



Terms & Conditions for UPI QR Acceptance

AU Small Finance Bank Limited (“**AU Bank**”) is engaged in the business of facilitating a suite of financial services to merchants to accept digital payments and providing other value-added services to merchants.

In connection therewith, subject to and on the terms and conditions set out herein, you (the merchant/ the user) are desirous of acquiring and have applied for a UPI QR/VPA services (“**Services**”) being offered by AU Bank to accept payments from the customers AU Bank has agreed to provide the AU Bank payment acceptance services (defined hereinafter) to you and you, hereby, agree to avail these Services.

1. DEFINITIONS

- 1.1 “**Applicable Law**” shall mean any applicable statute, regulation, circular, ordinance, rule, judgment, notification, rule of common law, order, decree, bye-law, government approval, directive, guideline or any form of decision of, or determination by, or any interpretation, policy or administration, having the force of law, by any national, state or local agency, ministry, public official, court or other governmental organization having jurisdiction over the matter in question or the performance of any obligations under this Terms & Conditions.
- 1.2 “**Customer**” means any person who contracts with you for purchase of goods and/or services and makes a payment or remittance thereunder.
- 1.3 “**Customer Payment Amount**” means the amount paid by the Customer to you, using the Service, for purchase of any goods and/or services.
- 1.4 “**Merchant Services**” the services or products provided by you to your Customer/s, the remittance/payment for which is to be made through the Customer’s valid accounts / Card/s or bank account, using AU Bank Payment Acceptance Services.
- 1.5 “**Processing Mechanism**” means the payment mechanism through the internet or such other mode of payment and delivery as may be notified by AU Bank from time to time, including but not limited to Immediate Payment Service (IMPS), National Electronic Funds Transfer (NEFT), Real Time Gross Settlement (RTGS) and/or UPI (defined hereinafter).
- 1.6 “**Transaction**” shall mean an electronic financial transaction undertaken using the AU Bank Payment Acceptance Services.
- 1.7 “**UPI**” means the Unified Payment Interface, which is a payment system that powers multiple bank accounts into a single payment network of participating banks permitting merging several banking features, seamless fund routing & merchant payments into one hood.

2. ELIGIBILITY TO USE

- 2.1 You expressly acknowledge and agree that:
 - i. You are a legal person with age not less than 18 years.
 - ii. You are capable of entering and authorized to enter into a legally binding agreement/contract.
 - iii. Your employees, officers, representatives, and other agents accessing AU Bank Payment Acceptance Service are duly authorized to access these Service and legally bind you to these terms and all actions.
 - iv. You adhere that all registration information you submit is accurate and truthful.
 - v. You will maintain the accuracy of such information.
 - vi. You are not barred or otherwise legally prohibited from accessing or using the services under the laws of India.
 - vii. You are an entity duly constituted and validly existing under Indian law, expressly acknowledges and agrees that use of the Services is permitted only for those who are physically located in India at the time of registration, linking to any offering forming part of the AU Bank Payment Acceptance Services and processing/undertaking a Transaction. To avail these Services, you should be business entity holding an active Indian mobile number and bank account in India.



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3. SCOPE

- 3.1 AU Bank has developed and is the owner of certain software which enables processing payment services and Transactions through Processing Mechanism for automated acceptance of payments.
- 3.2 The scope of AU Bank Payment Acceptance Services, including the terms of use, is subject to amendments from time to time, which shall be notified to you upon any material amendments being implemented. Without prejudice to the generality of the foregoing, AU Bank shall be entitled to undertake enhancements for customer experience and transaction security in its absolute discretion. For the avoidance of any doubt, it is clarified that enhancements may also be optimization procedures, both manual and machine learning based, for different modes of payments in order to improve the payment performance.
- 3.3 You acknowledge that you shall be required to provide up to date, correct and accurate information, including its mobile number registered with the relevant bank, email address, and any other information, details as maybe required by AU Bank from time to time.
- 3.4 You undertake not to access or attempt to access the AU Bank Services by any means other than through the interface that is provided by AU Bank and in the manner permitted thereby.

4. FEES FOR PAYMENT ACCEPTANCE SERVICES

- 4.1 AU Bank shall be entitled, without exception and at its discretion, to deduct from any payments to be made to you, all outstanding Fees and any taxes. Any fees/charges is exclusive of any applicable taxes, all of which shall be the liability of and charged to you
- 4.2 MDR/Fees on transactions accepted by the Merchant via UPI on RuPay Credit Card will be applicable as per small merchant/large merchant classification (In accordance with DPSS.CO.PD No.1633/02.14.003/2017-18 and can be amended from time to time). Fees/charges are present on the AU 0101 business application
- 4.3 You may be subject to additional fees such as charges, which may be communicated to you by AU Bank, governmental authority and/or any other network provider.
- 4.4 Deduction/charges for soundbox will be applicable as per the plan set by the bank. To know the charges please login on the AU 0101 business application.

5. PAYMENTS

- 5.1 By accepting these Terms and Conditions, you expressly authorize AU Bank to hold, receive, disburse and settle funds on your behalf. Such authorization shall permit AU Bank to receive Customer Payment Amounts pursuant to a Transaction into AU Bank account to further process each Transaction. AU Bank shall process and transfer such payments received by it to the bank account designated by you for this purpose at the time of registration and/or any such account as instructed by you ("Merchant Account"). The authorization provided herein under shall remain in full force and effect until specifically terminated.
- 5.2 By accepting these Terms and Conditions, you also expressly authorize AU Bank to hold, receive and settle funds on your behalf to such other value-added services as may be opted & instructed by you on the permitted use of the application.
- 5.3 You accepted the charges linked with Services and further confirms that all information given to AU Small Finance Bank Limited is correct and accurate.
- 5.4 AU Bank shall initiate transfer of the relevant Customer Payment Amount received by it to the respective Merchant Account within the number of banking days from the date of successful transaction as defined in commercial arrangement with the merchant. Banking days being days on which private banks are open for business. The same will be transferred after deduction of Fees and charges as agreed under these Terms and Conditions. For clarity, you acknowledge that AU Bank shall be liable to settle Customer Payment Amounts only upon actual receipt thereof.



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5.5 AU Bank reserves the right to impose limits on the number of purchases and/or the value of purchases which may be made by a User during any time period and reserves the right to refuse to make payments in respect of payments exceeding such limits with due notice and information to Merchant.

6. REPRESENTATIONS, WARRANTIES AND COVENANTS:

6.1 You hereby represent, warrant and covenant with AU Bank that:

- i. All information submitted by you to AU Bank is and shall during the tenure of the engagement be maintained as true, correct and accurate in all respects.
- ii. You are not barred or otherwise prohibited from accessing or using AU Bank Services in any manner;
- iii. You are and shall, during the tenure of this engagement, remain at all times the legal and beneficial owner of the Merchant Account and keep all details thereof up to date;
- iv. All goods and/or services provided by you to a Customer shall be lawfully sold/provided and that you shall not sell/ provide products that are or may be perceived as illegal, offensive or prohibited and such other Services in Annexure A;
- v. You shall not impersonate any person or entity, falsely claim or otherwise misrepresent an affiliation with any person or entity, or access the accounts of others without permission, forge another person's digital signatures or perform any other fraudulent activity.
- vi. You shall promote AU Bank Services at your place of business and website.
- vii. You shall promptly provide all information and assistance as may be required by AU Bank from time to time in dealing with requests or queries of any governmental authority or judicial/quasi-judicial authorities.

6.2 You agree to provide KYC information and details to AU Bank, in electronic and physical form as may be required by AU Bank.

6.3 You understand that the QR Code which shall be generated by AU Bank for you is unique and specific to you and that you shall at all times maintain the secrecy of this QR Code. Specifically, you agree and acknowledge that AU Bank shall not be liable in any manner whatsoever for any negligence or misuse of the QR Code by you or your agents, employees, representatives or Customers.

6.4 You agree and understand that at the time of registration with AU Bank, access to your unique and personal dashboard to view your Transactions will be provided. You shall not share details of this platform with other persons and acknowledge that such sharing shall cause irreparable harm to AU Bank and that you shall be liable to indemnify AU Bank for any loss or damage suffered as a result of any unauthorized use.

6.5 AU Bank shall provide you details of Transactions through a personal dashboard on an interface and you shall determine if there are any errors or unauthorized Transactions, and intimate AU Bank in writing of the same.

6.6 You shall deliver goods/services immediately to Customers upon receiving the confirmation of payment;

6.7 You have appointed AU Bank as a collection agent for payments to be received by it;

6.8 It is agreed that AU Bank shall be entitled to rely upon all electronic communications, orders or messages sent to AU Bank through the Processing Mechanism in processing the Transactions. AU Bank shall not be obligated to verify or make further inquiry into the identity of the sender, or integrity of any communications. AU Bank shall not be responsible for any losses sustained through the use of stolen or hacked devices or fraudulent electronic transactions.

6.9 The QR/VPA is the property of AU Bank. In the event if any loss or breakage, AU Bank reserves the right to recover the full cost of the QR Kit from you. The QR/VPA is on a best effort basis on availability of sufficient signals from the telecommunications service provider at the location of deployment of the device.

6.10 You hereby confirm that all the particulars and information given by you and all document referred or provided therewith are true, correct, complete and up to date in all respects and you have not withheld any information.



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7. CONFIDENTIALITY AND INTELLECTUAL PROPERTY

- 7.1 Each Party acknowledges that, pursuant to these Terms and Conditions, it may have access to certain confidential information of the other Party and accordingly, each receiving Party agrees not to disclose to any third party any confidential information of a disclosing Party.
- 7.2 You shall ensure that no person who has access to any AU Bank Payment Acceptance Services shall reverse engineer, decompile or disassemble any software shared/disclosed by AU Bank, or write or develop any derivative software or any other software program based thereon.
- 7.3 AU Bank shall exclusively retain all worldwide rights, title and interest in and to the AU Bank Payment Acceptance Services (including without limitation ownership of all intellectual property rights therein and to the Processing Mechanism enabled by AU Bank and software related thereto). You understand and agree that the customizations, if any, carried out for and on behalf of you shall be intellectual property rights of AU Bank and that you can only use such additional modifications/ amendments during the term of the engagement.

8. INDEMNIFICATION

- 8.1 You hereby undertake and agree to indemnify and hold harmless AU Bank against all actions, proceedings, claims, penalties, demands and costs (including without limitation, legal costs incurred by AU Bank), awards, damages, losses, liabilities and/or expenses, however arising out of or in connection with:
 - i. Any claim of or proceeding brought by a Customer in relation to product and/or service offered or sold by you; and
 - ii. Any negligence by you or any of your agents, employees, licensees, contractors or Customers;
 - iii. Breach of any term or condition mentioned herein, by you or any inaccuracy of a representation or warranty given by you here under;
 - iv. A breach of Applicable Laws.

9. LIMITATION OF LIABILITY

- 9.1 Unless otherwise required by Applicable Law, all Transactions processed through AU Bank Payment Acceptance Services are non-refundable. AU Bank is not a party to and shall not be responsible for any disputes, chargebacks or reversals amongst you and a Customer. Notwithstanding anything contrary contained in these Terms and Conditions, AU Bank shall not be liable to you or any Customer for any special, indirect, incidental or consequential damages arising in connection with these Terms and Conditions or otherwise.
- 9.2 For any proven claims of any nature whatsoever, the total liability of AU Bank shall never exceed AU Bank Fees received from you for a 7 (seven) day period immediately preceding from the date of the relevant claim or demand.

10. NO WARRANTY

- 10.1. Except as expressly provided herein, AU Bank disclaims all warranties, responsibilities, express or implied, written or oral, including but not limited towards warranties of merchantability, any service interruptions (including on account of communication outages, system failures or other interruptions that may affect the receipt, processing, acceptance, completion or settlement of Transactions) and fitness of AU Bank Payment Acceptance Services and it does not warrant that the functions contained in AU Bank Payment Acceptance Services shall be uninterrupted or error free.
- 10.2. Use of AU Bank Payment Acceptance Services in no way represents any endorsement of you by AU Bank. AU Bank is not obligated to mediate disputes between Customers and Merchants or between a customer and you or any payment system participants.



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11. SUSPENSION AND TERMINATION

- 11.1. AU Bank and its partners reserve the right and shall be entitled to suspend the services immediately at its absolute discretion, including withholding, rejecting the settlements that is or may be suspicious, susceptible or fraudulent or for risk management purposes, pending inquiry and/or resolution of such issue, including any breach of these Terms and Conditions.
- 11.2. Termination of these Services shall not release any Party from the obligation to make payment of all amounts then due and/or payable; upon Termination both Parties shall settle all outstanding dues payable to the other Party.

12. FORCE MAJEURE

- 12.1. Should either Party hereto be delayed in or prevented, in whole or in part, from performing any obligation or condition hereunder, or from exercising its rights by reason or as a result of any force majeure, such party shall be excused from performing such obligations or conditions while such party is so delayed or prevented. AU Bank shall have the right to terminate the event if the force majeure event continues for 90 days. The term "force majeure" as used herein means acts of God, acts of government, acts of terrorism, strikes, lockouts, or other industrial disturbances, acts of a public enemy, blockades, wars, insurrections or riots, terrorism, epidemics, landslides, fires, storms, floods, explosions, technological failures, breaches, hacks, system vulnerabilities or incompatibilities, or other similar causes beyond the control of such party.

13. DISPUTE RESOLUTION, GOVERNING LAW AND JURISDICTION

- 13.1 These Terms and Conditions shall be governed by and construed in accordance with the laws of India.
- 13.2 Any difference, dispute, conflict or controversy, including any question as to its existence, validity or termination, arising out of or in connection with these Terms and Conditions ("Dispute") shall, if not amicably settled within 30 (thirty) days after the receipt by one Party of a written notice from the other Party of the existence of such Dispute, be referred to and resolved in accordance with the Arbitration and Conciliation Act, 1996 by a sole arbitrator duly appointed by AU Bank. The seat and venue of arbitration shall be Jaipur and the arbitration shall be conducted in English. The award of the arbitrator shall be final and binding upon the Parties. Each Party shall bear its own cost of arbitration.
- 13.3 The Courts at Jaipur shall have sole and exclusive jurisdiction over any matters related to these Terms and Conditions.
- 13.4 The Merchant agrees to AU Bank's right to charge back any transaction or initiate a full refund from the Merchant's settlement amount/account without protest in the following circumstances:
 - i. In case of frauds/disputes/chargeback where merchant doesn't have proof of service/product against the transaction done by the customer, bank has the right to collect the charges from merchant
 - a. Settlement amount will be kept on hold for such merchants.
 - b. In case merchant has liability relation with bank, bank can debit the charges from merchant's account.
 - ii. In case AU Bank is intimated by NPCI or a participating bank, that user requires a refund for the payment, AU Bank shall notify the merchant for the same.
 - iii. Upon notification of a chargeback or refund request, the Merchant has the right to submit relevant details and proof within a stipulated timeline. However, if the dispute is decided in favor of the user or the Merchant fails to furnish details, AU Bank may deduct the chargeback or refund amount from the Merchant's settlement.
 - iv. The merchant shall cooperate with AU Bank in resolving any chargeback/dispute/issue raised by user.
 - v. The amount of the dispute/chargeback will include any/all associated taxes required to be refunded and cannot exceed the original sales amount.



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14. MISCELLANEOUS

- 14.1 **Cooperation.** You acknowledge that your timely provision of access to your systems and various devices, as well as assistance, processes, cooperation, complete and accurate information and data from your officers, agents, and employees and suitably configured hardware and software are essential to performance of any Au Bank Payment Acceptance Services. You shall allow Au Bank to audit and inspect business processes followed by you related to AU Bank Payment Acceptance Services and suggest suitable changes thereto.
- 14.2 **Commercial Communication.** You acknowledge that you may receive communication over voice calls and messages regarding AU Bank Payment Acceptance Services, and products, and other such promotional communications. You unconditionally consent that such communications are:
- i. upon your request and authorization;
 - ii. not 'unsolicited commercial communications' as per the guidelines of Telecom Regulation Authority of India (TRAI);
 - iii. in compliance with the relevant guidelines of TRAI or such other authority.
- 14.3 **Independent contractors.** Nothing in these Terms and Conditions shall be deemed to constitute either Party a partner, agent or legal representative of the other Party, or to create any fiduciary relationship between the Parties.

15. Severability

- 15.1 It is the intent of the Parties that in case any one or more of the provisions contained in these Terms and Conditions shall be held to be invalid or unenforceable in any respect, such provision shall be modified to the extent necessary to render it, as modified, valid and enforceable under Applicable Laws and such invalidity or unenforceability shall not affect other provisions of these Terms and Conditions.

16. Notices

- 16.1 Notices to be issued pursuant to these Terms and Conditions shall be delivered to the registered address of the relevant Party as first mentioned herein, or such other address as may be notified by the relevant Party (such change to address shall come into effect 5 (five) business days after delivery thereof).

17. Amendments.

- 17.1 Bank holds the right to amend, update or modify the terms and conditions at any time and same shall be communicated to the Merchant from time to time



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ANNEXURE A

Prohibited Services

1. Adult goods and services which includes pornography and other sexually suggestive materials (including literature, imagery and other media); escort or prostitution services; Website access and/or website memberships of pornography or illegal sites;
2. Alcohol which includes alcohol or alcoholic beverages such as beer, liquor, wine, or champagne;
3. Body parts which includes organs or other body parts;
4. Bulk marketing tools which includes email lists, software, or other products enabling unsolicited email messages (spam);
5. Cable descramblers and black boxes which includes devices intended to obtain cable and satellite signals for free;
6. Child pornography which includes pornographic materials involving minors;
7. Copyright unlocking devices which includes Mod chips or other devices designed to circumvent copyright protection;
8. Copyrighted media which includes unauthorized copies of books, music, movies, and other licensed or protected materials;
9. Copyrighted software which includes unauthorized copies of software, video games and other licensed or protected materials, including OEM or bundled software;
10. Counterfeit and unauthorized goods which includes replicas or imitations of designer goods; items without a celebrity endorsement that would normally require such an association; fake autographs, counterfeit stamps, and other potentially unauthorized goods;
11. Drugs and drug paraphernalia which includes illegal drugs and drug accessories, including herbal drugs like salvia and magic mushrooms;
12. Drug test circumvention aids which includes drug cleansing shakes, urine test additives, and related items;
13. Endangered species which includes plants, animals or other organisms (including product derivatives) in danger of extinction;
14. Gaming/gambling which includes lottery tickets, sports bets, memberships/ enrolment in online gambling sites, and related content;
15. Government IDs or documents which includes fake IDs, passports, diplomas, and noble titles;
16. Hacking and cracking materials which includes manuals, how-to guides, information, or equipment enabling illegal access to software, servers, website, or other protected property;
17. Illegal goods which includes materials, products, or information promoting illegal goods or enabling illegal acts;
18. Miracle cures which includes unsubstantiated cures, remedies or other items marketed as quick health fixes;
19. Offensive goods which includes literature, products or other materials that:
 - 19.1 Defame or slander any person or groups of people based on race, ethnicity, national origin, religion, sex, or other factors;
 - 19.2 Encourage or incite violent acts;
 - 19.3 Promote intolerance or hatred.
20. Offensive goods, crime which includes crime scene photos or items, such as personal belongings, associated with criminals;
21. Pyrotechnic devices, combustibles, corrosives and hazardous materials which includes explosives and related goods; toxic, flammable, and radioactive materials and substances;
22. Regulated goods which includes air bags; batteries containing mercury; Freon or similar substances/refrigerants; chemical/industrial solvents; government uniforms; car titles; license plates; police badges and law enforcement equipment; lock-picking devices; pesticides; postage meters; recalled items; slot machines; surveillance equipment; goods regulated by government or other agency

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- specifications;
23. Securities which includes government bonds or related financial products;
 24. Tobacco and cigarettes which includes cigarettes, cigars, chewing tobacco, and related products;
 25. Traffic devices which includes radar detectors/jammers, license plate covers, traffic signal changers, and related products;
 26. Weapons which includes firearms, ammunition, knives, brass knuckles, gun parts, and other armaments;
 27. Wholesale currency which includes discounted currencies or currency exchanges;
 28. Live animals or hides/skins/teeth, nails and other parts etc. of animals;
 29. Multi-Level Marketing collection fees;
 30. Matrix sites or sites using a matrix scheme approach;
 31. Work-at-home approach and/or Work-at-home information;
 32. Drop-shipped merchandise;
 33. Any product or service which is not in compliance with all Applicable Laws and regulations whether federal, state, local or international, including the laws of India;
 34. The Merchants providing services that have the potential of casting the Payment Gateway Facilitators in a poor light and/or that may be prone to Buy & Deny attitude of the cardholders when billed (e.g. Adult material/ Mature content/Escort services/ friend finders) and thus leading to chargeback and fraud losses;
 35. Businesses or website that operate within the scope of laws which are not absolutely clear or are ambiguous in nature (e.g. Web-based telephony, Website supplying medicines or controlled substances, website that promise online match-making);
 36. Businesses out rightly banned by law (e.g. Betting & Gambling/ publications or content that is likely to be interpreted by the authorities as leading to moral turpitude or decadence or incite caste/communal tensions, lotteries/sweepstakes & games of chance;
 37. The Merchants who deal in intangible goods/services (e.g. Software download/ Health/ Beauty Products), and businesses involved in pyramid marketing schemes or get-rich-quick schemes. Any other product or Service, which in the sole opinion of AU Bank, is detrimental to the image and interests of AU Bank, as communicated by either of them/ both of them to the Merchant from time to time. This shall be without prejudice to any other terms & conditions mentioned in these Terms and Conditions;
 38. Bulk marketing tools which includes email, lists, software, or other products enabling unsolicited email messages (spam);
 39. Web-based telephony/ SMS/Text/Facsimile services or Calling Cards. Bandwidth or Data transfer/ allied services. Voice process /knowledge process services; and Mailing lists
 40. Virtual currency or credits that can be monetized, re-sold or converted to physical or digital goods or services or otherwise exit the virtual world.
 41. Money laundering services.
 42. Database providers (for tele-callers).
 43. Bidding/Auction houses.
 44. Firms promoting business opportunities, investment opportunities and mortgages