



Buddy Industries (Pty) Ltd.

BUDDY INDUSTRIES SUPPLIER AGREEMENT

This Supplier Agreement (hereinafter referred to as “Agreement”) constitutes a contract between the Supplier (hereinafter referred to as “Merchant/Supplier/you) and Buddy Industries Proprietary Limited, registration number 2021/0009, a private limited company duly incorporated in accordance with the applicable laws of the Republic of Namibia (hereinafter referred to as “Buddy/Buddy Industries/us/we”).

This Agreement will be effective as from the signature date hereof.

1. DEFINITIONS

- 1.1. **Application** - means the Android or iOS computer application software developed, owned and branded by Buddy Industries Proprietary Limited, designed to be downloaded and to run on mobile devices (specifically smart phones and tablet computers), and which is capable of relaying payment instructions through First National Bank of Namibia into the Namibian banking and payment system and through which the user of the Application is able to pay for goods and services supplied by you to Buddy and then subsequently to the end-user;
- 1.2. **Buddy Balance** – the total transactions received by you via the Application in exchange for goods and service that has not yet been settled into your Supplier Bank Account;
- 1.3. **Chargeback** – has the meaning given to that term from time to time in general banking practice, and specifically means a transaction made via the Application that is returned to Buddy by the issuing Bank;
- 1.4. **Buddy Merchant/ Supplier Profile** – the profile created on the Application to accept payments from Buddy to the Supplier in exchange for goods and services;
- 1.5. **Business Information** – All information relating to your business and its activities, which could include, but is not limited to information about your customer demographics, your telephone number, email, street or postal address
- 1.6. **FIA** – Financial intelligence Act 13 of 2012;



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- 1.7. **First National Bank** – First National Bank Limited, registration number 73/04561, 12-20 Dr Frans Indongo Street, Windhoek, Namibia;
- 1.8. **Intellectual Property Rights** - All rights in and to intellectual property recognised under the laws of Namibia, including, without limitation, patents, copyright, trade-marks and trade names;
- 1.9. **Issuing Bank** – the banking or financial institution that has been authorised to issue a VISA or Mastercard;
- 1.10. **Merchant/ Supplier** - A business or individual that is registered with Buddy, supplying it with goods and services for Buddy’s end-user sales via the Application;
- 1.11. **Merchant/ Supplier Bank Account** – The bank account employed by you to receive the Buddy Application processed payments;
- 1.12. **Parties** – means you and us, and **Party** means either you or us;
- 1.13. **Transaction date** – the exact time and date indicated on the Application once a transaction has been successfully authorised by VCS;
- 1.14. **User of our Application/”User”** - A person with a Namibian mobile number and bank account that has installed the Application and completed the registration process;
- 1.15. **VCS** - Virtual Card Services Namibia (Proprietary) Limited;
- 1.16. **We, us, our, Buddy** – means Buddy Industries Proprietary Limited, registration number: 2021/0009, Unit 1, Damnic Park, John Otto Nankudhi Street, New Industrial Area, Swakopmund, Namibia, trading under the names and mark “Buddy”. **Website** – www.buddy.na
- 1.17. **You / your** – A business or individual that is registered with Buddy, supplying it with goods and services for end-user sales via the Application;

2. LEGAL OPERATION OF BUDDY APPLICATION(S)

- 2.1. The Supplier understands and accepts that so far as the operation of the Application and its capability to process payment instructions in the Namibian national payment system and banking system, Buddy acts in a specific and limited fashion as an agent within the meaning



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of section 7 (1) (a) of the Payment System Management Act, 2003 for VCS Namibia as a tool through which a payment is processed.

3. REGISTRATION

3.1. The Supplier agrees that as part of this registration process Buddy may require additional information at its sole discretion. This information may include personal information to ensure that the FIA requirements are complied with.

3.2. The Supplier accepts and agrees that;

3.2.1. Buddy is authorised to verify any information that it provides;

3.2.2. Buddy reserves the right to request additional information during the subsistence of this Agreement;

3.2.3. Buddy reserves the right to visit the Supplier's business premises and contact the authorised Supplier representative on the mobile number or email address provided;

The Supplier herewith confirms that;

3.2.4. it is a duly registered business operating within the borders of Namibia;

3.2.4.1. it is responsible for ensuring the accuracy of the information set-out on its Buddy Supplier Profile.

3.2.5. it is also bound by rules of Mastercard or VISA;

3.2.6. it authorises Buddy to resell its goods and services;

3.2.7. the Application currently accepts VISA and Mastercard Debit and or Credit Cards, and Buddy reserves the right to add and remove payment types without prior notice to it;

3.2.8. Buddy will only process transactions when it is possible for us to receive real-time authorisation from VCS.

3.2.9. it is responsible for ensuring that all items listed on its E-Commerce menu is correctly priced and that any amount received (as confirmed by the SMS and/or email received) agrees to the goods and services sold.



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- 3.2.10. sometimes the User will not be the authorised user of the Application. This may result in a dispute of the transaction through a Chargeback. In such event, Buddy may require its assistance in case of a Chargeback and Supplier agrees that it will comply with Buddy's request for additional information. The Supplier further accepts and agrees to accept the liability associated with such Chargeback.

VERIFICATION PROCEDURE

- 3.1.11. The Supplier will receive an in-App notification in the Buddy Mobile Application that serves as confirmation of a successful transaction. Buddy will send an end-of-day report to the Supplier on a daily basis.

The Supplier agrees that it is its responsibility to verify that the details of the sale of the goods or services to the user is correct.

- 3.2.12. Buddy is not responsible or liable for any costs, losses or damages that the Supplier may suffer if the details of the sale are not correct and the Supplier will not hold Buddy so responsible or liable.

- 3.2.13. it is responsible for informing Buddy immediately if any details of the sale of goods or services are incorrect.

- 3.3. Should the Supplier reject Buddy's verification procedures, Buddy reserves the right to terminate the Supplier's account and deny Supplier's application for listing.

- 3.4. Upon finalisation of verification procedures, Buddy will send Supplier an email to confirm the activation of its account and that it is ready to receive customer payments.

- 3.5. Upon activation of account;

- 3.5.1. Buddy shall send the Supplier an electronic copy of the signed Supplier Agreement;

- 3.5.2. The Supplier will immediately be able to receive payments from customers via the Application;

- 3.5.3. The Supplier will receive access to its transaction history.

- 3.6. All payments received via the Application will first be collected by Buddy in the Supplier's Buddy Wallet before being paid over into the Supplier's nominated bank account.



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4. EXCEPTED BUSINESS ACTIVITIES

- 4.1. The Supplier agrees that it will not accept payments via the Application in connection with the following business activities:
 - 4.1.1. Foreign currency, remittance services, wire-transfer services or bill payment services;
 - 4.1.2. support pyramid or ponzi schemes, matrix programs, other “get rich quick” schemes or certain multi-level marketing programs;
 - 4.1.3. business activities that in Buddy’s sole discretion compete with the other business operations that form part of the Buddy;
 - 4.1.4. any goods or services that are or are considered by Namibian law to be unlawful or illegal;
 - 4.1.5. any prohibited goods or counterfeit goods;
 - 4.1.6. goods that infringe or violate any copyright or trademarks;
 - 4.1.7. drugs or illegal fire-arms;
 - 4.1.8. deceptive marketing practices, direct marketing, infomercials or telemarketing;
 - 4.1.9. related to illegal activity, gambling, pornography, obscene material or otherwise objectionable content or activities;
 - 4.1.10. business activities that in Buddy’s sole discretion does not form part of the type of goods or services for which payments are accepted via the Application;
- 4.2. Buddy reserves the right to refuse to process any transaction if it believes violates any of the terms included in this Agreement. You hereby give us express permission to share details of any suspected criminal, irregular or fraudulent activity with the applicable law enforcement agencies.



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5. FEES AND SETTLEMENT

- 5.1. Buddy charges you a percentage of the total transactions relayed and received via the instrumentality of its Application in exchange for the services and goods sold. The fees applicable to you have been listed in your Merchant/Supplier Memorandum of Agreement or where applicable Service Level Agreement. Buddy reserves the right to change the Supplier's fees after providing the Supplier with 30 (thirty) days' notice. Please note the following additional information regarding the settlement:
 - 5.1.1. All fees and prices will exclude value added tax and be denominated in Namibian Dollars;
 - 5.1.2. Settlements in your Supplier Account will be made net of any charges that apply. **Suppliers banking with FNB Namibia will not incur any charges when Settlement Payments are effected, however Suppliers banking with any other banking institutions will be charged a fee of N\$ 20.00 per EFT transfer.** Buddy reserves the right to change this billing policy at any time and will notify you when we do;
 - 5.1.3. Settlements Payment into the Supplier Account will be made daily, weekly, monthly or as requested by the Supplier. Settlement made may not reflect immediately and may be delayed through the payment system and be dependent on the Bank where the Supplier Account is held. Please note that this may be delayed if a public holiday or weekend day falls on the day that a Settlement Payment is to be effected, in which event payment shall be effected on the day immediately following the Settlement Payment date;
 - 5.1.4. Buddy reserves the right to delay settlement in its sole discretion for any Supplier Account to reduce the risk of money laundering and fraud. Buddy furthermore reserves the right to suspend, cancel or delay any payments due to the Supplier that are considered to be part of the Excepted Business Activities stated hereinbefore or that is related to a Chargeback.
 - 5.1.5. Any errors made by Buddy in settling payment to the Supplier will be rectified within 5 business days of being made aware of such errors. The Supplier agrees that it is its obligation to notify Buddy of any errors it has discovered and failure to report such an error will be deemed to be a waiver of the right to the amounts due to the Supplier. Buddy will only rectify errors that are reported within 20 business days from the Transaction Date.



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5.2. Please note the following additional information regarding the fees:

5.2.1. All fees and prices will include value added tax and be denominated in Namibian Dollars;

5.2.2. Supplier agrees that Buddy is authorised to debit its Buddy wallet balance with the Fees charged on the transactions payable to the Supplier via the Application, which may include the following;

5.2.2.1. any Chargebacks;

5.2.2.2. any settlement fees;

5.2.2.3. any refund/void fees;

5.2.2.4. overpayments made by Buddy for whatever reason;

5.2.2.5. any fees levied by Mastercard or VISA on us as a result of non-compliance with mandatory or regulatory rules imposed by Mastercard or VISA.

5.2.3. No card vaulting fees charged, subject to change with 30 (thirty) days' notice.

5.2.4. Electricity purchases carry a transactional fee of 2 (two) percent.

5.2.5. Airtime purchases carry a transactional fee of 0(zero) percent.

5.2.6. No VCS fees, subject to the provisions of the Supplier's Service Level Agreement (where applicable)

6. **END USER COMPLAINTS IN RELATION TO THE SALE OF GOODS AND**

SERVICES

6.1. The Supplier agrees and acknowledges that Buddy is its client or purchaser and that all purchases of the Supplier's goods and services on the Application are purchased by Buddy, after which it is sold to the end-user.



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- 6.2. Except as expressly provided for herein, the Supplier will be solely responsible for all service issues and complaints relating to the supply of the Supplier's goods or services to Buddy. This includes, but is not limited to rebates, product or service information, availability, returns, refunds, pricing, shipping, order fulfilment or service complaints.
- 6.3. The Supplier agrees that its normal refund policy (i.e. the refund policy which applies or that it is required to apply to either Debit/Credit Card or Cash sales) will be applicable to any sales processed through the instrumentality of the Buddy Application and that it will resolve any request for refund directly with Buddy. Buddy can and will assist the Supplier to process the refund to the end-user if the related payment has not already been paid over to the Supplier's Account.

7. CHARGEBACKS

- 7.1. Chargebacks are necessitated in instances wherein, an end-user made a payment but later disputes such payment or files a claim for a Chargeback. This may also occur because;
 - 7.1.1. the payment is reversed by VISA or Mastercard or by the Bank that issued the card to the end-user;
 - 7.1.2. the payment was not duly authorised or Buddy has reason to believe it was not duly authorised;
 - 7.1.3. the payment is allegedly suspicious, unlawful or in violation with this Agreement.

The Supplier agrees that:

- 7.2. should it receive a payment that results in a Chargeback, it is liable to Buddy for a refund of the full amount of the payment received plus any fees if the payment is later invalidated for any reason. The Supplier will thus be responsible if it loses a claim or a Chargeback, or if there is a reversal of the payment.
- 7.3. Mastercard, VISA and or the issuing Bank will determine whether the dispute made by a end-user is valid and the Supplier agrees that Buddy can recover any amounts due from the Supplier. Buddy reserves its right to withhold any future payments received via the Buddy Application to recover any amounts due from the Supplier or may take other legal actions to collect the amount due, to the extent allowed by applicable law(s).
- 7.4. Buddy may withhold any payment received that relates to a Chargeback;



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- 7.5. it will promptly on request assist to investigate any transactions related to its goods and or services that relates to a Chargeback and will do so at the Supplier's own expense.
- 7.6. it will grant Buddy permission to share the relevant information with the financial institutions, regulators or any other party deemed relevant to investigate and mediate the Chargeback.
- 7.7. Buddy reserves the right to terminate its account if the Supplier incurs more than one Chargeback on your account within a six-month period.

8. DISCLAIMER OF WARRANTIES AND LIMITATION OF LIABILITY

- 8.1. Buddy undertakes to put all its resources towards making all reasonable efforts to ensure that the Buddy Application Service is perpetually available for the Supplier's use, however the operation of the Buddy Application Service is dependent on external factors that are not fully within Buddy's control. These include, but are not limited to, the availability of the mobile telephone network and the performance and availability of the device used by the User of the Application.
- 8.2. Buddy is not responsible and the Supplier will not be entitled to hold Buddy liable for any costs, losses or damages on account of the un-availability or poor performance of the Buddy Application Service due to factors that are beyond our control. Furthermore, we do not guarantee that the Buddy Application will be free of errors or will meet any particular criteria of accuracy, completeness or reliability of information, performance or quality.
- 8.3. The Buddy Application is provided by Buddy on an "as is" and "as available" basis.
- 8.4. Buddy makes no representations or warranties of any kind, express or implied, as to the operation of the Buddy Application. The Supplier expressly agrees that its use of the Buddy Application Services is at the Supplier's sole risk.
- 8.5. To the full extent permissible by applicable law, the Buddy disclaims all warranties, express or implied, including, but not limited to, implied warranties of merchantability and fitness for a particular purpose.
- 8.6. Buddy does not warrant that the Buddy Application Services or the Application, its servers, or e-mails sent from Buddy are free of viruses or other harmful components.
- 8.7. Buddy will not be liable for any costs, losses or damages of any kind arising from the use the Buddy Application Services and Application, including, but not limited to, direct, indirect, incidental, punitive, and consequential damages.



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- 8.8. Buddy will not assume liability and will not be liable for any consequences, costs, losses or damages arising from inaccurate information published on the Application by the Supplier's business, unless such liability arises from the gross negligence or wilful misconduct of any Buddy employee(s).
- 8.9. Buddy shall not be liable for any direct, indirect, incidental, special or consequential costs, losses or damages which might arise from our use of the Buddy Application Services.

9. INDEMNITY

- 9.1. The Supplier agrees to indemnify Buddy against any costs, losses, claims or damages which may be suffered by it or any third party arising in any way from the Supplier's use of the Buddy Application Services and its Application, unless such costs, losses, claims or damages arises from the gross negligence or wilful misconduct of any Buddy employee.
- 9.2. Notwithstanding clause 9.1. above, the Supplier herewith further agrees to grant Buddy Industries permission to peruse and when necessary intercept chats (both current and archived) between it and its client or end-user on the Buddy Mobile Applications, for the purposes of:
 - 9.2.1. timeously assisting and attending to end-user(s)' requests on the Buddy Mobile Applications.
 - 9.2.2. testing chats for bug fixes and effecting ongoing feature improvements
 - 9.2.3. training chat centre staff and/or Supplier administrators as required from time to time.
 - 9.2.4. auditing conducted by Buddy for maintenance of quality and satisfaction assurance for the end-user.
 - 9.2.5. data mining for the compilation of user profiles and analytics

10. INTELLECTUAL PROPERTY

- 10.1. Buddy and all related logos, products and services described in the Application or on our website are trademarks or registered trademarks where applicable. You may not copy, imitate or use them without Company's prior written consent.

In addition, all page headers, custom graphics, button icons, and scripts are service marks, trademarks, and/or trade dress of Buddy. The Supplier may not copy, imitate, or use them without Buddy's prior written consent.

The Supplier may not alter, modify or change these HTML logos in any way, use them in a manner that is disparaging to Buddy or the Buddy Application Services or display



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them in any manner that implies Buddy's sponsorship or endorsement. All right, title and interest in and to the Application and website and any content thereon is the exclusive property of Buddy.

- 10.2. The Supplier agrees that it will not establish a hyperlink or similar reference, whether electronically or otherwise, or any other reference to Buddy, the Application and or the Buddy Application Services without Buddy's prior written consent.
- 10.3. Certain other product or service names, brand names and company names may be trademarks of their respective owners. Buddy keeps all Intellectual Property and Intellectual Property Rights in or sent to, through and from the Buddy Application, subject to any Intellectual Property Rights held by any other third parties that are the respective owners of the Intellectual Property Rights.
- 10.4. The Supplier agrees that it will not use any of the current and future Intellectual Property of Buddy in any manner whatsoever which is identical or similar.
- 10.5. The Supplier will not use or register any website names, server names, email addresses, logo, corporate or trade names that is identical to or in any manner considered to be confusingly similar to the current and future Intellectual Property belonging to Buddy.
- 10.6. The Supplier furthermore indemnifies Buddy against any claims, costs or other liabilities incurred as a result of any third party claim against Buddy relating to its unauthorized use of the Buddy Application or the Buddy Application Services or any Intellectual Property flowing from the aforementioned.

11. DATA AND PRIVACY

- 11.1. By registering for and using the Buddy Service, the Supplier authorizes Buddy and VCS to share their/its Business Information with one another as necessary to provide the Buddy Application Services. Buddy remains responsible for determining the purpose of and means for processing the Supplier's Business Information, without which Buddy would not be able to provide the Buddy Application Service to the Supplier.
- 11.2. The Supplier expressly consents that Buddy may use the Business Information gathered as part of providing the Buddy Application Service to it for the following purposes:
 - 11.2.1. Internal record keeping;
 - 11.2.2. Transaction verification and authentication;



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- 11.2.3. Fraud detection and risk management;
- 11.2.4. Improving our internal operations and efficiencies;
- 11.2.5. Buddy may use the information to improve its products and services;
- 11.2.6. Buddy may periodically send promotional emails about new products, special offers or other information which it may deem useful to the Supplier using the email address and or cell phone number which the Supplier has provided;
- 11.2.7. Targeted marketing of goods and services;
- 11.2.8. Targeted marketing of goods and services on behalf of third-party companies, when Buddy deems these offers of interest to the Supplier;
- 11.2.9. Provision of analytical ratings about the Supplier's transactional patterns and behaviours to third-party companies;
- 11.2.10. Customer care data and information, including call centre reports and sales assistance information;
- 11.2.11. From time to time, Buddy may also use the Supplier's information to contact the Supplier for market research purposes.
- 11.2.12. Buddy may use the information to customise the Buddy Application to the Supplier's interests;

The Supplier consents to Buddy electing to share its Business Information with:

- 11.2.13. service providers under contract who help with parts of Buddy's business operations;
- 11.2.14. parties with whom Buddy is required to do so by law;
- 11.2.15. other third parties, provided Buddy has received the Supplier's explicit consent.
- 11.2.16. User information collected by the Buddy Application in its entirety by all users becomes and remains the sole property of Buddy Industries (Pty) Ltd. A Supplier shall only have access to the User information for the duration of their contractual relationship with Buddy Industries.



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12. GENERAL

- 12.1. The Parties select as their respective *domicilium citandi et executandi* the addresses as set out on the last page of this Agreement for the purposes of giving or sending any notice as provided for or required hereunder.
- 12.2. Each of the Parties shall be entitled from time to time by written notice to the other, to vary its *domicilium* address to any other address which is not a post office box or post restante.
- 12.3. Any notification or amendment to this Agreement will be sent to the Supplier via the email address as per its Buddy Merchant/Supplier Profile. Any notices sent to the Supplier's Email Address will be deemed to have been received by the Supplier within 1 (one) day of it being sent to the Supplier.
- 12.4. Buddy will maintain a record of all transactions and fees relating to the Supplier's Buddy Supplier Profile for a period of at least 1 (one) year. The Supplier will have access to this record through the e-mail statements or through a web interface. It is the Supplier's sole responsibility to preserve and maintain itself of its own transaction records as required by law or good business practice. The accuracy and completeness of all payment reconciliation is the Supplier's responsibility and it undertakes to inform Buddy immediately if it discovers any error or unauthorized transaction.
- 12.5. Buddy reserves the right to indefinitely suspend access to the Buddy Application Service if it has reason to suspect that the Supplier is using the Buddy Application Service in a fraudulent, negligent or illegal manner. Buddy has the right to suspend the Supplier's service immediately without notice to the Supplier. Upon suspension, Buddy will not be liable for any claims or damages resulting from any act or omission by Buddy or any third party for whom Buddy is responsible, whether arising in contract, delict or statute.
- 12.6. The Merchant/Supplier understands and accepts that it sells its products and services to Buddy, which Buddy then re-sells to the end-user. No Buyer – Seller relationship exists between the Merchant/Supplier and Buddy's end-users.

13. APPLICABLE LAW AND JURISDICTION

- 13.1. These terms and conditions are governed by and shall be construed in accordance with the Laws of the Republic of Namibia.
- 13.2. In the event of any dispute, the Parties consent to the jurisdiction of either the High Court or the Magistrate's Court as may be applicable in the circumstances depending



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on the amount involved.

- 13.3. If any dispute of any nature whatsoever arises between the Parties out of or in connection with this Supplier Agreement, both Buddy Industries (Pty) Ltd and the Supplier shall be entitled to interdictory relief in any court of competent jurisdiction, provided that nothing contained in this Supplier Agreement shall be construed as prohibiting a party or its affiliate from pursuing any other remedies available to it for a breach or threatened breach.

14. TERMINATION

- 14.1. Either party will be entitled to terminate this agreement at any time by giving 1 (one) calendar months' written notice to the other party, at its chosen *domicilium citandi et executandi* as communicated to the other party.
- 14.2. In the event that this agreement is terminated by way of notice as provided above, Buddy reserves the right to first collect all amounts due to it in terms of this agreement or otherwise, before settling the remainder with the Supplier and closing its business profile.



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This contract is signed at _____ on this _____ day of _____
_____20_____.

On behalf of **THE SUPPLIER**

Name: _____
Title: _____

Signature: _____

The signatory warrants his/her authority and accepts the terms contained herein.

As Witness:

Name: _____

Signature: _____

On behalf of **BUDDY INDUSTRIES (Pty) Ltd**

WILKO ASCHENBORN
Chief Executive Officer

Signature: _____

As Witness:

Name: _____

Signature: _____