

THIS SERVICE PROVIDER AGREEMENT is made at _____ on this day of _____, 2020

BETWEEN:

Axis Bank Limited, a banking company incorporated in India with its registered office at: at 3rd Floor, 'Trishul', Opp. Samartheshwar Temple, Law Garden, Ellis Bridge, Ahmedabad-380006.and Corporate office at: Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400 025 [hereinafter referred to as, "**Axis Bank/Bank**" which expression shall mean and include its consortium partners, representatives, successors-in-interest, affiliates, group companies and assigns]of the ONE PART;

AND

_____, a private limited company incorporated and registered under the Companies Act, 1956 and having its registered office at _____ and corporate office at: _____ (hereinafter referred to as the "**Corporate**" which expression shall unless repugnant to the context or meaning thereof, be deemed to mean and include the successors and permitted assigns) of the OTHER PART

"Bank" and **"Corporate"**, wherever the context permits are hereinafter individually referred to as a "Party" and collectively as the "Parties".

WHEREAS:

- (A) The Bank is in the business of providing banking services to its customers, PAN India.
- (B) The Corporate is a DMT player with the aim of extending deposit and payments services to millions of unbanked and under banked population in India. Corporate carries on the business of technology and distribution of mobile banking, mobile payments, financial inclusion and other financial services.
- (C) Corporate has, at the request of its Distributors, agreed to provide services (detailed in the Agreement, below) to them in conjunction with the Bank. Corporate will be availing Axis Bank Cash Management Services (CMS).
- (D) Corporate has represented to the **Bank** that it has the necessary expertise, authorization and resources to provide the technical services to its Distributors and to the Bank as mentioned in this Agreement.
- (E) The **Bank**, relying on the aforesaid representation, has agreed to render its services to Corporate (detailed below)
- (F) The Parties are now desirous of recording their terms in writing.

NOW THEREFORE, in consideration of mutual promises and undertaking herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions:

In this Agreement, unless the context otherwise requires, the following expressions shall have the following meanings:

“Agreement” shall mean this agreement together with its schedules, annexures and exhibits, as may be amended or modified in writing from time to time;

“Bank” shall mean Axis Bank Limited;

“Distributor” shall mean the retailers, sub agents, etc availing the services of the corporate;

“Confidential Information” means any data or information disclosed hereunder (whether written, oral or graphical) that relates to the corporate

or in the nature of financial or commercial information, technology, research, development, processes, know-how, computer programs, prototypes, designs, specifications, contents, materials, techniques, drawings, business development, marketing, Customer or business activities, and which is confidential or proprietary to or a trade secret of corporate, provided that either the information is marked or identified as confidential at the time of disclosure, or that it is reasonably apparent to the recipient that the information is confidential. The term Confidential Information also means all information in relation to a party which is commercially sensitive or of a secret nature, or information which is marked confidential, relating to any and all aspects of the business and financing of either party. Such information may be expressed in any form including orally, as an idea, as price lists, plans, Customer lists or details, computer software, or information concerning either party's relationships with actual or potential clients or Customers and the needs and requirements of such persons;

"Effective Date" shall mean the date on which this Agreement becomes effective i.e. <<.....>>;

"Operative Account" shall mean specific account opened for corporate held with Axis Bank where money will move automatically from the Non-Operative Bank Account of corporate as per process flow.

"Force Majeure Events" shall mean and include any event beyond the control of the Parties and other than those caused due to breach of any provision of this Agreement or inaction of either Party, including fire, accident, riots, flood, earthquake, storm, or any other natural calamity, terrorist activities, war, insurgency activities, any governmental or municipal action, changes in market rules, currency restrictions, devaluations or fluctuations; market conditions affecting the execution or settlement of transactions or the value of assets, and breakdown, failure or malfunction of any telecommunication and information technology systems;

“Intellectual Property Rights” includes all vested contingent and future intellectual property rights of including but not limited to goodwill, reputation, rights in know-how and Confidential Information, copyright, trademarks, logos, service marks, patents, devices, plans, models, diagrams, specifications, source and object code materials, data and processes, design rights, patents, know how, trade secrets, inventions, get up, database rights (whether registered or unregistered) and any products or registrations for the protection of these rights and all renewals and extensions thereof existing in any part of the world whether now known or created in the future;

"Law" shall include any rule, bye-law, notification, regulation, act, ordinance, administrative order, directive, order or instruction having the force of law, enacted or issued by the Central Government, the State Government or any other Government or regulatory authority or Government agency of Republic of India;

“Non-Operative Bank Account” shall mean the bank account opened by Axis Bank of the corporate for the purpose of collection of funds via CDM cards. This account shall be operated through standing instructions only.

"Personnel" shall mean any person/s employed by corporate for the purpose of fulfilling its obligations under this Agreement;

“Term” shall have the meaning assigned to it in under this Agreement;

1.2 Interpretations:

- (a) Words using the singular or plural number also include the plural or singular number, respectively;
- (b) The terms "hereof", "herein", "hereby", "hereto" and derivative or similar words refer to this entire Agreement;

- (c) The term "Recital", "Section", "Clause", "Sub-Clause", "Schedule", "Attachment" and "Annexure" refers to the specified recital, section, clause, schedule, attachment and annexure, respectively, of this Agreement;
- (d) References in this Agreement to statutory provisions shall be construed as references to those provisions as modified or re-enacted from time to time (whether before or after the date of this Agreement) and to any subordinate legislation made under such provisions and shall include references to any repealed statutory provision which has been so enacted (whether with or without modification.); and
- (e) Headings, bold, italicized and other stylized typefaces are only for convenience and shall **not** be considered for the purposes of interpretation/construction of this Agreement.

2. TERM OF THE AGREEMENT

2.1 This Agreement shall be valid or remain in force unless terminated in accordance with the provisions of this Agreement.

3. TECHNICAL CMS INTEGRATION

3.1 Corporate shall be responsible for Host to Host (H2H) technical CMS integration which will take place between corporate's database and the Bank's database.

4. TRANSACTION PROCESS

4.1 Corporate will raise a request for cards in the card request format. The cards will be dispatched to the corporate's registered address. The corporate will send it across to its network of distributors.

4.2 The Distributor will deposit money by way of CDM cards issued by corporate.

4.3 For every deposit in the non-operative account, by the Distributor the Bank will generate and provide an alert/notification to corporate.

4.4 Funds will be transferred after every twenty 20 minutes from Non operative Account to the operative Account from 8 am to 8 pm.

4.5 For every such credit, as mentioned above, corporate will receive an alert/notification from the Bank as detailed in the API document. Corporate shall forthwith credit e-value of the same amount to the Distributor's Wallet and notify them.

4.6 The corporate will reconcile with its current account bank statement against the MISs shared.

5. OBLIGATIONS /RESPONSIBILITIES

6.1 Corporate hereby represents, warrants and undertakes that:

- (a) it is duly incorporated under the laws of India and has full authority to enter into this Agreement and to perform all the obligations hereunder according to the terms hereof.
- (b) it has obtained all regulatory approvals/ licenses/ consents/ authorizations as may be required under Applicable Law, from the relevant regulatory authority or other governmental body to provide the services contemplated under this Agreement.
- (c) it has appropriate mechanisms and means to ensure protection, privacy and confidentiality of all data in its possession, pertaining to the Distributors.
- (d) it is not a part of any blacklist issued by any competent authority or NPCI;
- (e) it is not bankrupt or insolvent;
- (f) it has not been declared as willful defaulter by any bank or financial institution;
- (g) subject to the terms of this Agreement, shall be responsible for the selection, hiring, payment, assigning and supervision of its Personnel. Corporate agrees that the Personnel employed by it shall work under the supervision, control, and direction of corporate. Corporate shall be responsible for all negotiations with its Personnel in relation to salaries and benefits, and shall be responsible for assessments and monitoring of performance and for all disciplinary matters;
- (h) it shall not engage any person with a criminal record/conviction and shall bar any such person from participating directly or indirectly in the provision of services under this Agreement;
- (i) it is not barred by any other agreement (with any third party) to perform the services hereunder.

6.2 CASH-OBLIGATIONS & PROHIBITIONS

6.2.1 CASH OBLIGATIONS

- (a) Corporate shall be responsible for money deposited by the Distributor and will provide source or details whenever required for any verification/scrutiny by RBI or any other competent authority.
- (b) Corporate will ensure that all money deposited be used as per the purpose, terms and conditions laid down in the Business Correspondent agreement signed between corporate and Distributor.
- (c) Corporate will be responsible in case any counterfeit currency is deposited.

6.2.2 CASH PROHIBITIONS

Corporate will ensure that the cash collected and deposited in the Non Operative Account is not sourced from any of the activity(ies) mentioned below. Further corporate will neither allow nor entertain requests for transfer of money and /or any transaction through the use of Corporate Payment Platform for the following:

- (a) any form of drugs; and / or
- (b) arms; and / or
- (c) terrorist activities; and / or
- (d) money laundering; and / or
- (e) counterfeiting; and / or
- (f) cross border transactions; and / or
- (g) where the purpose of transfer is for illegal activities; and / or
- (h) purchase/sale of any article/object/material prohibited by Government of India.

6.2.3 COMPLIANCE OF APPLICABLE LAW

Corporate shall be acting as an API partner/Service provider to the Distributor, comply with all applicable law including but not

limited to: Prevention of Money Laundering Act, 2002, Payment and Settlement Systems Act, 2007, the rules/regulations issued there under and the directions/guidelines issued by the Reserve Bank of India from time to time along with the guidelines on Anti Money Laundering/ Combating Financing of Terrorism.

7 OBLIGATIONS OF BANK

- (a) The Bank shall open the Operative & Non Operative Bank Account, after proper due diligence in accordance with guidelines/instructions of RBI.
- (b). In case of any system failure, the Bank shall ensure that appropriate amount is transferred into the corporate's Operative Account.
- (c) The Bank shall ensure that no unnecessary/unwanted debit takes place from the Non Operative Account.

8 INDEMNITY

8.1 Corporate hereby agrees to indemnify and hold the Bank, its directors, agents and employees harmless against and in respect of any and all damages, losses, liabilities, obligations, demands, claims of any kind, actions, suits, litigation, interest, costs or expenses directly incurred or suffered by the Bank in any manner arising out of:

- (a) any breach or non-performance by the corporate of the undertakings, warranties, covenants, declarations or obligations under this Agreement; or
- (b) breach by corporate of any applicable laws, or any other instructions or orders as directed by Bank in accordance with any government regulations

from time to time;

(c) any claim or proceeding brought by the Distributor (or any person claiming through it) or any other person against the Bank, in respect of any services offered by corporate; or

(d) any act, neglect or default on the part of the corporate's employees, licensees or Distributor; or

8.2 Corporate shall also fully indemnify and hold harmless the Bank, against any loss, costs, expenses, demands or liability, whether direct or indirect, arising out of a claim by a third party that the services offered by corporate or Distributor infringes any intellectual or industrial property rights of that third party.

8.3 It is agreed between the parties that in the event Bank is required to indemnify the third party for liabilities arising out of or in connection with any action or inaction of corporate or its Agents or for anything done by the Distributor and/ or its Agents without authorization in writing; Corporate shall have to indemnify and hold Bank harmless against all actions, proceedings, claims, liabilities (including statutory liabilities), penalties, demands and costs imposed directly on the Bank, arising as a result of the Distributor or its Agents' breach.

9 LIMITATION OF LIABILITY

Bank will not be liable for indirect, incidental, special, consequential, or exemplary damages (including any loss of revenue, profits, goodwill, use, or data) arising in connection with this Agreement, except as provided in this

Agreement. Corporate disclaims all warranties, express or implied, written or oral, including, but not limited to, warranties of merchantability and fitness for a particular purpose with respect to technical integration, Corporate technology, Corporate Payment Platform or Corporate Payment Platform Services or otherwise made as regards this Agreement.

10 NO WARRANTY

Except as provided in this Agreement, Corporate disclaims all warranties, express or implied, written or oral, including, but not limited to, warranties of merchantability and fitness for a particular purpose with respect to technical integration, Corporate technology, Corporate Payment Platform or Corporate Payment Platform Services or otherwise made as regards this Agreement.

11 CONFIDENTIALITY AND SECRECY

11.1 Each Party recognises that in the course of the transactions envisaged by this Agreement, it may be privy to certain confidential information ("**Confidential Information**"), relating to the **other party** or its client(s) or any of its group or subsidiary companies and its businesses including legal, financial, technical, commercial, marketing and business related records, data, documents, reports, (whether or not the information is marked or designated as "Confidential" or "Proprietary"). Each Party agrees that it shall:

- keep all Confidential Information strictly confidential and shall not, divulge such Confidential Information to any person;
- take all steps to protect the integrity of the Confidential Information and to ensure against any unauthorised disclosure thereof;
- promptly inform **the other party** of any potential or accidental disclosure of the Confidential Information and take all steps, together with **the other party**, to retrieve and protect the said Confidential Information.

The terms of this Agreement are confidential. Each Party understands that in the event, it breaches this clause, other Party shall incur heavy losses, which cannot be determined. The **non-defaulting party**, reserves the right to enforce specific performance of this Clause, and obtain necessary injunction (whether mandatory or restraining) in addition to any other relief to which it may be entitled at law or in equity. This clause shall survive upon termination of this Agreement.

12 DATA PROTECTION

12.1 Corporate shall comply with all Data Protection Legislation and such compliances including but not limited to, maintaining a valid and up to date registration or notification (where applicable) under the Data Protection Legislation.

12.2 For the purpose of the Agreement, Data Protection Legislation means the legislation and regulations relating to the protection of Personal Data and processing, storage, usage, collection and/ or application of Personal Data or privacy of an individual including (without limitation):

12.2.1 the Information Technology Act, 2000 (as amended from time to time), including the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 (the "**Privacy Rules**") and any other applicable rules framed thereunder;

12.2.2 all other banking industry guidelines

(statutory) or codes of conduct relating to the protection of Personal Data and processing, storage, usage, collection and/or application of Personal Data or privacy of an individual issued by any regulator; and

12.2.3 any other applicable law solely relating to the protection of Personal Data and processing, storage, usage, collection and/or application of Personal Data or privacy of an individual.

12.3 Corporate shall not process or transfer any Personal Data outside India.

13 TERMINATION

13.1 Either Party shall have the right to terminate this Agreement, at any time by giving Thirty (30) days prior written notice of its intention to do so, to the other Party.

On effective date of termination, the Bank shall Close the Non-Operative Bank Account and hand over to Corporate all the money lying (if any) in the Non Operative bank accounts.

RELATIONSHIP BETWEEN THE PARTIES

13.2 This Agreement is on a principal to principal basis between the Parties hereto. Nothing contained in this Agreement shall be construed or deemed to create any association, partnership, joint venture, employer-employee relationship or principal-agent relationship in any manner whatsoever between the Parties. Corporate acknowledges that its rendering of Services is solely within its own control, subject to the terms and conditions agreed upon and agrees not to hold itself out to be an

employee, agent or servant of the **Bank** or any subsidiary or affiliate thereof.

13.3 This Agreement shall not constitute the appointment of either Party as the legal representative or agent of the other Party. No Party to this Agreement shall have any right or authority to assume, create / incur any liability or any obligation of any kind (whether express or implied), against or in the name of or on behalf of the other Party to this Agreement.

14 ASSIGNMENT /SUB-CONTRACTING

14.1 Corporate shall not subcontract its duties or responsibilities under this Agreement in whole or in part, to any agent,/sub-agent / contractor / sub-contractor without the prior written permission of the Bank, which the Bank may deny at its absolute discretion it is expressly clarified and agreed between the Parties that in the event the Bank grants approval for any such request, the Corporate shall be fully liable to the Bank for all acts and omissions of agent/ sub-agent /contractor/sub-contractor and the Corporate's indemnity shall stand extended mutatis-mutandis to all acts and omissions by such agent /sub-agent /contractor /sub-contractor without any further amendment to this Agreement. Corporate agrees that it shall ensure that any such agent /sub-agent /contractor /sub-contractor is bound by the terms and conditions which are no less stringent than the terms and conditions as contained in this Agreement and all the rights available to the Bank vis-à-vis the corporate under the Agreement shall also be available to the Bank vis-à-vis the agent /sub-agent /contractor /sub-contractor.

14.2 Corporate shall establish a defined mechanism to enable itself to select, monitor and audit the agent /sub-agent /contractor /sub-contractor appointed in accordance with this Agreement.

- 15 Corporate expressly acknowledges and confirms that the Bank shall be entitled to exercise supervisory and inspection rights against the contractor, agent, sub-agent or sub-contractor of the corporate as are available under this Agreement.

16. FORCE MAJEURE

Notwithstanding the provisions of this Agreement, neither Party shall be liable for liquidated damages or termination for default against the non performing Party, if and to the extent that the delay in performance or other failure to perform its obligations under the contract is the result of an event of Force Majeure Event. If a Force Majeure Event arises, the affected Party shall promptly notify the other Party in writing of such conditions and the cause thereof. Unless otherwise directed in writing, the affected Party shall continue to perform its obligations under the Agreement as far as reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the Force Majeure Event. Either Party may terminate this Agreement, by giving a written notice of minimum 30 days to other Party, if as a result of Force Majeure Event, the affected Party being unable to perform a material portion of its obligations under this Agreement for a period of more than 30 days.

17. PUBLICITY

Corporate shall not use the name and/or trademark/logo of the **Bank**, while providing services hereunder including any advertisement(s) / list of client(s), without the prior written consent of the **Bank**

18. GOVERNING LAW, DISPUTE RESOLUTION AND JURISDICTION

- (a) This Agreement shall be governed by and construed in accordance with the laws of India.
- (b) Corporate expressly acknowledges and confirms that the Bank shall be entitled to exercise supervisory and inspection rights against the contractor, agent, sub-agent or sub-contractor of the corporate as are available under this Agreement.
- (c) Any and all disputes between the Parties arising out of or in connection with this Agreement or its performance (including the validity of this Contract) shall, so far as is possible, be settled amicably between the parties.

21.3 This Agreement shall be subject to the exclusive jurisdiction of the courts at _____.

19. MISCELLANEOUS

19.1 NOTICES

All notices under this Agreement shall be written in the English language and shall be deemed to be validly served: (a) in case of delivery by hand, when hand delivered to the other Party; or (b) when delivered by courier or by any postal service that provides a receipt of delivery, on the date contained in the delivery receipt that the sending Party receives from the delivery service provider; or (c) for electronic mail notification with return receipt requested, upon the obtaining of a valid return receipt from the recipient. All notices shall be marked to the attention of designated person at the contact details indicated below or to such other address or email account as a Party shall designate by similarly giving notice to the other Party.

To : **AXIS Bank Limited**
Address :
Attention :
E-mail:
Tel :

To :
Address :
Attention :
E-mail:
Tel :

19.2 SEVERANCE

If any provision of this Agreement is rendered void, illegal, or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

19.3 NO WAIVER

The failure of either Party to insist upon or enforce strict conformance of any provision(s) of this Agreement or to exercise any right(s) under this Agreement shall not be construed as a waiver or relinquishment of any of its right(s).

19.4 ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the Parties hereto with respect to the subject matter of this Agreement and supercedes all prior agreements and undertakings, written or oral, with respect to the subject matter hereof except as otherwise expressly provided herein.

19.5 AMENDMENTS

No modification, amendment, waiver, discharge or termination of any of the provisions of this Agreement shall be effective unless made in writing specifically referring to this Agreement and duly signed by each of the Parties.

19.6 COUNTERPARTS

This Agreement may be executed in two (2) counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF the parties hereto have hereunto set and subscribed their respective hands and seal on the day, month and year first herein above written.

SIGNED, SEALD AND DELIVERED

By **AXIS BANK LTD**
Through its Authorised Signatory
Mr.

in the presence of

1.
2.

SIGNED, SEALD AND DELIVERED

By _____
Through its Authorised Signatory
Mr./ Ms.

in the presence of

- 1.....
2.