

UNION BANK

MERCHANT SOLUTIONS APPLICATION FORM



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MERCHANT INFORMATION

BUSINESS NAME

BUSINESS ADDRESS

EMAIL ADDRESS

MOBILE NUMBER

(Country Code)

DESCRIPTION OF BUSINESS

☐ SUPERMARKET

☐ PHARMACY

☐ HOTELS & GUEST HOUSES

☐ COMPUTER & ELECTRONICS

☐ BAR & RESTAURANT

☐ FAST FOOD

☐ OTHERS SPECIFY

PLEASE TICK THE SERVICE YOU ARE APPLYING FOR

VIRTUAL ACCOUNT SERVICE (VAS)

☐

POS

☐

QR CODE

☐

USSD

☐

VAS CONNECTION METHOD

API (CORPORATE)

☐

API (AGGREGATOR)

☐

BASIC MERCHANT (SETUP)

☐

NUMBER OF OUTLETS/LOCATIONS REQUIRING POS TERMINALS (if more than 3 locations, please state below the form)

LOCATION/ADDRESS

LOCATION/ADDRESS

LOCATION/ADDRESS

BUSINESS OPENING HOURS (Please Specify)

PROJECTED COLLECTIONS (Monthly)

FOREIGN CARD ACCEPTANCE REQUEST

FOREIGN CARD

☐ YES

☐ NO

BANK DETAILS

ACCOUNT TYPEACCOUNT NUMBER

ACCOUNT NAME

REQUESTING BRANCH

INSTANT SETTLEMENT

DO YOU WANT IMMEDIATE CREDITS FOR YOUR TRANSACTION(S) (Applicable fees will be advised)

☐ YES

☐ NO

DATA PROTECTION NOTICE

Union Bank of Nigeria Plc ("the Bank") will process the above data, along with any other data you subsequently give us, in terms of the Nigeria Data Protection Act (NDPA) 2023. The data will be used to give you statements and provide the Bank's products and services to you; for internal assessment and analysis; for the detection and prevention of fraud and other criminal activities which the Bank is under legal obligation to report; to develop and improve the Bank's services; for direct marketing, such as to inform you, by mail, telephone, e-mail or other electronic means, about other product and services provided by the Bank, the Bank's a liate or merchant partners in order to improve your overall customer experience and for research purposes. For more information, please read our Privacy Notice on our website. Please note that your personal data may be disclosed to, exchanged with, or processed by employees of the Bank. You have the right to be informed by the Bank, at your request, aboutv the personal data held by the Bank about you that is processed and to request to correct such information where necessary. Should the data you provided to the Bank change, the Bank must be informed without undue delay. You also have the right to withdraw your consent on the processing of your personal information. By appending my/our signature on this form, I/We hereby consent to the processing of my/our Personal Data, whether within or outside Nigeria. This includes the transfer of my/our Personal Data to any third party for purposes related to the reasons for which the data is being processed, as stated above. I/We also understand that I/We have the right to withdraw this consent at any time. For any requests or enquiries relating to your Personal Data, kindly contact our Data Protection Officer at dpo@unionbankng.com

FEE AGREEMENT

By signing this Form, I hereby acknowledge and agree to the fees associated with the services provided, as detailed in the accompanying contract document. I attest that I have reviewed and accepted the fee structure and terms outlined in the contract.

DECLARATION / INDEMNITY

I/we hereby apply for Merchant Service Solution with Union Bank of Nigeria Plc. I have read the Terms and Conditions governing acquiring Merchant Service Solutions and those relating to various Products and Services that I have requested for, as stated below /on the Bank's website <http://www.unionbankng.com/merchantservices>, and I agree to be bound by them.

I/We agree to provide either alone or jointly an Indemnity/guarantee attached in the form (and signed by me/us). We jointly and severally hereby agree to indemnify you against all claims which may be made upon you in consequence thereof and to pay to you on demand all payments, losses, costs, and expenses made suffered or incurred by you in consequence thereof or arising thereout and we hereby irrevocably authorise you to debit my/our account all such payments, losses, costs and expenses.

I/We irrevocably authorise you to make any payments and comply with any demands which may be claimed from or made upon you under the said Indemnity/guarantee without any reference to or further authority from me/us and agree that any payment which you shall make in accordance or purporting to be in accordance with the Indemnity/guarantee shall be binding upon me/us as conclusive evidence that you were liable to make such payment or comply with such demand and further that you may at any time determine or give notice to determine your Indemnity/guarantee.

AUTHORISED SIGNATORY

NAME

SIGNATURE & DATE

FOR BANK USE ONLY

INSTRUCTION TO RELATIONSHIP MANAGER

Ensure that the form is properly filled. Send a scanned copy of this request form to the merchant services team

Verify the customer's signature. File the hard copy of the request form at the branch.

ACCOUNT OFFICER

MOBILE NUMBER

(Country Code)

SIGNATURE

DATE

TERMS & CONDITIONS

NOW IT IS HEREBY AGREED AS FOLLOWS:

The above parties to this Agreement shall hereinafter be referred to as ("the party" or "the parties.")

1. DEFINITIONS in this Agreement unless expressly indicated otherwise, the following words and expressions have the meanings specified below: -

"Acquirer" means UNION Bank of Nigeria Plc:

"Card" means a payment card used as a means of payment for goods and services and which transactions is acquired by UNION bank.

"Card not present" means a transaction on where a card is not present at the time of the transactions on, like telephone orders etc.

"Cardholder" means any legal entity or natural person to whom a card is issued and/or who is authorized to used it.

"Card Issuer" mean any entity legally entitled to issue cards.

"Card Transaction" means any commercial transactions for which a card processing equipment are used and which transactions on is acquired by UNION Bank.

"Debit Card" means a plastic payment card that provides the holder electronic access to their bank account(s) at a financial institution.

"VAS" refers to virtual account service or Pay-with-transfer by which means transfers can be made to POS via virtual account and notification received on POS.

"Sender's Bank" refers to the bank from which transfer in being sent to the virtual account.

"Deposit Bank" means the bank where the Merchant has settlement account domiciled.

"PTSP" means a licensed organization by CBN to deploy both online and offline POS terminals, maintain and support the terminals at Merchant locations around the country.

"Merchant Identification Number" means a number provided by UNION Bank to identify the Merchant in a transaction.

"Terminal Identification Number" means a number by which terminals assigned to a merchant is identified. It begins with the bank's carrier ID number "2032*****"

"Virtual Account Number" refers to a ten -digit Nuban number assigned per terminal deployed to merchant to which transfer transactions are sent.

"Merchant Operating Manual" means a detailed description and instructions to the Merchant relating to the operating procedures and processing of valid card payment transactions.

"Parties" means UNION Bank, the Payment Terminal Service Provider (PTSP) and the Merchant.

"Penalty" means a fine levied by UNION Bank for the contravention of their regulations and/or operational risk parameters by the Merchant.

"PIN" means a cardholder's personal identification security number/code allowing him/her to carry a transaction.

"Pin-Driven Card" means a card which is operated by the cardholder by entering the Pin into the Point of Sale Terminal or Pin pad or otherwise.

"POS Terminal" means the equipment or device used for accepting payment card as a means of payment or otherwise used for processing card transactions.

"Processor" means licensed service provider used by the Issuer to authorize and process card transactions.

"Settlement" means the part of the clearing process where the acquirer credits the Merchant account with the amount of a card purchase and the acquirer debits the issuer for the transactions thus settling the transactions.

"Transaction" means any action between a cardholder and a Merchant that results in activity on the cardholder's account such as a purchase, refund or reversal and settlement and shall have the same meaning as card transaction.

"Issuing Banks" means Cardholders' Banks'. Authorities are switching or processing companies such as NIBSS, Interswitch or Unified Payments.

2. PURPOSE

During the entire period of this Agreement: -

- i. The Merchant shall at the request of cardholders, card beneficiaries or Transfer-enabled sender sell goods/services to the same beneficiaries that are present in person during the completion of the transactions by accepting and applying the card payment and transfer rules and procedures, subject to all the terms and conditions imposed by this Agreement. The Merchant is not authorized to sell goods/services to cardholders/transfer account holders that are not present in person during the completion of the transactions without prior consent of UNION Bank.

3. RESPONSIBILITIES OF UNION BANK

In this Agreement UNION Bank through its appointed PTSPs shall:

- i. Assign the Merchant Registration/Identification number to the Merchants.
- ii. Assign per terminal Virtual Account number to facilitate pay-with-transfer on terminals.
- iii. Enable the Merchant with the terminals (and their Terminal ID) for card transactions against the explicit Merchant's confirmation of receipt for each terminal.
- iv. Supply the Merchant, Merchant Operating Instruction/Manuals, POS terminals and such other items that may be required against the explicit Merchant's confirmation on receipt for each such items.
- v. Organize and host Merchant's staff training to handle and operate system equipment and transactions in an appropriate manner.
- vi. Supply the Merchant with relevant Point of Sale Promotional Materials indicating that the Merchant accepts approved cards in payment for goods and/or services.
- vii. Make payments to the Merchant when due and payable under this Agreement subject to all the terms and conditions provided by this Agreement.
- viii. Pay the value of the transactions made through the POS less the relevant charges according to the conditions of this Agreement to the Merchant within such a period as may be agreed between the parties.

4. RESPONSIBILITIES OF MERCHANT in this Agreement the Merchant shall

- i. Accept all cards in use in the Nigeria irrespective of the issuing bank.
- ii. Keep all POS printed receipts for a minimum of 120 days.
- iii. Apply to the Bank in writing to accept cards issued abroad.
- iv. Provide an indemnity in favor of the Bank in the event of fraud or chargebacks.
- v. Pay the appropriate Merchant Service Charge (MSC) as agreed with UNION Bank. The MSC will be deducted from payment due to the Merchant during settlement.
- vi. Subject to the terms and conditions in this Agreement, maintain the terminals and apply all available measures so that they are kept in good operational condition.
- vii. Fully indemnify UNION Bank in the event that it is not able to produce the following information in the event of an occurrence of fraud on the terminals under the custody.
 - viii. Type of goods(s) purchased.
 - ix. ii. Invoice or receipt for the items purchased iii. Inventory record(s) to show movement of goods from the store. iv. Name, Address and Phone Number of Customer.
- x. Ensure that the payer's identity is validated against the name on card for transactions of N10m and above.

5. DISPUTED TRANSACTIONS Notwithstanding any other provision to the contrary, UNION Bank shall have the right to:

- i. Send the settled transaction received from the Merchant to the issuing banks/authorities concerned for the purpose of checking and in any case of objection and/or opposition on the executed transaction by the issuing Bank or the authorities concerned for any reason.
- ii. Suspend, withhold, or refuse payment indefinitely to the Merchant if UNION Bank suspects fraud in respect to any transaction.

6. REVERSAL OF FAILED POS TRANSACTIONS AND CHARGEBACK RESOLUTION For all failed POS transactions or declined transactions for which cardholders were debited:

- i. Merchants are required to advise their customers (cardholders) to report such failed POS transaction to their Bank for refund of declined transaction they are debited for reversal. Merchants should not refund cardholders for failed POS transactions.
- ii. UNION Bank will not be held liable for claims, liabilities, damages, losses. Consequences, costs, and expenses of whatever nature that may be incurred from unlawful parting with goods and or services for declined or failed POS transactions.

7. TERMINALS

All terminals and stationaries supplied to the Merchant by UNION Bank or its appointed PTSPs in the implementation of the provisions of this Agreement shall be in the possession of the Merchant and the Merchant shall have no right to use it unless for the purposes of processing their sales transactions provided it is used only for its account and UNION Bank or its appointed PTSP shall have the right to recover it at any time, and the Merchant shall:

- i. Preserve the terminals and machines, take care of them, and ensure that only trained and authorized employees of the Merchant will use the terminals in accordance with the direction provided by UNION Bank.
- ii. Inform UNION Bank/PTSP immediately if any failure occurs with the terminals and machines.
- iii. Indemnify Union Bank on all damages to the terminals and machines because of usage in a manner contrary to and/or for purposes not stated in this Agreement.
- iv. Not use, lend or assign the terminals received from UNION Bank/PTSP for the sale of goods/services of third parties.

8. NOMINATED BANK ACCOUNT The Merchant shall advise the details of the Merchant's account with the Bank and shall not make any change to the Bank account without the written consent of UNION Bank.**9. FRAUDELENT TRANSACTIONS** Fraudulent transactions shall include but not be limited to:

- i. Any purchase and/or transfer arising from the use of a card or mobile/online transfer by a person other than the authorized cardholder/payer.
- ii. The use of a card is not authorized in terms of the rules governing the issue and use of cards.

CARD- PURCHASE			
MERCHANT CATEGORY	SERVICE CHARGE	FEE CAP	BORNE BY
GENERAL MERCHANTS	0.54%	₦1,075	MERCHANT
FUEL STATIONS	0.54%	₦1,075	ACQUIRER

TRANSFER			
MERCHANT CATEGORY	SERVICE CHARGE	FEE CAP	BORNE BY
GENERAL MERCHANTS	0.50%	₦1,000	MERCHANT
FUEL STATIONS	0.50%	₦1,000	ACQUIRER

Note that the card fee includes a 7.5% VAT, bringing it to a total of 0.54% capped at ₦1,075.

10. COMMISSION/FEE/CHARGES The Merchant shall pay the current applicable Merchant Service Charges (MSC) shown below or any other fee as the Bank may stipulate based on money market changes or industry regulations.

- 11. MINIMUM TRANSACTION VOLUME** Merchants are expected to transact above a minimum threshold as seen below to be considered viable. Where merchants fail to meet obligation after three (3) months, terminal will be retrieved:

MERCHANT CATEGORY	MINIMUM TRANSACTION THRESHOLD
GENERAL MERCHANTS	₦5bn
FUEL STATIONS	₦10bn

- 12. SETTLEMENT AND REVERSAL OF TRANSACTIONS** Notwithstanding any provisions to the contrary, UNION Bank shall have the right to:
- Pass into the Merchant's account the daily net (debit or credit) due settlement as advised by the switching company.
 - Debit the Merchant's account while advising via email the Merchant with the details of the day's settlement where the daily net settlement is a debit position.
 - Debit the Merchant's account for any wrongly settled amount which was not due to it.
 - Debit the Merchant's account where a dispute claim is initiated by a cardholder against the Merchant and a response is not received within a stipulated time with valid proof of service rendered.

13. GOVERNING LAW

This Agreement shall be governed by and interpreted in accordance with the Laws of the Federal Republic of Nigeria.

14. DISPUTE RESOLUTION

In the event of any dispute or difference arising between the Parties hereto relating to or arising out of this Agreement, the aggrieved party shall notify the other Party of the existence of a dispute or difference, and the Parties shall meet with them to attempt to settle such dispute or difference within 14 days of delivery of the notice of dispute or difference to the other Party. If the Parties are unable to reach a settlement or the other Party makes no attempt to settle it within a period of 14 days from the date of delivery of the notice of dispute or difference, the said dispute or difference shall be submitted to mediation by the Lagos State Multi-Door Court House. Notwithstanding anything contained in this Agreement, on termination of this Agreement, this Clause will continue to persist until all disputes related to the Parties under this Agreement have been resolved.

- 15. NOTICES** Unless otherwise provided herein or agreed to by the parties any notice requests or other communication mentioned herein shall be written (by telex, cable, facsimile) and sent to the address of the party as contained in this Agreement or such other address as any part may advise the other in writing.

16. AGREEMENT

- The term of this Agreement shall be for an unlimited period and shall not be transferred and/or assigned to any other person and shall remain in effect between both parties until it is terminated in accordance with the provisions of this Agreement. The Agreement is valid and applicable to all outlets owned by the Merchants.
- For the purposes of this Agreement, both parties have taken the address stated hereinafter beside their names as their chosen domicile where all the letter and the verification on shall be duly served.
- Both parties acknowledge that this Agreement has been signed by the authorized person(s) who is/are fully empowered to sign it, and both parties shall have no right to challenge the validity of this Agreement and that no such procedure shall affect the validity of the transactions already done.
- The inapplicability of any clause/clauses of this Agreement for any reason shall not be considered as an abandonment or waiver of this term or any right thereof and shall not affect the validity of the remaining terms.
- This Agreement shall remain valid regardless of any amendment or change in the name, Memorandum and Articles of Association or constitution of membership of partnership of the Merchant including inform and the Merchant shall be bound to notify UNION Bank immediately upon the occurrence of any change or amendment.
- The terms of any form, forms, manual or written instructions or directive by UNION Bank including but not limited to Merchant application form, any operating guide, card security features documentation, etc. in respect of the transaction contemplated by this Agreement shall be considered an integral part of this Agreement, and in case of any inconsistency with the provisions of this Agreement the provision that achieves the best interest of UNION Bank shall be applicable at the absolute directive on of UNION Bank
- This Agreement constitutes the Agreement between the Parties hereto and the Parties acknowledge that they have not entered into this Agreement in reliance wholly or partly on any statement or representation made to any of them by the other except as contained or referred to herein.
- No forbearance or indulgence by any party in enforcing any term or condition of this Agreement shall prejudice the party's rights or powers under this Agreement and no waiver of any breach shall operate as a waiver of any subsequent or continuing breach.
- The Merchant shall not assign or transfer or permit the assignment or transfer of its rights and obligations under this Agreement without the prior written consent of UNION Bank.
- This Agreement shall be constructed and enforced in accordance with the laws of the Federal Republic of Nigeria.
- This Agreement may be amended or changed at the absolute discretion of UNION Bank provided that such amendment shall only be binding on the Merchant effective 30 (thirty) days from the date that UNION Bank gives the Merchant written notice of such amendment (such date inclusive).
- Nothing contained in this Agreement shall operate to constitute a partnership or similar legal association between UNION Bank and the Merchant.

- 17. TERMINATION** Both parties have the right to terminate this Agreement by giving the other party thirty (30) days prior written notice Notwithstanding any provision to the contrary, UNION Bank may terminate this Agreement at its absolute directive on and without prior notice to the Merchant if:

- The Merchant is in breach or defaults in the performance of the Merchant's obligations.
- The Merchant ceases to carry on its business or if an order is made for the winding up of the business. Any execution or distress levied upon or against any of the channels or property of the Merchant is not discharged within 7 days.
- The Merchant shall stop payment or shall cease or threaten to cease to carry on its business or any substantial part thereof.
- A receiver or manager shall be appointed for the Merchant's business or the undertaking of the Merchant or any part thereof.
- Sufficient fraudulent transactions occur on the POS Terminals in the opinion of UNION Bank.
- Without prejudice to any other remedy available to UNION Bank and notwithstanding any provision to the contrary, the Merchant shall pay to UNION Bank, the cost of the POS terminal and its installations in the event of damage or loss, as may be determined by UNION Bank if the Merchant terminates this Agreement within 6 (six) months of the date of installation of any equipment.

18. DATA PROTECTION

- Parties shall ensure full compliance with the Nigeria Data Protection Regulation, 2019 (NDPR), Nigeria Data Protection Act 2023 (NDPA) and other Data Protection Laws in processing/collection of any Personal Data in in furtherance of this Agreement.
- In relation to any Personal Data received from the Participating Bank and processed in connection with the provision of the Services, each Party will take appropriate steps to ensure that all its employees and officers with access to such Personal Data (on a need-to-know basis) comply with the NDPR. Each Party will also put appropriate security measures in place to protect the Personal Data against unauthorized or unlawful access, loss, destruction or damage.
- All suspected, actual, threatened or potential Data Breaches must be promptly reported upon being identified by a Party to the other Party and with sufficient information to allow the other Party to meet any required obligation to report to an applicable regulator, that is National Information Technology Development Agency ("NITDA"), CBN or inform the Data Subjects of the Personal Data Breach under the NDPR.
- A Party that has been affected by a Data or Security Breach shall take reasonable commercial steps (as are directed by the other Party) in the investigation and take steps to manage, mitigate and remediate any Personal Data Breach.