

RURALCO CARD TERMS AND CONDITIONS - MERCHANT

Full name and address of the creditor: Ruralco NZ Limited
97 Burnett Street
Ashburton 7700
www.ruralco.co.nz

1.0 DEFINITIONS AND INTERPRETATION

1.1 Definitions

Business Day means any day (other than a Saturday or Sunday) on which banks are open for general banking business in Christchurch.

Card Not Present Transaction means a Transaction where the Cardholder and the Ruralco Card are not present at the Supplier's premises when processing a Transaction and includes, without limitation, a transaction of the nature described in clause 11.1.

Cardholder means a person to whom Ruralco has issued a Ruralco Card or an individual who is authorised by the business in whose name the card has been issued to use the card to charge the account linked to the business card.

Commencement Date means the date on which Ruralco's representative signs the front page of this agreement as set out in the Key Points section.

Discounts means the discounts to be provided to Cardholders by the Supplier as described on the front page of this agreement in the "Key Points" section.

Goods means goods and services that are sold by the Supplier.

GST means goods and services tax chargeable pursuant to the GST Act.

GST Act means the Goods and Services Tax Act 1985 as amended or replaced.

Levy means the percentage amount stipulated as the levy on the front page of this agreement in the "Key Points" section, being that percentage amount on the total value of each Transaction (whether valid or not) (including GST, but less any applicable discount) plus GST as varied at any time in accordance with clause 6.

Merchant Portal means the online system operated by Ruralco where merchants may log on, create an account, request authorisations, or confirm a customer's credit availability and submit transaction details for settlement.

Payment Date means the date stipulated as the payment date on the front page of this agreement in the "Key Points" section.

PIN means personal identification number.

Processed means in respect of a Transaction, the required information of that Transaction provided to Ruralco in the way required under this agreement or otherwise required by Ruralco.

Ruralco Card means any Ruralco Card issued by Ruralco to a Cardholder (for corporate, business, or personal use) and reference to one Ruralco Card includes reference to any other Ruralco Card.

Supplier means the person or entity described as the supplier on the front page of this agreement in the "Parties" section.

Supplier Application Form means the Ruralco Supplier Application Form completed by the Supplier prior to entering into this agreement and including details about the Supplier.

Transaction means a Cardholder's purchase of the Supplier's Goods effected using the Ruralco Card.

Transaction Type means the type of transaction that has been selected and agreed as described on the front page of this agreement in the "Key Points" section including any exception to the transaction process in accordance with clause 7.2 below.

1.2 Interpretation

- (a) The terms and conditions include these terms and conditions as varied at any time under clause 2.3 and the application form.
- (b) The term agreement refers to the agreement between Ruralco and the supplier to provide the services set out in these terms and conditions and the application form.
- (c) A person includes a corporation and any other entity recognised by law.

2.0 ACCEPTANCE AND TERM

- 2.1 The Supplier accepts and agrees to be bound by these terms and conditions when it accepts a Ruralco card as payment for goods or services purchased from, or provided by, the Supplier.
- 2.2 Ruralco may change the terms and conditions, including changes to any condition or levy. Any change to a levy will be advised in writing on no less than one month's prior notice. Any other changes will be published on Ruralco's website or on the Merchant Portal and material changes will be advised by email to the address provided for that purpose. There is no requirement for the Supplier to execute a new agreement or variation with the notice set out in this section sufficient to create a variation or new binding agreement between the parties.
- 2.3 This agreement shall commence on the Commencement Date and continue until it is terminated in accordance with the terms of this agreement (clause 15). All payments and confidentiality obligations to Ruralco and all Ruralco rights, including its rights to set off, reimbursement and indemnity, continue after the agreement ends'

2.4 The Supplier agrees to act in accordance with any operating procedures or processes that are required and advised by Ruralco in connection with the provision of this supplier contract, including the method of processing a Transaction.

3.0 PURCHASE OF GOODS USING RURALCO CARD

3.1 A Cardholder may purchase Goods with a valid Ruralco Card provided they have the requisite credit to do so. The Supplier must accept all valid Ruralco Cards where the terms of this agreement relating to the purchase of Goods have been met. A card is valid if it has not expired, it has not been visibly altered or tampered with and it is signed on the back in the area for card signatures.

3.2 The Supplier must not permit the Cardholder to purchase Goods with a Ruralco Card where Ruralco advises the transaction is declined (via any communication by or on behalf of Ruralco to the Supplier that the transaction is not authorised). Declined card advice is deemed given to the Supplier by Ruralco:

- (a) two Business Days after posting by Ruralco; or
- (b) at the time of delivery of an email or telephone advice to the Supplier by Ruralco; or
- (c) by blocking a Cardholder's electronic access to Ruralco's card system network.

3.3 A Cardholder may not purchase Goods with a Ruralco Card if:

- (a) the Ruralco Card is invalid under clause 3.1 or the transaction is declined under clause 3.2; or
- (b) the Goods are not able to be purchased using that Ruralco Card as notified by Ruralco to the Supplier from time to time (whether via its card system network or otherwise); or
- (c) any other limitations of use are specified in respect of the Ruralco Card or otherwise notified by Ruralco to the Supplier (whether via its card system network or otherwise); or
- (d) the Cardholder in respect of any Transaction fails after three attempts to properly enter its PIN and have it accepted by Ruralco's card system network; or
- (e) where a Cardholder is required to sign its name on the invoice instead of entering its PIN, the signature is not positively identified against the signature on the back of the Ruralco Card; or
- (f) the transaction is illegal.

3.4 Any Transaction effected by use of the Ruralco Card in breach of clause 3.3 is a breach of this agreement and the Supplier will be deemed to have not completed or processed the relevant Transaction.

3.5 The Supplier agrees that Ruralco may in its sole and absolute discretion delay, block or refuse to settle any Transaction where performance of any service is identified as potentially causing Ruralco to breach its regulatory obligations, including under the Anti-Money Laundering and Countering the Financing of Terrorism Act 2009. The Supplier also agrees to provide such information and assistance as Ruralco deems is reasonably necessary in order for it to manage its money laundering and terrorist financing risk and comply with any obligations that may apply to it.

4.0 TITLE AND RISK OF GOODS

- 4.1 Title to, and risk in, any Goods purchased by the Cardholder in accordance with clause 3 will pass directly from the Supplier to the Cardholder. For the avoidance of doubt, at no point in time will Ruralco have title to, or risk in, any Goods.

5.0 DISCOUNTS

- 5.1 The Supplier will give each Cardholder the Discounts as agreed and recorded in the “Key Points” section. The parties will review the Discounts on an annual basis, and any agreed changes will be agreed and confirmed by each party in writing.
- 5.2 From time to time, Ruralco and the Supplier may agree in writing to discount any other Goods and/or amend any discount arrangements.
- 5.3 In the absence of any agreement between Ruralco and the Supplier as to any changes to any Discount amount or arrangement, the then current Discounts will prevail.
- 5.4 All Discounts that are to be applied to a Transaction must be specified on each tax invoice and GST receipt in respect of that Transaction.
- 5.5 Cardholders and Suppliers are free to negotiate any additional discount of the purchase price of any Goods, provided that the Goods are purchased using the relevant Cardholder’s Ruralco Card. Under no circumstances may the Supplier allow a Cardholder to obtain the benefit of any purchasing privileges without using the Ruralco Card.

6.0 LEVY

- 6.1 The Supplier agrees to pay to Ruralco the Levy in respect of each completed Transaction (whether or not in compliance with the terms of this agreement) in accordance with this agreement.
- 6.2 Ruralco will deduct the Levy from any amounts that it may owe to the Supplier.
- 6.3 Ruralco will issue a tax invoice for the Levies incurred by the Supplier.

7.0 PROVISION OF TRANSACTION INFORMATION

- 7.1 The Supplier agrees to follow the following process in respect of all Transactions unless clause 7.2 applies:
- (a) process that Transaction via an EFTPOS terminal in compliance with Ruralco’s card system network requirements including those advised by Ruralco from time to time.
 - (b) if the Customer is verifying the transaction by way of signature, positively verify the Cardholder’s signature against the signature on the back of the Ruralco Card and retain the signed invoice for a period of at least 12 months.
 - (c) provide to the Cardholder a copy of the sale invoice and a GST receipt for the purchase amount (including details of any discount that has been applied) upon completion of the Transaction.
 - (d) implement any data transfer procedures and systems required by Ruralco to transmit details of each Transaction to Ruralco within required timeframes including as advised

by Ruralco from time to time (and so as to ensure that all required information is received by Ruralco within 3 Business Days of the end of the relevant month or such lesser time as Ruralco may advise).

- 7.2 The Supplier is not required to follow the process in clause 7.1 where:
- (a) Ruralco and the Supplier have agreed a Transaction Type where the requirements have been waived and this is recorded in the “Key Points” section; or
 - (b) Ruralco in writing has advised the Supplier that it is not required to comply with clause 7.1 in respect of some or all types of Transactions.
- 7.3 Where clause 7.2 applies, the Supplier agrees to comply with the requirements of Ruralco, as advised from time to time, in respect of the relevant Transactions and to follow all processes for processing a Transaction in accordance with clause 2.4 above.
- 7.4 The Supplier undertakes that any and all information that it provides to Ruralco, including any information relating to a Transaction, will be true and correct and that any errors will be notified to Ruralco as soon as the error is discovered.
- 7.5 Ruralco reserves the right to inspect original signed copies of each invoice that has been required to be signed by the Cardholder before making payment of the relevant Transaction. Failure to produce any such invoice within seven days of request by Ruralco will result in reversal of the Transaction and no payment will be made by Ruralco to the Supplier for that Transaction. Where payment has already been made by Ruralco to the Supplier, then the Supplier shall immediately reimburse that sum to Ruralco.
- 7.6 The Supplier must retain information about a Transaction, however processes, for a period of three months from the date of the Transaction, or as otherwise may be required by law or specifically notified by us.
- 7.7 In the event of any dispute with the Cardholder, the Supplier agrees to take all reasonable steps to resolve the dispute directly. In the event it is unable to resolve the dispute within 5 days, the Supplier must provide details of the dispute and proof of the transaction on the prescribed dispute form (if any) within 5 business days of determining the dispute cannot be resolved directly and, absent any proof, the dispute will be settled in the favour of the Cardholder. Ruralco will, in its sole discretion reasonably exercised, determine the outcome of any dispute following proof being provided.

8.0 PAYMENT

- 8.1 Provided that the Supplier is not in breach of any of its obligations under this agreement and the transaction is not disputed by the Cardholder as set out at 7.5 above, Ruralco will make payment of all amounts payable to the Supplier in respect of the Transactions processed in the previous month on the Payment Date of the current month by direct credit to the Supplier’s nominated bank account (being the account specified in the Supplier Application Form or such other account advised by the Supplier in writing or by entering into the Merchant Portal).
- 8.2 The amount payable to the Supplier on each Payment Date will be:
- (a) the total value of each valid Transaction in the previous month; less
 - (b) the total value of the Discounts that apply to any of those Transactions; less

- (c) the total value of the Levies that the Supplier has incurred in respect of each Transaction; less
- (d) any taxes, GST, or other duties that Ruralco is or may become liable to pay in respect of any of the supplies, services or products provided by the Supplier: less
- (e) (at Ruralco's option) any other amount that the Supplier may owe to Ruralco.

8.3 In the event that any Cardholder raises a genuine and bona fide dispute (as determined by Ruralco in its sole discretion) in relation to any Transaction, Ruralco may withhold payment of the disputed amount pending resolution of the dispute. Where such a dispute exists and payment has already been made by Ruralco in respect of the disputed amount, then the Supplier will immediately repay Ruralco that amount.

8.4 Any payment due to the Supplier may, at Ruralco's discretion, be affected by way of set-off against any money the Supplier owes to Ruralco.

9.0 RURALCO'S OBLIGATIONS

9.1 Ruralco will:

- (a) process Transactions in accordance with these terms and conditions and pay the Supplier all payments due to the Supplier under and subject to the terms of this agreement.
- (b) comply with all laws, statutes, regulations, and bylaws applicable to its obligations under the terms of this agreement.

9.2 Nothing in this agreement shall be construed as obligating Ruralco to require the Cardholders to purchase from the Supplier a particular quantity, volume, or dollar value of Goods.

10.0 SUPPLIER'S OBLIGATIONS

10.1 The Supplier must:

- (a) display prominently all promotional materials and insignia which are supplied by Ruralco so as to maintain and enhance the public acceptance of Ruralco and the Ruralco Card.
- (b) allow Ruralco to list the Supplier's name and address in suitable publications and advertisements and include details of any discounts or promotions relating to the use of the Ruralco Card that have been agreed between Ruralco and the Supplier.
- (c) not allow Ruralco Card to be used for the purpose of obtaining cash either by refund, vouchers, or other means.
- (d) enforce and record all prompts on a Transaction (e.g., PIN/signature).
- (e) not do or permit to be done anything that may detract from Ruralco's good name in Ruralco's trademarks, product names, colour pallet and designs.
- (f) not make any warranty or representation whatsoever in relation to any Goods supplied by it which may bind Ruralco.
- (g) keep records of all Ruralco Card transactions.
- (h) co-operate with Ruralco in any investigation or on-site inspection relating to this agreement, performance of or compliance with this agreement by the Supplier.
- (i) implement and comply with the Payment Card Industry Security Standards, as applicable.
- (j) permit Ruralco or any of its respective employees, contractors or agents access to the Supplier's premises at any time during normal business hours for the purpose of

conducting an on-site inspection, audit, or investigation to check compliance with this agreement.

- (k) provide Ruralco with all information and assistance it may reasonably require to perform its obligations and to deal with any queries in relation to any Transaction.
- (l) use Ruralco Card Cardholder information solely for the purpose of this agreement and ensure such information is protected from all access not authorised by Ruralco.
- (m) promptly inform Ruralco in writing of any change to its payment account details.
- (n) unless agreed with Ruralco, not require a minimum amount below which, or a maximum amount above which, the Supplier will refuse to accept a Ruralco Card as payment for a Transaction.
- (o) only process Transactions where the Supplier is the seller and supplier of the Goods.
- (p) not process any transaction (of any nature) on behalf of any third party.
- (q) not indicate or imply that Ruralco and/or its shareholders endorse any Goods.
- (r) correctly and accurately complete each Transaction in accordance with this agreement and undertake all necessary verification processes to ensure the person presenting the Ruralco Card is authorised to use it.
- (s) not accept or undertake any Card Not Present Transactions subject to any written authorisation provided under clause 11.1.
- (t) comply with all relevant laws and contractual requirements in:
 - I. carrying on its business.
 - II. entering into Transactions; and
 - III. performing its obligations under this agreement.

10.2 The Supplier confirms that the information relating to the Supplier in the Supplier Application Form is true and accurate in all respects.

11.0 CARD NOT PRESENT TRANSACTIONS

11.1 The Supplier may accept Card Not Present transactions provided that it collects and retains any specific information that Ruralco advises must be obtained in respect of such transactions and obtains an authorisation. Card Not Present transactions include mail or telephone transactions or internet transactions.

11.2 The Supplier may refuse to complete a Card Not Present transaction if a Cardholder refuses to provide additional identification information such as a telephone number or address where the Supplier considers this is necessary to confirm the validity of the Transaction or the information is required by Ruralco or by law.

11.3 The Supplier acknowledges and agrees that where Ruralco has agreed to provide the Supplier with the ability to accept Card Not Present Transactions:

- (a) any authorisation granted by Ruralco . does not guarantee that the legitimate Cardholder is initiating the relevant Transaction or that the Ruralco Card has not been stolen or fraudulently used and is not a representation or warranty that a Transaction is not an invalid Transaction.
- (b) the Supplier will follow best practice procedures to reduce the likelihood of exposure to fraud including any procedures advised by Ruralco to the Supplier from time to time.
- (c) Ruralco accepts no liability for, and the Supplier agrees to indemnify and keep Ruralco indemnified against, any losses, claims, costs, damages, expenses, liabilities, or proceedings incurred or arising out of or as a consequence of any Card Not Present Transaction.

The provisions of this clause 11.2 do not limit in any manner any other provisions in this agreement.

12.0 OTHER SERVICE PROVIDERS AND SUPPLIERS

12.1 Unless otherwise agreed in writing, nothing in this agreement prevents Ruralco from entering into any agreement or arrangement relating to the Ruralco Card with any other retailer or supplier that it wishes.

13.0 LIABILITY

13.1 Notwithstanding any other provision of this agreement Ruralco will not be liable to the Supplier for any costs, losses, damages, expenses, loss of profits or indirect or consequential loss, including without limitation, any loss arising from:

- (a) the failure of the card payment system; or
- (b) the failure by Paymark or any other similar type of organisation or other third party to comply with its obligations under the any card payment system agreement; or
- (c) the use or failure of any software (including EDI) or website portal (including the Merchant Portal) that Ruralco provides or prescribes to be used under this agreement.
- (d) the failure of any EFTPOS terminal or other electronic terminal; or
- (e) the failure of any third-party e-commerce payment solutions or provider.

13.2 In no event will Ruralco be liable to the Supplier other than to pay amounts due under clause 8.2 and any liability that it may in any case incur to the Supplier is limited to the amounts due under clause 8.2.

14.0 INDEMNITY

14.1 The Supplier hereby indemnifies and holds Ruralco harmless from any losses, expenses, costs (including legal costs), damages, claims or liabilities incurred by Ruralco as a result of any breach of this agreement by the Supplier. Without limitation to the foregoing, the Supplier hereby indemnifies and holds Ruralco harmless from any losses, expenses, costs, damages, claims, and liabilities arising from:

- (a) the Supplier failing to take all reasonable steps to verify the identity of a Cardholder (including the Cardholder's signature if applicable).
- (b) the Supplier failing to hold and provide any documentation required under this agreement.
- (c) the processing of Transaction details.
- (d) misuse in giving refunds; and
- (e) as a result of any defect or fault in the Goods.

15.0 TERMINATION

15.1 Ruralco may terminate this agreement with immediate effect in the event that the Supplier:

- (a) breaches any of the provisions of this agreement; or
- (b) suffers an insolvency event, including the commencement of liquidation or upon the appointment of a receiver, liquidator, statutory manager, or trustee or upon an assignment for the benefit of its creditors; or
- (c) upon the Supplier being unable to pay its debts in the ordinary course of business.

- 15.2 In addition, Ruralco may terminate this agreement at any time without cause by giving two calendar months' notice.
- 15.3 The Supplier may terminate this agreement at any time without cause by giving two calendar months' written notice to Ruralco.
- 15.4 Notwithstanding any other provision of this agreement, in the event of any change in ownership or control of the Supplier's business, this agreement shall only continue with Ruralco's prior written consent which may be provided with any conditions Ruralco may specify and will be subject to the new owners applying for Ruralco supplier status.

16.0 CONSEQUENCES OF TERMINATION

- 16.1 The provisions of this clause 16 and clauses 6, 7, 10, 13, 14, 17, 18, 19 and 20 will continue to apply to the parties after expiration or termination of this agreement.
- 16.2 Termination or expiration of this agreement will not affect any rights or remedies each party may have accrued prior to termination or expiration.
- 16.3 The parties will ensure that as soon as is reasonably practical following termination of this agreement that all promotional material will be removed/deleted. Any current promotions or marketing relating to the Ruralco Card shall cease forthwith.

17.0 DISPUTES

- 17.1 The Supplier acknowledges that any issue or dispute that the Supplier may have with any Cardholder in respect of any Transaction will be settled entirely between the Supplier and the Relevant Cardholder. The Supplier will act promptly and professionally when resolving any dispute with a Cardholder.
- 17.2 If not withstanding clause 17.1, Ruralco, in its sole discretion assists with the resolving a dispute involving the Cardholder as a party to a dispute, Ruralco may recover from the Supplier any costs incurred in resolution of the dispute (whether or not that dispute is resolved or settled) as a debt due and owing.
- 17.3 Any dispute, difference or claim arising out of or in connection with this agreement (**a Dispute**) will be resolved in accordance with the following provisions:
- (a) a party to this agreement may give notice of a Dispute (**a Dispute Notice**) requiring the Dispute to be referred to representatives of the Parties with authority to settle the Dispute.
 - (b) the parties' authorised representatives will meet within 10 Business Days of the date of the Dispute Notice to seek to resolve the Dispute.
 - (c) if the Dispute is not resolved within the timeframe set out at clause (b) above, or a party fails to make their authorised representative(s) available to meet within that timeframe, either party may issue a notice (**an Arbitration Notice**) requiring the Dispute to be referred to arbitration under the Arbitration Act 1996. The tribunal will consist of a sole arbitrator, appointed by the agreement of the Parties, or failing agreement within 10 Business Days of the date of the Arbitration Notice, by the President of the Arbitrators' and Mediators' Institute of New Zealand Incorporated, upon the application of any party. The place of arbitration will be Christchurch, New Zealand.

18.0 CONFIDENTIALITY

18.1 Each party will keep confidential this agreement and its terms, and any information of a confidential or commercially sensitive nature obtained from the other party. Except as may be required by law no party may make any announcement or disclosure as to the subject matter or any of the terms of this agreement except in such form and manner, and at such time, as both parties agree. If a party is required to make any announcement or disclosure as to the subject matter or any of the terms of this agreement, that party must first give notice of the requirement to the other party, must consult with the other party and must endeavour to agree with the other party on the form of disclosure or announcement to be made. This clause does not prevent Ruralco from disclosing any information it considers necessary to Cardholders or prospective Cardholders.

19.0 INTELLECTUAL PROPERTY

19.1 Each party acknowledges that no right, title, or interest in or to the intellectual property, trademarks or logos of the other party are extended or conveyed to that party other than in accordance with this agreement.

20.0 CARDHOLDER INFORMATION

20.1 Both parties will comply with the Privacy Act 2020 in the use and collection of any Cardholder personal information that is made available to the other party in accordance with this agreement. Without limiting this clause 20, the Supplier agrees that, except as required by law, it will keep all Cardholder information strictly confidential and not use the same for its own or any third party's business or marketing purposes.

21.0 FORCE MAJEURE

21.1 Neither party shall be liable for any failure to perform or delay in performance of its obligations under this agreement (except for payment of any amount due under this agreement) caused by circumstances beyond its reasonable control (a Force Majeure Event) including but not limited to:

- (a) fire, floods, storms, tempest, earthquake, or other act of God.
- (b) any act of a public enemy, war, riot, acts of civil or military authority.
- (c) any act of a person engaged in subversive activity or sabotage.
- (d) epidemics or quarantine restrictions.
- (e) strikes, embargoes, slow-downs, lockouts, or labour stoppages or disputes of any kind;
and
- (f) failure or defect of power or communications connections or services and other similar circumstances.

In the event that a party is unable to fulfil its obligations due to a Force Majeure Event, that party will, as soon as reasonably possible, notify the other party of the circumstances and reasons for the inability to fulfil its obligations. The performance of each party's obligations will be suspended to the extent affected by such delay or failure and each party shall be granted an extension of time for performance equal to the period of such delay or failure.

22.0 GENERAL

- 22.1 Nothing in this agreement constitutes the parties as partners, joint venturers or as agents of each other. No party has any authority to bind the other or act on its behalf except to the extent expressly provided for in this agreement.
- 22.2 This agreement may be executed in one or more counterparts, including facsimile and PDF copies, each of which will be deemed to be an original of this agreement and all of which, when taken together, will be deemed to constitute one and the same document.
- 22.3 The Supplier may not assign their rights under this agreement without the prior written consent of Ruralco. Such an assignment includes a change in the Supplier's shareholding which results in an effective change in control of the Supplier.
- 22.4 The Supplier's obligations under this agreement are for the benefit of Ruralco and also for the benefit of each Cardholder (in accordance with the Contracts (Privity) Act 1982).
- 22.5 Any delay or failure by any party to exercise a right under this agreement does not operate as a waiver and the single or partial exercise of any right by that party does not preclude any other or further exercise of that or any other right by that party.
- 22.6 If any provision of this agreement, or any part of a provision of this agreement, is found to be illegal, invalid, or unenforceable the remaining provisions, or the remainder of the provision, shall continue in effect.
- 22.7 This agreement will be governed and determined in accordance with the laws of New Zealand, and both parties unconditionally submit to the exclusive jurisdiction of the New Zealand Courts.