GST. Such amount will have been calculated by multiplying the value of the non-taxed amount payable or to be provided by Billzy for the relevant taxable supply by the prevailing GST rate. Any additional amount paid or payable
- 11.8. on account of GST shall be calculated and shall be payable by the Merchant without any deduction or set-off of any amount payable by Billzy to the Merchant.
- 11.9. If, after a supply is made under these Merchant Rules, it is determined on reasonable grounds that the amount of any GST paid or payable by Billzy to the Commissioner of Taxation on that supply differs for any reason from the amount of GST recovered from the Merchant, the amount of GST recovered or recoverable from the Merchant shall be adjusted by Billzy repaying to the Merchant the amount of the overpayment or by the Merchant paying to Billzy the amount of the underpayment, (as the case may be).

12. Direct Debit Transactions

- 12.1. On becoming a Merchant, the Merchant authorises Billzy to arrange for funds to be directly debited from the Merchant's Bank Account. This authorisation may be revoked on the provision of 28 days prior notice to Billzy, following which direct debit services will no longer be available to the Merchant.
- 12.2. Billzy will only arrange for funds to be debited from the Merchant's Bank Account as authorised by the Merchant.
- 12.3. Billzy may arrange for funds to be debited from the Merchant's Bank Account if Billzy has sent to the Merchant a statement of account which specifies the amount payable by the Merchant to Billzy and when it is due.
- 12.4. If the debt day falls on a day that is not a Banking Day, Billzy may direct the Merchant's Financial Institution to debit the Merchant's Bank Account on the following Banking Day. If the Merchant is unsure about which day the Merchant's Bank Account has or will be debited the Merchant should ask the Merchant's Financial Institution.
- 12.5. The Merchant agrees that Billzy may vary the details of these provisions concerning direct bank transactions including a direct debit at any time by giving the Merchant at least 14 days notice.
- 12.6. Notice given under clause 12.2 will be in writing and given in accordance with clause 23.
- 12.7. The Merchant may change, suspend or cancel a Debit Transaction by notice on the following basis:

Type of request	Time Frame	Notification Method
Cancelling or stopping a Debit Payment request	30 days/no greater than 14 days prior notice	In writing to compliance@billzy.com
Suspending or deferring a Debit Payment	30 days/no greater than 14 days prior notice	In writing to compliance@billzy.com
Changing the Merchant's authorised account for direct debit payments.	30 days/no greater than 14 days prior notice	In writing to compliance@billzy.com

- 12.8. It is the Merchants responsibility to ensure that there are sufficient clear funds available in the Merchant's Bank Account to allow a Debit Payment to be made in accordance with this **clause 12**.
- 12.9. If there are insufficient clear funds in the Merchant's Bank Account to meet a Debit Payment:
 - 12.9.1. the Merchant may be charged a fee and or interest by the Merchants Financial Institution;
 - 12.9.2. the Merchant may also incur fees or charges imposed or incurred by Billzy or Global; and
 - 12.9.3. the Merchant must arrange for the Debit Payment to be made by another method or arrange for sufficient funds to be in the Merchants Account by an agreed time so that Billzy can process the Debit Payment.

- 12.10. If the Merchant believes that there has been an error in debiting the Merchant's Bank Account, the Merchant must notify Billzy directly by emailing the Merchant's concerns to compliance@billzy.com and confirm that notice with Billzy as soon as possible so that Billzy can resolve the Merchant's query more quickly. Alternatively, the Merchant's Financial Institution can be contacted directly.
- 12.11. If Billzy concludes as a result of its investigation that the Merchant's Bank Account has been incorrectly debited Billzy will respond to the Merchant's query by arranging for the Merchant's Financial Institution to adjust the Merchant's Bank Account (including interest and charges) accordingly. Billzy will also notify the Merchant in writing of the amount by which the Merchant's Bank Account has been adjusted.
- 12.12. If Billzy concludes as a result of the investigation that the Merchant's Bank Account has not been incorrectly debited Billzy will respond to the Merchant's query by providing the Merchant with reasons and any evidence for this finding in writing.
- 12.13. It is the Merchant's responsibility to check:
 - 12.13.1. with the Merchant's Financial Institution whether direct debiting is available from the Merchant's Bank Account, as direct debiting is not available on all accounts offered by financial institutions;
 - 12.13.2. the Merchant's Bank Account details which the Merchant has provided to Billzy are correct by checking them against a recent account statement; and
 - 12.13.3. with the Merchant's Financial Institution before completing the Merchant Application or changing direct debit details and, if the Merchant has any queries, clarifying such queries with the Merchant's Financial Institution.

13. BPAY Transactions

- 13.1. The Merchant must:
 - 13.1.1. provide all necessary information, authorisations and consents:
 - 13.1.1.1. to enable the Merchant's Financial Institution to effect BPAY Transactions and implement Adjustments (where required) in relation to the Merchant;
 - 13.1.1.2. which are required to use the Merchant's name in reports or lists prepared or published by BPAY; and
 - 13.1.1.3. to enable Billzy to comply with its obligations with the Merchant's Financial Institution;
 - 13.1.2. do all things necessary to give effect to the authorisations and consent in clause 13.1.1, including executing any documents and making all relevant disclosures to and obtaining necessary consents from its

customers and otherwise assist the Merchant's Financial Institution to accept BPAY Transactions from the Merchant's customers and credit and debit the Merchant's Bank Account all amounts contemplated by the Merchant's membership;

- 13.1.3. not give Billzy or the Merchant's Financial Institution any instructions or directions which are inconsistent with any authorisations it provides to the Merchant's Financial Institution;
- 13.1.4. provide to Billzy all information reasonably requested by Billzy, including those relating to the billing arrangements with its customers, and notify Billzy of any changes to those details;
- 13.1.5. not make any warranty or representation in respect of goods or services they supply which may bind the Merchant's Financial Institution, BPAY, or any other participant in BPAY;
- 13.1.6. correctly credit to, or debit from, its customers the amount of each BPAY Transaction and Adjustment, including as recorded on the BPAY Information Files if such files are to be delivered directly to the Merchant in accordance with clause 13.1.6; and
- 13.1.7. notify Billzy or the Merchant's Financial Institution promptly if, for any reason, it becomes aware that it is unable to apply BPAY Transactions and Adjustments in accordance with clause 13.7.
- 13.2. The Merchant's participation in BPAY must not bring BPAY, Global or Billzy into disrepute.
- 13.3. The Merchant acknowledges and agrees that:
 - 13.3.1. BPAY Transaction instructions received by the Merchant's Financial Institution after the BPAY Transaction cut-off time will be processed on the next Banking Day;
 - 13.3.2. the Merchant's Financial Institution will not be liable to the Merchant if for any reason beyond the Merchant's Financial Institution's control it does not receive the funds in respect of a BPAY Transaction which the Merchant's customers have effected using BPAY; and if the Merchant's Financial Institution has already credited the relevant Merchant's Bank Account with the relevant funds, it may debit the Merchant's Bank Account for the corresponding amount by way of an Adjustment; and
 - 13.3.3. delays may occur in the processing of BPAY Transactions for various reasons including because of public or bank holidays, BPAY Transaction instructions being received after the BPAY Transaction cut-off time, Billzy or another Merchant's Financial Institution not complying with its obligations to BPAY, or a Merchant failing to comply with any obligations under these Merchant Rules.
- 13.4. The Merchant must treat a BPAY Transaction as having been received by it on the day its customer gives the relevant direction to the customer's

Merchant's Financial Institution to effect that relevant BPAY Transaction. However, if a customer gives a BPAY Transaction direction to its Merchant's Financial Institution after the relevant BPAY Transaction cut-off time, then the Merchant may treat the BPAY Transaction as having been received the next Banking Day.

- 13.5. The Merchant must establish and maintain:
 - 13.5.1. the Merchant's Bank Account which is acceptable to the Merchant's Financial Institution for the purpose of BPAY Transactions; and
 - 13.5.2. the Merchant's Financial Institution will make BPAY Transactions and effect Adjustments relating to the Merchant to and from that Merchant's Bank Account.
- 13.6. Where BPAY Information Files are sent directly to the Merchant:
 - 13.6.1. the Merchant's Financial Institution will prepare and provide directly to the Merchant, BPAY Information Files for transactions involving the Merchant; and
 - 13.6.2. the Merchant must establish and maintain adequate procedures and systems for promptly receiving and processing BPAY Information Files and to generate sufficient records to allow transactions through BPAY to be traced, checked and, if an error occurs, to be identified and adjusted.
- 13.7. Adjustments
 - 13.7.1. The Merchant acknowledges that Adjustments will be processed in accordance with Billzy's contractual arrangements with Global and BPAY.
 - 13.7.2. The Merchant must immediately notify Billzy if it becomes aware:
 - 13.7.2.1. that it has received a BPAY Transaction in error;
 - 13.7.2.2. of any processing error, mistaken BPAY transaction or an unauthorised transaction involving a BPAY Transaction which is processed or received by or on behalf of the Merchant; or
 - 13.7.2.3. of any other delays or mistakes in processing a BPAY Transaction relating to the Merchant;
 - 13.7.3. The Merchant must use best endeavours to assist Billzy, Merchant's Financial Institution, BPAY and BPAY's service providers in effecting any Adjustment for a BPAY Transaction that has been processed or received by the Merchant and which is required to be adjusted in accordance with the Billzy's master-biller arrangement with BPAY, including (where relevant) by confirming whether all or some of the funds which are the subject of an Adjustment are available in the relevant Merchant's Bank Account.
 - 13.7.4. The Merchant must, if the Merchant's

Financial Institution or Billzy notifies the Merchant of a processing error or an alleged mistaken BPAY Transaction or unauthorised transaction relating to the Merchant, immediately prevent the withdrawal or other application of funds held by the Merchant which comprises the original BPAY Transaction (to the extent not already paid out by the Merchant to another party) until resolution of the matter.

- 13.7.5. The Merchant must keep its customers informed of the progress of all investigations and Adjustments. However, the Merchant is not required to notify its customers if the Merchant, Billzy or the Merchant's Financial Institution reasonably determine that doing so will, or is likely to, compromise the integrity of the investigation or BPAY more broadly.
- 13.7.6. The Merchant must not deny any legitimate requests for Adjustments unless it has a genuine ground for refusing to do so. If the Merchant wishes to deny a request for an Adjustment, it must provide evidence to the reasonable satisfaction of the Merchant's Financial Institution demonstrating why the Adjustment should not be made.
- 13.7.7. If the Merchant does not respond to a query in relation to investigations or Adjustments within two Banking Days of that query (or seven Banking Days in the case of unauthorised transactions), the Merchant's Financial Institution may process or arrange for BPAY to process the Adjustment and debit the Merchant's Bank Account without further enquiry.
- 13.7.8. The Merchant may initiate a refund to return all or part of a BPAY Transaction which it has processed or received from its customers.
- 13.7.9. The Merchant must acknowledge that its customers' liability may be limited under the ePayment Transactions Code, as published by the Australian Securities and Investments Commission, where applicable.

13.8. BPAY View

- 13.8.1. BPAY View is a feature through which Billzy enables Merchants to view, pay and store bills electronically using BPAY through the Billzy Payment Platform. A BPAY View Error means any error in connection with the display of invoices. For example, a BPAY View Error may arise if an invoice fails to display as required (including if it does not display on time or with correct details) or where the invoice displays in circumstances where it should not.
- 13.8.2. If a BPAY View Error occurs the Merchant must:
 - 13.8.2.1. notify Billzy immediately upon becoming aware of that BPAY View Error.
 - 13.8.2.2. correct the BPAY View Error if responsible for it; and
 - 13.8.2.3. otherwise take all reasonable steps

to mitigate the impact of that error, including if necessary by providing a correct invoice to the proper recipient.

- 13.8.3. The Merchant must not require BPAY Transaction of any affected invoice until the relevant customer has been provided a reasonable period to make BPAY Transaction after the correct details of the invoice are provided to that customer or the customer has otherwise been notified of the amount owing (the Corrected Due Time).
- 13.8.4. The Merchant acknowledges that the only compensation the Merchant is entitled to is that the responsible participant (where not the Merchant) will pay any charges or interest which would ordinarily be payable by the customer if the original due date for BPAY Transaction was not deferred. These include fees ordinarily charged by the Merchant for the period from the original due date for BPAY Transaction up to and including the Corrected Due Time, or any other expenses which the Merchant may incur including under any Law as a result of the BPAY View Error, excluding any indirect, special or consequential loss, costs or damages.
- 13.8.5. If the Merchant's use of BPAY View is suspended or terminated for any reason without prior notice from Billzy, the Merchant must:
 - 13.8.5.1. notify Billzy of the suspension or termination
 - 13.8.5.2. provide all assistance Billzy or any service provider utilised by Billzy reasonably request to notify other affected participants; and
 - 13.8.5.3. comply with all other directions Billzy or any service provider utilised by Billzy provide to Merchant in connection with the Merchant's suspension or termination from BPAY View, including the content of any notifications the Merchant makes to its customers.

14. Responsibilities

- 14.1. The Merchant must provide a complete copy of the Transaction receipt to the Cardholder (unless otherwise stated, for example, contactless Transactions) at the time the purchased goods are delivered, or services performed and advise the Cardholder to retain the receipt as proof that payment has been made. The Transaction receipt may be delivered in either of the following formats:
 - 14.1.1. electronic (e.g. email or fax); or
 - 14.1.2. paper (e.g. hand-written).
- 14.2. A Transaction receipt must contain the following

information:

- 14.2.1. the Merchant name most recognisable to the Cardholder, such as:
 - 14.2.1.1. merchant “doing business as” name as used on your website;
 - 14.2.1.2. merchant “universal resource locator” (URL) if possible.
- 14.2.2. Transaction type (purchase or credit);
- 14.2.3. Transaction amount, indicated in Transaction currency;
- 14.2.4. Transaction date;
- 14.2.5. Unique Transaction identification number;
- 14.2.6. Purchaser’s/Cardholder’s name;
- 14.2.7. authorisation code;
- 14.2.8. description of goods and services;
- 14.2.9. return/refund policy, if restricted; and
- 14.2.10. any cancellation policies.

14.3. The Merchant will:

- 14.3.1. respond promptly to all customer inquiries, including cancellations and order changes;
- 14.3.2. not do anything that constitutes or encourages a violation of any applicable Law or regulation in Australia or an overseas jurisdiction, including but not limited to the sale of illegal goods or the violation of export controls, obscenity laws or gambling laws;
- 14.3.3. not offer for sale goods or services within the Prescribed Industries, as set out in Schedule 3 or otherwise offer for sale goods or services, or use or display materials, that are illegal, obscene, vulgar, offensive, dangerous, or are otherwise inappropriate as determined by Billzy;
- 14.3.4. not offer for sale goods or services within the Restricted Industries, as set out in Schedule 3, without the prior notice Global has provided its consent;
- 14.3.5. not generate a significant number of complaints for failing to be reasonably accessible to customers; and
- 14.3.6. fulfil customers order in a timely manner or adequately deal with customers’ warranty or service requirements.

14.3.7. The Merchant agrees that it will not return the Cardholder’s number to the Cardholder either online or on the Transaction receipt.

14.3.8. If the Person submitting the Merchant Application is approved as a Merchant, then the Merchant consents to Billzy supplying Global with full details of the Merchant’s Web Hosting Provider, Secure Socket Layer (SSL) provider and expiration date of SSL certificate. The Merchant also permits Billzy to disclose details of all service providers the Merchant engages with to enable the acceptance of

credit Card payments and compliance with PCIDSS. The Merchant must also ensure that any service providers the Merchant engages to participate in the payment process has installed a Secure Socket Layer (SSL) which meets Global requirements and that it is renewed prior to its date of expiration.

15. Audit

15.1. The Merchant acknowledges and agrees that Global or the Card Schemes may, from time to time, conduct a risk review audit either onsite or offsite with the Merchant. The audit review may include, but not be limited to, organisational structure, PCIDSS compliance, compliance with Relevant Laws, the Merchant’s operations and processes that support its obligations under these Merchant Rules, any transactions processed under these Merchant Rules, the funds flow from the Merchant to Billzy, payments to the Merchant and risk and fraud management. Any costs associated with the audit will be borne by the Merchant. A report of findings will be provided to Billzy and the Merchant by Global or the relevant Card Scheme.

15.2. This process may require the Merchant or Billzy to make information available to Global or the Card Scheme, including but not limited to:

- 15.2.1. a full list of all Merchants, including the Merchant Facility they operate under, their MCC, the volume and value of Transactions processed in the last month and the last twelve months, the date upon which the Merchant commenced processing Transactions;
- 15.2.2. a copy of all agreements between the Merchant and Billzy for the Merchant’s use of the Merchant Facility and the Services provided to the Merchant by Billzy;
- 15.2.3. disbursement records of the Merchant by requesting the information directly from the Merchant or by analysing any internal records and information Billzy holds with respect to the Merchant and the provision of the Services.

15.3. Provided that where such risk review audit requires the provision of information by the Merchant, the attendance of Billzy, Global or the Card Scheme operator or their respective representatives at the premises of the Merchant or the provision of assistance by the Merchant, then Billzy will provide reasonable notice to the Merchant of the requirement for such information, attendance or need for assistance.

16. Records

16.1. The Merchant must:

- 16.1.1. maintain and retain in their possession (while complying with all applicable security requirements) their books of account and records (including all

Transaction information, copy rolls and other information that these Merchant Rules requires them to retain) relating to a Transaction for at least 18 months after the Transaction;

- 16.1.2. permit Global to inspect and examine their books of account and records;
- 16.1.3. not sell, purchase, provide or exchange a Cardholder's name or Card number information in any form. This clause shall not prohibit the Merchant from providing Card number information to Billzy or an agent where required to process Transactions;
- 16.1.4. keep all systems and media containing a Card number, Cardholder or Transaction information in a secure manner to prevent access by, or disclosure to, anyone other than the Merchant's authorised personnel or agent processing Transactions. If the item needs to be discarded, the Merchant must destroy it in a manner which makes the information unreadable;
- 16.1.5. provide Global with all clear and legible documentation relating to a Transaction when requested and within 14 days of a request or the due date specified in a request, whichever is the earlier. Otherwise Billzy and in particular Global may treat the Transaction as invalid and process a Chargeback to the Merchant Facility;
- 16.1.6. provide Global with all financial information in relation to their business including but not limited to annual balance sheets and trading results, end of quarter results and a 12-month cash flow projection, in a form acceptable to Global and/or Billzy, when requested;
- 16.1.7. agrees to Global monitoring Transactions processed via the Merchant Facility.
- 16.2. The Merchant must also keep reasonable records about their compliance with these Merchant Rules including records about when they implemented a variation that Global has agreed to under clause 18 and the Merchant's compliance with PCIDSS where required. The Merchant must retain these records for at least 6 years and provide access to these records when either Billzy or Global request.
- 16.3. The obligations under this clause 16 survives the day on which the Merchant is no longer a Merchant for any reason.

17. Creditworthiness of the Cardholder

Neither Billzy or Global guarantee the creditworthiness or the correct identity of the Cardholder, irrespective of whether the Transaction is approved or processed.

18. Variations

- 18.1. If Global varies the Payment Facilitator Agreement, then Billzy may accordingly vary these Merchant Rules to the same extent. Billzy will notify the Merchant accordingly of any variation to the extent that variation affects the Merchant. Use of the Merchant Facility(ies) after notification of any such variation will constitute acceptance of that variation.

Type of Variation	Time Frame	Notification Method
New fee or charge (other than a government charge).	30 days in advance.	In writing or electronically
A new or varied government charge that directly or indirectly affects Billzy or the Merchant.	In advance of the change, or as soon as practical afterwards, unless the change has been publicized by a government or representative body	In writing, electronically or through an advertisement in a major newspaper.
Any other term or condition (including a variation of fees and charges).	In advance of the date of the change.	In writing, electronically or through an advertisement in a major newspaper.

- 18.2. Advance notice may not be given in some circumstances, for example, when a change is necessitated by an immediate need to restore or maintain the security of Billzy or Global's systems or where the Merchant cannot be reasonably located.

19. Communications

- 19.1. These Merchant Rules and any other agreements and Manuals may be provided electronically to the Merchant by Billzy or on the Billzy website.
- 19.2. Billzy may communicate with Merchants about the Merchant's account and Billzy's products and services electronically. Merchants will be considered to have received a communication from Billzy:
 - 19.2.1. If delivered electronically, 24 hours after the time it was sent by email to the Merchant; or
 - 19.2.2. if delivered by mail, two Banking Days after it was sent by Billzy.
- 19.3. Unless otherwise stated in these Merchant Rules, notices to Billzy in relation to these Merchant Rules must be sent by postal mail to:

Level 4, 130 Bundall Road, Bundall, Qld, 4217 Australia

- 19.4. Queries may be directed to Billzy by the means

provided on the Billzy website:
<https://billzy.com/contact/>

- 19.5. All notices, requests, demands, consents, approvals, agreements, or other communication by a Merchant will be deemed to be duly given or made two Banking Days after the date of posting.

20. Other Warranties and Indemnities

- 20.1. The Merchant must not make any warranty or representation whatsoever in relation to any of its goods or services which may bind either Billzy or Global.
- 20.2. The processing of any Transaction through a Merchant Facility will constitute warranty by the Merchant to both Billzy and Global that:
- 20.2.1. all particulars are true;
 - 20.2.2. the Transaction is valid; and
 - 20.2.3. the Transaction is not subject to any dispute, set-off or counterclaim.
- 20.3. The Merchant indemnifies Billzy on demand against all losses, expenses, costs (including legal costs on a full indemnity basis), liability and damages Billzy may suffer arising directly or indirectly as a result of:
- 20.3.1. the Merchant's failure to observe the Merchant's obligations under these Merchant Rules including any procedures set out in these Merchant Rules and any Manuals and other practical operating instructions Billzy has provided to the Merchant;
 - 20.3.2. the Merchant's failure to do or not do, as the case may be, something contemplated by these Merchant Rules and any other practical operating instructions Billzy provides to the Merchant;
 - 20.3.3. any dispute between the Merchant and a Cardholder;
 - 20.3.4. any liability arising from a Chargeback;
 - 20.3.5. any error, negligence, misrepresentation or fraud on the part of the Merchant or their servants, agents, employees or contractors; and
 - 20.3.6. any fees, fines or penalties that Billzy is required to pay to Global because Global is required to pay pursuant to the rules, by-laws or regulations of any Card Scheme that Global is a member of or participates in, as a direct or indirect result of Merchant's failure to observe any of the procedures, requirements or obligations required to be complied with under any Card Scheme, provided that the loss or liability is not caused by any fraud, negligence or wilful default on the part of Billzy or Global, or their respective employees, agents and sub-contractors. For the purpose of this clause neither Billzy or Global shall be

taken to have been negligent if they acted as required or contemplated by these Merchant Rules or at the express request or direction of the Merchant.

- 20.4. Each indemnity given by the Merchant under these Merchant Rules is a continuing obligation and continues after these Merchant Rules end. It is not necessary for Billzy to incur expense or make payment before enforcing the relevant indemnity.
- 20.5. Each warranty given by the Merchant under these Merchant Rules are also taken to be made and given on each day that these Merchant Rules continues.
- 20.6. With the exception of any terms, conditions, rights or warranties that are implied by Law in these Merchant Rules and may not legally be excluded, Billzy gives no warranty or representation in respect of any Transaction, hardware or software, and all other terms, conditions or warranties, whether expressed or implied, are expressly excluded.
- 20.7. The Merchant acknowledges, that both Billzy's and Global's liability for breach of any condition, right or warranty that cannot be excluded from these Merchant Rules by Law is limited to the re-performance of the Transaction.
- 20.8. The Merchant represents and warrants as follows:
- 20.8.1. **(Status):** It is a corporation validly existing under the Laws of the place of its incorporation and it has become a Merchant in its own right and not as a trustee of any trust or as an agent on behalf of any other entity.
 - 20.8.2. **(Power):** It has all the necessary power to enter into and perform its obligations under these Merchant Rules, to carry out the transactions contemplated by these Merchant Rules and to carry on its business as now conducted or contemplated.
 - 20.8.3. **(Authorisations):** All necessary resolutions have been duly passed and all consents, approvals and other procedural matters, as required by its constitution and the *Corporations Act, 2001* (Cth), in relation to the execution, delivery or performance by it and the validity and enforceability of these Merchant Rules and the transactions contemplated by these Merchant Rules have been obtained or effected. It holds all regulatory licences, authorisations and approvals required to lawfully comply with these Merchant Rules.
 - 20.8.4. **(Transactions permitted):** In executing and in giving effect to these Merchant Rules it has not contravened and will not contravene or violate in any respect a provision of a Relevant Law or a judgement, ruling, order, decree, guideline or directive issued by any Government Agency; any legislative requirement nor any provision of its constitution, or any deed, agreement or other document to which it is a party.

20.8.5. **(Information provided):** All information provided to Billzy is true and accurate. Including information about its transactions which Billzy transmits to Global or arranges to be transmitted to Global has been obtained and is provided in accordance with the terms of these Merchant Rules.

20.8.6. **(Terminated Merchants):** If the Merchant or Merchant or its Related Bodies Corporate or officers, employees or agents has at any time been listed on a database of terminated merchants maintained by any Card Scheme or has otherwise had services similar to the Services terminated by another acquiring bank, other acquirer or payment facilitator, the Merchant has disclosed that fact to Billzy

20.9. This clause 20 survives termination of the Merchant Rules.

20.10. Billzy represents and warrants it will notify the Merchant of:

20.10.1 any changes in the Data Security Standards;

20.10.2 any changes to Relevant laws from time to time which Billzy is aware would impact the Services under these Merchant Rules; and

20.10.3 any other matters relating to the Services that would have a material impact on the Merchant.

21. Fraud Prevention

21.1. PCIDSS Compliance

21.1.1. Billzy will use its best endeavours to ensure that its business and any service provider acting on its behalf is compliant to the PCIDSS at all times.

21.1.2. The Merchant must not do anything which could jeopardise Billzy's compliance with the PCIDSS.

21.1.3. The Parties acknowledge that Global will have the sole determination as to whether the business operated by Billzy is PCIDSS compliant. If Global determines that Billzy is not compliant due to some activity by the Merchant, then the Merchant fully indemnifies Billzy for any damage, expense or costs associated such a determination.

21.2. The Merchant must ensure that any software or hardware it purchases, creates or otherwise utilises for the purpose of selling goods or services does not retain its original password before employing it for the acceptance of Transactions. The Merchant must also ensure that all system and/or software passwords are changed on a regular basis.

21.3. Consent to share information

21.3.1. The Merchant acknowledges and agrees that Global may report all ADC events to Card Schemes and their members and may be required to report ADC events to law enforcement agencies and or Australian regulators. The Merchant grants an irrevocable and enduring consent to Global to disclose details of any such ADC (including information about the Merchant or its customers) to the aforementioned bodies.

21.3.2. The Merchant irrevocably confer upon Global the enduring right to contact any Services Providers that enable the Merchant to acquire Credit Card Transactions. This clause 21 is limited to the purpose of determining the extent of an ADC, assessing remedies for that ADC and assessing the level of compliance with the PCIDSS.

21.4. Chargeback and Fraud Management

21.4.1. Where excessive fraud or Chargeback behaviour is observed under any Merchant Facility, the Merchant must provide such information as requested by Global. This may include but is not limited to the following:

21.4.1.1. Merchant's name;

21.4.1.2. Merchant's address;

21.4.1.3. Names of all directors or proprietors;

21.4.1.4. The date of birth of all directors or proprietors;

21.4.1.5. The date upon which Billzy commenced processing Transactions for the Merchant;

21.4.1.6. Transaction volume and value for the most recent month;

21.4.1.7. Transaction volume and value for the last twelve months;

21.4.1.8. The merchant facility under which the Merchant operates; and

21.4.1.9. The value of prepayment calculated against the Merchant. Global may also request the above information to assist with ongoing fraud investigations, or to assist law enforcement and or government agencies, or to assist with data compromise investigations.

21.4.2. Billzy will promptly onforward any requests made by Global to the Merchant if the Merchant's Chargebacks in any particular category has, or is in threat of, exceeding the threshold. The Merchant must action to rectify the excessive Chargebacks. Failure to resolve the cause of the problem will result in non-

compliance Card Scheme fines which shall be payable by the Merchant.

22. Undertakings

22.1. The Merchant undertakes as follows:

22.1.1. Authorisations

The Merchant will ensure that all authorisations are obtained, promptly renewed and maintained in full force and effect required to allow:

- 22.1.1.1. the execution and delivery of the Transactions contemplated by these Merchant Rules and the performance of these Merchant Rules;
- 22.1.1.2. the validity and enforceability of these Merchant Rules as against the Merchant; and
- 22.1.1.3. the carrying out by Billzy of its business as presently conducted or contemplated.

22.1.2. Information

The Merchant will provide promptly to Billzy and Global any information concerning its financial position or any other information that either Billzy or Global may reasonably request from time to time.

22.1.3. Change in business

The Merchant will notify both Billzy and Global within 14 days of any changes in its company (including ownership or control), trading name or address for a period of 12 months after the Merchant is no longer a Merchant. This clause survives termination of the Merchant Rules.

23. Limitation of Liability to Direct Loss

To the extent permitted by Law and notwithstanding that any of Billzy's officers, employees, contractors or agents may be aware of the likelihood of such loss or damage, the Merchant is not entitled to special, indirect or consequential loss or damage, including loss of profits, loss of income or goodwill, loss of or corruption to data and loss of opportunities, no matter how it is caused.

24. Independent Obligation

Each obligation under these Merchant Rules:

- 24.1. is a separate, independent and continuing obligation payable on demand;
- 24.2. has effect despite any time, waiver or indulgence granted; and

24.3. survives termination or discharge of these Merchant Rules or any of the Merchant Facility(s) made available under it.

25. Financial Crimes Monitoring and Anti-Money Laundering

25.1. In order for Billzy to comply with its obligations under the Payment Facilitator Agreement and for Global to comply with its regulatory and compliance obligations for anti- money laundering and counter financing of terrorism, the Merchant acknowledges and agrees, that:

25.1.1. Transactions may be delayed, blocked, frozen or refused where Global has reasonable grounds to believe that they breach Australian Law or the Law or sanctions of any other country. Where Transactions are delayed, blocked, frozen or refused, neither Billzy or Global and their accredited processors are not liable for any loss suffered (including consequential loss as noted in clause 23);

25.1.2. Global may from time to time require information from the Merchant about the Merchant or any a person who is employed by, contracted to, an agent of, or otherwise associated with, the Merchant or a Cardholder in order to meet Global's anti-money laundering and counter Terrorism financing obligations. This information may include "personal information" as defined by the Privacy Act 1988. If Global asks for such information, the Merchant agrees to immediately provide the information requested or, at least within 24 hours of such a request;

25.1.3. where legally obliged to do so, Global may disclose the information gathered to regulatory and or law enforcement agencies, other banks, other members of the Global Group, service providers who do things on Global's behalf or to other third parties;

25.1.4. where Global has reasonable grounds to believe that a suspicious matter has arisen in relation to the Merchant Facility, it is obliged to complete and render a report to the Federal Government (AUSTRAC). A suspicious matter includes any Transaction that Global believes may be of relevance to the investigation or prosecution of any breach or attempted breach of an Australian Law (including Laws related to money laundering, tax evasion, financing of terrorism or the proceeds of crime); and

25.1.5. it will not initiate or conduct a Transaction that may be in contravention of Australian Law or the Law of any other country.

25.2. The Merchant acknowledges that Global may be required to identify a person who is employed by, contracted to, an agent of, or otherwise associated with, the Merchant prior to becoming a Merchant

and during the such membership to meet its anti-money laundering and counter terrorism financing obligations. The Merchant agrees to, provide Global with any assistance it requests of the Merchant or is requested by Billzy on behalf of Global to assist Global to perform such identification checks.

26. Privacy Law

- 26.1. The Merchant undertakes to comply with:
 - 29.1.1. The Privacy Laws and any privacy laws by which it is bound; and
 - 29.1.2. any other privacy requirement notified by Billzy to the Merchant.
- 26.2. The Merchant acknowledges that it does not rely on any information or representation supplied by either Billzy or Global to it as advice regarding compliance with the Privacy Laws.
- 26.3. The Merchant warrants that it is aware of the Privacy Laws which apply to it in respect of these Merchant Rules, and warrants that, after the enquiry, it is not aware of having breached any of those Privacy Laws.
- 26.4. The Merchant authorises Global to obtain, from any Card Scheme, information relating to facilities the Merchant has obtained or is obtaining from other suppliers.
- 26.5. The Merchant acknowledges and agrees that Global may disclose any information that Global has collected from any application, obtained from any Card Scheme or obtained concerning these Merchant Rules in the following circumstances:
 - 26.5.1. to Global's external service providers (some of which may be located overseas) that provide services for the purposes only of Global's business and providing the Merchant Facility, on a confidential basis (for example, mailing houses);
 - 26.5.2. to any person who is a card issuer, Card Scheme operator or otherwise involved in any Card Scheme, for the purpose relating to the operation of those schemes. This information may include information about terminating a Merchant Facility and the reasons for that termination. Other service providers may use this information amongst other things to determine whether not to make facilities available; and
 - 26.5.3. to persons who the Merchant informs Billzy or Global supplies services to in relation to the Merchant Facility.

27. Assignment

- 27.1. These Merchant Rules are binding upon the Merchant, their executors, administrators, successors and assigns. Where the Merchant consists of any two or more persons, the Merchant's obligations shall be joint and several.

- 27.2. The Merchant is not permitted assign or attempt to assign these Merchant Rules as they apply to them to any other person without Billzy's prior written consent, which consent can be given on such conditions as Billzy may require.

28. Termination

- 28.1. Payment Facilitator Agreement Terminated by Global

If the Payment Facilitator Agreement is terminated for any reason, then the Merchant's Billzy membership will be promptly suspended by Billzy and Billzy may, at its sole discretion, also terminate the Merchant's Billzy membership without any prejudice or liability to Billzy.

- 28.2. Termination with notice:

Either Party may at any time terminate the Merchants membership by:

- 28.2.1. giving 90 days prior notice to the other party in writing (in the case where the termination is less than 3 years from the date on which the Merchant became a Merchant); or
- 28.2.2. 30 days prior notice to the other party in writing (if the termination occurs more than 3 years from the date on which the Merchant became a Merchant).

- 28.3. Termination without notice:

Billzy may immediately suspend or terminate a Merchants membership at any time if requested by Global. The grounds on which Global may do so are as follows:

- 28.3.1. If Global considers that it could suffer a loss because of the Merchant Facility continuing to operate;
- 28.3.2. The Member commits a material breach of its obligations under these Merchant Rules (including a breach of Law), any agreement or other terms between Billzy and the Member, or a representation and warranty made by the Merchant proves to be untrue in a material respect and the Merchant fails to remedy the breach or make the representation true within the time specified in a written notice from Billzy requiring the breach or representation to be remedied;
- 28.3.3. Global considers the Merchant's ratio of Chargebacks to sales, whether by number or dollar value of Chargebacks, to be excessive;
- 28.3.4. The Merchant has substantially changed the Merchant's line of business, or the types of goods or services that the Merchant supplies to its customers or clients without first notifying both Billzy and Global and receiving Global's written consent;
- 28.3.5. The Merchant ceases to carry on

business generally;

28.3.6. The Merchant makes a general assignment for the benefit of its creditors;

28.3.7. Global has concerns about the Merchant's solvency, or the solvency of the Merchant's business;

28.3.8. The Merchant becomes insolvent, or is subject to any form of an Insolvency Event administration, or a resolution is passed, or an order is made for the winding up of the Merchant;

28.3.9. a change occurs in the business, assets or financial condition of the Merchant which in the reasonable opinion of the party giving the notice may have a material adverse effect on the Merchant's ability to observe its obligations under these Merchant Rules;

28.3.10. Global has concerns about the Merchant's ability to meet or repay the amounts of any Chargebacks that have been received, or that are likely to be received in the future conduct of the Merchant's business;

28.3.11. The Merchant has a significant adverse credit event recorded against it;

28.3.12. Either Billzy, Global or any relevant Card Scheme has reasonable grounds to suspect that the Merchant has fraudulently processed Transactions, or has knowingly allowed fraudulent Transactions to be processed through the Merchant's Merchant Facility;

28.3.13. The Merchant or any service providers utilised by the Merchant are not compliant with the PCIDSS, where required by Billzy;

28.3.14. The actions of the Merchant have lead to or cause Billzy to breach any agreement it has with Global or may lead or cause Billzy or Global to breach their obligations under the Credit Card Scheme Rules or any other Relevant Laws;

28.3.15. The Merchant or any service providers utilised by the Merchant have suffered an ADC;

28.3.16. The Merchant has breached its obligations under the Card Scheme Rules, the Merchant Rules or under any Relevant Laws; or

28.3.17. If a Card Scheme requires it to do so.

28.4. Notice of Suspension or Termination:

28.4.1. Billzy will use its best endeavours to notify the Merchant within 24 hours of receiving notice from Global of any suspension or termination of Merchant's membership. If Billzy is unsuccessful in contacting the Merchant, Global may choose to continue to suspend or terminate the facility.

However, Billzy will give the Merchant subsequent written confirmation that the facility has been suspended or terminated by way of the Merchant's contact details as last provided in writing to Billzy.

32.4.2. Suspension or termination will be effective immediately. The Merchant accepts that Global is not obliged to accept any Transactions the Merchant processes after the Merchant's membership is suspended or terminated.

28.5. Consequences of Termination:

28.5.1. On termination of its membership the Merchant must immediately cease to use the Merchant Facility provided under by Billzy and must do anything that is required to terminate its obligations under these Merchant Rules.

28.5.2. Termination of the Merchant's membership for any reason shall not relieve the Merchant of any obligations incurred prior to the date of termination and will not prejudice, extinguish or otherwise affect any rights of either Billzy or Global against the Merchant which:

28.5.2.1. accrued prior to the time of termination; or

28.5.2.2. otherwise relate to or may arise at any future time that would otherwise be a breach of these Merchant Rules if these Merchant Rules had not been terminated.

28.5.3. On termination, the Merchant must immediately return to Billzy all material provided by either Billzy or Global to the Merchant.

28.5.4. The Merchant indemnifies Billzy and Global against all claims, actions, suits, losses, defaults, damages and liabilities resulting from termination of its membership, including all claims, actions, suits, losses, defaults, damages and liabilities made by the Member or the Member's principals. Any payments made by the Member under this clause shall be automatically increased by the amount of any GST liability incurred by either Billzy or Global in respect of those payments.

28.6. Global's fees:

If the Merchant Facility(s) is terminated, the Member acknowledges Billzy may pass on and the Member will pay in full any fee charged by Global under the Payment Facilitator Agreement.

28.7. Suspension or termination of BPAY services

28.7.1. The Member acknowledges and agrees that the Member's Financial Institution or BPAY may:

28.7.1.1. procure the suspension or termination of the Member's use

of BPAY;

Merchant using BPAY;

- 28.7.1.2. update the status of the Member in BPAY so that no transactions relating to the Member will be processed through BPAY; and or
 - 28.7.1.3. take any other reasonable action
- if Billzy, Global, the Member's Financial Institution or BPAY or its representatives (as the case may be) suspect on reasonable grounds that the Member, its customers or someone acting of their behalf, are:
- 28.7.1.4. being fraudulent;
 - 28.7.1.5. in breach of the Merchant Rules, or are likely to cause Billzy to be in breach of its any agreement with Global or its services providers or with the Merchant's Financial Institution; or
 - 28.7.1.6. using BPAY in a manner that will, or is likely to, adversely affect the integrity, stability or reputation of BPAY or the quality of services offered to end customers.
- 28.7.2. Merchants must also agree and acknowledge that the Merchant's use of BPAY may also be suspended or terminated if:
- 28.7.2.1. required under contractual arrangements between Billzy, Global and or BPAY or as otherwise requested by BPAY; or
 - 28.7.2.2. the Merchant's Financial Institution's membership or subscription to BPAY is suspended, ceases or is cancelled for any reason.
- 28.7.3. Merchants must also agree and acknowledge that BPAY or the Merchant's Financial Institution may impose additional procedural and or reporting requirements in connection with the Merchant's participation in BPAY in lieu of suspending or terminating the Merchant's membership under this clause 28.7.
- 28.7.4. If the Merchant's membership is terminated, the Merchant must:
- 28.7.4.1. immediately cease promoting BPAY, including ceasing use of all affected Marks;
 - 28.7.4.2. immediately advise its customers that they can no longer make BPAY Transactions to the
- 28.7.4.3. continue to maintain the Merchant's Bank Account and continue to process BPAY Information Files (if Biller Detail Files are sent directly to the Merchant under) and otherwise comply with its obligations under the Merchant's membership in relation to the processing of BPAY Transactions and Adjustments for a period of 60 Banking Days after termination; and
 - 28.7.4.4. upon the request of Billzy, the Merchant's Financial Institution, return or destroy material and information which are in the Merchant's possession or control and which BPAY determines is confidential.
- 28.7.5. Merchants must acknowledge that the Merchant's Financial Institution will no longer be obliged to accept BPAY Transactions from its customers or provide to any other services to the Merchant if the relevant Merchant's membership expires or terminates for any reason.
- 28.7.6. Without limiting any disclosure obligations arising or consents given under these Merchant Rules, the Merchant must consent to the Merchant's Financial Institution disclosing to Billzy, BPAY and their respective service providers and such other participants involved in BPAY such information relating to the Merchant and its customers as is necessary to facilitate the provision of BPAY to the Merchant.

29. Default and Acceleration of Debt

- 29.1. It is a default of these Merchant Rules by the Merchant if the Merchant:
 - 29.1.1. does something these Merchant Rules contemplates must or should not have been done; or
 - 29.1.2. does not do something these Merchant Rules contemplates must or should have been done.
- 29.2. In addition to **clause 29.1**, it is a default if:
 - 29.2.1. the whole of any amount due by the Merchant to Global is not paid by the date that Global informs the Merchant it is due;
 - 29.2.2. the Merchant gives either Billzy or Global incorrect or misleading or deceptive information;
 - 29.2.3. the Merchant commit an act of bankruptcy or enter any assignment,

arrangement or composition with any creditors; and

29.2.4. the Merchant is a corporation and:

- 29.2.4.1. an administrator, receiver, receiver and manager, liquidator or similar officer is appointed to the Merchant; or
- 29.2.4.2. an order is made for the Merchant's administration, winding up or dissolution or steps are taken towards this (for example, a resolution is passed, or an application is made to a court).

29.3. Without limiting any other provisions under these Merchant Rules (including the right to terminate the Merchant's membership), in the event of default Billzy may require the Merchant to immediately pay all amounts due from the Merchant under these Merchant Rules that would not otherwise have been immediately payable.

30. Dispute Resolution

- 30.1. The parties undertake to use all reasonable efforts in good faith to resolve any dispute, which arises between them in connection with these Merchant Rules.
- 30.2. Either the Merchant or Billzy may give the other a notice of dispute in connection with these Merchant Rules. Both the Merchant and Billzy agree that Global may intervene in any dispute arising. Billzy may at any time refer to or notify Global of a dispute between Billzy and the Merchant.
- 30.3. The operation of this clause does not detract from either party's obligation to continue to comply with these Merchant Rules.

31. Promotion and Advertising

- 31.1. The Merchant must not use any advertising or promotional or other material advising or promoting the availability of the Merchant Facility(s) if such material has not previously been approved in writing by Global.
- 31.2. The Merchant must obtain Global's written approval, prior to production and publication of any advertising, documents or other material containing any description of or any reference whatsoever to Global by name or otherwise or reproducing Global's logo or trademark.
- 31.3. The Merchant must not use any trade marks or intellectual property to which BPAY or its assigns and licensees hold proprietary rights in a manner inconsistent with those rights without the relevant proprietor's prior consent. This obligation does not prevail to the extent the trade marks or intellectual property are utilised by Billzy in the provision of services to Merchant in accordance with these Merchant Rules.

32. Confidentiality

- 32.1. Subject to this clause, the parties will treat as Confidential and will not disclose any Confidential Information which comes into their possession pursuant to, or as a result of, any aspect of these Merchant Rules or from complying with the obligations detailed in these Merchant Rules. The obligation of confidentiality will not apply to any Confidential Information where the Confidential Information:
 - 32.1.1. is disclosed with the consent of the party who supplied the Confidential Information;
 - 32.1.2. is or comes lawfully into the public domain;
 - 32.1.3. is required to be disclosed pursuant to any legislation or legal process; or
 - 32.1.4. is required to be disclosed to the employees, legal or financial advisers, auditors, or to any other party for the purpose of giving effect to these Merchant Rules.
- 32.2. This clause 32 continues after the termination of the Merchant's membership.

33. Intellectual Property

- 33.1. Nothing in these Merchant Rules is intended to transfer title to either party's intellectual property rights in respect of material, information, know-how, skills, methodologies or tools existing at the date the Merchant became a Merchant.
- 33.2. All intellectual property rights in any material created under these Merchant Rules shall, from the time of its creation, vest in the party creating the material.

34. Merchant Approval

- 34.1. The Merchant acknowledges and agrees that its membership and its business must be approved by Global.
- 34.2. The Merchant agrees that it will not change its fundamental line of business to, amongst other things, enable Billzy to continue to trade under the assigned MCC code notified to it by Global.
- 34.3. The Merchant agrees that it consents to Global's right to audit, review and inspect the Merchant on a regular basis. The Merchant acknowledges that Global may take immediate steps to either limit or halt the use of the Merchant Facility(s) if these Merchant Rules are not complied with by the Merchant and that non-compliance is not rectified within a reasonable time frame (no longer than five Banking Days or as otherwise notified by Billzy or Global in accordance with the Payment Facility Agreement).
- 34.4. If the Merchant changes their business from the agreed industry code, Billzy has the right and will notify Global of this change within seven (7) days of

the change. The Merchant agrees and acknowledges that Global has the right to re-assess the Merchant who has changed their business type or business structure.

- 34.5. If the Merchant, ceases to operate, is declared bankrupt or is subject to other similar circumstances, Billzy will have the right to negotiate with the appointed administrator or receiver and refund any money to the appointed administrator or receiver.
- 34.6. If Global suffers any damage or loss or suspects it may suffer any damage or loss as a result of any acts or omissions by the Merchant, upon Global's request, Billzy will immediately terminate or suspend any agreement with Merchant (or a Related Entity of the Merchant) and Global may do all things necessary to terminate or suspend any dealings with the Merchant and its Related Entities.
- 34.7. The Merchant acknowledges that Billzy must comply with any reasonable conditions in any suspension or termination request issued by Global under clause 28 in relation to the Merchant.
- 34.8. The Merchant agrees to comply with these Merchant Rules, Credit Card Scheme Rules

35. Authorised Officers

The Merchant irrevocably authorises Billzy to rely on a certificate given by any person purporting to be its director or secretary as to the identity and signatures of its authorised officers. Where a certificate is given the Merchant warrants that those persons have been authorised to give notices and communications under or in connection with these Merchant Rules.

36. Change of Address

- 36.1. The Merchant will promptly notify both Billzy and Global of any changes in the Merchant's name or address. The Merchant will give this notice in accordance with clause 19.
- 36.2. The Merchant agrees that it must continue to notify both Billzy and Global of any changes for a period of 12 months after the Merchant ceases to be a Merchant for any reason.
- 36.3. The Merchant agrees neither Billzy nor Global will be responsible for any errors or losses where it has not received adequate prior notice required under this clause 36.
- 36.4. The obligation under clause 36.2 survives termination of the Merchant Rules.

37. Jurisdiction

These Merchant Rules are governed by and interpreted in accordance with the Laws of Queensland

38. Personal Property Securities Act

- 38.1. The Merchant acknowledges and agrees that if Global determines that these Merchant Rules (or a Transaction in connection with it) is or contains a security interest for the purposes of the *Personal Property Securities Act 2009* ("PPSA"), the Merchant agrees to do anything (such as obtaining consents, signing and producing documents, getting documents completed and signed and supplying information) which Global asks and considers necessary:

- 38.1.1. to provide more effective security over any personal property over which Global has a *Security Interest*;
- 38.1.2. to ensure that a *Security Interest* created under or connected with these Merchant Rules is enforceable, perfected (including, where possible, by control in addition to registration) and services and otherwise effective;
- 38.1.3. to enable Global to apply for any registration, or give any notification, in connection with any *Security Interest* created under or connected with these Merchant Rules so that the Security Interest has the priority Global requires;
- 38.1.4. to enable Global to exercise its rights in connection with any personal property over which Global has a *Security Interest*;
- 38.1.5. to bind the Merchant and any other person intended to be bound under these Merchant Rules; or
- 38.1.6. to show whether the Merchant is complying with these Merchant Rules.

- 38.2. The Merchant acknowledges and agrees:

- 38.2.1. that Billzy may fill in any blanks in any application or any document relating to it (such as Corporations Act forms, financing statements or financing change statements);
- 38.2.2. not to register a financing change statement in respect of a *Security Interest* created under or connected with these Merchant Rules without Global's prior written consent;
- 38.2.3. not to register, or permit to be registered, a financing statement or a financing change statement in relation to any personal property over which Global has a *Security Interest*, in favour of a third party without Global's prior written consent;
- 38.2.4. that Global need not comply with sections 95, 118, 121(4), 125, 130, 132(3)(d) and 132(4) of the PPSA, or any other provision of the PPSA notified to the Merchant by Global after the Commencement Date;
- 38.2.5. that the Merchant may not exercise any rights under sections 142 and 143 (reinstatement of security) of the PPSA;

- 38.2.6. that neither Global nor any receiver (or receiver and manager) appointed by it need give any notice required under the PPSA (including a notice of a verification statement); and
- 38.2.7. that the Merchant will not disclose or permit any party to disclose any information of the kind referred to in section 275(1) of the PPSA unless section 275(7)(b) or (e) of the PPSA applies.
- 38.2.8. In this **clause 38** terms in italics have the meaning given to them in the PPSA.

39. Waivers

No failure to exercise and no delay in exercising any right, power or remedy under these Merchant Rules operates as a waiver. Nor does any single or partial exercise of any right, power or remedy preclude any other or further exercise of that or any other right, power or remedy. Waivers must be in writing.

40. Severability of Provisions

Any provision of these Merchant Rules which is prohibited or unenforceable in any jurisdiction will be read down or severed in that jurisdiction to the extent of the prohibition or unenforceability. Such action does not invalidate the remaining provisions of these Merchant Rules nor affect the validity or enforceability of that provision in any other jurisdiction

41. Relationship

- 41.1. Billzy's relationship with the Merchant is that of an independent contractor and nothing in these

Merchant Rules will be taken as constituting either party as a servant, agent or employee of the other party.

- 41.2. The Merchant and Billzy each acknowledge that, except to the extent otherwise expressly provided in these Merchant Rules:

45.2.1. they are not, for the purpose of these Merchant Rules, the legal representative, agent, party to a joint venture arrangement or partner of the other party for any purpose; and

45.2.1. it, any of its directors, employees and agents, has no right or authority to assume or create any obligations of any kind, or to make any representations or warranties, whether express or implied, on behalf of the other party or to bind the other party in any respect.

42. Force Majeure

- 42.1. The parties will not be liable for any loss or damage (whether direct or indirect) nor be in default under these Merchant Rules for failure or delay to observe or perform any provision of these Merchant Rules, for any reason or cause of whatever nature which could not, with reasonable diligence, be controlled or prevented by the parties including, without limitation, acts of God, acts of nature, acts of governments or their agencies, fire, flood, storm, riots, power shortages or power failures, strikes, lockouts, labour disputes, sudden and unexpected system failure or disruption by war, sabotage or inability to obtain sufficient labour, raw materials, fuel or utilities.
- 42.2. This clause does not apply in relation to the Merchant's obligation to pay Billzy pursuant to these Merchant Rules.

SCHEDULE 1 – Business Rules

1. Transaction Type Permitted

☐

Card Present

☒

Card Not-Present

2. Merchant Onboarding

☒

Billzy Onboarding

☐

Global Onboarding

3. Funds Disbursement

☒

Completed by Billzy

☐

Completed by Global

4. Prepayment Allowed (subject to Credit approval)

☒

Yes

☐

No

5. Special Conditions

- 1) A prepayment assessment must be completed for each Merchant Facility that is established.

SCHEDULE 2 – Assessment and Approval

1. Billzy will establish a separate Merchant Facility for each type of business they intend to aggregate for. For example, if Billzy wishes to sign-up electricians, plumbers and carpenters etc, then three merchant facilities will be required, each with its own MCC. Each of these facilities will be governed by these Merchant Rules.
2. Card payments should be presented under the correct MCC, as required by Card Scheme rules.
3. When establishing a Merchant Facility under a given MCC, Billzy is authorised by the Merchant to provide to Global:
 - (a) A completed and signed Merchant Application form for assessment;
 - (b) Settlement account details, which must be in the same name as the Merchant Facility and confirmed by Global records.
4. The Merchant acknowledges that upon receipt of the Merchant Facility application, Global may conduct a credit reference report against the proposed merchant.
5. All proceeds from the Merchant Facility must settle into a Global bank account held in the name of Billzy.
6. The Merchant acknowledges that Global will have the final say on whether a Merchant Facility will be established for the benefit of a Merchant or proposed merchant.

SCHEDULE 3 – Merchant Arrangement

1. These Merchant Rules govern the relationship between Billzy and the Merchant.
2. Billzy represents and agrees that these Merchant Rules are consistent with and give effect to the Payment Facilitator Agreement.
3. The Merchant acknowledges and agrees that:
 - Global will not be contractually affected by these Merchant Rules.
 - if any provision detailed in these Merchant Rules are determined to be a breach of the Payment Facilitator Agreement or would be, or is, inconsistent with the operation of the Payment Facilitator Agreement, then the Merchant agrees that Billzy may, at its own expense, immediately amend or change these Merchant Rules so that Billzy is not in breach of the Payment Facilitator Agreement or so that these Merchant Rules are inconsistent with the operation of the Payment Facilitator Agreement.
4. Billzy will assess each Merchant before extending the offer of Merchant Facility. This should include collection and assessment of the following information as a minimum:
 - (a) Completed and signed Merchant Application;
 - (b) Settlement account details, which must be in the same name as the legal entity that is the Merchant;
 - (c) A commercial credit report of the Merchant entity;
 - (d) A statement of position from all directors/proprietors, or company trading reports, if the Merchant has prepayment risk greater than \$50,000;
 - (e) Copies of previous Merchant Facility statements, where applicable.
5. Billzy agrees that the Merchant who process, or are expected to process, \$100,000 or more per Scheme, per annum via their Merchant Facility, should have a Merchant Facility established for their exclusive use. The Merchant Facility will remain in the name of Billzy; however the Merchant Facility will transact only those Transactions processed by the Merchant.
6. Merchants who provide good or services in the following industries will not be supported by Billzy:
 - (a) Adult Internet Content, (hardcore) Pornography
 - (b) Ammunition, Firearms, Weapons
 - (c) Business physically located outside of the Acquiring Bank's country
 - (d) Reputation Repair / Credit Insurance / Credit Rating Repair. Identity theft protection.
 - (e) Call Blocker Software / Tools
 - (f) Companion Services, Escort Services, Mail order brides
 - (g) Counterfeit/Replica Goods
 - (h) Cyber Lockers
 - (i) Electronic cigarettes (e-cigarettes), Tobacco
 - (j) Embassy, Foreign Consulate, or other Foreign Government
 - (k) Essay mills/paper mills (i.e., ghost-writing services that sell essays)
 - (l) E-wallets
 - (m) Foreign Exchange / Money Trading or Exchange services
 - (n) Gentlemen's Clubs
 - (o) Get Rich Quick Schemes
 - (p) Horoscope & Fortune Tellers
 - (q) Illegal Gambling
 - (r) Illegally modified electronics or non-certified sellers of branded electronics (i.e. gaming consoles / hardware)
 - (s) Investment Opportunities Purchase of stocks/securities/commodities, etc. and other investments such as gold bullion
 - (t) Live Streaming Services (exception of real-estate controlled auction services)

- (v) Massage Parlours, Non-Licensed
 - (w) Medical Marijuana, synthetic or unregulated drugs, smoking paraphernalia.
 - (x) Negative response marketing techniques by any type of merchant (i.e., customer is automatically charged if they don't return the merchandise or cancel service at the end of a free or low cost trial period), Deceptive Marketing practices.
 - (y) Offshore IT Support Services
 - (z) On-Line Auctions including Penny Auctions
 - (aa) Payment Facilitators / Marketplaces / PSPs / BPSPs / Aggregators
 - (bb) Products or Services with Unreasonable Claims or Guarantees, Deceptive practices, Gimmicky Products.
 - (cc) Rechargeable Phone Cards
 - (dd) Wire Transfer / Money Orders / Money Transfer/Remittance / Virtual Currency
- (Prohibited Merchants)

7. Merchants who provide goods or services in the following industries will only be supported after prior approval by Global:

- (a) Airlines, Air Carriers
- (b) Car Rentals
- (c) Charters & International Tours
- (d) Cruise Lines
- (e) Infomercials – selling gimmicky products or business opportunities
- (f) Legal Gambling (incl. Internet and non-F2F gambling casinos, sports betting, fantasy sports leagues)
- (g) Lifetime Memberships
- (h) Multi-Level Marketing; e.g. a website featuring “levels” or compensation plans
- (i) Mortgage Services / Loan Modification / Vendor Finance
- (j) Nutraceuticals with a negative billing model – websites featuring items such as Acai, HgH, HcG, Hoodia, Noni Juice, etc.
- (k) Online Dating
- (l) Online Pharmacies
- (m) Sex Shops, Softcore Pornography
- (n) Timeshare Sales
- (o) Travel Agencies
- (p) Wedding Dress Retailers / Bridal Shops
- (q) Payday lenders (short term consumer or business finance)

(Restricted Merchants)

8. Referral to Global is also required for any individual Merchant with prepayment exposure calculated to be greater than AU\$250,000.

9. Billzy agrees to disburse funds to Merchants within three business days of receipt of funds from Global.

SCHEDULE 4 – Security

The Merchant acknowledges that the following are dictated to Billzy by Global and as such Billzy must ensure that the following are complied with:

1. Global, at its sole discretion, may require Billzy to provide security to Global to reduce the potential harm to Global due to fraud or the provision of credit. This security may take the form of Billzy:
 - (a) Maintaining a set amount of funds with Global in a Security Deposit Account;
 - (b) Providing a director's guarantee(s) in favour of Global;
 - (c) Providing a mortgage over property in favour of Global;
 - (d) Entering into a general security agreement over all present and after-acquired property of Billzy in favour of Global;
or
 - (e) a combination of all or any of the above.
2. If Billzy is required to provide any of the security noted above the Billzy may require the Merchant to also provide the same security to Billzy.
3. Billzy acknowledges that Global may notify Billzy before or during the term of the Payment Facilitator Agreement if a form of security is required by Global ("**Security Notice**"). Billzy agrees to do everything as soon as practicable, and at Billzy's own expense, to give effect to the Security Notice upon receipt of such notice (this includes, but is not limited to, Billzy or the Merchant (s) preparing, executing or stamping any required document to give effect to the Security Notice). If Billzy does receive a Security Notice then Billzy may in turn require the Merchant(s) to in like manner provide a security in favour of Billzy that is proportional to the risk involved. Billzy will have the sole right to determine the Merchant's risk contribution.

SCHEDULE 5 – Fees

Billzy's current fees and charges are outlined below.* These charges are inclusive of Goods and Services Tax (GST). All Merchant fees and charges are subject to GST. Billzy reserves the right to vary fees in accordance with the Merchant Rules. This may include where Billzy changes its gateway provider.

Fee Type		Amount	Details
Merchant Joining Fee		Nil	
Monthly Merchant Facility Fee		Nil	
Merchant Fee	Up to	3.00%	Calculated on the total transaction amount charged per transaction
Gateway Transaction Fee	Up to	\$1.00	Per transaction
Direct Entry Credit & Debit Transaction Fee	Up to	\$0.35	Per transaction
Direct Entry Returned Transaction Fee	Up to	\$2.20	Per transaction
BPAY Transaction Fee (Bank Account)	Up to	\$2.20	Per transaction
BPAY Transaction (Credit Card)	Up to	\$2.20	Per transaction

SCHEDULE 6 – Tripartite Merchant Agreement

Tripartite Merchant Agreement

Merchant Agreement for Processing Card Payments through Billzy Pty Ltd's Payment Facilitator's service

This agreement applies to all users of Billzy Pty Ltd's payment service who have been approved to accept Visa and Mastercard transactions. This agreement is made between (1) you, the merchant; (2) Global Payments Australia 1 Pty Ltd (**GPA**); and (3) the Payment Facilitator, Billzy Pty Ltd ACN 602 796 298 (**Billzy**)

1. DEFINITIONS

1.1 Unless the contrary intention appears, the following words have these meanings in this Agreement:

Banking Day means a day on which banks are open for general banking business in Melbourne Australia except for Saturdays, Sundays and National Public Holidays in Australia.

Card Schemes means, unless otherwise agreed by the parties, Visa and MasterCard.

Card Scheme Rules means the rules and regulations which regulate participants in the Card Schemes.

Cardholder means the Person in whose name the Card has been issued.

Chargeback is the reversal of a sales transaction.

Card means a card that has been designated by the issuer as a Visa or MasterCard card or a card issued by any other card scheme which you have agreed to accept, and we have agreed to process.

Data Breach means any occurrence which results in the unauthorised access by a third party to confidential data relating to card transactions stored by your business or any entity engaged by you to provide storage or transmission services in respect of that data.

Data Security Standards means the Payment Card Industry Data Security Standards ("PCIDSS") mandated by the Card Schemes for the protection of Cardholder details and transaction information, and any additional or replacement standards of which You are advised from time to time.

GPA refers to Global Payments Australia 1 Pty Ltd, ABN 26 601 396 543.

Payment Service means [the service provided by Payment Facilitator].

Person includes an individual, firm, body corporate, unincorporated body or association, partnership, joint venture and any government agency or authority.

Personal Information refers to information or an opinion (including information or an opinion forming part of a database), whether true or not, and whether recorded in a material form or not, about an individual whose identity is apparent, or can reasonably be ascertained, from the information or opinion, which is received by You from any source as a consequence of the performance of the rights and obligations under this Agreement.

PIN means the personal identification number allocated by GPA, a card issuer or personally selected by the account holder.

Privacy Law means all legislation and principles relating to the collection, use, disclosure, storage and granting of access rights to Personal Information.

Related Body Corporate has the meaning given to it in the Corporations Act, 2001 (Cth).

Relevant Law means any:

- (a) statute, ordinance, code or other law including regulations and other instruments under them that are relevant to the obligations and rights of this Agreement; and
- (b) any code of practice, guidelines or standards issued by relevant regulators or industry bodies, including any card scheme rules relevant to this Agreement.

Transaction Receipt means a document used to evidence a transaction.

We, Us and Our means, collectively, GPA and Billzy.

You and Your means the Person to whom the Payment Service is provided by Us.

2. APPROVAL TO USE PAYMENT SERVICES

2.1 You acknowledge that:

- (a) the operation of this Agreement is conditional on GPA approving an application for Billzy to provide the Payment Services to You; and
- (b) in relation to information provided by You to Billzy in connection with Your application:
 - (i) Billzy may provide that information to GPA;
 - (ii) We may rely on such information as being complete, accurate and not misleading or deceptive; and
 - (iii) GPA is not obliged to verify the completeness or accuracy of the information it receives from Billzy; and
- (c) We may obtain from any Card Scheme or a person who is involved in any Card Scheme, any credit reporting agency or any other person, information about Your merchant history or Personal Information about You, a Related Body Corporate, Your officers, employees or agents for any purpose relating to the operation of those Card Schemes and We can use any such information to assess an application from us under clause 2.1 (a);
- (d) We can disclose information about Your merchant history, a data breach and relevant Personal Information in the following circumstances:
 - (i) to any Card Scheme or to any person who is involved in any Card Scheme, information about You for any purpose related to the operation of those schemes, card fraud detection agencies (including information about termination of merchant solutions and reason(s) for termination of GPA merchant solutions; and
 - (ii) where the law requires or permits us to do so; and
 - (iii) where we have reasonable grounds to believe that either you are involved in dishonest or criminal activity, are a victim of such activity, may have information relevant to an inquiry into such activity or have experienced a data breach, to any state or federal law enforcement or regulatory agency whether or not we have been requested by that agency to provide such information; and
- (e) we can disclose your information to any related entities of ours and to any outsourced service providers engaged by us (for example, mail houses, debt collection agencies (where necessary) or data analytics providers); and
- (f) the decision whether to approve your application is at GPA's sole discretion and the reason for any decision which is made may not be given to You;
- (g) an approval by GPA is specific to Billzy providing payment services to you and does not in any way constitute a representation by GPA that you will be able to use the services of another payment service provider or of GPA directly should you cease using Billzy's payment services for any reason; and
- (h) any information obtained by GPA during its assessment of an application under clause 2(a) is and remains confidential to GPA and will not be shared with You. GPA is bound by Card Scheme Rules and all correspondence and discussions between Card Schemes and GPA are confidential as between GPA and the Card Schemes.

2.2 You represent and warrant that:

- (a) any information You provide to Billzy in connection with an application for Billzy to provide the Services is complete, accurate and not misleading or deceptive; and
- (b) if You have disclosed Personal Information to Billzy in connection with the application under clause 2.1(a), You have obtained the relevant individual's prior consent to the disclosure and otherwise complied with Your obligations under Privacy Law; and
- (c) You are able to satisfy Your obligations and responsibilities under this Agreement.

- 2.3 You acknowledge and agree that:
- (a) Billzy and GPA are authorised to obtain from third parties financial and credit information relating to You in connection with our decision to approve your application and in respect of our continuing evaluation of Your financial and credit worthiness; and
 - (b) any information collected by Billzy may be disclosed by us to GPA.

- 2.4 The Parties agree that no Party is or will be bound by this Agreement unless and until GPA has confirmed its approval for Billzy to provide the Payment Services to You.

3. YOUR OBLIGATIONS

- 3.1 You:
- (a) must immediately notify Billzy of any change to Your financial position which may affect Your ability to perform Your obligations under this Agreement; and
 - (b) must provide Billzy with prior written notice of any change in Your place of business, not carry on business in a place which has not been approved by Billzy and must not move Your place of business without our prior written consent; and
 - (c) must not change Your business name or ownership of Your business without giving Billzy prior written notice and not substantially change the type of goods and services You sell without our prior written consent; and
 - (d) only submit a sales transaction where You are the supplier of the goods and/or services; and
 - (e) not submit transactions on behalf of a third party. For the avoidance of doubt, this includes submitting transactions for goods or services sold on another Person's website; and
 - (f) must allow the employees, contractors or agents of GPA or those of any Card Scheme reasonable access to Your premises during normal business hours to check Your compliance with this Agreement, the Data Security Standards or for the purposes of the relevant Card Scheme Rules; and
 - (g) Must provide Billzy and GPA with all information and assistance reasonably required to perform their obligations and to deal with any queries in relation to the Payment Service; and
 - (h) must comply with all applicable Card Scheme Rules and Relevant Laws and contractual requirements in accepting card payments and performing Your obligations under this Agreement; and
 - (i) Will observe and implement the fraud prevention procedures set out in the manuals, guides or directions provided to You, unless otherwise mutually agreed by the parties.

Data Security Standards

- 3.2 This clause applies to you if you collect payment data directly from a cardholder or store any cardholder data. In addition to the other provisions of this agreement, you acknowledge and agree:
- (a) you must protect stored cardholder data, regardless of the method used to store such data. Data storage also includes physical storage and security of cardholder data. Some examples of other data storage which must be secured include an access or excel database and hard copy files. Storage should be kept to the minimum required for business, legal, and/or regulatory purposes; and
 - (b) you must not store the personal identification number (PIN) or sensitive authentication data after authorization (even if encrypted); and
 - (c) if Billzy or GPA tell you that you must comply with the Payment Card Industry Data Security Standards, you must, at your cost, successfully complete the protocols for PCIDSS within the time frame stipulated by Billzy or the Card Schemes. You acknowledge and agree that if you fail to do so:
 - (i) Billzy or GPA may terminate the merchant services; and
 - (ii) you are liable for any fine imposed upon GPA by the Card Schemes as a result of your failure to comply; and
 - (iii) you are liable for any fines which the Card Schemes levy in the event that you suffer a card data compromise incident, and have not complied with the PCIDSS Accreditation program; and
 - (d) GPA is obliged to report all Data Breach events to Card Schemes, law enforcement agencies and/or Australian regulators. You grant irrevocable and enduring consent for GPA to release details of any such Data Breach to the aforementioned bodies; and
 - (e) if you have suffered a Data Breach:
 - (i) you must give GPA and its agents full access to your systems and databases to facilitate a forensic analysis to ascertain:
 - (A) what card data has been compromised; and
 - (B) what weaknesses in the system permitted the unauthorised access to the data base; and
 - (C) whether card data was created, deleted, altered, copied or manipulated in any manner; and
 - (ii) all costs of the forensic analysis must be paid by you; and
 - (iii) in order to continue processing card transactions, you must undergo a full Payment Card Industry Data Security Standard ("PCIDSS") accreditation. All costs of this accreditation exercise must be paid by you.

Your duties to Cardholders

- 3.3 Subject to the other provisions of this Agreement, You:
- (a) must accept any valid and acceptable Card in a transaction; and
 - (b) must only send Billzy a sales transaction when you have committed to provide the goods and services to the customer; and
 - (c) must not accept a Card in a credit card transaction for the purpose of giving a Cardholder cash; and
 - (d) must perform all obligations (including supplying all goods and/or services) to the cardholder in connection with the sale; and
 - (e) must not sell, purchase, provide or exchange any information or document relating to a Cardholder's account number, or Card number, or a transaction, to any Person other than:
 - (i) Billzy;
 - (ii) GPA; and
 - (iii) the card issuer; or
 - (iv) as required by law; and
 - (f) must destroy any document that is no longer required to be retained by applicable law or card scheme rules, in a manner which makes the information unreadable; and
 - (g) must take reasonable steps to ensure that the information and documents mentioned in (e) are protected from misuse and loss and from unauthorised access, modification or disclosure; and
 - (h) must not make any representation in connection with any goods or services which may bind Billzy, GPA or any Card Scheme; and
 - (i) must not indicate or imply that we, GPA or any Card Scheme endorse any goods or services or refer to a nominated Card in stating eligibility for goods, services, or any membership; and
 - (j) must not accept a Card or a transaction which is of a type You have been previously advised is not acceptable; and
 - (k) must prominently and unequivocally inform the Cardholder of Your identity at all points of Cardholder interaction (including on any relevant web site, promotional material and invoice) so that the Cardholder can readily distinguish You from Billzy, any supplier of goods or services to You, or any other third party; and
 - (l) must provide notice to any Cardholder with whom You enter into a transaction that You are responsible for that transaction, including for any goods or services provided, any payment transaction, related service enquiries, dispute resolution, and performance of the terms and conditions of the transaction; and
 - (m) must not unfairly distinguish between issuers of a Card when accepting a transaction; and
 - (n) must not refuse to complete a transaction solely because a Cardholder refuses to provide additional identification information in circumstances where we do not require You to obtain it; and
 - (o) if You collect or store Cardholder information, you must comply with any Data Security Standards notified to You; and
 - (p) You must not transfer or attempt to transfer financial liability under this Agreement by asking or requiring a Cardholder to waive his or her dispute rights.

Recurring transactions

- 3.4 You may only process a transaction as a recurring transaction if:
- (a) you have obtained cardholder permission (either electronically or in hardcopy) to periodically charge for a recurring service; and
 - (b) you retain this permission for the duration of the recurring services and make it available to us on request; and
 - (c) you provide a simple and accessible online cancellation procedure, if the cardholder request for the goods or services was initially accepted online.

Indemnity

- 3.5
- (a) You agree to indemnify, and hold GPA harmless from and against any fines imposed on GPA by a Card Scheme because of your conduct in relation to the merchant services, including any fines imposed as a result of an unacceptable rate of chargebacks.
 - (b) You agree to indemnify, and hold Billzy Pty Ltd including its related entities and each of the directors, officers, employees and agents from any actual or threatened claim, demand, obligation, loss, cost liability arising directly or indirectly under this Agreement.

4. WEBSITE REQUIREMENTS

- 4.1 Unless You are otherwise notified in writing, you must, before You accept any electronic commerce transaction over the



4.2 The web site must clearly display the following information:

- (a) Your business name (and Australian Business Number as applicable); and
- (b) the address of Your approved place of business; and
- (c) Your business contact details, including telephone numbers and an email address; and
- (d) a complete description of the goods and services available for purchase on Your web site with the price advertised in Australian dollars or, if we have agreed that you can process transactions in another currency, that currency; and
- (e) details of Your return and refund policy, including how a transaction can be cancelled by a Cardholder; and
- (f) details of Your delivery times for goods and services. Delivery times are to be appropriate for the type of business carried on by You. If the delivery is to be delayed, the Cardholder must be notified of the delay and an option provided to them to obtain a refund; and
- (g) details of any Australian export restrictions (if applicable); and
- (h) details of Your privacy policy and how You intend to deal with, or share, Personal Information obtained from and about the Cardholder; and
- (i) a description of the measures You have to maintain the security of:
 - (i) Cardholders' account data; and
 - (ii) any other information which, by notice, we or GPA require You to display from time to time; and
- (j) any other information required for the purpose of complying with card scheme rules.

4.3 You must provide us reasonable access to view, monitor and audit the pages of Your web site.

4.4 Your web site payments page must be protected by Secure Sockets Layer or any other form of security method approved in writing by us.

5. CARD ACCEPTANCE REQUIREMENTS

5.1 You must:

- (a) use reasonable care to detect forged or unauthorised signatures or the unauthorised use or forgery of a Card; and
- (b) notify Billzy if You become aware of or suspect fraud on the part of a Cardholder; and
- (c) not deliberately reduce the value of any one transaction by:
 - (i) splitting a transaction into two or more transactions; or
 - (ii) allowing a Cardholder to purchase items separately; and
- (d) establish a fair policy for dealing with refunds and disputes about transactions and include information about that policy on Transaction Receipts as required by Billzy; and
- (e) only submit a transaction as a refund to a Cardholder if it is a genuine refund of a previous sale transaction. The refund must be processed to the same card that was used in the original sales transaction and be for the original sale amount; and
- (f) give refunds for transactions by means of credit and not in cash or cheque; and
- (g) not process a refund transaction as a way of transferring funds between Your accounts; and
- (h) if a transaction for a sale does not cover the full amount of the sale:
 - (i) in the situation in which the Card is used to make a deposit or pay an instalment You may accept the Card in payment of all or part of the outstanding balance; and
 - (ii) in any other circumstance You must obtain the balance due at the time the sale is completed in cash; and
- (i) not state or set a minimum or maximum amount for a Card transaction without our prior written consent; and
- (j) not ask a Cardholder to reveal their PIN or any other secret identifier; and
- (k) contact Billzy for instructions if the identification of a Cardholder or the validity of the Card is uncertain; and
- (l) not knowingly submit for processing any transaction that is illegal or that You should have known is illegal.

5.2 For remote transactions, you must:

- (a) take reasonable steps to verify the identity of the Person You are dealing with, in order to confirm that they are the genuine Cardholder; and
- (b) record reasonable identification details of the Person You are dealing with, as well as the commencement and expiry dates of the Card.

6. SURCHARGING

Amount of surcharge



- 6.1 Where you elect to charge a cardholder a surcharge in respect of a transaction, you must not impose a surcharge in excess of the reasonable cost of card acceptance.
- 6.2 Upon request by us or any card schemes, you must produce supporting information to substantiate your costs of card acceptance. Where the card scheme dictates the format of the required substantiation, e.g. through use of a “reasonable cost of acceptance calculator”, you must provide details of your costs in the required format.
- 6.3 Where required by a card scheme, you must submit, at your cost, to an audit of your costs of card acceptance by an independent auditor approved by the card scheme requiring the audit. The audit must be completed, and results reported back to the relevant card scheme within the timeframe specified by the card scheme.
- 6.4 Where, following an investigation into your surcharging and cost of card acceptance, we or a card scheme determine that the amount that you are surcharging exceeds the reasonable costs of card acceptance, we may by 30 days’ notice to you require you to reduce your surcharge level to an amount that does not exceed the reasonable costs of card acceptance.
- 6.5 Without limiting any other rights that we may have under this agreement, we may, by notice to you, terminate this agreement if, following receipt of notice under clause [5], you fail to reduce your surcharge level to an amount that does not exceed the reasonable costs of card acceptance.
- 6.6 You acknowledge that excessive surcharging by you could expose GPA to fines from card schemes. You agree to indemnify GPA against any fines imposed by card schemes in relation to your surcharging practices.
- 6.7 You acknowledge that card issuers may from time to time change the classification of a credit card (ie. standard or premium) and, as a result, when applying a surcharge rate to a cardholder, it cannot be guaranteed that the classification of the card (ie. standard or premium) on which you have based the surcharge will be the same as the classification on which you are charged your merchant service fee in relation to the same transaction.

Disclosure of surcharge

- 6.8 You must clearly disclose to the cardholder before the transaction is completed any surcharge that you will charge for completing the transaction, and do it in such a way that allows the transaction to be cancelled without the cardholder incurring any cost.
- 6.9 You must display on the payment page on your website a notice stating:
- (a) that you charge a surcharge; and
 - (b) the exact amount or percentage of the surcharge.

- 6.10 You must not represent or otherwise imply that the surcharge is levied by a card scheme or by us or any other financial institution.

6.11 Definitions

“Surcharge” means any fee charged by a merchant to a cardholder that is added to a transaction for the acceptance of a card.

Costs that form your “**reasonable costs of card acceptance**” will be determined having regard to the Reserve Bank of Australia’s Guidance Note: Interpretation of Surcharging Standards, as amended or replaced from time to time

7. TRANSACTION RECEIPT

- 7.1 Unless we have agreed that we will provide the transaction receipt to the cardholder, you must give the Cardholder a copy of the Transaction Receipt for each transaction, but You must not charge a fee for doing so.

- 7.2 If You are notified that You must prepare the Transaction Receipt, you must ensure the information contained in the Transaction Receipt:
- (a) is identical with the information on any other copy; and
 - (b) legibly includes the information notified to You.
- 7.3 You must provide Billzy with the Transaction Receipt and any other required evidence of the transaction within seven (7) days if You are asked by Billzy to provide it.
- 7.4 If You wish to change Your Internet or email address, or telephone number appearing on the Transaction Receipt, you must notify Billzy in writing at least fifteen (15) Banking Days prior to the change taking effect.



8. INVALID OR UNACCEPTABLE TRANSACTIONS

- 8.1 A transaction is not valid if:
- (a) the transaction is illegal as per applicable laws; or
 - (b) if applicable, the signature on the voucher, Transaction Receipt or authority is forged or unauthorised; or
 - (c) the transaction is before or after any validity period indicated on the relevant Card; or
 - (d) You have been told not to accept the Card; or
 - (e) the transaction is not authorised by the Cardholder; or
 - (f) the particulars on the copy of the voucher or Transaction Receipt given to the Cardholder are not identical with the particulars on any other copy; or
 - (g) the price charged for the goods or services is inflated to include an undisclosed surcharge for card payments; or
 - (h) another person has provided or is to provide the goods or services the subject of the transaction to a Cardholder; or
 - (i) You did not actually supply the goods or services to a genuine Cardholder as required by the terms of the transaction, or have indicated your intention not to do so; or
 - (j) the transaction did not relate to the actual sale of goods or services to a genuine Cardholder; or
 - (k) the transaction is offered, recorded or billed in a currency we have not authorised you to accept; or
 - (l) this Agreement was terminated before the date of the transaction; or
 - (m) You have not complied with Your obligations in clause 3.3; or
 - (n) if applicable, the details are keyed into Equipment and You did not legibly record on a Transaction Receipt the information required by clause 7; or
 - (o) it is a credit transaction in which:
 - (i) the amount of the transaction or transactions on the same occasion is more than any applicable limit notified to You; or
 - (ii) You collected or refinanced an existing debt including, without limitation, the collection of a dishonoured cheque or payment for previous card charges; or
 - (iii) You provide a Cardholder with cash; or
 - (p) it occurs during a period in which Your rights under this Agreement were suspended under or after this Agreement was terminated; or
 - (q) You cannot give a Transaction Receipt as required by clause 7 provided for herein; or
 - (r) for any other reason, the Cardholder is entitled under the Card Scheme Rules to a chargeback of the transaction.
- 8.2 A transaction for a sale or refund is not acceptable if:
- (a) the Cardholder disputes liability for the transaction for any reason or makes a claim for set-off or a counterclaim; or
 - (b) it is of a class which GPA or Billzy decide, in their discretion, is not acceptable.
- 8.3 You acknowledge and agree that GPA or Billzy may:
- (a) refuse to accept a transaction if it is invalid or unacceptable, or may charge it back to you if it has already been processed, even if we have given you an authorisation; and
 - (b) reverse a sales transaction as a chargeback, and debit your account for the amount of the chargeback, for any of the reasons in clauses 8.1 and 8.2 and any other reason we notify you of from time to time; and
 - (c) without limiting the above, delay, block, freeze or refuse to accept any transaction where GPA or Billzy has reasonable grounds to believe that the transaction breaches Australian law or sanctions or the laws or sanctions of any other country.

9. SETTLEMENT OF TRANSACTIONS

- 9.1 GPA will provide settlement to Billzy on each business day for the gross amount of all funds received from the card schemes in respect of transactions processed under this agreement, less any chargebacks or refunds.

9.2 Billzy is responsible for disbursing to you, in accordance with your funding, reserve and payment arrangements with Billzy, any settlement amounts received from GPA in respect of transactions processed under this agreement.



9.3 You agree to direct any queries regarding settlement to Billzy.

10. USE OF CARD SCHEME LOGOS AND TRADE MARKS

10.1 You acknowledge and agree that:

- (a) the card scheme logos, names and holograms ("the Marks") are owned solely and exclusively by the relevant card scheme; and
- (b) you will not contest the ownership of the Marks for any reason; and
- (c) the card schemes may at any time, immediately and without notice, prohibit you from using any of the Marks for any reason; and
- (d) you may only use advertising and promotional material for the cards or which show a card scheme mark in the manner GPA approves, unless you have received authorization from the card schemes through other means.

11. REPRESENTATIONS AND WARRANTIES BY YOU

11.1 You represent and warrant that:

- (a) by entering into this Agreement, you are not currently and will not be in breach of any Relevant Law or any obligation owed to any Person; and
- (b) where applicable, you are duly authorised to enter into this Agreement and the obligations under this Agreement are valid, binding and enforceable in accordance with its terms; and
- (c) if You are an incorporated body, you validly exist under the laws of Your place of incorporation and have the power and authority to carry on Your business as that business is now being conducted and using any name under which that business is being conducted; and
- (d) if You, a Related Body Corporate or any officer, employee or agent of You or a Related Body Corporate has at any time been listed on a database of terminated merchants maintained by any Card Scheme or have otherwise had merchant services terminated by another acquiring bank, you have disclosed that fact to Billzy.

11.2 The representations and warranties set out in this clause will be deemed to be repeated each day after the date You enter into this Agreement.

12. NO WARRANTIES BY US

Neither Billzy nor GPA make any warranties in respect of any of the services provided under this agreement. To the maximum extent permitted by law, any and all implied warranties and guarantees are excluded. In respect of any warranty or guarantee which is able to be excluded under any relevant law, our liability in respect of a breach of that warranty or guarantee is limited to the re-supply of the goods or services or the payment of the cost of having the goods or services supplied again.

13. EXCLUSION OF LIABILITY

To the maximum extent permitted by applicable law we are not liable to you or to any person for any act or omission (including negligence) of ours that results in any direct or indirect loss (including loss of profits), damage, injury or inconvenience you suffer because of any service failure, including any unavailability of the service, any delays or any errors. Under no circumstances will be liable to you for any lost sales, revenue or profit or loss of custom due to any service failure which results in you being able to promptly accept payments from your customers.

14. TERMINATION AND SUSPENSION

14.1 GPA or Billzy may suspend or terminate this Agreement or suspend then terminate this Agreement or any part of it at any time if:

- (a) You are in breach of Your obligations under or arising out of this Agreement; or
- (b) if in Billzy's or GPA's reasonable opinion, the processing of Your transactions exposes Billzy or GPA to an unacceptable level of risk; or
- (c) You are or have engaged in conduct which exposes Billzy or GPA to potential fines or penalties imposed under Relevant Law; or
- (d) Your business or Equipment is or has been targeted by a person engaged in fraudulent or dishonest activity whether with or without Your knowledge; or
- (e) you or any service provider (other than Billzy or GPA) that you use in connection with your merchant services has suffered a data breach
- (e) a direction is made by a card scheme or under Relevant Law that the Payment Service be suspended or

- terminated; or
- (f) you have experienced an adverse change in financial circumstances; or
- (g) we have concerns about your solvency or if you come insolvent or are subject to any form of insolvency administration or a resolution is passed, or an order is made for winding up; or
- (h) you have a significant adverse credit event recorded against you.



14.2 This Agreement will terminate automatically and immediately if:

- (a) Billzy's registration as a member service provider or independent sales organisation with any card scheme is cancelled;
- (b) Billzy's agreement with GPA for the provision of merchant services is terminated for any reason; or
- (c) any other agreement that you have with Billzy in respect of Billzy's payment processing services is terminated for any reason.

14.3 You authorise GPA to disclose to any Card Scheme advice of termination of this Agreement and the reasons for the termination. You acknowledge that the information concerning termination of this Agreement then becomes available to any member of the Card Schemes. This information, available to any member of the Card Schemes, may be used in assessing subsequent applications for merchant facilities.

14.4 This clause 14 survives termination of this Agreement.

15. ASSIGNMENT

You may not assign or charge Your rights under this Agreement without our prior written consent.

16. AUSTRALIAN DOMICILE REQUIREMENTS

You acknowledge that we may only provide services to you under this Agreement where you:

- (i) have a permanent establishment in Australia through which transactions are completed;
- (ii) are registered to do business in Australia;
- (iii) have a local address in Australia for correspondence and acceptance of judicial process, other than a post-office box or mail-forwarding address; and
- (iv) pay taxes in Australia (where required) in relation to the sales activity; and
- (v) satisfy any other domesticity requirements imposed by card schemes from time to time.

In addition to any other right to terminate or suspend the services, we may immediately cease to accept transactions under this Agreement where you fail to satisfy the above requirements.

17. GOVERNING LAW

This agreement is governed by the laws of the State of Victoria. Each party submits to the jurisdiction of the courts of that State of Victoria and any courts of appeal from them.

18. AMENDMENT

We may vary this agreement on 30 days' written notice to you.

19. NOTICES

19.1 You acknowledge that GPA or Billzy may deliver notices to You in any of the ways listed in clause 19.2.

19.2 A notice must be in writing and is taken to be received:

- (a) if delivered personally, at the time of delivery;
- (b) if sent by pre-paid post, on the third day after the posting;
- (c) if sent by facsimile transmission, on the date the transmitting machine records transmission of the complete document;
- (d) when the party sending the notice is the GPA or Billzy, if sent by email, at the time when the email enters Your information system.

19.3 The address, facsimile number or email address to be used for notices is the last address, facsimile number or email address advised by a party. You must inform Billzy immediately of any change of Your address, facsimile number or email address.

20. SET-OFF

Billzy and GPA may at any time without notice to you set off any Liability owed by Billzy or and GPA (as the case may be), to you on any account against any Liability owed by You to Billzy or the GPA (as the case may be) under or in connection with this agreement. For the purpose of this clause, "Liability" means any debt or monetary liability, irrespective of whether the debt or monetary liability is future or present, actual or contingent.



EXECUTED AS AN AGREEMENT

The completion of a Billzy Application and the conduct of your first transaction with Billzy will be considered your consent and intent to execute this agreement.

