



**INVITATION FOR SUBMISSION OF BIDS FOR
CREDIT CARD ACQUIRING SERVICES ON IATA BILLING SETTLEMENT PLAN (BSP) AND AIRLINES REPORTING
CORPORATION (ARC)**

PROCUREMENT NO: UL/FINANCE-BSP/2021/MPC/01

**CHAIRMAN OF MINISTRY PROCUREMENT COMMITTEE,
STATE MINISTRY OF AVIATION AND EXPORT ZONES DEVELOPMENT**

ON BEHALF OF

**SRILANKAN AIRLINES
FINANCE & WORLDWIDE SALES DIVISIONS,
AIRLINE CENTRE
BANDARANAYAKE INTERNATIONAL AIRPORT
KATUNAYAKE
SRI LANKA**

Section I. Instructions to Bidder (ITB)

A: General	
1. Scope of Bid	<p>1.1 SriLankan Airlines invites you to submit a bid for IATA Billing Settlement Plan (BSP) & Airlines Reporting Corporation (ARC) card acquiring services as specified in Section III - Schedule of Requirements.</p> <p>You are requested to confirm your intention to submit a bid by forwarding the duly filled Bid Acknowledgement Form attached within 07 days of the advertisement to the secured email box mentioned in Clause 11.1 of the Data Sheet.</p>
B: Contents of Documents	
2. Contents of Documents	<p>2.1 The documents consist of the Sections indicated below.</p> <ul style="list-style-type: none">• Section I. Instructions to Bidders• Section II. Data Sheet• Section III. Schedule of Requirements• Sections IV. Bid Submission Form• Section V. General Conditions• Annexure A : Bid Acknowledgement Form• Annexure B : Technical/General Specifications & Compliance form• Annexure C : Price Schedule Form• Annexure D : Bid Securing Declaration Form• Annexure E : Performance Bond• Annexure F : Clientele Information Form• Annexure G : Vendor Information Form• Annexure H : Sample Contract

	C: Preparation of Bid
3. Documents Comprising your Bid	<p>3.1 The document shall comprise the following:</p> <ul style="list-style-type: none"> • Sections IV : Bid Submission Form • Annexure B : Technical/General Specifications & Compliance Form • Annexure C : Price Schedule Form • Annexure D : Bid Securing Declaration Form • Annexure F : Clientele Information Form • Annexure G : Vendor Information Form
4. Bid Submission Form and Technical/ General Specifications & Compliance form	<p>4.1 The Bidder shall submit the Bid Submission Form using the form furnished in Section IV. This form must be completed without any alterations to its format, and no substitutes shall be accepted. All blank spaces shall be filled in with the information requested.</p> <p>4.2 The Technical/General Specifications Compliance Form should be completed with the specifications of the proposed solution under each section specified.</p>
5. Prices	<p>5.1 Unless stated in Data Sheet, all items must be priced separately in the Price Schedule Form.</p> <p>5.2 The price to be quoted in the Bid Submission Form shall be the total price of the Bid.</p> <p>5.3 Prices quoted by the Bidder shall be fixed during the contract period and not subject to variation on any account. A Bid submitted with an adjustable price shall be treated as non-responsive and may be rejected.</p> <p>5.4 The supplier should also submit the Financial Summary Section under Annexure C (Price Schedule Form and Financial Summary)</p>
6. Currency	6.1 The Bidders shall quote in respective currency for each acquiring market.
7. Documents to Establish Conformity of the Services	<p>7.1 The Bidder shall submit following documents along with the bid for evaluation:</p> <ul style="list-style-type: none"> - Audited Financial Statements - Current Credit Rating & Securitization - Data Security Compliance Certification relevant to payment card industry. - License/s to operate as Credit Card acquirer in the respective countries.

8. Period of Validity of bid	8.1 Bids shall remain valid for a period of 180 days after the bid submission deadline date.
9. Bid Securing Declaration	<p>9.1 The Bidder shall furnish as part of its bid, a Bid Securing Declaration, using Form included in Annexure D. (Mandatory)</p> <p>9.2 Any bid not accompanied by a substantially responsive Bid Securing Declaration in accordance with ITB Sub-clause 9.1, shall be rejected by SriLankan Airlines as non-responsive.</p>
10. Format and Signing of Bid	10.1 The bid shall be typed or written in ink and shall be signed by a person duly authorized to sign on behalf of the Bidder. Please ensure all documents are duly signed and stamped in the given area when forwarding.
D: Submission of samples	
11. Submission of Samples	Not Applicable
E: Submission and Opening of Bid	
12. Submission of Bid	<p>12.1 Suppliers shall submit their quotations as follows:</p> <p>a) In soft copy format of the bid via secured email box no later than the date and time as specified, to the e-mail address all of which is given in data sheet 12.1</p>
13. Deadline for Submission of Bid	13.1 Bid must be received by the SriLankan Airlines to the address set out in Section II, "Data Sheet", and no later than the date and time as specified in the Data Sheet.
14. Late Bid	14.1 SriLankan Airlines shall reject any bid that arrives after the deadline for submission of bids in accordance with ITB Clause 12.1 above.
15. Opening of Bids	<p>15.1 SriLankan Airlines shall conduct the opening of bids in the presence of the Bidders at the address, date and time specified in the Data Sheet.</p> <p>15.2 A representative of the bidders may be present and mark its attendance.</p> <p>15.3 If any bidder wishes to participate for bid opening, please contact SriLankan Airlines staff well in advance for the arrangement of Security clearance. Refer Section 11, Data sheet, clause 15.2 for contact details.</p> <p>15.4 Presence of the Bidder, will not necessarily ensure selection of the proposed services.</p>

F: Evaluation and Comparison of Bid	
16. Clarifications	<p>16.1 To assist in the examination, evaluation and comparison of the bids, SriLankan Airlines may, at its discretion, ask any Bidder for a clarification of its bid. Any clarification submitted by a Bidder in respect to its bid which is not in response to a request by the SriLankan Airlines shall not be considered.</p> <p>16.2 SriLankan Airlines' request for clarification and the response shall be in writing at SriLankan Airlines' email address specified in the Data Sheet.</p>
17. Responsiveness of Bids	<p>17.1 SriLankan Airlines will determine the responsiveness of the bid to the documents based on the contents of the bid received.</p> <p>17.2 If a bid is evaluated as not substantially responsive to the documents issued, it may be rejected by the SriLankan Airlines.</p>

<p>18. Evaluation of bid</p>	<p>18.1 Minimum Eligibility Criteria to shortlist potential suppliers</p> <ul style="list-style-type: none"> I. Bidder shall be a Licensed Financial Institution (acquirer) or equivalent in the respective countries, proof (certified true copy) of the same from the Regulatory Body of the Country will be required. II. Bidder shall have provided acquiring services through IATA BSP & ARC distribution channels for a minimum of 02 years. Proof of same to be provided. III. Bidder shall have a minimum of 05 International Airlines as current clientele, some of whom may be contacted for proof of reference. IV. Bidder shall offer an initial contract term of 02 years. V. Bidder shall comply with Payment Card Industry Data Security Standard (PCI DSS). Certificate of the same will be required to verify compliancy. <p>Please note that any bid not meeting any one of the above minimum eligibility criteria shall be considered a non-responsive bid at this stage of the evaluation process.</p> <p>18.2 Evaluation Criteria of key requirements</p> <p>The proposed service/solution will be subjected to an evaluation by a Committee based on the following criteria:</p> <ul style="list-style-type: none"> I. Being the lowest cost solution for the contract period of 02 years which shall take into consideration credit card commission rates, cross-border transaction fees, scheme fees, acquirer fees and settlement terms. Total value mentioned in the Price Schedule Form shall be considered for evaluation purposes. II. Compliance with the General and Technical Specifications listed in Annexure B. III. Effective date of System Go-live shall be 12 weeks or better after the Letter of Award. <p>Information required in Annexure B shall be provided along with Bid Response.</p>
<p>19. SriLankan Airlines' Right to Accept any Bid, and to Reject any or all Bids.</p>	<p>19.1 SriLankan Airlines reserves the right to accept or reject any bid, and to annul the process and reject all bids at any time prior to acceptance, without thereby incurring any liability to bidders.</p>
<p style="text-align: center;">G: Award of Contract</p>	
<p>20. Acceptance of the Bid</p>	<p>20.1 SriLankan Airlines will accept the bid of the Bidder whose offer is not necessarily the lowest evaluated bid and is substantially responsive to the documents issued.</p>

21. Notification of acceptance	<p>21.1 SriLankan Airlines will notify the successful Bidder, in writing, that their bid has been accepted.</p> <p>21.2 After notification, SriLankan Airlines shall complete the contract, and inform the successful Bidder to sign it.</p> <p>21.3 Within thirty (30) days of receipt of such information, the successful Bidder shall sign the contract.</p> <p>21.4 Until the contract is finalised the request for the commencement of operation through a Letter of Intent (LOI).</p>
22. Performance Bond	NOT APPLICABLE

Section II: Data Sheet

ITB Clause Reference	
11.1	<p>Bidders should submit the soft copy of the bid to the secured email box: ul_ccbsp@srilankan.com</p> <p>The subject should be mention: : UL/FINANCE-BSP/2021/MPC/01</p> <p>Details (name & email address) should be provided at least 07 days prior to the closing date to the email info_ccbsp_rfq@srilankan.com</p>
12.1	<p>Deadline for submission of bids is on or before 13th September 2021, 1400hrs SriLankan Time (GMT +5:30)</p> <p>Details (name & email address) should be provided at least 07 days prior to the closing date to the email info_ccbsp_rfq@srilankan.com if the bidder wishes to hand deliver bids /participate for bid opening.</p>
14.1	<p>Opening of bids on 13th of September 2021, 1400 hrs SriLankan Time (GMT +5:30), immediately after the Bid closing deadline given above.</p>
15.2	<p><u>For Clarification/ handing over bids and samples/participating for bid opening:</u></p> <p>For any clarification required by the bidder regarding the bid should be emailed with the title UL/WWS/EC-SD/2021/MPC/01 to the following e mail address, to the attention of Irushika Alweera (Contact +94 710211365):</p> <p>info_ccbsp_rfq@srilankan.com</p> <p>Details (name & email address) should be provided at least 07 days (06th September'21) prior to the closing date to the email info_ccbsp_rfq@srilankan.com if the bidder wishes to hand deliver bids /participate for bid opening.</p> <p>Bid opening shall take place on 13th Sep'21 at 1400 (GMT+0530) at the procurement division of the State Ministry of Aviation and Export Zones development, 30th Floor, West Tower, World Trade Center Colombo 1.</p>

Section III - Schedule of Requirements

The Schedule of Requirements are given in Annexure B.

Section IV - Bid Submission Form

[The Bidder shall fill in this Form in accordance with the instructions indicated no alterations to its format shall be permitted and no substitutions will be accepted.]

Date:

To: SriLankan Airlines

We, the undersigned, declare that:

- (a) We have read and have no reservations to the document issued;
- (b) We agree to supply conforming to the documents issued and in accordance with the Schedule of Requirements of the tender for the provision of credit card acquiring services on IATA Billing Settlement Plan (BSP) and Airlines Reporting Corporation (ARC).
- (c) The total value of our bid is: [insert the total value of the bid which should be the total value mentioned in the Price Schedule Form];
- (d) Our bid shall be valid for the time specified in ITB Clause 8.1
- (e) We understand that our bid, together with your written acceptance thereof included in your notification of award, shall constitute a binding contract between us and we are agreeable to sign the contract for a period of 2 years.
- (f) We understand that you are not bound to accept the lowest evaluated bid or any other bid that you may receive.
- (g) Bid Securing Declaration is attached and same is valid for a period of 148 days after the bid submission deadline date.

Signed:

Name:

Date

Section V - General Conditions

- I. If the bid is accepted, it is mandatory that the Bidder signs the Contract with UL and until such time contract is finalised, a Letter of Intent (LOI) may be signed to commence services.
- II. Liquidated Damages:

Incident	Liquidated Damages
Delayed delivery	Liquidated damages shall be determined by the SriLankan Airlines and shall in any event be not less than the higher of (a) rate of one percent (01%) of the amount due for delivery per day (b) LKR 10,000 per day.
Non-Compliance/ Breach of agreement	

ANNEXURE A: Bid Acknowledgement Form

IMPORTANT

All bidders shall confirm your intention to submit a bid by forwarding the duly filled Bid Acknowledgement Form, 07 working days prior to bid closing date.

Invitation for submission of bids for, reference no: is hereby acknowledged

☐ You may expect to receive our proposal on or before

☐ We do not intend to submit a proposal because
.....
.....
.....

Signed :

Title :

Company :

Date :

ANNEXURE B - Background, General Specifications, Technical Specifications & Compliance form

CONFIDENTIALITY

The information contained in this document is confidential, privileged and only for the information of the intended recipient and for the intended purpose and shall not be used, reproduced, published or redistributed without the prior written consent of SriLankan Airline Ltd.

Prior to bid closure and during clarification stage, minor changes to this document on operational requirements and/or clarification documents may be shared with all bidders with sufficient lead time to ensure effective communication of the expected solution.

Commercial in confidence.

BACKGROUND

ABOUT SRILANKAN AIRLINES

SriLankan Airlines, the National carrier of Sri Lanka and a member of the oneworld Alliance, is an award-winning carrier with a firm reputation as a global leader in service, comfort, safety, reliability and punctuality. Launched in 1979, SriLankan is currently expanding and further diversifying its wide range of products and services in order to drive the country's on-going boom in tourism and economic development.

The airline's hub is located at Bandaranaike International Airport in Katunayake, providing convenient connections to its global network (including codeshare partners) of 104 destinations in 47 countries in Europe, the Middle East, South Asia, Southeast Asia, the Far East, North America, Australia and Africa. SriLankan Airlines joined oneworld Alliance in May 2014. With this partnership SriLankan was able to expand its global network.

Current Size of operations of ARC card transactions:

- The airline has approximately 5.5 million Passengers per annum.
- BSP sales activated on 60+ Countries.
- ARC in USA.

Credit card sales in 2019/20: (By country) in LKR Mn:

COUNTRY	LKR Mn
AUSTRALIA	3,854.77
USA-ARC	3,586.30
LONDON	1,281.29
CANADA	1,210.10
CHINA	708.90
NETHERLANDS	691.19
SWEDEN	474.56
ITALY	472.06
GERMANY	465.65
HONG KONG	418.27
SINGAPORE	417.38
DAMMAM	410.51
SPAIN	399.27
JAPAN	360.49
RIYADH	327.83
FRANCE	252.34
UAE	231.24
JEDDAH	194.32
NEW ZEALAND	129.20
GREECE	64.04
SWITZERLAND	43.27
MALAYSIA	33.24
AUSTRIA	27.68
IRELAND	21.92
BELGIUM	19.44
SRI LANKA	9.48
POLAND	4.91
PORTUGAL	3.40
KUWAIT	3.32
PHILIPPINES	2.23
PHILIPPINES	1.75
ISRAEL	0.93
LEBANON	0.70
THAILAND	0.37
SOUTH AFRICA	0.27
HUNGARY	0.14
NICOSIA	0.13
BULGARIA	0.06
	16,122.95

Potential Markets SriLankan Airlines may opt for in future.

1. India
2. Russia
3. Vietnam
4. South Korea
5. Kenya
6. Nepal

Please provide responses to the following general and technical/functional specifications.

GENERAL SPECIFICATIONS

1. Bidder shall hold the required card scheme licenses for the countries stated above in which UL is currently accepting card transactions. State any other countries where Bidder has acquiring rights.
2. Bidder shall have acquiring license to accept card types Visa, Master Card, JCB, China Union Pay, American Express, Diners/Discover. State any other card types by country which Bidder has acquiring license.
3. Bidder shall handle card business via alternative forms of payment (Ex: Alipay/ Wechat/ POLi etc). State any other alternate forms of payment which is now significantly growing and are made available to the end customers by the Bidder.
4. Bidder shall have an insurance coverage and indemnification provided to protect clients utilizing the service(s) proposed, including risk coverage, insurance levels, limitations, and deductibles.

TECHNICAL & FUNCTIONAL SPECIFICATIONS

FUNCTIONAL CAPABILITY

2.1 CREDIT CARD PROCESSING AND SETTLEMENT

5. Bidder shall list all Debit card types (e.g. Online Debit, Offline Debit, Pre-paid Debit Card etc.) and Credit cards (e.g. Consumer Card, Corporate Card, Rewards Card etc) that can be processed through the Bidder's system.
6. Bidder shall have compatibility to external solutions which support UL to separate invoicing according to the merchant identification structure.
7. Bidder shall state if they are a direct or indirect acquirer for each of the countries they are bidding for. If bidder is an indirect acquirer, list the service providers.
8. Bidder shall settle all transactions with a settlement time frame of transaction should be plus 2 days (T +2) or better
9. Bidder shall list all settlement amounts separately by card type and currency on the Acquirer statement and payment reference numbers should be included in this report for tracking purposes.
10. Bidder shall make settlements net of any deductions (refunds, chargebacks, etc). This information should be provided to UL separately.

2.2 MULTIPLE COUNTRY PAYMENT SOLUTIONS

11. Bidder shall provide solutions that address acquiring in SEPA (Single European Payments Area) or similar potential multiple country groupings that provide efficiency in acquiring.
12. Bidder shall inform if their systems have the capability to accept multi-currency settlements and which settlement currencies can be supported.

2.3 GENERAL REPORTING CAPABILITIES

13. Bidder shall disclose the possibility of a report generation and type of standard reports available to UL and the frequency.
14. Bidder shall provide access to transaction data files that might be used by UL to interface the data directly into their internal or external systems if need arises and provide a copy of the data file specifications if needed.
15. Bidder shall provide samples of both the standard detail and summary level reports that will be provided to UL.
16. Bidder shall provide a sample of the monthly reports that will be prepared for UL detailing the activity (transactions/charges/etc.) broken down by country/region/Line of business plus a summary for all country/region/line of business in total. These reports must include all card types and transparency of pricing as detailed later in the Pricing Section. Bidder shall state when the reports will be available from a month-end.
17. Bidder shall state the normal turnaround time on special report requested by UL as and when required.
18. Bidder shall state the possibility to schedule the generation and auto-delivery of summary report to pre-designated mailboxes.
19. Bidder shall state how long the data is retained for retrieval and the process and timelines involved to retrieve the archived data.
20. Bidder shall explain the mechanism for providing an online access/console to view and retrieve all the data received for billing.
21. Bidder shall state how reports can be downloadable in a delimited (e.g. CSV), or fixed position format?
22. Bidder shall state if all reports mask sensitive cardholder information by default?
23. Bidder shall state what security and access control is provided for both electronic access and hard copy reports.

2.4 CHARGEBACK MANAGEMENT

24. Bidder shall state the procedures and requirements for handling chargebacks. Specify the process for MOTO and NDC (CNP) transactions. Include copies of notices, advices etc.
25. Bidder shall state the chargeback management process which would allow UL and the acquirer to communicate chargeback disputes and retrieval requests electronically. If not, the alternative for implementation of the same and the timeline.
26. Bidder shall state the resolution process and timeline If the cardholder has a dispute or issue with a charge.
27. Bidder shall state the resolution process and timeline the procedures to reverse an incorrect authorization.
28. Bidder shall state the chargeback percentage handled without merchant involvement. Bidder shall provide the statistics by industry type.
29. Bidder shall state the communication channel for handling chargebacks (specific, designated person to handle chargebacks or will it be through a General Department).
30. Bidder shall state if credit card chargebacks and other debit adjustments are netted from daily proceeds or are they debited separately.
31. Bidder shall state if a mechanism in place to provide periodic feedback and suggestion to UL regarding improving efficiencies and reducing chargebacks.
32. Bidder shall state the BSP/ARC/NDC processing requirements, such as procedures for accepting credit/debit cards, security and fraud, completing a sale/refund, handling charge backs, accessing reports and transaction data, and/or any other processes and procedures which your organization may have in place.
33. Bidder shall also provide a project plan for implementation and a brief on training UL staff if required.

2.5 FRAUD MANAGEMENT

34. Bidder shall state in detail their expertise in the risk management domain.
35. Bidder shall state the fraud risks foreseen and experienced and what steps taken to mitigate fraud or assist UL in mitigating fraud.
36. Bidder shall state how are fraudulent activities monitored, and explain the Fraud Management module used to verify payment transactions especially for CNP (NDC) and MOTO transactions.
37. Bidder shall state if any liability waiver programs exist, as well as what card controls/parameters may be considered to minimize fraudulent activity
38. Bidder shall state how UL will be protected in the event of fraudulent card use by cardholders and third parties, including fraudulent Internet (NDC) and Mail Order/Telephone Order (MO/TO). Please explain what happens if fraudulent charges are incurred before a card is reported missing.
39. Bidder shall state what protection and controls you offer to minimize fraudulent card use by cardholders and third parties. How do you screen transaction activity for fraudulent patterns?
40. Bidder shall state if a database is in place for blacklisted cards and would be able to vet our transactions through this information. Bidder to provide examples.

3. INFORMATION & DATA SECURITY

41. Bidder shall comply with the obligations under the EU General Data Protection Regulation (GDPR) in relation to any Personal Data of customers, employees, Board of Directors of SriLankan Airlines and shall process any Personal Data solely for the purposes identified by the relevant Agreement.
42. Bidder shall have management-approved Information Security policies and procedures aligned with applicable external standards, regulations and SriLankan requirements, which shall be reviewed and updated periodically.
43. Bidder shall comply with the obligations under Payment Card Industry Data Security Standard (PCIDSS).
44. Bidder shall perform Information Security risk assessments on periodic basis and maintain a register of security risks related to the provision of its services to SriLankan and to processing of SriLankan information and/or information systems.
45. Bidder shall have in place a mechanism to bind all its employees under Non-Disclosure Agreements to ensure data security safety of its clients.

- 46. Bidder shall design, implement and operate suitable controls to ensure continuity of services in accordance with system uptime and performance requirements, Recovery Time Objective and Recover Point Objective
- 47. Bidder agrees that performance of the Services will be subject to monitoring by SriLankan Airlines.
- 48. Bidder's solution shall have the Application Audit Logs (including transaction logs).
- 49. Information shared or services obtained as part of UL engagement with the Bidder shall be governed by requirements set forth in ISO/IEC 27001:2013 Information Security Management System (ISMS) and subjected to signing this policy which will become an integral part of the Service Agreement(s).

4. PROJECT ORGANIZATION

- 50. Bidder shall state a detailed project plan from the time of contract award to final implementation and go-live phase.

Ensure to include key stages, time, major dependencies, teams, and governance and 'starter' materials. (Including efforts that will be required at UL to set up the proposed structure, onboard related service providers, etc).

5. REGULATORY, TAX AND LEGAL ISSUES

- 51. Bidder shall state, to the maximum extent possible as an entity in the industry, based on your previous experience, any tax, regulatory or legal issues including but limited to repatriation of funds, withholding tax, etc that may be considered based on the nature of this industry.

COMPLIANCE FORM

Name of the Bidder :

Name of the Principal/ Manufacturer :

Compliance table

The bidder to mention the compliance and supporting information wherever possible to the Business/Operational/Technical/Service requirements specified above under “detailed specifications” going by each subsection. Follow the below format.

Section	Compliance		Brief description of the solution to meet the requirement
	Yes	No	
General Specifications			
1			
2			
3			
4			
Technical & Functional Specifications			
2.1. Credit Card Processing & Settlement			
5			
...			
2.2 Multiple Country Payment Solutions			
11			
...			
2.3 General Reporting Capabilities			
13			
...			
2.4 Chargeback Management			
24			
....			
2.5 Fraud Management			
34			
...			
3 Information Data & Security			
41			
...			
4 Project Organisation			
50			
5 Regulatory, Tax & Legal Issues			
51			

Checklist of Documents to be submitted with the Bid

Mandatory Submissions

#	Document/Soft copy	Clause of Bidding Document	Submitted Yes/No
1	Bid Guarantee/Bid Securing Declaration Form	Item 9 Section I Instructions to Bidders/Annexure D	
2	Bid Submission Form	Section IV	
3	Technical/General Specifications & Compliance Form	Annexure B	
4	Price Schedule Form	Annexure C	
5	Clientele Information Form	Annexure F	
6	Vendor Information Form	Annexure G	
7	Audited Financial Statements for the latest 3 years		
8	Current Credit Rating & Securitization		
9	Data Security Compliance Certification relevant to payment card industry	Item 18.1 Section I Instructions to Bidders	
10	Certified true copy of the License/s to operate as a Credit Card acquirer issued by the Regulatory Body in the respective Country	Item 18.1 Section I Instructions to Bidders	
11	Documentary proof of having provided acquiring services through IATA BSP & ARC distribution channels for a minimum of 02 years	Item 18.1 Section I Instructions to Bidders	
12	Company Profile		

ANNEXURE C: Price Schedule Form & Financial Summary

Name of the Bidder :

	Value	Total value for Contract Period
Fixed Costs (one time)		
a) Implementation & integration	xxx	
b) Any other cost	xxx	xxxx
Recurring Costs (monthly/quarterly/annually)		
c) Hosting charges	xxx	
d) Support Services	xxx	
e) Any other (please specify costs with line description)	xxx	xxxx
Transaction based costs (Market-wise)**		
Australia	xxx	
USA - ARC	xxx	
London	xxx	
.....	xxx	
Total Value		xxxxxxx

Notes:

****** The country-wise sales values mentioned in Annexure B (2019/20 volumes) shall be considered for the purposes of calculating the total transaction based costs in the above table. Following options are available to quote for the transaction based costs. Quote should be provided using **one** of the following options.

Option 1 - Blended rate consisting of all associated charges including acquirer fees, cross border fees, scheme fees, interchange fees, etc

OR

Option 2 - Acquirer fees plus pass through rate (current approximate market rates on all charges should be indicated for evaluation purposes)

A detailed schedule elaborating the cost structure based on various card schemes and acquiring countries and currencies to be provided separately.

The total value shall be the total Bid Value included in Section IV Bid Submission Form item 'c' and this value shall be used for all evaluation purposes.

Financial Summary (fill as applicable)

1. Bidder details. (a) name (b) address		
2. If bid submitted from joint venture, list all partners, nationalities, and estimated shares of contract.		
3. Principle country (ies) of origin of services /materials.		
4. Estimated delivery/ implementation of project on weeks after signing of the contract		
5. Bid security form completed and attached	(Yes/No)	
6. Performance security completed and attached/ Acquirer guarantee form	(Yes/No)	
7. Clientele Information form	(Yes/No)	
10. Total Bid Price(s) (Read-out)	Currency(ies)	Amount(s)
11. Discounts (Read-out)		
12. Total price after discounts (Read-out)		

ANNEXURE D : Bid Securing Declaration

*[The **Bidder** shall fill in this form in accordance with the instructions indicated in brackets]*

Date: [insert date by bidder]

*Name of contract -- [insert name]

*Contract Identification No: [insert number]

*Invitation for Bid No.: [insert number]

We, the undersigned, declare that;

1. We understand that, according to instructions to bidders (hereinafter “the ITB”), bids must be supported by a bid-securing declaration;
2. We accept that we shall be suspended from being eligible for contract award in any contract where bids have being invited by SriLankan Airlines, for the period of time of *two years* starting on *the latest date set for closing of bids of this bid*, if we;
 - (a) withdraw our Bid during the period of bid validity period specified; or
 - (b) do not accept the correction of errors in accordance with the Instructions to Bidders of the Bidding Document; or
 - (c) having been notified of the acceptance of our Bid by you, during the period of bid validity, (i) fail or refuse to execute the Contract Form, if required, or (ii) fail or refuse to furnish the performance security, in accordance with the ITB.
3. We understand this bid securing declaration shall expire if we are not the successful bidder, upon the earlier of (i) our receipt of a copy of your notification to the Bidder that the bidder was unsuccessful; or (ii) twenty-eight days after the expiration of our bid.
4. We understand that if we are a JV, the Bid Securing Declaration must be in the name of JV that submits the bid. If the JV has not been legally constituted at the time of bidding, the Bid Securing Declaration shall be in the names of all future partners as named in the letter of intent.

Signed *[insert signature(s) of authorized representative]* In the Capacity of *[insert title]*

Name *[insert printed or typed name]*

Duly authorized to sign the bid for and on behalf of *[insert authorizing entity]*

Dated on *[insert day]* day of *[insert month]*, *[insert year]*

ANNEXURE E : Performance Bond - NOT APPLICABLE

ANNEXURE F : Clientele Information Form

Please include all your current clients and a point of contact for referral purposes.

Company Name		Company Representative's Contact Details (Please state name, official email address and telephone number)	Client since (Period
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			

(Note: Clients may be contacted to obtain service provider referrals).

ANNEXURE G

VENDOR INFORMATION FORM

(To be filled by the vendor)

Section A – Basic information of the vendor	
1. Registered Name of the Vendor :	
2. Date of Incorporation:	
3. Country _____ of _____ Incorporation:	
4. Nature of business :	5. Company type :
6. Telephone & Fax numbers : Tel: _____ Fax: _____	7. E-mail address :
8. Registered address :	
9. Other contact details (if any) :	
10. Registered Name and address of local agent (if any)	
Section B – Details of Directors, Shareholders and related parties	
1. Name(s) of Directors	
2. Name(s) of Shareholders	

3. If the Shareholders are incorporated entities, please state the shareholders of such entities	
4. If the Shareholders are equity funds, please state the owners of such funds	
5. Name (s) of Directors of Parent/Subsidiary who are also Directors of SriLankan Airlines	
6. Name(s) of Directors of Parent/Subsidiary who are also Employees of SriLankan Airlines	
7. Names of Close Family Members who are either Directors/Employees of SriLankan Airlines	

***Please note that the copies of passports and proof of residence of the above mentioned Shareholders / Directors / Owners of funds shall be submitted by the vendor upon the request of SriLankan Airlines.**

As the authorized representative of [name of the Vendor], I hereby confirm on behalf of[name of the Vendor] that the information provided above are true and accurate and acknowledge that the bid of[name of the Vendor] submitted herewith shall be rejected in the event all or any of the information submitted above is found to be incorrect.

Details of vendor's authorized signatory:

Name:

Designation:

Date:

Signature & Company Rubber Stamp:

Annexure H : Sample Contract

AGREEMENT

This Agreement has been reached on this between an Acquiring Company duly incorporated under the laws of and having its registered office (hereinafter sometimes called and referred to as the “Acquirer” which term or expression as herein used shall mean and include the said and its successors) of the **ONE PART** and

SRILANKAN AIRLINES LIMITED a Company duly incorporated under the laws of Sri Lanka and bearing the registration number PB 67 having its registered office at “Airline Centre”, Bandaranaike International Airport, Katunayake, Sri Lanka (hereinafter sometimes called and referred to as “Merchant” which term or expression shall where the context so requires mean and include the said **SRILANKAN AIRLINES LIMITED** and its successors and assigns) of the **OTHER PART**.

1. WHEREAS the Merchant is an international commercial airline registered in Sri Lanka who is carrying on business of providing international air transport under the brand name “SriLankan Airlines” has intimated to the Acquirer their willingness to establish a link between their Merchant web site and the Payment Gateway facility of the Acquirer.
2. WHEREAS the Merchant provides its customers the possibility of effecting payments in card-not-present transactions using payment cards especially credit cards of card organisations Mastercard International Incorporated, Visa Europe Services Inc., Diner’s Club International, China Unionpay Co. Ltd and JCB International Credit Card Co. Ltd. (herein referred to as ‘Card Organisations’) as well as the case maybe, other credit card payment instruments included in the Contract as the acquirer to provide services within the scope of the acquiring business.
3. AND WHEREAS the Acquirer and the Merchant have reached an understanding with regard to the functions of the aforesaid acquiring services and parties wish to formally record the terms of understanding for the performance of the obligations by the Acquirer and the Merchant as set out herein.

The Merchant hereby agree with the Acquirer as follows:-

1. INTERPRETATION

1.1. Unless the context otherwise requires, the following terms shall have the following meanings:

- a) “**Authorization Facilities**” means any facilities made available by the Acquirer to the Merchant to enable access to the Authorization System including EC Software.
- b) “**Authorization System**” means the Acquirer’s Authorization processing system for Cards.
- c) “**Card**” means Master/Visa Card as agreed for the time being to be processed by the Acquirer for the Merchant.

- d) **“Cardholder/Card Member”** means the person to whom a Card is issued or who is authorized to use the Card.
- e) **“Cardholder Access Device”** means a terminal personal computer or other device that a Cardholder uses to initiate an EC Transaction.
- f) **“Commencement Date”** means the date notified by the Acquirer to the Merchant in writing as the date from which EC Transactions may be submitted to the Acquirer for processing under this Agreement.
- g) **Data Protection Legislation:** (i) the General Data Protection Regulation «(EV) 2016/679) and any national implementing laws, regulations and secondary legislation, as amended or updated from time to time, in the UK and then (ii) any successor legislation to the GDPR or the Data Protection Act 1998.
- h) **“Merchant Commission”** has the meaning set out in Annex 3.
- i) **“EC Software”** means electronic commerce software including the payment system and related accessories (if any) provided by the Acquirer to the Merchant as more fully described in Annex 4 in connection with this Agreement or to a Processor as referred to in Clause 6.1 (including any replacement, modifications, enhancements and/or additions thereto) to enable the Merchant to effect on-line Card transactions.
- j) **“EC Transaction”** means a Card transaction between the Merchant and a Cardholder over the Internet or other networks using a Cardholder Access Device.
- k) **“Floor Limit”** means the value under which the merchant can process a transaction without obtaining an authorisation through the Acquirer and the value is specified in the Annex 3 of this Agreement.
- l) **“Non-on-line Transaction”** means an EC Transaction effected otherwise than through the EC Software.
- m) **“On-line Transaction”** means an EC Transaction effected through the EC Software.
- n) **“Processor”** means a third party who has entered in to a contractual agreement with the Merchant to process any card related transaction relating to the IPG on Merchant’s behalf.
- o) **“SSL”** means the Internet protocol currently known as Secure Socket Layer that uses connection oriented end-to-end encryption to provide data confidentiality service and data integrity service for application layer traffic between a client (usually a web browser) and a server (usually a web server).
- p) **“Website”** means a website established or to be established by the Merchant on the Internet or similar networks on which goods and/or services will be made available for purchase by Cardholders.
- q) **“Other Security Conditions”** means any authentication protocol adopted by Master/Visa Global Network Services to authenticate the Cardholder in an EC Transaction.
- r) **“Internet Electronic Delivery”** means delivery to the Card Member via the Internet download or another file transfer process of goods or services purchased on the Internet.

s) **“Internet Physical Delivery”** means Delivery to the Card member via mail, shipping services or courier to a physical address of goods or services purchased on the Internet.

1.2. If signed by a firm the expression “the Merchant” shall include the person or persons from time to time carrying on the business of such firm and if the Merchant comprises of two or more persons the expression “the Merchant” shall include all and each of them and liabilities under this Agreement shall be joint and several.

1.3. If the context permits or requires words importing the masculine gender shall include the feminine and neuter genders and words in the singular number shall include the plural number and vice versa.

1.4. Any reference to a “Clause” shall mean a clause hereof.

2. EC TRANSACTIONS

This Agreement and the following terms and conditions shall apply in respect of each and every EC Transaction involving payment by means of a Card.

3. ACCEPTANCE OF CARD

3.1. The Merchant shall accept every valid Master /Visa unexpired Card when properly presented as payment from Cardholders for all EC Transactions. The Acquirer shall permit the Merchant to make EC Transactions by means of other types of cards such as JCB, Diners, Discover and China Union Pay in the future upon the Merchant entering in to direct contractual arrangements with the respective card associations.

4. UNACCEPTABLE CARDS

4.1. The Merchant shall not complete an EC Transaction if:-

- (a) The Acquirer has advised the Merchant to decline the Card after Authorization checking or;
- (b) The Merchant believes or has reason to believe that the Card may be counterfeit or stolen: or;
- (c) There are suspicious circumstances surrounding the use of the Card.

5. AUTHORIZATION

5.1. The Merchant shall only deliver the goods and/or services to the Cardholder after the Authorization and Authorization code (if required) has been obtained from the Acquirer.

5.2. The Merchant shall obtain Authorization only in accordance with the Authorization Facilities agreed with the Acquirer unless there is a breakdown in such facilities or they are inoperable for any reason. When requesting for the Authorization for EC Transactions, a merchant reference code shall be generated for each EC Transaction by one of the Processors and the Acquirer shall provide the merchant reference so generated to the Merchant for reconciliation purposes under this Agreement.

5.3. In the event that a digital certificate in accordance with the standards of SSL is tendered by a Cardholder for effecting an EC Transaction the Merchant shall forward the same to the Acquirer when Authorization is being sought.

6. CASH PAYMENT AND CURRENCY

6.1. The Merchant shall not receive any cash payment from a Cardholder with respect to charges for goods and/or services included in an EC Transaction.

6.2. All EC Transactions must be denominated in Sri Lankan Rupees/US Dollars/Great Britain Pounds/ Singapore Dollars, Swiss Franc, Japanese Yen and Euros and any other currency that may be added from time to time as agreed in writing between the Acquirer and the Merchant without an additional charge.

7. TRANSACTION HANDLING

7.1. The Merchant shall not affect two or more EC Transactions to avoid obtaining Authorization from the Acquirer and shall not effect an EC Transaction when only a part of the amount due is included as the transaction amount.

7.2. If the Merchant accepts EC Transactions, the Merchant shall comply with any rules, regulations directives, guidelines, instructions and procedures which the Acquirer may from time to time issue for the purpose of encryption or authentication of SSL or such other security conditions as may be approved by the Acquirer in writing.

7.3. The Merchant shall proceed with the transaction on Visa cards only if the ECI indicator is '05' and '06' and the Acquirers shall be responsible for such transactions. If the indicator is '07', the Merchant will have to take the responsibility of the transaction if the Merchant wishes to proceed.

7.4. On MasterCard cards, '212' is valid and if "211" is the ECI value and the card used happened to be a MasterCard Commercial card, the Merchant shall be responsible since no liability protection is provided. The Acquirers shall be responsible for the transactions validated under the ECI code 212. The Merchant will receive protection only for transactions originating out of the internet booking engine where the transaction could be processed under the 3D secure domain. Transactions originating at call center will not be covered for 3D secure protection.

7.5. The Merchant shall Deliver to the cardholders a true and completed copy of the receipt.

7.6. The Acquirer shall provide the Merchant operational guidelines relating to the use of EC Software in writing, from time to time.

8. SUBMISSION OF TRANSACTIONS AND REFUNDS

- 8.1.** The Merchant shall only be entitled to submit EC Transactions for processing hereunder on or after Commencement Date.
- 8.2.** The Merchant may submit EC Transactions to the Acquirer for processing through (as agreed with the Acquirer) electronic means, in accordance with such operational guidelines as may be specified by the Acquirer from time to time in writing. In particular, the Merchant shall comply with the following requirements:
- (a) Whatever the means of submission, the Merchant must submit (whether directly or through the Cardholder) the transaction details as required by the Acquirer including without limitation those set out in (i) to (vi) below for each EC transaction to the Acquirer for processing and provide such other information and /or documents as may be required by the Acquirer, such transaction details to include:
 - i. the EC Transaction amount in the currency of payments
 - ii. the EC Transaction date
 - iii. the Authorization code
 - iv. Merchant's reference issued by one of the Processors
 - v. the date of obtaining the Authorization code and
 - vi. the Merchant's name and account number.
 - (b) Whatever the means of submission, the Merchant must submit an EC Transaction to the Acquirer for processing at least within seven (7) days after Authorization for such transaction has been obtained.
 - (c) If in respect of any EC Transaction:
 - i. any goods are not received by the Cardholder or are lawfully rejected or accepted for return.
 - ii. services are not performed or cancelled
 - iii. price is lawfully disputed by the Cardholder or price adjustment is allowed,
 - (d) If the Merchant is under obligation to refund the Payment to the Card holder, the Merchant shall not make a cash refund but shall submit a credit transaction to the Acquirer as agreed with the Acquirer, through the web portal provided by the Acquirer for such purposes.
 - (e) If the Merchant has received the payment for EC Transaction from the Acquirer and the Merchant has subsequently agreed to refund a sum, the Merchant must submit details of such EC transaction to the Acquirer within a maximum of fourteen (14) days after the date a refund is agreed between the Merchant and the Cardholder. The Merchant is required to refund the net proceeds (i.e the total credit less the Discount) to the Acquirer forthwith.
 - (f) In the event that credit transactions are processed, the Merchant shall authorise refunds pertaining to such transaction to the Customer at the agreed amount. The Acquirer shall remit the amount authorised

by the Merchant to the Customer and remit the Merchant Commission previously charged for such transaction to the Merchant.

- (g) The Merchant shall only present an EC Transaction to the Acquirer;
 - i. In respect of an EC Transaction that has been submitted to the Acquirer for payment and;
 - ii. The amount of which does not exceed the amount of the related EC Transaction.
- (h) By submitting an EC Transaction to the Acquirer the Merchant warrants to and agrees with the Acquirer:-
 - i. that all transaction details so submitted are , to its best knowledge, , true and complete.
 - ii. that the Merchant has supplied or will as soon as reasonably practicable thereafter supply the goods and/or services to which such EC Transaction relates and to the value stated therein; and take best efforts to ensure parity among the prices in distribution channels;
 - iii. that no other submission will be made in respect of the goods and/or services to which such EC Transaction relates.
 - iv. to the best of its knowledge, that the provision of credit for the supply of the goods and/or services to which such EC Transaction relates is not unlawful and
 - v. that the Merchant has complied with this Agreement in respect of such EC Transaction.
- (i) Neither the acceptance by the Acquirer of the submission of any EC Transaction nor any payment by or other act or omission of the Acquirer (other than an express written acknowledgement or waiver thereof by the Acquirer) shall constitute or be deemed to constitute any acknowledgement or waiver of compliance by the Merchant with any of the warranties specified in Clause 11.2 h. or any other provision of this Agreement.
- (j) The Acquirer shall submit reports referred to in Annex 1 to the Merchant at the frequency and in the formats provided therein.

9. PAYMENT

- 9.1.** Subject to Clause 12.2 and the other terms of this Agreement the Acquirer shall pay to the Merchant the amount of each EC Transaction submitted hereunder that is processed less the Merchant Commission for such EC Transaction, on the following working day.
- 9.2.** Net payments to the Merchant shall be made by the Acquirer to the account of the Merchant with the Acquirer designated by the Merchant (the "Merchant's Payment Account" informed by the Merchant in writing).

10. CHARGE BACK

11.1 Notwithstanding any Authorization and/or Authorization code numbers given by the Acquirer to Merchant, the Charge Back shall be 120 days from the central processing date of such transaction by Visa/MasterCard. In case of service related disputes the time frame of 120 days

shall be calculated from the date the service was provided or was to be provided on. The Charge Back time frame may be subjected to change as and when Visa/MasterCard International update their Dispute Resolution Rules and Procedures. The Charge Back time frame shall apply for each situation described below from (a) to (j).

(a) the EC Transaction is for any reason unlawful unenforceable;

(b) If a dispute is raised by a cardholder that the price charged to the cardholder was in excess of the price for goods and/or services agreed with the Merchant;

(c) the goods and/or services covered by the EC Transaction are rejected or returned *pr* the EC Transaction or part thereof is validly cancelled_ or terminated by a cardholder or if the Merchant fails to provide at all or to the cardholder's satisfaction, goods and/or services to the cardholder.

(d) the cardholder advised the Acquirer that he has never received the relevant goods and/or services.

(e) the EC Transaction is not submitted within the period specified in Clause 11.2(b) or is not otherwise submitted in accordance with this Agreement.

(f) the Cardholder disputes the nature, quality or quantity of the goods and/or services covered by the EC Transaction;

(a) the Acquirer has requested evidence in accordance with Clause 16 in relation to the EC Transaction which the Merchant has failed to provide;

(b) there has been any deviation from the terms of this Agreement by the Merchant in relation to any EC Transaction;

(c) the cardholder disputes or denies the EC Transaction or the sale or delivery of goods and/or services covered by the EC Transaction within reasons;

(j) the sale or supply of any goods and/or services under the EC Transaction involves a violation of law of the rules or regulations of any governmental agency or other authority and/or;

(k) the Merchant has not complied with the applicable authorization procedures to SSL or for other security conditions approved by the Acquirer prescribed by the Acquirer in respect of the EC Transaction; and/or

(l) there has been a breach by the Merchant of this Agreement, other than the breaches more specifically provided in this Clause 13 in connection with the EC Transaction or otherwise

(m) the Acquirer reasonably believes that the EC Transaction is irregular,

(n) without prejudice to the provisions of Clause 4 above the circumstances of the EC Transaction were so suspicious that the Merchant should, based on the validation provided by the EC Software, have realized that the card is a counterfeit or stolen and should have therefore declined the EC Transaction; and/or

(o) any other event of circumstances, which the Acquirer shall have previously notified to the Merchant in writing for the purpose of this Clause 13 has occurred in relation to the EC Transaction.

Provided however in case the Acquirer withholds the payments to the Merchant on one or any of the grounds set out in Clauses (a) to (o), the Acquirer agrees that the Merchant should be given the right to represent itself to counter such withhold under a due process as provided for by Mastercard International and Visa International Charge Back rules.

The Acquirer shall diligently defend the interest of the Merchant in the event any Charge Back is claimed against the Merchant within the rules and the framework provided for by both Mastercard International and Visa International.

11. CHANGE OF PARTICULARS

13.1 The Merchant shall inform the Acquirer of the occurrence of any of the following in writing thirty (30) days prior to its effective data:

- (a) Its cessation of business:
- (b) Any change in the nature of the business carried on by the Merchant:
- (c) Any change in the Merchant's legal status (such as from a sole proprietorship to a partnership or limited company or vice versa):
- (d) Any change in the Merchant's URL or on-line address or;
- (e) Any change in any other material particulars relating to the Merchant supplied to the Acquirer in connection with this Agreement at any time:

12. DISCLOSURE

12.1. The Merchant hereby authorise the Acquirer to disclose any information relating to the Merchant's Payment Account or the conduct thereof or the Merchant's particulars and affairs (financial or otherwise).

- (a) To any service provider appointed by the Acquirer to perform any of its obligations under this Agreement.
- (b) As may be required under the operating rules and regulations of Master/Visa or under any applicable laws or judicial process.

- 12.2.** The Acquirer shall ensure that a Non-Disclosure Agreement is in place between the Acquirer and such service provider where the information of the Merchant's Payment Account is disclosed to such service providers pursuant to this clause.
- 12.3.** Similarly the Merchant shall ensure that a Non-Disclosure Agreement is in place between the Merchant and such service provider where the information of the Acquirer is disclosed to such service provider pursuant to this clause.
- 12.4.** The foregoing shall be without prejudice to any other rights which the Acquirer may have under law or any other agreement with the Merchant.

15. DISCLAIMER

15.1 To the extent permitted by Law, the Acquirer:

- (a) Shall be under no liability to the Merchant (whether for loss of profit or otherwise) for any suspension, interruption, error or failure in the Acquirer's computer systems (including the Authorization Facilities whether located at the Merchant's or the Processor's premises) for performing or processing EC Transaction (or in any part thereof) except where such suspension, interruption, error or failure arises as a result of the Acquirer's gross negligence or wilful default.
- (b) Shall not be under any liability to the Merchant or any of the Merchant's customers for the inaccuracy or invalidity of any point of sale Authorization communicated by the Acquirer in connection with this Agreement except where such inaccuracy or invalidity is as a result of the Acquirer's gross negligence and wilful default.
- (c) Except as expressly provided to the contrary in this Agreement or in any Authorization granted to the Merchant in connection with the Authorization, all terms, conditions, warranties, undertakings, inducements or representations whether express, implied, statutory or otherwise (including without limitation any terms about merchantability or satisfactory quality or fitness for any particular purpose) relating in any way to the Authorization System or the Authorization Facilities are excluded. Without limiting the generality of the foregoing the Acquirer shall not be under any liability to the Merchant for any loss or damage (including consequential loss or damage) however caused, which may be suffered or incurred or which may arise directly or indirectly in respect of the Authorization Facilities or as a result of failure or error in the Authorization Facilities, the programmes therein, the data or the Authorization System, unless such failure or error is caused by the Acquirer's gross negligence or wilful default.

16. INDEMNITY

- 16.1 The Merchant will indemnify the Acquirer on demand, provided that such demand is supported by satisfactory evidence, in respect of any actions, claims, costs, damages, demands, expenses, losses and

liabilities (including without limitation any fines imposed under Master/Visa operating rules and regulations) made against, suffered or incurred by the Acquirer arising directly or indirectly from or in connection with.

- (a) Any failure by the Merchant to comply with the provisions of this Agreement; and/or
- (b) Any failure (except as provided in clause 20), virus, error or other defect in the EC Software (whether installed at the Processor's or the Merchant's premises) or in the Acquirer's computer systems which is attributable, in any way, to the connection between the EC Software and the Merchant's computer systems; and/or
- (c) The improper use of or unauthorized access to the EC Software (whether installed at the Merchant's premises) or the Acquirer's computer systems through the EC Software using the Merchant's computer system.

16.2 The Acquirer will be entitled to have full conduct of all proceedings and negotiations relating to any claim referred to in Clause 21.1 and in its discretion to accept, dispute, compromise or otherwise deal with the same and shall be under no liability in respect thereof to the Merchant and the Merchant will provide any assistance in connection with any such claim that the Acquirer may require. Provided however the Acquirer should make any claim on the basis of any of the claims referred to above only after conducting a separate investigation to such claim and on being reasonably satisfied of the occurrence of any fault on the part of the Merchant.

16.3 The Acquirer shall indemnify the Merchant on demand in respect of any action, claims, costs, damage, demands, expenses, losses, fines and liabilities made against, suffered or incurred by the Merchant as a result of:

- (a) The breach of this Agreement by the Acquirer, its employees, agents or sub-contractors
- (b) Malfunctioning or defects in the system due to the negligence of the Acquirer or its employees.
- (c) Negligence, wilful misconduct or illegal action of the Acquirer, its employees, agents and subcontractors
- (d) Use of the name, logos and trademarks of the Merchant without prior written permission in any of the materials published by the Acquirer.

17 CONFIDENTIALITY

17.1 The Merchant agrees and undertakes that the Merchant's officers, employees or agents (including without limitation any Processor) shall not unless compelled by law or with the prior written consent of the Acquirer.

- (a) Sell, purchase, provide, exchange or disclose information of a Cardholder or his EC Transactions (howsoever obtained and in whatever form the information shall take) to, from or with any third party (other than the Merchant's agents for the sole purpose of assisting the Merchant to complete or enforce the EC Transactions and the Merchant's insurers and professional advisers); or

- (b) Request or use such information (including any Card account number) for any purpose that the Merchant knows or should have known to be fraudulent or for any purpose that the Cardholder did not authorise.

- 17.2 The Merchant shall keep strictly confidential all information received from the Acquirer in connection with the business of the Acquirer, the Authorization Facilities, the Authorization System or this Agreement and will disclose the same only to those of its staff who require information for the purpose of the operation of the Authorization Facilities and the use of the Authorization System or carrying out the Merchant's obligations hereunder. The Merchant agrees and undertakes that the Merchant's officers, employees or agents shall not, without the prior written consent of the Acquirer, use or disclose such information (howsoever obtained and in whatsoever form) to any third party (other than to the Merchant's agents for the sole purpose of assisting the Merchant to complete or enforce the EC Transactions and the Merchant's insurers and professional advisers) unless such disclosure is compelled by law.
- 17.3 The Acquirer shall keep strictly confidential all information received from the Merchant in connection with the business of the Merchant, or this Agreement and will disclose the same only to those of its staff who require information for the purpose of the operation of the Agreement or carrying out the Acquirer's obligations hereunder. The Acquirer agrees and undertakes that the Acquirer's officers, employees or agents shall not, without the prior written consent of the Merchant, use or disclose such information (howsoever obtained and in whatsoever form) to any third party (other than to the Acquirer's insurers and professional advisers) unless such disclosure is compelled by law.
- 17.4 The Merchant shall ensure Cardholder information is kept secure, shall exercise reasonable care when processing EC Transactions and papers relating thereto and agrees that it will not process EC Transactions and/or such papers in any manner which may facilitate fraud or forgery relating to a Card. Merchant should make good any losses or claims suffered or incurred by the Acquirer which, in the reasonable opinion of the Acquirer, result from the Merchant's or its agents (including without limitation any Processor's) lax security, corruption or collusion and shall be indemnified by the Merchant accordingly.
- 17.5 Provided however the information of the Cardholders independently captured, stored, used, processed or generated by the other information processing systems used by the Merchant shall not be considered to be confidential information under this agreement and obligations of the Merchant under this Clause 22 shall not apply in respect of such information captured, stored used processed or generated by the other information processing systems of the Merchant
- 17.6 Without prejudice to the other provisions of this clause 22 the Merchant shall comply with any data security requirements which may be imposed or recommended by Master/Visa and communicated in writing to the Merchant by reasonable notice:

18 EFFECTIVE DATE AND TERMINATION

- 18.1 This Agreement shall take effect from..... And thereafter shall be automatically renewed annually subject to the right to termination by either party as stated below.
- 18.2 This Agreement may be terminated:
- (a) By the Merchant giving to the Acquirer at least three (3) month's prior notice in writing or
 - (b) By the Acquirer by giving to the Merchant at least Twelve (12) months' notice in writing
 - (c) Immediate termination by either party if the other party breaches the conditions of the Agreement and fails to rectify the breach within seven (7) days of notification of such breach.
 - (d) Without prejudice in either case to the due completion and payment in respect of all EC Transactions processed and accepted by the Acquirer on or before the termination date.
- 18.3 Unless otherwise agreed by the Acquirer this Agreement shall terminate on the date falling 3 months after the date referred to in clause 23.1 if the Commencement Date has not occurred by then.
- 18.4 Upon termination, the Merchant shall:
- (a) At the Merchant's expenses forthwith return to the Acquirer the Authorization Facilities and all related documentation.
 - (b) Present to the Acquirer all EC Transactions completed at the time of termination within 7 days of the termination.
 - (c) Remove all Master/Visa symbols and names in the Merchant's promotion materials and transaction related papers or forms.
- 18.5 Upon termination, the Acquirer shall remove the Merchant's name from all the materials where the merchant's name appears as a customer of the Acquirer.

19 ASSIGNMENT

- 19.1 The Acquirer is entitled at any time with prior written notice to the Merchant to assign and/or transfer this Agreement or any of the Acquirer or of the Acquirer's rights and obligations hereunder in favour of any subsidiary or associated company of the Acquirer or of the Acquirer's holding company and to sub-contact or appoint any agent or agents to carry out any of the Acquirer's obligations herein.
- 19.2 Notwithstanding any assignment or transfer of the rights and obligations of the Acquirer under this Agreement in accordance with this clause 24 by the Acquirer, the Acquirer shall be responsible to the Merchant for the performance of the Acquirer's rights and obligations hereunder as if no assignment or transfer by the Acquirer has taken place. Any assignment or transfer of the Acquirer's obligations shall be carried out by the Acquirer without any cost to the Merchant and variation of the current rights and obligations

of the Merchant. Any cost incurred by the Merchant as a result of any assignment or transfer of the Agreement by the Acquirer shall be indemnified to the Merchant by the Acquirer.

- 19.3** Notwithstanding anything provided in the Agreement, the Merchant shall be entitled to assign or authorise a third party to perform its obligation under this Agreement. However, the Merchant shall be responsible for the Acquirer for due and faithful performance of the Agreement by the authorised persons of the Merchant.

20 COMMISSION

21 REPRESENTATIONS

The Merchant acknowledges and agrees that the Merchant has not entered in to this Agreement in reliance on any representation statement or warranty (whether written or oral and whether express or implied) made by or on behalf of the Acquirer other than such as are expressly set out herein.

22 WAIVER

The failure by either party to enforce at any time or for any period any one or more of the terms or conditions of this Agreement shall not be a waiver of them or of the right at any time subsequently to enforce all terms and conditions of this Agreement.

23 GENERAL

- 23.1** This Agreement shall be governed by and construed in accordance with the laws of Sri Lanka and the parties hereto submit to the non-exclusive jurisdiction of Sri Lankan Courts.
- 23.2** The parties hereto agree and declare that if any disputes or differences shall arise concerning this Agreement, such disputes or differences shall be referred to Arbitration by three Arbitrators (one to be appointed by each party and the third arbitrator to be appointed by the selected arbitrators In the event of a party failing to appoint an Arbitrator within fifteen (15) days after notice in writing to do so has been given by the other parties, the Arbitrator appointed by the other parties, shall make an award. Arbitration shall be conducted under Arbitration Act No.11 of 1995 of Sri Lanka. The award of the Arbitrators or the single Arbitrator as the case may be shall be binding upon the parties hereto and may be enforced in a Court of Law.
- 23.3** The Arbitration shall take place in Colombo and the cost of Arbitration shall be borne equally by the parties hereto.
- 23.4** If any provision of this Agreement is or proves to be or becomes illegal, invalid or unenforceable, in whole or in part, under any enactment or rule of law, such provision or part shall to that extent be deemed deleted

from this Agreement and the legality, validity and enforceability of the remaining provisions of this Agreement shall not be in any way affected thereby.

- 23.5 Any notice or communication by either party to the other shall be in writing and shall be deemed to have been duly given, if delivered personally, upon receipt or, if sent by registered post addressed to the other party at the appropriate address stated above or at such other address as such party hereto may hereafter specify to the other party, three (3) working days following the date of such posting.
- 23.6 Save to the extent inconsistent with the provisions herein, the terms of all other agreements between the Merchant and the Acquirer with regard to the processing of EC Transactions made by the use of a Card shall continue to have full force and effect.

24 VARIATION OF AGREEMENT

24.1 Parties are entitled at all times to vary or amend the terms and conditions set out in this Agreement upon notice in writing to the other Party (the "Recipient") by ordinary post. If the Recipient is unwilling to accept any such variation or amendment, the Recipient shall give notice to the Party giving notice within 21 days from the receipt of the notice from the Party giving notice to terminate this Agreement in accordance with Clause 23.2 (a) (that is, by not less than 3 month's notice by either part notwithstanding 23.2 (b)). For the avoidance of doubt, the terms and conditions of this Agreement shall continue to apply unvaried or unamended until the date when such termination takes effect (or until any earlier termination of this Agreement in accordance with the terms hereof). All notification by ordinary post shall be deemed to be received three (3) working days immediately following the day of posting.

25 DATA PROTECTION

25.1 Both Parties will comply with all applicable requirements of the Data Protection Legislation. This clause is in addition to, and does not relieve, remove or replace, a party's obligations under the Data Protection Legislation.

25.2 The Parties acknowledge that for the purposes of the Data Protection Legislation, the Customer is the data controller and the Provider is the data processor (where **Data Controller** and **Data Processor** have the meanings as defined in the Data Protection Legislation).

25.3 Without prejudice to the generality of clause 1.1, the Customer will ensure that it has all necessary appropriate consents and notices in place to enable lawful transfer of the Personal Data to the Provider for the duration and purposes of this agreement.

25.4 Without prejudice to the generality of clause 1.1, the Provider shall, in relation to any Personal Data processed in connection with the performance by the Provider of its obligations under this agreement:

(a) process that Personal Data only on the written instructions of the Customer unless the Provider is required by the laws of any member of the European Union or by the laws of the European Union applicable to the Provider to process Personal Data (**Applicable laws**). Where the Provider is relying on laws of a member of the European Union or European Union law as the basis for processing Personal Data, the Provider shall promptly notify the Customer of this before performing the processing required by the Applicable Laws unless those Applicable Laws prohibit the Provider from so notifying the Customer;

(b) ensure that it has in place appropriate technical and organizational measures, reviewed and approved by the Customer, to protect against unauthorised or unlawful processing of Personal Data and against accidental loss or destruction of, or damage to, Personal Data, appropriate to the harm that might result from the unauthorised or unlawful processing or accidental loss, destruction or damage and the nature of the data to be protected, having regard to the state of technological development and the cost of implementing any measures (those measures may include, where appropriate, pseudonimising and encrypting Personal Data, ensuring confidentiality, integrity, availability and resilience of its systems and services, ensuring that availability of and access to Personal Data can be restored in a timely manner after an incident, and regularly assessing and evaluating the effectiveness of the technical and organisational measures adopted by it);

(c) ensure that all personnel who have access to and/or process Personal Data are obliged to keep the Personal Data confidential;

And

(d) not transfer any Personal Data outside of the European Economic Area unless the prior written consent of the Customer has been obtained and the following conditions are fulfilled:

(i) the Customer or the Provider has provided appropriate safeguards in relation to the transfer;

(ii) the data subject has enforceable rights and effective legal remedies;

(iii) the Provider complies with its obligations under the Data Protection Legislation by providing an adequate level of protection to any Personal Data that is transferred; and

(iv) the Provider complies with reasonable instructions notified to it in advance by the Customer with respect to the processing of the Personal Data;

(e) assist the Customer, at the Customer's cost, in responding to any request from a Data Subject and in ensuring compliance with its obligations under the Data Protection Legislation with respect to security, breach notifications, impact assessments and consultations with supervisory authorities or regulators;

(f) notify the Customer without undue delay on becoming aware of a Personal Data breach;

(g) at the written direction of the Customer, delete or return Personal Data and copies thereof to the Customer on termination of the agreement unless required by Applicable Law to store the Personal Data; and

(h) maintain complete and accurate records and information to demonstrate its compliance with this clause [and allow for audits by the Customer or the Customer's designated auditor].

25.5 The Customer does not consent to the Provider appointing any third party processor of Personal Data under this agreement. The Provider confirms that it has entered or (as the case may be) will enter with the third-party processor into a written agreement incorporating terms which are substantially similar to those set out in this clause. As between the Customer and the Provider, the Provider shall remain fully liable for all acts or omissions of any third-party processor appointed by it pursuant to this clause.

25.6 Either party may, at any time on not less than 30 days' notice, revise this clause by replacing it with any applicable controller to processor standard clauses or similar terms forming part of an applicable certification scheme (which shall apply when replaced by attachment to this Side Letter).

25.7 The provisions in this clause shall survive the termination of the Principal Agreement and shall continue in force so long as any of the Parties are required to comply with the Data Protection Legislation.

IN WITNESS WHEREOF the parties hereto have executed this agreement the day and year below written

SIGNED BY	Witness to Merchant's Signature
	1. Signature
	Name
	Address

	N.I.C No
FOR AND ON BEHALF OF THE MERCHANT	2. Signature
	Name
	Address

	N.I.C. No
(Please sign over the Company Seal)	Date

SIGNED BY	Witness to Merchant's Signature
	1. Signature
	Name
	Address

	N.I.C No
FOR AND ON BEHALF OF ACQUIRER	2. Signature
	Name
	Address

	N.I.C No
	Date

