

SAMPLE SERVICE DELIVERY CONTRACT

**BULK PAYMENT SERVICES AGREEMENT
(Business to Customer payments)**

BETWEEN

Supplier

- and -

(THE CLIENT)

THIS AGREEMENT is made this day of 20.....

By and between

A. Supplier,

and

B. Client.

RECITALS:

WHEREAS, Supplier provides Bulk Dispersal services to Customers via the supplier network; and

WHEREAS, the Client wishes to use the Bulk Dispersal service for remittance of electronic money to individuals ('payees') to receive supplier value on their SIM card upon which such payees can withdraw cash from Supplier Agents.;

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements herein contained, the parties, intending legally to be bound, mutually agree as follows

DEFINITIONS AND INTERPRETATION

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

"Cash" means currency notes and coins ...;

"E-Money" means the electronic value issued by Supplier and representing an ...;

"Effective Date" means, notwithstanding the date of signature of the Definitive Agreements, the Signature Date;

"Intellectual Property Rights" means, in respect of each Party, such Party's proprietary rights, title and interest in and to any and all names, logos, trademarks, ...;

"Supplier Service" means the mobile money transfer services provided by ...;

"MSISDN" means the Mobile Subscriber Integrated Services Digital Network Number issued to the Payee which uniquely identifies the Payee on the

DURATION OF AGREEMENT

Defines the length of time the agreement

OPERATION AND SCOPE

Defines the operation to be performed and the scope of the agreement.

SERVICE FEES

Defines the service fees to be paid by the client for the services. These usually include per payment fees and overall service fees.

CONFIDENTIALITY

Clauses that define confidentiality for the service and the data that is used to provide it. This is a two-way set of confidentiality clauses.

WARRANTY, INDEMNITY & LIMITATION OF LIABILITY

These clauses define the limitations and warranty that the service is provided under. The operator will properly include clauses to limit their liability if the client provides incorrect MSISDN data for example, or if AML wallet limits are exceeded.

This is the section that can be amended to include some clauses for a Service Level Agreement.

INTELLECTUAL PROPERTY: USE & PROTECTION

The operator will want to protect their intellectual property and will restrict the client from copying their technology.

SUSPENSION

The operator will include terms under which it is reasonable to suspend the service, such as reasonable concern that the client will not make the payment for the bulk transfer.

TERMINATION

The operator will include terms to allow them to terminate the service, for example in the event of unresolved default of an agreed obligation.

TAXES

Taxes are the obligation of the client not the supplier and this will be made clear here

INDEMNITY

The client agrees here to indemnify the supplier for any legal dispute raised because of the misuse of the service by the client.

DISPUTE RESOLUTION

Standard dispute resolution clauses are included in the event of a disagreement.

PREVENTION OF MONEY LAUNDERING AND THE FINANCING OF TERRORISM

A good contract will include definitions of unacceptable behaviour and the sanctions provided to ensure the service meets regulatory and legal rules.

FORCE MAJEURE

A standard clause which means that the supplier or client is not to blame for events that are major and outside of their control (such as fire, floods, wars etc)

SCHEDULE 1: OPERATION OF THE SERVICES

- (i) The Client shall be allocated a short code which will be the Client's e-money account number.
- (ii) The Client shall deposit money into the e-money Trust Account held by supplier.
- (iii) Supplier shall then issue e-money value into the Client's e-money account equivalent to the cash deposit within six (6) hours of the transaction.
- (iv) The Client shall be responsible for maintaining the list of Payees whose e-money accounts will be credited with e-money value. These numbers will be uploaded by The Client onto the Web interface provided by supplier and The Client will schedule the date and time of remittance.
- (v) The Client will schedule the date and time of payment and at the appointed time supplier through the e-money System will cause the transaction to be effected in one bulk movement of E-Money. Charges on account shall be automatically deducted at source from the Client e-money account per transaction.
- (vi) The Payee account numbers listed by The Client shall be credited with E-Money value and a report generated within two (2) hours on the status of the accounts. The report will reflect whether the transaction has been completed or not.
- (vii) The Payee or e-money account holder will be informed by text message emanating from supplier of the credit into his e-money account.
- (viii) The amounts credited by The Client into the Payees accounts will reduce the outstanding balance on The Client's e-money account.