



MERCHANT CARD ACCEPTANCE FORM

(Please complete in Block Capitals)

1. Merchant Name:

2. Trading Name:

3. Merchant Type:

☐ Sole Proprietorship ☐ Partnership ☐ Ltd. Company ☐ Govt. Owned ☐ Others

4. Relationship Status:

☐ Existing ☐ New ☐ New outlet of existing merchant

5. Nature of Business:

6. MDR (Merchant Discount Rate):

☐ American Express ☐ JCB ☐ MasterCard ☐ Rupay ☐ ViSA

7. Settlement Time:

8. Merchant Address:

9. Outlet Address:

10. Country:

11. Business Tel (With STD code):

12. Mobile No:

13. Email ID:

14. Business URL http://

15. Business Registration No:

16. Account Number

Savings

Current

17. Bank Name:

18. Branch:



19. Statement (Online Merchant Services)

☐ Paper Statement ☐ E- Statement

20.Type of Phone Line Used: ☐ Dialup ☐ Broadband ☐ Other

21. Service Provider: ☐ BT ☐ T Cell

22. Terminal Type: ☐ PSTN ☐ Wi-Fi ☐ GPRS

Sourcing Officer's name & ID:

As per policy and procedure, all the documents and information provided are properly checked and verified. Merchant is also being briefed on the policy. So, hereby, the proposal is placed for approval.

Checked and Verified By

Merchant Acquisition	APPROVED BY Head of Cards
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Signature: Signature:

Name: _____ Name: _____

Employee ID: Employee ID:

Checklist for Merchant Underwriting

Merchant Name:

Turn Around Time Tracker

1 Document received date by Merchant acquisition

SL	Criteria	Information
1	Relationship Type	New Outlet / New Merchant
2	Complete documents provided	YES/NO
3	KYC verified	YES/NO
4	POS Terminal	YES/NO
5	Recommended MD Rate (0% - 3.50%)	Amex: MasterCard: Visa: JCB: Rupay:

Documents for New Merchant

6. Company Type	Sole Proprietorship Partnership Ltd Company Govt. Owned Others
7. Applicable for Sole Proprietorship firms only	Trade License TPN

8. Applicable for Partnership firms only 1. Trade License mentions all partners names	Trade License TPN
2. Registered / Unregistered Partnership Deed	Partnership Deed Trade License
9. Applicable for Limited Liability Companies only 1. Certificate of Incorporation	TPN COI Lease Agreement
10. Premise type of the merchant: Leased/Rental/Owned.	Rental Agreement Owned
11. A/C number	
Documents for New Outlet	
12. Document Obtained	Trade License Lease Agreement Copy Title Copy of Possession/ Utility Bill Request Letter
Checks	
A. Phone Number verified	Match / No Match/ MIS Updated
B. Address verified	Match / No Match/ MIS Updated
C ACQUITY checks on business name or prop. or partners	Match / No match
FRM checks	
A. All merchant document verified	Satisfactory /Not Satisfactory
B. Owner/ Company/ Director	OK / Reported as a fraud
C. Previous record	Satisfactory /Not Satisfactory
Merchant Operation	
A. All document are properly checked and found proper	YES/NO



KYC (To be used for Opening an {Merchant} Individual and company Account)

1. Merchant Name	
2. Proprietor/Partners/Director's names	
3. Merchant Type	MCC Code
4. Merchant Address/Outlet Address	
5. Account no	
6. Name of the Relationship Officer along with Employee ID No	
7. Passport No/CID	Photocopy obtained? Yes/No(If Applicable)
8. TPN	NoPhotocopy obtained? Yes/No (If Applicable)
9. Driving License No. (if applicable)	Photocopy obtained? Yes/No (If Applicable)
10.What type of business is the customer engaged in?	
Type of Business	Category of Merchant
a. Airlines and Air carriers	
b. Automotive Parts and Accessories Stores	
c. Convenience stores and specialty Markets	
d. Departmental Stores	
e. Duty Free	
f. Education	
g. Electronics	
h. Entertainment	
l. Filling Station	
j. Healthcare	
k. Hospital	
l. Pharmacy	
m. Insurance	
n. Hotels	
o. Lodging	

p. Membership Club	
q. Restaurant	
r. Retail	
s. Super Market and Grocery	
t. Telecommunication	
u. Travel Agencies and Tour Operators	
v. Others	
11. Comments from acquisition team	
12. Has the address of the Merchant/ Outlet been verified	YES/NO

I.....hereby declare that above mentioned information are right at my best knowledge. If any information is found false and thereby any issues arise, I shall be liable in every sense.

Signature
Name of the Merchant & Date:
Business/Company Seal

Prepared By	Approved By
Signature	Signature
Name:	Name:
Date:	Date:

Other Required Details

Merchant ID:

Terminal ID:

Date:

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The Head of Cards
BOBL
Thimphu

Subject: Declaration and Request letter for any mismatch information/document/ true information.

Dear Sir,

I, the undersigned Applicant/Merchant solemnly declare and undertake that all the information/document given by me herein below is true, accurate and complete. I, the Applicant/Merchant acknowledge and agree that I shall be totally responsible/ liable for the accuracy of the following information/document.

[illegible][illegible]

Owner's Name:

[illegible][illegible]

Spouse Name:

[illegible][illegible][illegible]

A/C Number:

[illegible]

I do hereby also declare that the..... given above is correct. Please consider above mentioned information as a declaration of true information. I therefore humbly request you to consider my declaration and on the basis of that approve my merchant application and obliged me thereby.

Supported Documents:

☐ CID/Passport☐ Trade License

Sincerely yours,

[illegible]



MERCHANT AGREEMENT

This **Merchant Agreement** is executed on the day of at Bhutan

Between

The Bank of Bhutan Limited, hereafter referred to as the BoBL

And

M/s bearing Licence No
located at hereafter referred to as the **Merchant**.

WHEREAS the BoBL is offering the Point of Sale (POS) machine and services to enable acceptance of payment with American Express, MasterCard, Visa, JCB and Rupay cards.

AND WHEREAS this agreement is executed without any **influence, coercion and inducement from either Party**, the Merchant accepts the offer made by the BoBL and the BoBL and the Merchant desirous and in acceptance agree to the terms and conditions of this Agreement into writing.

By accepting the cards you agree to be bound by this Agreement. If you do not accept the terms and conditions, you must not accept the cards or submit charges to us or continue to display cards materials but must notify us immediately and return all cards materials to us. You agree to prominently display cards signs, decals or other identification prominently at all points of purchase (including in-store and online) of your Establishment(s) for the duration of this Agreement, unless otherwise agreed with us. You must provide to us a list of your Establishments, and notify us of any subsequent changes in the list, including any change in the premises at which you accept the cards. You agree to advise us immediately of a change of ownership or any other significant change to the way you or your Affiliates carry on business which could impact the way we provide services to you under this Agreement. This Agreement covers only you. You must not obtain Authorizations, submit Charges or Credits, or receive payments on behalf of any other party. You and your affiliates are jointly and severally liable for the obligations of your Establishments under this Agreement.

NOW, THEREFORE, THIS DOCUMENT WITNESSES AND THE PARTIES
HERETO AGREE AND DECLARE AS UNDER:

1) Definitions

- a) Valid Card shall mean an unexpired card issued by any bank designated to issue American Express, Visa, MasterCard, JCB and/or Rupay, bears the specimen signature of the persons whose name is embossed on the card and the card which is not listed in any of above mentioned network channels current warning bulletin.
- b) Card member or Member shall mean a person holding a valid Card.
- c) Valid Charge is a charge within the amount authorized in clause 7 of this Agreement which is charged to the holder of a Valid Card on a charge Slip acceptable to BoBL bearing an imprint of the card and member's signature as appearing on the valid card. The Merchant agrees to retain the bills/invoices pertaining to charge slips for a period of eighteen months from submission date and make them available to BoBL on request
- d) Floor Limit means a charge amount above which you must obtain an Authorization.
- e) Discount Rate is an amount we charge you for accepting the card as set out in your application or elsewhere in this agreement
- f) Account means your designated bank account with BoBL
- g) Authorization means the process for obtaining approval for a charge, as described in this Agreement
- h) Credit means the amount of the charge that you refund to Cardmembers for purchases or payments made on the card
- i) Disputed charge means a charge about which a claim, complaint, or question has been brought
- j) Merchant Account means an account established with us upon entering into this Agreement

2) Accepting the Card

- a. Acceptance: You agree to accept all valid Card in accordance with this Agreement and without discrimination, as payment for goods and services sold at all of your Establishments. This includes sales made in person, by telephone or mail, through the Internet, or by any other method.
- b. Communicating Payment Methods: Whenever you communicate the payment methods you accept to customers, you must indicate your acceptance of the Card and any Third Party Products (if applicable), and display Marks according to payment products guidelines without discrimination.
- c. Honouring the Card: You must not, directly or indirectly, (i) try to dissuade Cardmembers from using the Card; (ii) criticize or mischaracterize the Card or any of our services or programs; (iii) try to persuade or prompt Cardmembers to use any Other Payment Products or any other method of payment (e.g., payment by cash); (iv) promote any Other Payment Products (except your own card that you issue for use solely at your Establishments) more actively than you promote the Card; (v) make Cardmembers feel unwelcome or embarrassed if they wish to use the Card, (vi) charge the Cardmember any additional fees or increase your price; (vii) engage in activities that harm our services; or (viii) impose any restrictions or conditions on the use or acceptance of the Card or otherwise financially discriminate against the Card or Cardmember.
- d. Prohibited Uses: You must not accept the Card for purposes of transactions other than bona fide purchase by Cardmembers of goods and services from you. This means, by way of example and not limitation, that you must not accept the Card for: (i) damages, losses, penalties, or fines of any kind; (ii) costs or fees over the normal price of your goods or services (plus applicable taxes) or Charges that Cardmembers have not specifically approved; (iii) overdue amounts, or amounts covering returned or stop-payment cheques; (iv) gambling goods or services; (v) adult digital content sold via the internet; (vi) cash back or cash equivalents; (vii) sales made by third parties; (viii) amounts that do not represent bona fide sales of goods or services at your Establishments, e.g., purchases at your Establishments by your owners (or their family members) or employees or any other person contrived for cash flow purposes; (ix) goods or services for which the provision is illegal under laws

applicable to us, you, or the Cardmember (e.g., drug trafficking, online / internet sales of prescription medications, sales of any goods that infringes the rights of the rights-holder); (x) investment made on future maturity of goods / services with an intention of gaining return on investment or (xi) other items of which we notify you.

3) Submitting Charges and Credits to Us

- a. Charge Submissions: Your Establishments must submit Charges and Credits in Local Currency, unless we otherwise agree. You must submit all Charges to us within seven (7) days of either (a) the date they are incurred, or (b) the date you have shipped the goods or provided the services to the Cardmember where applicable. You are required to comply with all Specifications provided by us from time to time. We will have the right to Full Recourse for Charges not submitted to us within thirty (30) days.
- b. Refunds / Credits: We may charge you a fee for the service of processing a Credit. You must not give cash refunds to Cardmembers for goods or services they purchase on the Card, unless required by law. Your refund policy for purchases on the Card must be disclosed to Cardmembers at the time of purchase.
- c. Credit Submissions: You must submit Credits to us within seven (7) days of determining that a Credit is due and create a record of Credit that complies with our requirements (Credit Record). You must submit a Credit only for the value of the corresponding Charge, excluding the Merchant Service Fee. We will deduct the full amount of the Credit from our payment to you or debit your Account, but if we cannot, then you must pay us promptly upon receipt of our invoice. Each Charge and Credit must be submitted under the Establishment where the Charge or Credit originated.

4) Acceptance of charges:

That the BoBL may accept all Valid Charge slips in order to make payment to the Merchant, subject to discount on the total amount.

5) That by signing this Agreement, the Merchant agrees to open a new account with the BoBL or register their existing account with the BoBL for the purpose of settlement.

6) Commission

That the Merchant Agrees to pay the Bank a commission of

-% in case of American Express transactions
-% in case of international Visa card transactions
-% in case of international MasterCard transactions
-% in case of JCB card transactions
-% in case of Rupay card transactions
-% in case of any other local bank cards transactions including BoBL issued Visa debit and credit card transactions occurred at their POS terminals in their establishment.

7) Payment of charges:

- a) Subject to the provision of sub-clause (b) hereof, and without prejudice to the right conferred by Clause 7 hereinafter appearing, the BoBL agrees to pay charges received at their offices within day(s) of receipt, in case of Valid Cards, except under any circumstances beyond the control of the BoBL. Payment against any charge slip by the BoBL shall not be entitled at anytime and without notice, to set-off and adjust outstanding of the Merchant or of any partner or the proprietor thereof, where such partner or the proprietor is also a Card Member, against any payment due to the Merchant.
- b) Where the BoBL has reason to believe that any charges have been fraudulently incurred on a valid card or charge incurred on a counterfeit card or where the BoBL has reason to investigate or cause to be investigated any charges (hereinafter referred to as a “suspect charge”), the BoBL shall be entitled to withhold any payment pertaining to a suspect charge(s) for a period not exceeding 6 (six) months from the due date of payment under sub-clause (a) above.

PROVIDED THAT if on or before expiry of 6 (six) months after due inquiry and investigation that the charge slip is

a valid charge, the BoBL may release such withheld payment immediately.

PROVIDED FURTHER that if within the mentioned period after due inquiry and investigation that any suspect charge is not valid charge, the BoBL shall not be obligated to pay the same at all.

- c) Your Merchant Service Fee is indicated in the Application, this Agreement or otherwise provided to you by us. We reserve the right to change our Merchant Service Fee from time to time and to charge a different Merchant Service Fee for Charges submitted by your Establishments that are in different industries. Additional fees that apply to you shall be notified to you from time to time. We reserve the right to charge interest on any late payments owing on your Account. In the event of a material change in laws or regulations governing the Discount Rate or any laws which may have a direct or indirect impact on the operation of this Agreement, we will have the absolute right to make necessary changes to the Discount Rate applicable to you, for us to compensate any revenue lost as a result of the material change.
- d) You must provide us with authority to direct debit your Account for all amounts that you become liable to pay us under this Agreement. We may deduct any amount owing, including interest, from your Account in accordance with any existing direct debit arrangements, or to invoice you for such amount, in which case you agree to pay the invoiced amount together with late payment interest within seven (7) days, failing which we shall be entitled to refer your account to our Recovery/Legal Department for onward actions.
- e) You must notify us in writing of any error or omission in respect of your Merchant Service Fee or other fees or payments for Charges or Credits within ninety (90) days of the date of the statement containing such claimed error or omission or we will consider the statement to be complete and correct in respect of such amounts. We shall not be liable for any delayed or misdirected payment to you if you have not promptly provided us with updated or changed banking information.
- f) If we determine at any time that we have paid you in error, we may exercise Full Recourse to recover such erroneous payment. If you receive any payment from us not owed to you under this Agreement, you must immediately notify us through email communication and subsequently by calling our telephone service center and return such payment to us promptly. Whether or not you notify us, we may withhold future payments to you or debit your Account until we fully recover the erroneous payment.

9) Floor limit:

That the Merchant may incur of any account but not exceeding to the extent of the floor limit of Nu..... in case of Valid Card. However, for the amount beyond the floor limit, the Merchant must obtain prior approval of the BoBL. In the absence of such approval, the BoBL shall not be responsible for any such charges or any part thereof and all such charges will be accepted on a collection basis. Splitting of charges into two or more shall not be acceptable to the BoBL. The BoBL reserves the rights to refuse the payment if an authorization is refused.

Prior authorization in respect of charges exceeding the Floor limit may be obtained by contacting the BoBL by email communication and telephone stating the correct name and the number of the Valid Card, its expiry date, merchant name, and the amount for which the approval is required. If authorization is granted, the authorization number must be indicated on the charge slip. The BoBL may refuse authorization in its sole discretion and may further, in such an event, also direct the Merchant to take immediate preventive action.

10) Acceptance of charges with recourse-chargeback:

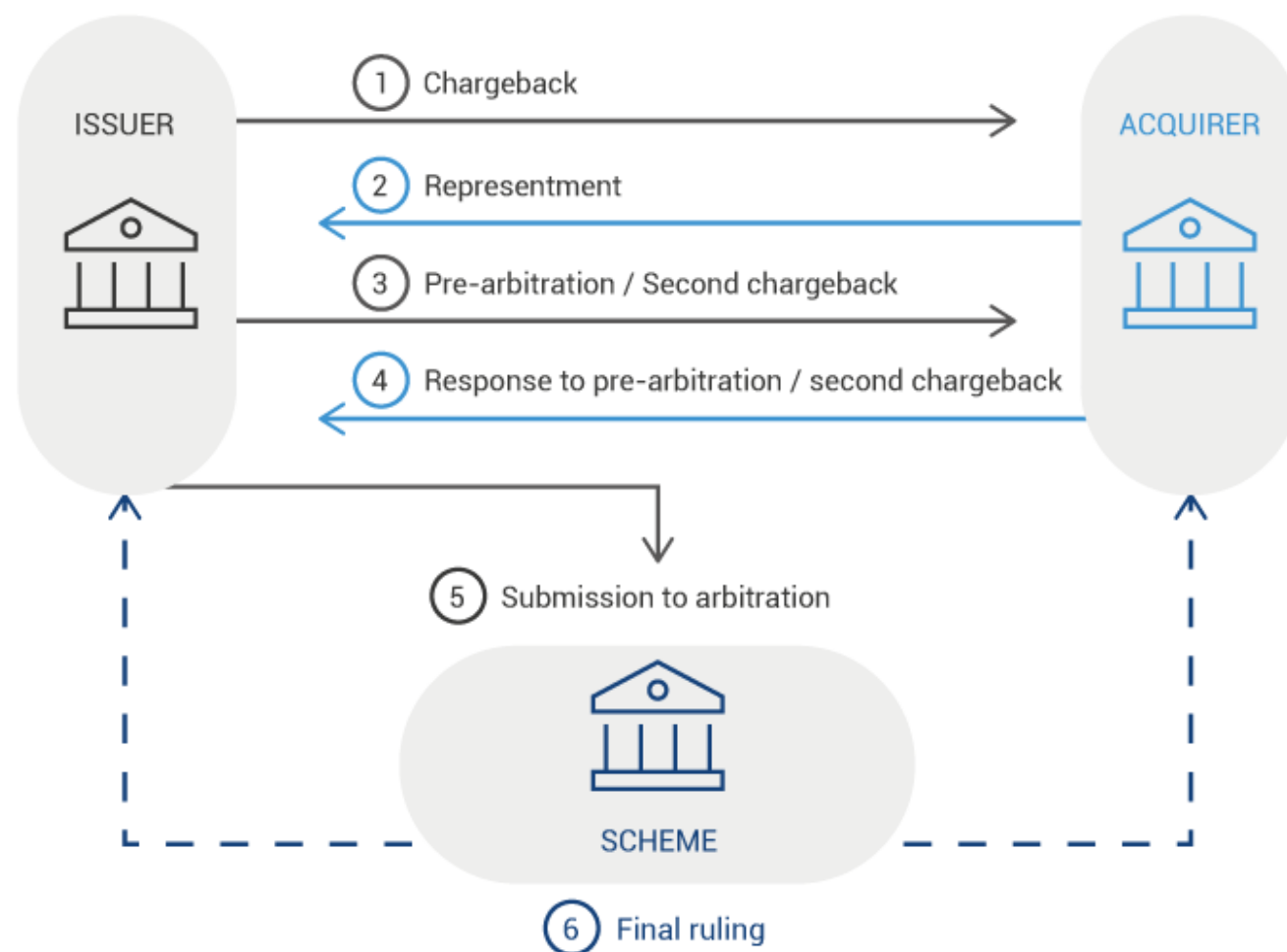
- a) That the Merchant agrees that any charge accepted by the BoBL if provided to be uncollectable on any of the following circumstances shall be the financial responsibility of the Merchant. The Merchant agrees by non-payment of such charge or the charging back of such uncollectable charges as the case may be by the BoBL without any demur or protest by debiting Merchant's account maintained with any branches of BoBL or by adjusting in future payments. We shall give you prior notice if we take action under this clause. Merchants need to maintain minimum balance on account immediately to meet adjustment upon notice from our end.

The following circumstances are not limited and others may be applicable as per the Valid Card network channels chargeback guidelines and policies.

- a) Any charge, which is not, a Valid Charge as defined above.
- b) Any charge incurred by a member whose card or the Member listed identifying symbol or number applicable in

the Valid Card current warning bulletins prior to the incurring of the charge.

- c) Any charge, which was incurred by a member outside the date, indicated as valid on the Member's card.
 - d) Any charge incurred outside the territory for the use of the card.
 - e) Any charge incurred involving the forgery of the Card member's signature on the charge form.
 - f) Any charge incurred which involves a charge form incomplete or illegible as to the Card Member's name, the number of the card or the validity date of the card.
 - g) Any charge received by the BoBL more than 3 (three) days after charge was incurred by a card member.
 - h) Any charge which was previously billed directly by the merchant to the card member.
 - i) Charges for undelivered merchandise or services.
 - j) Charges in excess of floor limit set out in Clause 9 above without prior authorization of BOBL as provided therein.
 - k) Any Charge for merchandise or services in an amount in excess of the advertised price.
 - l) Any charge, which the Card Member refuses to pay because the merchandise or services purchased from the Merchant were not as, promised or merchandise was defective.
 - m) Any charge with respect to which a Card member's complaint or request for the Merchant has not resolved an adjustment.
 - n) The charge slip prepared in other currency than Ngultrum.
 - o) Any card not present charge
 - p) If the merchant fails to comply with any or the terms and condition spelled in these presents.
- b) Merchant Dispute Cycle



- a) “Chargeback”: the card owner disputes the debit made on his bank account. He will contact his bank, who issues a chargeback directly to the acquiring institution.
- b) “Representment”: the merchant refutes the chargeback reason and gets all the elements proving his position, which he transfers to the acquirer.
- c) “Pre-arbitration / 2nd chargeback”: after the analysis of the chargeback dispute supporting documents and in consultation with the cardholder, the issuer accepts or refuses the acquirer’s dispute. In case of refusal, the issuer issues a pre-arbitration (Visa scheme) or a 2nd chargeback (MasterCard scheme).
- d) Pre-arbitration : the merchant has to provide an answer and confirms if he accepts or refuses the pre-arbitration
- e) “Submission to arbitration”: At this stage, if the issuing bank maintains its refusal, it can submit the chargeback to the scheme for a final ruling.
- f) 6th stage “Final ruling”: the final judgement is pronounced by the Valid Card network scheme and the losing party is debited of both the chargeback amount and the file fees.

After the final decision made by Valid Card network channel, the merchant agrees for the payment of any mentioned disputed amount and the charges levied if any to the issuer/acquirer bank. The BoBL shall have the right to debit the merchant account and make the payment to the Issuer/Acquirer Bank after the final judgment made by Valid Card network channel in Arbitration stage.

Disputed Time frame for the Visa/ Mastercard

STAGE	TIME FRAME
Re-presentment	Within 30 days of the dispute processing date
Pre-Arbitration	Within 30 days of the dispute processing date
Pre-Arbitration Response	Within 30 days of the pre-arbitration processing date
Arbitration	Within 10 days of the pre-arbitration response processing date

Note: Same cycle applies for American Express, JCB and Rupay and time frame as per respective chargeback guidelines and policies.

11) Indemnity:

That the Merchant shall indemnify and not hold the BoBL responsible for any claims, demands, actions, suits or proceedings, liability, losses, costs, expenses, legal fees or damaged asserted against the BoBL by any member on the account of acts or omissions by the Merchant in connection with the sale of goods or services (by the merchant) and the performance of this agreement. This indemnity shall remain in force after termination.

12) Publicity:

That the Merchant agrees to display stickers with the Valid Card Logo to maintain promotional material supplied from time to time by the BoBL. The Merchant’s right to display such stickers shall continue only so long as the Merchant agreement remains in effect.

13) Imprinters:

That imprinters for use by the Merchant shall be provided on request. The imprinter provided to the Merchant must be returned on the termination of this Agreement. Any other imprinter used by the Merchant not provided by the BoBL must be one that can accommodate the Valid Card Charge slips.

14) Dispute Resolution

- a) Claims: Claim means any claim (including initial claims, counterclaims, cross-claims, and Third Party claims), dispute, or controversies between you and us arising from or relating to this Agreement, including any question regarding its existence, validity or termination, or the relationship resulting from this Agreement, whether based in contract, tort (including negligence, strict liability and fraud), statute, regulations or other body of law.

d) **Alternate Dispute Resolution**

That in the event of any dispute between the BoBL and the Merchant arising out of this Agreement, the matter shall be resolved mutually through negotiations.

e) **Jurisdiction:**

That if the BoBL and the Merchant are unable to reach a mutual settlement on the dispute, the matter shall be referred to the Courts of the Kingdom of Bhutan.

15) Cheque cashing, cash advances and/or cash refunds:

That unless a specific agreement is entered into with the Merchant, no card member's cheques are to be encashed or cash advances and refunds are to be made and the BoBL shall not be responsible or held liable for such charges.

16) Direct Mail and Telephone charges:

That where the Merchant receives orders from Card Members through mail or by telephone, the Merchant agrees it has not received a valid charge. If such orders are accepted, the BoBL shall handle the charges in the usual manner. It is however, understood that in the event that a card member disputes the authenticity of the order, the risk shall be assumed by the Merchant and not by the BoBL.

17) Transfer of ownership:

That the rights accrued under this Agreement are not assignable or transferable without prior written approval of the BoBL.

18) Alteration of terms and conditions:

That the BoBL shall be absolutely entitled at its discretion from time to time to add, alter, delete, or modify any of the terms and conditions contained herein by written prior intimation thereof to the merchant. Such changes, additions, alterations, deletions or modifications shall be binding on the Merchant.

19) Duration:

- a) That this Agreement supersedes all previous agreements between the BoBL and the Merchant and shall remain in effect until terminated by either party by a written notice in advance of 30 (thirty) days.
- b) If the Merchant fails to abide by the terms and conditions of this Agreement or commits a breach hereof or becomes disentitled to honor a card or is otherwise not acceptable to the BoBL, the BoBL shall be entitled, without notice and without being required to prove actual breach, to terminate this Agreement immediately.
- c) In the event of the Merchant not transacting any business with the BoBL on Valid Card as the case may be, for a continuous period of 12 (twelve) months, we will deem this an offer to terminate this agreement, which we may accept by blocking your access to our services under this agreement.

20) That by signing this Agreement, the Merchant agrees the ownership of the Machine is not transferable subject to prior dues and accounts.

21) Notices

- a) **Notifying us:** Communication shall be in writing and sent by regular e-mail communication, telephone channel and or other channels applicable to the addresses set out below. Notices sent to us will be processed in accordance with our policies and procedures which may require you to provide us with additional information or documentation to be effective.
- b) **Our Notice Address:** Unless we notify you otherwise, you will send notices to us at:
Bank of Bhutan Limited
Cards Division, Corporate Office Thimphu, Bhutan
E-mail: card_team@bob.bt/ contact.center@bob.bt Contact: +97502334333
- d) **Notices to you:** You agree that we may notify you in person, in writing or electronically depending on the nature of the matter being notified. You must notify us prior to any change in your notice address. For the purposes of this clause, "electronically" means an email communication to your nominated business email address, an email via our secure merchant website, statement message or by making particulars of the change(s) available via our website www.bob.bt

22) Authority:

That by signing this Agreement, the Merchant represents the signatory hereof has full authority on execution of this Agreement and thereby the signatory creates a full binding obligation for the Merchant.

IN WITNESS WHEREOF, the parties have put their signatures hereunder on the date, month, year and place specified above.

MERCHANT	BoBL	Affix Legal Stamp
(Authorized)Signature:		Signature:

Name:	Name:
Designation:	Designation:
Company Seal:	Company Seal:

WITNESSES:

1.bearing citizenship identity card no..... Village,zongkhag, Bhutan (for the BoBL).	
2.bearing citizenship identity card no..... Village,Dzongkhag, Bhutan (for the Merchant)	