

Payment Services - Service Terms & Conditions

This document, read together with our general T&Cs & our policies, sets out the terms and conditions applicable to your use of our services.

1 Who is who when it comes to payment services?

- 1.1 **We** as **Yoco** are not a bank, and do not operate as a bank but we are registered as a **third-party payment provider** - which means that as part of our service offering, we facilitate the processing of transactions. To do this, we've partnered with **Absa Bank**, which acts as both our **Acquiring Bank** and **Settlement Bank**. They handle the acceptance of Mastercard, Visa, and UPI payments for merchants like you.
- 1.2 **Authorised Account Holder** - This is the person you nominate during our onboarding process as the primary individual responsible for managing your Merchant Account. Your "**Merchant Account**" is established by us on your behalf to manage settlements due to you and deduct our fees.

2 How do these Service T&Cs work?

- 2.1 As soon as you finish signing up and get approved to use our payment services, you must follow the specific rules we set for those services, contained in this document ("**Service T&Cs**"). But even before that, when you begin signing up for our services online, you also must follow our main terms & conditions that cover everything we offer, including payment services (**T&Cs**).
- 2.2 These Service T&Cs, along with our T&Cs, and our policies (which may be updated periodically), collectively make up what we call the "**Agreement**."
- 2.3 Transactions. The Agreement encompasses all our policies related to the provision of our services, and these policies may be subject to changes and updates over time.
- 2.4 So, make sure you read our T&Cs, Service T&Cs and policies carefully, and remember them.
- 2.5 **Can we change these Service T&Cs?** - yep, we can change them with or without telling you first. It's your job to keep up with any changes we make.
- 2.6 **What if you don't agree?** - If you don't agree to these Service T&Cs, or to any changes we may make? Well, you will need to stop using our payment services. If you continue to use our payment services, then will we take this as confirmation that you agree to these Service T&Cs or the changes we have made.
- 2.7 **Got questions about our Agreement?** - No problem! Talk to us, we are here to help. You can find our contact details on our website, app or on our Hub.

3 What Payment Services do we provide?

Our payment services cover several things:

- 3.1 **Clearing and Settlement Services** - This means we help you process payments made through debit and credit cards or online payment links. We handle the money that customers pay you and make sure you get paid, while we keep what's owed to us. We do this through our Settlement Bank.

- 3.2 **Supply and Support Services** - If needed, we provide you with a card reader and take care of any issues or replacements for it (a fee may be payable). We also offer support for our clearing and settlement services.
- 3.3 **Billing and Invoicing Services** - We assist with generating bills and invoices for your transactions.
- 3.4 **Additional Services** - We might introduce extra services related to our clearing and settlement services in the future.

So, we help you with processing payments, provide support, and offer various related services to make things easier for you.

- 3.5 **Our Card Machines & SIMS** - If we accept you as our customer and if applicable to the services you have selected, we will deliver the relevant card machine & sim cards to you. Please make sure you read and understand our policies relating to our card machines & sim cards.

4 Onboarding and Verification

Once you've signed up but before you finish the verification process, you can start processing transactions. However, the money from these transactions won't be paid into your account until we've successfully reviewed and approved your verification process, application, and all the required documents. This approval process is determined by us, and you can find more details about it, as well as the onboarding and Know Your Client (KYC) requirements, in our T&Cs.

5 Our fees

- 5.1 You are responsible for paying the fees mentioned in the relevant pricing plan applicable to your selected package, as may be amended from time to time (can be found on our website, app or in our Hub), as outlined in the pricing plan's terms, unless we agree differently in writing.
- 5.2 We can change our fees or introduce new ones without notifying you. If you want to keep using our payment services, you must accept these changes. If you don't agree with the new fees, you'll need to stop using our services.
- 5.3 All balances in your Merchant Account and all fees, charges, and payments collected or paid through our services are in South African Rand.

6 Ending the Relationship

- 6.1 To terminate our payment services, please submit a written notice to our [Support Team](#) or you can choose to stop using our payment services. The moment you start using our payment services again, these Service T&Cs will apply again.
- 6.2 **Our Right to Terminate** - We can terminate or suspend our payment services whenever we think it's necessary, we don't have to tell you first. We can also terminate or suspend our payment services right away if:
 - 6.2.1 the Acquiring Bank, Associations or any law tells us to;
 - 6.2.2 We suspect any fraudulent or criminal activity with our payment services, or if there's any unlawful or careless use of our payment services;

- 6.2.3 we find any activity that could harm the card payment system's reputation.

6.3 Consequences of termination and suspension

If applicable, you will be required to immediately return our card machines & sim cards in your possession, read our policies relating to this.

7 Authorisations

- 7.1 You authorise us to hold, receive, and disburse all settlement funds on your behalf.
- 7.2 If you owe us any money according to this Agreement:
- 7.2.1 We can use and set-off the money in your Merchant Account to pay off what you owe us;
- 7.2.2 You grant us a cession in security of the rights and claims in and to your Merchant Account for repayment of any such amounts - **In simple terms** this means you give us permission to use your Merchant Account as a form of security to guarantee repayment of any amounts you owe us. This means we have a claim on your Merchant Account to cover your debts to us.
- 7.3 If there's no money available in your Merchant Account to repay what you owe, we have the authority to withdraw the outstanding amounts directly from your bank account to settle your Merchant Account and cover the debt.
- 7.4 The permissions and authorisations mentioned above allow us to carry out and process each transaction that you approve.
- 7.5 These permissions will stay in effect until your Merchant Account is closed.

8 Bank Accounts, Settlements, and Invoices

- 8.1 You agree that:
- 8.1.1 you will not process any transaction if it does not relate to a genuine transaction for goods and/or services;
- 8.1.2 you won't submit transactions that were previously disputed;
- 8.1.3 transactions should be limited to those taking place within South Africa, and international transactions must be processed from South Africa in South African Rand;
- 8.1.4 you'll accept valid cards presented by the rightful cardholders as payment, without keeping any written cardholder information such as the cardholder's account number, expiration date CVV, signature or any other card account data;
- 8.1.5 you will provide goods and services at your regular prices, without adding extra charges or setting minimum or maximum transaction amounts;
- 8.1.6 unless allowed by law, regulations or the Association Rules, you're prohibited from surcharging;
- 8.1.7 you must keep copies of signed sales vouchers and receipts for at least 180 days from the date of the transaction;
- 8.1.8 you will not disburse funds in the form of traveller's cheques if the sole purpose is to enable a cash purchase of goods and/or services from you;

- 8.1.9 transactions should result from a legitimate interaction between you and a valid cardholder;
- 8.1.10 you will not collect tax separately from the transaction amount;
- 8.1.11 you will not attempt to limit your liability by asking or requiring cardholders to waive their dispute rights in your favour;
- 8.1.12 you will not submit illegal transactions or transactions that are fraudulent or unauthorised.
- 8.2 **Unauthorised transactions** can lead to the immediate termination or suspension of all or any of our services, without notice to you first.
- 8.3 Actions done on your behalf are considered fully authorised by you, and we are not required to verify them. **Please beware of phishing scams and other potentially fraudulent activities for which you will be fully liable and accountable.**
- 8.4 **Mistakes and Errors by you** - Where you make a mistake, we will not be liable for any loss or damage of any nature as a result of your mistake, error, act or omission, or as a result of the time taken to detect such mistakes, errors, act or omissions. We do not verify the transaction details and are not liable as such.
- 8.5 **Additional transaction functionalities** - may be available on the app or in our Hub, including reversals, refunds, sending receipts, viewing transaction data, updating business details, adding employees, and accessing third-party features with separate terms and conditions.
- 8.6 You agree to **manage transaction-related functions and accept associated risks** for as long as you are the Authorised Account Holder or until such time as the new Authorised Account Holder assumes these obligations.
- 8.7 You agree that we may **share the details regarding your transactions** with our employees, agents, the Acquiring Bank, the Associations and other third-party service providers for training, research, analysis, and operational business purposes.

9 Settlements and Chargebacks

- 9.1 **Settlement** means that we'll pay you the money you've earned.
- 9.2 **LESS** our fees. In simple terms this means for each transaction, we'll put the money you've earned (minus any fees we charge) into your bank account. This happens regularly, following our schedule.
- 9.3 **When can we delay settlement or withhold payments?** - We might delay paying you or even hold onto money in certain situations, like:
 - 9.3.1 If we're waiting for some important paperwork from you.
 - 9.3.2 If your application doesn't meet our requirements.
 - 9.3.3 If we suspect something fishy, like fraud or illegal activity.
 - 9.3.4 If we notice transactions that you didn't authorise.
 - 9.3.5 Or for other reasons we've explained in this Agreement, like chargebacks.
- 9.4 A monthly invoice is available via our app or Hub, that shows all the transactions in your account and the payments we've made to you.

Now, about Chargebacks:

- 9.5 **What is a Chargeback?** - A "chargeback" refers to a transaction that falls into one of the following categories:
- 9.5.1 **Disputed by the Cardholder** - if the person who used the card (the cardholder) questions or disagrees with the transaction.
 - 9.5.2 **Reversed** - if the transaction is cancelled or reversed by our Acquiring Bank, another bank, the Associations, or by Yoco.
 - 9.5.3 **Reasonably Deemed Suspicious** - if, in our reasonable opinion, the transaction appears to be suspicious or potentially problematic.
 - 9.5.4 **Potential Violation** - if the transaction, if allowed to proceed, would breach the terms of the Agreement, the Association Rules, or any applicable laws or regulations.

In simple terms, a "chargeback" covers transactions that are disputed by the cardholder, reversed by relevant organisations or considered suspicious, or those that could break the rules outlined in the Agreement, Association Rules, or legal requirements.

- 9.6 In the event of a Chargeback, we may:
- 9.6.1 Keep the money for that transaction aside (in a Reserve Account);
 - 9.6.2 adjust our fees;
 - 9.6.3 delay the payment of any settlement amounts into your bank account, in other words wait before sending you any more money;
 - 9.6.4 immediately and without warning, terminate, suspend or change your access to our payment services;
 - 9.6.5 debit the amount of any chargeback and any associated fees, fines, or penalties applicable or imposed by any Association or any third-party service provider from your Merchant Account (including without limitation any Reserve Account), any settlement funds due to you.
- 9.7 We may withhold the amount of the potential chargeback from settlements due to you until such time that:
- 9.7.1 A chargeback is finally assessed in favour of a cardholder, in which case we will retain such funds;
 - 9.7.2 The time allowed by the law or Association Rules for cardholder to dispute a transaction has expired;
 - 9.7.3 We decided that there won't be a chargeback.
- 9.8 If we are unable to recover funds related to a chargeback for which you are liable, you will pay us the full amount of the chargeback immediately upon our demand. You agree to pay all costs and expenses, including, without limitation, attorneys' fees on an attorney and own-client scale, incurred by us in connection with the collection of all such amounts from you. For this purpose, you agree that we shall be entitled to debit the full amount of any chargeback from the Reserve Account.

You agree to any timeframes to resolve chargebacks as imposed by us or by the Associations or local laws and regulations.