

FAQ: Revision to Terms and Conditions of Merchant Agreement

1.	Why did I receive this merchant notification letter from the Bank? The notification letter is to inform you that the terms and conditions of your existing agreement relating to merchant services will be varied and replaced with the Merchant Services Terms and Conditions, which can be found on our website at www.cimb.com.my/ms-info .
2.	Do I need to take action based on this notice? No, you do not need to take any action. The letter is for notification purpose only.
3.	Will the changes to the terms and conditions impact the operation of my current merchant services? No, the changes to the terms and conditions will not impact the operation of your current merchant services.
4.	What is the summary of the key changes to the terms and conditions? The summary of the key changes to the terms and conditions is as follows: (a) the terms and conditions have been simplified for easier understanding, and updated to reflect current products offering and operating procedures and to be in compliance with applicable operating policies and procedures of the Card Companies, eWallet Operators and Paynet. (b) the Bank has the right to debit or cause to be debited from the Merchant's Designated Account (i.e. your settlement account with the Bank or CIMB Islamic Bank Berhad) the outstanding due to the Bank arising from the merchant services. (c) all instructions, requests and communications in relation to the merchant services given to the Bank shall be signed by the person(s) authorized to operate the Merchant's Designated Account (only applicable if it is a current account with the Bank or CIMB Islamic Bank Berhad), unless specific written instruction is given to the Bank to allow designated alternate person(s). (d) you shall not change or close the Merchant's Designated Account without the Bank's prior written consent. If the Merchant's Designated Account is changed or closed by you without the Bank's prior written consent or for any reasons whatsoever in accordance with the terms and conditions governing the Merchant's Designated Account, the Bank may terminate the merchant services by giving written notice to you. For more specific details of the key changes to the terms and conditions, kindly refer to item 7 below.
5.	When does the new Merchant Services Terms and Conditions take effect? The new Merchant Services Terms and Conditions will take effect from 1 st January 2022.
6.	Who should I contact if I have any queries? You may call our merchant hotline at +603 6204 7733 or email emerchant@cimb.com .
7.	What are the key changes to the terms and conditions? The key changes to the terms and conditions are as follows: (a) the following new or revised terms and conditions have been incorporated into the Merchant Services Terms and Conditions: (i) unless otherwise agreed, monies due to you may be paid by way of direct credit to the Merchant's Designated Account. You shall not change or close the Merchant's Designated Account without the Bank's prior written consent. If the Merchant's Designated Account is changed or closed by you without the Bank's prior written consent or where the Merchant's Designated Account is closed for any reasons whatsoever in accordance with the terms and conditions governing the Merchant's Designated Account, the Bank may terminate the availability/use of the Payment Channels and/or Programs/Services by giving written notice to you (<i>kindly refer to Clause 2.4 of the Merchant Services Terms and Conditions for further details</i>); (ii) the Bank is expressly authorized to deduct the relevant Merchant Discount, Fee and/or other sums of money (if any) due to the Bank, arising from the merchant services, from your sales proceeds before paying over monies which are due to you.

Where your sales proceeds are insufficient, the Bank is also expressly authorized to debit or cause to be debited from the Merchant's Designated Account all the relevant Merchant Discount, Fees and other sums of money (if any) due to the Bank, arising from the merchant services. The Bank does not have to obtain your prior approval (written or otherwise) before the debit is made but will notify you of the debit made (*kindly refer to Clauses 3.2 and 3.3 of the Merchant Services Terms and Conditions for further details*);

- (iii) the Bank will notify you if chargebacks in any particular category has or is in threat of exceeding any threshold set by the Bank or any of the Card Companies or eWallet Operators. You must take immediate action to rectify the failures in your processes which resulted in the excessive chargebacks. Failure to resolve the cause of the problem may result in "Excessive Chargebacks fines" being imposed by the Card Companies and/or eWallet Operators, which you will have to indemnify the Bank for (*kindly refer to Clause 4.2 of the Merchant Services Terms and Conditions for further details*);
- (iv) in the event that suspicious or abnormal settlement transactions are detected and the Bank has reason to believe that there is fraud, you shall facilitate the Bank's further investigation and the Bank may withhold and/or refuse payment for such settlement transactions to you (*kindly refer to Clause 8.2 of the Merchant Services Terms and Conditions for further details*);
- (v) if you fail to provide to the Bank any requested information or documents reasonably required by the Bank within seven (7) Business Days from the Bank's request, or if the Bank has reasonable grounds to suspect that you have breached or intend to breach any of these terms and conditions or suspicious or abnormal settlement transactions are detected or due to regulatory reasons, the Bank may (without terminating the availability of the Payment Channels and/or Programs/Services) immediately suspend the operation of all or any of the Payment Channels and/or Programs/Services individually without affecting any of the other Payment Channels and Programs/Services by service of notice on you ("**Suspension Notice**"). If the Suspension Notice is not revoked by the Bank within seven (7) Business Days or such other extended period as the Bank may permit from the date of the issuance of the Suspension Notice, the Bank may immediately terminate the Payment Channel and/or Program/Service that was suspended by giving you notice of termination. The Bank will not be liable to you for any loss suffered by you for the suspension and/or the suspension and termination of the Payment Channel and/or Program/Service as aforesaid. The Bank also reserves the right to serve the Suspension Notice on you if you fail to provide the Bank within ninety (90) Calendar Days any requested PCI-DSS related document to ensure you are in compliance with the PCI-DSS and within fourteen (14) Calendar Days from the Bank's request for any other relevant PCI-DSS renewal documents (*kindly refer to Clause 11 of the Merchant Services Terms and Conditions for further details*);
- (vi) the Bank may disclose any information relating to you, your affairs and/or any accounts maintained by you with the Bank to:
 - (aa) any third parties making enquiries with a view to entering into prospective transactions with the Bank;
 - (bb) any potential transferee or assignee with whom the Bank is negotiating the transfer, assignment and novation of the rights or obligations under these terms and conditions; and/or
 - (cc) any company and/or organisation that assist or facilitate the processing and/or fulfilment of transactions or instructions that you requested and/or given to the Bank.*(kindly refer to Clause 13.4 of the Merchant Services Terms and Conditions for further details)*;
- (vii) disclosure by the Bank to Group Companies may also be for cross selling and other purposes of the Bank and/or the Group Companies provided always that disclosure

for cross selling purposes shall not be effected if such disclosure is objected to by you by contacting the Bank at the following telephone number or address (which may be changed by the Bank from time to time by notice to you): Customer Resolution Unit, P.O. Box 10338 GPO Kuala Lumpur 50710 Wilayah Persekutuan; Call Centre No +603 6204 7788, e-mail: cru@cimb.com. *(kindly refer to Clause 13.5 of the Merchant Services Terms and Conditions for further details); and*

(viii) the Bank shall not be responsible or held liable in any way whatsoever to you for any loss, damage, injury, inconvenience or embarrassment suffered by you for any acts of the Bank performed in relation to the provision of services relating to the Payment Channels and/or Programs/Services including not making available the Payment Channels and/or Programs/Services for extended periods of time unless caused by the wilful default and/or gross negligence of the Bank *(kindly refer to Clause 16.1 of the Merchant Services Terms and Conditions for further details); and*

(ix) all instructions, requests and communications in relation to the merchant services given to the Bank shall be signed by the person(s) authorised to operate the Merchant's Designated Account (only applicable if it is a current account with the Bank or CIMB Islamic Bank Berhad) ("**Authorised Signatory(ies)**"), unless specific written instruction is given to the Bank to allow designated alternate person(s). The signature of the Authorized Signatory(ies) on such instructions, requests and communications shall match the specimen signature in the record of the Bank or CIMB Islamic Bank Berhad, failing which the Bank has the discretion to decline acting on the same *(kindly refer to Clause 24.9 of the Merchant Services Terms and Conditions for further details);*

(b) a new anti-bribery and corruption clause has been incorporated into the Merchant Services Terms and Conditions *(kindly refer to Clause 24.8 of the Merchant Services Terms and Conditions for further details);*

(c) the following new or revised terms and conditions have been incorporated into Appendix A of the Merchant Services Terms and Conditions:

(i) you may terminate the use of all or any of the Terminals and/or MPOS at any one or more or all of your outlets by giving the Bank twenty-one (21) days' written notice *(kindly refer to Clause 9.1 of Appendix A of the Merchant Services Terms and Conditions for further details); and*

(ii) the terms and conditions of Tap n Pay have been incorporated into Schedule 2 of Appendix A of the Merchant Services Terms and Conditions; and

(d) the following new or revised terms and conditions have been incorporated into Appendix B of the Merchant Services Terms and Conditions:

(i) you shall deliver the Mail Order Forms to the Bank for payment within three (3) Business Days from the date of the Cardholder's authorization of the Mail Order Transaction. The Bank will pay you the monies due for the properly authorised Mail Order Transaction after deducting the Merchant Discount and all other fees and charges, unless:-

(aa) the Bank has received notice to withhold payment or exercised its discretion to withhold payment; or

(bb) you have breached any of your obligations;

(ii) if payment is not received by you within seven (7) Calendar Days from the date the Mail Order Forms are submitted to the Bank for payment, you must immediately notify the Bank in writing. If you do not notify the Bank that you have not received payment within fourteen (14) Calendar Days from the date the Mail Order Forms are submitted to the Bank for payment, the Bank will not have to pay the monies claimed by you under such Mail Order; and

(iii) Any discrepancies or errors arising from the settlement process, must be notified to the Bank in writing within seven (7) Calendar Days from the date of the Bank's payment, failing which you shall be deemed to have waived your right to make any claim against the Bank in respect of such discrepancies or errors.

(kindly refer to Clauses 3.1, 3.2 and 3.3 of Appendix B of the Merchant Services Terms and

Conditions for further details)

Capitalized terms used herein shall have the meanings assigned to them in the Merchant Services Terms and Conditions. Please note that the key changes set out above are not exhaustive and only for your ease of reference. Kindly refer to the Merchant Services Terms and Conditions on our website at www.cimb.com.my/ms-info for further details.