Appendix A

Terms of Use - Minimum Requirements to Use the Debit Order and DebiCheck Services

A. Debit Order Services

1. Qualifying Criteria

In order for Netcash to be sponsored into the National Payment System by the Netcash Sponsoring Bank (NSB), it must be satisfied regarding the following:

1.1. The Client must not introduce any risk into the National Payment System. This risk includes but is not limited to, reputational, legal and/or financial risk.

1.2. The Client must submit Payment Instructions as per the specifications provided to them by Netcash.

1.3. The Client must comply with Netcash's pre-onboarding vetting which includes (without limitation) producing a sample of their Mandate for vetting to ensure compliance with the minimum requirements as set out in this Terms of Use.

2. General Payment Instruction Standards

2.1. Clients must ensure the accuracy and completeness of all of the information, including the branch and account numbers, contained in Payment Instructions submitted to Netcash.

2.2. A Client must not submit transactions unless properly mandated and Authorised to do so by the Payer. Any Payment Instruction made that is not properly mandated or Authorised will be treated as a disputed item.

3. Payment Instructions eligible for clearing

In order for a Payment Instruction to be eligible for processing, the Client must ensure that:

3.1. A valid Mandate is obtained prior to the submission of the Payment Instruction to Netcash;

3.2. The Payment Instruction has reached its action date as stipulated by the mandate;

3.3. The Payment Instruction is identifiable by a unique Abbreviated Short Name and unique Contract/Agreement Reference between the Client and its Customer.

3.4. Payment Instructions must not be presented if there has been a Stop Payment placed against future debit Payment Instructions and/or the mandate and the related agreement has been cancelled.

3.5. No part of the mandate is unilaterally changed without consent being obtained from the Payer and/or notice given to the Payer where necessary.

3.6. The Client must obtain unequivocal and unambiguous acceptance by the Payer of understanding its obligations in the instances of voice recorded and electronic Mandates.

4. Payment Instructions not eligible for clearing

Payment Instructions are not eligible for clearing if:

4.1. The Payment Instruction is presented without having obtained a valid Mandate to do so or prior to obtaining a valid Mandate.

4.2. The Payment Instruction is presented prior to the mandated Action Date.

4.3. Unilateral changes have been made to any part of the Mandate. Authority/Authorisation must be obtained, and notice given where necessary especially in the instances of changes to account number or beneficiary details.

5. Mandate Initiation

5.1. A Mandate is valid when the format of the Mandate conforms to the minimum requirements for a Paper/Electronic and/or Voice Recorded Mandate, as provided to the Client by Netcash on the Help Centre.

5.2. The format of the Mandate must be approved by Netcash prior to being utlised by the Client, read with Clause 5.1 above.

5.3. The individual Payment Instructions so authorised must be issued and delivered on the date when the obligation in terms of the Contract/Agreement between the Client and its Customer, the Payer, is due and the amount of each individual Payment Instruction may not differ as agreed to in terms of the said Contract/Agreement.

5.4. In the instance of a written Mandate, the signed Mandate copy must be provided to the Payer prior to any Payment Instructions being processed in terms of that particular Mandate.

5.5. In the instance of a voice recorded Mandate, the Payer must be notified in writing within 30 (thirty) days of the voice-recorded Mandate being authorised and prior to any Payment Instructions being processed to the Bank Account of the Payer in terms of the Mandate. This written notification must conform to the requirements as specified below:

Minimum Requirements for Confirmation to Payer

5.5.1. Customer Name and Surname
5.5.2. Contract / Agreement number / reference
5.5.3. Commencement / Action date
5.5.4. Amount (Specific to the agreement / contract OR variable amount)
5.5.5. Abbreviated Name approved by Netcash (which must also appear on the Customer / Payer statement)
5.5.6. Client Contact Details
5.5.7. Date of Confirmation to the Customer / Payer

5.6. The Mandate must indicate the exact amount payable or clearly state that the premium payable will vary. The latter can only occur in instances where it is dependent on the type of service provided e.g. cellular phone contracts, etc.

5.7. The Client carries the responsibility of verifying that the account details provided by the Payer on the mandate are valid and that the Payer has relevant signing authority on the account.

6. Mandate Amendment

6.1. If a client amends the Mandate and in doing so changes the format from what is currently being used, read with clause 11.1 of the Debit Order Terms of Service above, the format must be approved by Netcash prior to being used.

6.2. When amending a Mandate, the Client must ensure that the applicable contractual and/or legislative obligations are met including but not limited to the Payer's authorisation.

7. Mandate Retention

7.1. When requested from Netcash, Clients are required to produce, at their own cost, a copy of any original Mandate that is requested inclusive of any applicable amendment/s.

7.2. Clients must keep a copy of the Mandate and Contract/Agreement entered into with its Customer (the Payer) in a form that enables the efficient resolution of disputes.

7.3. Clients must retain all Mandates and relating documentation for a minimum period of 5 (five) years after the expiry of the Contract/Agreement or after the payments have ceased or from the date of the last Payment Instruction having been processed in terms of the Mandate.

7.4. The inability to produce a valid Mandate or authority will be deemed evidence that no valid Mandate or authority existed or exists.

7.5. Upon request Clients are required to produce, at their own cost, an auditor's certificate confirming the existence of valid Mandates.

8. Cancellation of Mandates

8.1. A Mandate or authority may be withdrawn at any time by the Payer via a written instruction given due notice as stipulated in the Mandate.

8.2. When a Payment Instruction is returned “Not Provided for” on 2 (two) consecutive mandated Action Dates, read with clause 9 below, the Client may not submit the Payment Instruction and must remove the Payment Instruction from the system unless the Client has received a new Mandate from the Payer to meet future payments.

9. Disputed Authority for Payment Instructions

9.1. The Payer has a right to declare a dispute against the authority in terms of which the Payment Instruction had been processed.

9.2. The authority will only be considered in dispute in the following instances:

9.2.1. The Payer did not authorise the Payment Instruction/s; or
9.2.2. The Payment Instruction is in contravention to the authorised Mandate; or
9.2.3. The Client had been instructed by the Payer to cancel the Mandate; or
9.2.4. The Payer had stopped the payment of the instruction at their Bank or with the Client.

9.3. No disputes for partial amounts will be processed.

9.4. The Bank and therefore Netcash will immediately reverse the disputed Payment Instruction/s in instances where a dispute declaration is submitted within 60 (sixty) Calendar Days from Action Date of the Payment Instruction being processed.

9.5. In instances where the bank disputed Payment Instruction falls outside of the 60 (sixty) Calendar Days window period, the following must occur:

9.5.1. The Client must provide a copy of a valid written Mandate for the disputed Payment Instruction within 2 (two) Calendar Days of receiving the request for same from Netcash;
9.5.2. Neither Netcash nor the NSB will become involved in a dispute between the Client and the Payer to prove the validity of the Mandate;
9.5.3. In instances where the requested Mandate cannot be provided, the Client’s Netcash Account will be debited by Netcash with the value of the disputed Payment Instruction;
9.5.4. Voice recorded and electronic Mandates, while valid Mandates, will not be considered in the event of a dispute and the Client’s Netcash Account will be debited with the value of the disputed Payment Instruction/s.
9.5.5. Neither Netcash nor the NSB will become involved with any process to prove the existence of voice-recorded and/or electronic Mandates to Payers for the purpose of resolving the dispute.

10. Abbreviated Short Name

10.1. Abbreviated Short Names must be validated and approved by Netcash and the PASA prior to being included in any Payment Instructions.

10.2. Should an Abbreviated Short Name submitted by the Client be similar to or already in use by another Client (including Clients sponsored by other banks), Netcash will reject the Abbreviated Short Name submitted and the Client will have to resubmit a different Abbreviated Short Name.

10.3. The Abbreviated Short Name and Contract/Agreement Reference must remain the same for the duration of the contract between the Client and the Payer and must reflect on the Customer statement as specified on the authority and mandate regardless of where the transaction is submitted from.

11. Stop Payments

11.1. The Abbreviated Short Name and the Contract/Agreement Reference are the primary keys to be used in identifying a Stop Payment and Clients are prohibited from changing Abbreviated Short Names and/or Contract/Agreement References for any Payment Instruction in order to circumvent the Stop Payment system.

11.2. Upon receipt of a Stop Payment instruction from the Payer; the Paying Bank must return all future dated Payment Instructions in accordance with the Stop Payment instruction.

11.3. Where a client receives a stop presentment message as a result of a Payer having placed a Stop Payment on the Payment Instruction, the Client may not resubmit future dated Payment Instructions unless a new Mandate has been obtained.

12. Returns and Unpaids

12.1. If for any reason a Payment Instruction cannot be processed as received by a Client, the NSB will return the Payment Instruction to Netcash for action by the Client, due to either being unpaid or disputed, together with a reason as per the response and reason codes set out below.

EFT Unpaid Response and Dispute Return Reason Codes:

UNPAID RESPONSE CODES		
Code	**Description**	**Action to be Taken**
02 Not provided for	There are insufficient funds in the bank account.	The Client must advice the Payer that the Payment Instruction has been returned. The Payment Instruction may only be re-presented subject to Sections 6 and 14. If not, the Client cannot re-present the Payment Instruction unless a new Mandate has been obtained from the Payer in terms of Sections 7, 8. 9 and 15.
03 No Debit / Credit transactions allowed against this account	No debit or credit Payment Instructions may be processed against this Bank Account.	The Client may not re-present Payment Instructions using the Bank Account details as outlined in the existing Mandate unless a new Mandate is obtained from the Payer prior to submitting any new Payment Instructions in terms of Sections 7; 8; 9 and 15.
04 Payment stopped	The Payer has instructed their bank to stop all future debit payments being processed on their Bank Account from the Client in terms of the debit order authority granted to the Client.	The Payment Instruction may not be represented unless a new Mandate is obtained from the Payer prior to submitting any new Payment Instructions in terms of Sections 7; 8; 9 and 15.
05 Dormant	The Bank Account that the Payment Instruction has been issued against is dormant.	The Client may not re-present Payment Instructions using the Bank Account details outlined in the existing Mandate unless a new Mandate is obtained from the Payer prior to submitting any new Payment Instructions in terms of Sections 7; 8; 9 and 15.
06 Account frozen	No Payment Instructions may take place on this Bank Account at all.	
08 Account in liquidation	The Bank Account is not accessible due to liquidation of Legal Entity that holds it.	
10 Account in sequestration	The Bank Account is not accessible due to sequestration of the Individual that holds it.	
12 Account closed	The Bank Account in question has been closed.	The Payment Instruction may not be re-presented unless a new Mandate is obtained from the Payer prior to submitting any new Payment Instructions in terms of Sections 7; 8; 9 and 15.
18 Payer deceased	The Payer is deceased.	The Payment Instruction may not be re-presented, and all future Payment Instructions removed from processing.
22 Account effects not cleared	The Payer's funds have not been cleared i.e., there may be a cheque awaiting clearance, therefore there are insufficient funds in the Bank Account to meet the obligation.	The Client must advise the Payer of this and may not re-represent the Payment Instruction unless the Payer has confirmed that the funds have been cleared or that the hold on the Bank Account has been removed.

UNPAID RESPONSE CODES		
Code	**Description**	**Action to be Taken**
26 No such account	The Bank Account does not exist at the specific Bank.	The Payment Instruction may not be re-presented, and all future Payment Instructions removed from processing.
56 Not FICA compliant	The Bank Account does not comply with the requirements as set out by FICA.	The Payment Instruction may only be re-presented once confirmation is received from the Payer that they are FICA compliant.
14 Account transferred (Internal)	The Bank Account to which the Payment Instruction must be processed has been transferred within the Bank.	The Client must ensure that the new Bank Account details are reflected when redirecting the Payment Instructions to the new account.
16 Account transferred (External)	The Bank Account to which the Payment Instruction must be processed has been transferred to another Bank.	The Payment Instruction must be removed from the processing, and the Client must not resubmit Payment Instructions using the Bank Account details as outlined in the existing Mandate. The Client must obtain a new Mandate from the Payer prior to submitting any new Payment Instructions in terms of Sections 7; 8; 9 and 15.
60 Consecutive unpaid rejection	There have been consecutive unpaid transactions against this account number. Remove the transaction from all future batches.	After 6 consecutive unsuccessful debits the system automatically places a code 60 block on that transaction. Blocking the account also assist the Client to manage their unpaid ratios. Unpaid codes that get the stop placed immediately (Code 60) is Code 3,12, 26. Client to request new mandate from their customer with an authorisation date which is after the Code 60 incident date. Client must load the new mandate details on their updated Masterfile.

DISPUTE RETURN REASON CODES		
Code	**Description**	**Action to be Taken**
30 No authority to debit	The Payer has disputed the Client's authority to debit funds from their Bank Account.	The current Payment Instruction, as well as all future Payment Instructions, must be removed from processing. The Client must obtain a new Mandate from the Payer prior to submitting any new Payment Instructions in terms of Sections 7; 8; 9 and 15.
32 No authority to debit	The Payer has disputed the Payment Instruction based on the fact that the Client is debiting their Bank Account in contravention of their authority.	
34 Authorization cancelled	The Payer has disputed the Payment Instruction based on the fact that the authority given has been cancelled.	
36 Previously stopped via Stop Payment advice	The Payer is disputing the Payment Instruction based on the fact that they have previously issued a Stop Payment Instruction on their account.	

12.2. These codes each have an action attached to them to which the Client must comply with including:

- When a Payment Instruction is returned Unpaid the Client may not resubmit until the next mandated date.
- When a Payment Instruction is returned "Account Closed" or "Payment Stopped" the Client may not resubmit the Payment Instruction.

13. Presentment and Re-presentment

13.1. EFT Payment Instructions will be presented after the Early Window.

13.2. The Client must not:

13.2.1. Present the same Payment Instruction for processing more than once per day.
13.2.2. Present more than 2 (two) Payment Instructions in any particular Payment Cycle.
13.2.3. Present Payment Instructions where the amount due for payment exceeds the amount as stipulated by the Mandate.
13.2.4. Present Payment Instructions where the amount is an aggregate of multiple Payment Instructions in order to recover arrear amounts or if the mandated amount is changed outside the context of the Mandate.
13.2.5. A separate Mandate must be obtained in order to recover arrear amounts.
13.2.6. Present Payment Instructions if the Mandate has been stopped and/or the Mandate and Contract/Agreement has been cancelled.
13.2.7. Present Payment Instructions that have been cancelled by the Payer.

14. Item Limit

14.1. The Client may not circumvent the specified item limit by splitting Payment Instructions.

14.2. The Netcash default EFT Item limit for Debit Payment Instructions is R1,000 (One Thousand Rand) and reviewed based on the Client's individual account requirements.

15. Cession and/or Assignment

15.1. In the event of cession or assignment of all or a portion of its book the Client must notify Netcash, since the NSB must be made aware of the intended cession and assignment.

15.2. A Client may not cede or assign any of its rights in terms of a Mandate held to any third party unless:

15.2.1. the Contract/Agreement is also ceded or assigned to that third party;
15.2.2. written consent has been obtained from the Payer;
15.2.3. such cession or assignment is communicated to the Payer prior to any Payment Instructions being processed to the Bank Account of the Payer in terms of the ceded or assigned Mandate; and
15.2.4. the communication of the cession or assignment conforms to the requirements as specified below:

Minimum Requirements for Notification of Cession / Assignment

Date: _____

Full Names and Surname: _____

Contract / Agreement Number: _____

Current User Abbreviated Short Name: _____

New User Abbreviated Short Name: _____

Commencement / Action Date: _____

Amount: _____

Abbreviated Name: _____ (must appear on the Payer's statement)

Client contact details: _____

E-mail address: _____

15.3. In the event of cession or assignment the Client's Abbreviated Short Name and/or Contract / Agreement Reference may be changed.

15.4. Clients must provide one month's notice of the changed details prior to the processing of any future Debit Payment Instructions to the Payer. The notice must reflect the Client's new Abbreviated Short Name and/or Contract / Agreement Reference and must be kept as an addendum to the Mandate.

16. Management of Ratios

16.1. The Client is obligated to adhere to certain thresholds in relation to the total monthly Payment Instructions processed per Abbreviated Short Name as follows:

16.1.1. 10% (ten per centum) for the Unpaid Ratio; and
16.1.2. 0.5% (zero point five per centum) for the Dispute Ratio.

16.2. Should a client exceed these thresholds, Netcash must conduct the necessary investigations to determine the reasons for the higher ratios and to implement the necessary action to positively manage the ratios of the Client within the acceptable threshold(s) or terminate an account should the threshold breaches be unacceptably high.

16.3. The NSB is obliged to report to any appropriate supervisory body on all Clients under investigation and/or in rehabilitation.

16.4. The NSB may transfer penalties against the Client to Netcash who will recover the penalties from the Client and/or terminate the sponsoring relationship with the Client.

16.5. During the investigation and remediation period, the Client will not be allowed to change to another Third Party Payment Provider. Only once the Client has successfully been remediated and fully compliant, will the Client be allowed to change from Netcash to another Third-Party Payment Provider.

17. Fraud

17.1. All complaints of alleged Fraudulent Transactions received by Netcash or the NSB will be reported to the relevant fraud teams for investigation.

17.2. Where the Paying Bank is not the same as the NSB, it may engage with Netcash in an attempt to recover a refund for the Payer which will also be reported to the relevant bank's fraud team for further investigation.

17.3. When a Payer's Bank Account is debited as a result of an alleged Fraudulent Transaction, Netcash, upon instruction, must place a hold on the Client's Netcash Account in accordance with the Netcash agreements and internal policies.

17.4. Netcash must release or refund on receipt and instruction of a court order and on specific instruction by the NSB fraud team.

17.5. Where Fraudulent Transactions are proven in respect of any Client, Netcash may suspend and/or terminate the sponsoring relationship with such Client.

B. DebiCheck Services

1. Definitions

1.1 All of the listed terms will have the meanings assigned to them and similar expressions will have corresponding meanings. Unless otherwise indicated:

- Any one gender includes the other and are neutral;
- The singular includes the plural and vice versa;
- Capitalised words have a special meaning in lieu of their dictionary meaning. These terms are
- defined in this clause.
- Bold type is used for visual emphasis.
- Reference to other documents is in italics.

1.2 The following terms will have the meanings assigned to them and cognate expressions will have corresponding meanings, namely:

Term	Definition
Abbreviated Short Name / ABSN	A 10-character description of the Ultimate Creditor's name, which must be included in the Mandate, Mandate Register and in the Payment Instruction.
Authenticated Collections (AC) Directive	Directive 1 of 2017 (as amended) issued by the SARB: Directive for Conduct within the National Payment System in respect of the Collection of Payment Instructions for Authenticated Collections, including any further amendments and/or supplementary documentation.
Action Date	The date which is stated in the Payment Instruction as the date upon which the Payment Instruction is to be presented by the User for payment against the Payer's Bank Account.
Adjustment Category	Refers to the ability to adjust the Instalment Amount and Maximum Collection Amount.
Adjustment Amount	Amount that the Instalment Amount and Maximum Collection Amount can be adjusted based on the Adjustment Category. This value can be negative.
Adjustment Rate	The rate that the Instalment Amount and Maximum Collection Amount can be adjusted based on the Adjustment Category. This value can be negative.
Alleged Fraud	Any claim made with regards to a transaction or potential transaction allegedly intended to defraud or deceive the Banks, User or Payers.
Authentication / Authenticating	Authentication includes all of the following: - • User verification by the Sponsoring Bank; • Payer verification by the Paying Bank; • Payer account validation by the Paying Bank; and • Mandate Authorisation by the Payer.
Authentication Key	The method used by the Paying Bank to validate / verify the Authorisation received (e.g. MAC).
Authorise / Authorisation	The consent given by the Payer to the Paying Bank for the processing of the Mandate.
Bank	A financial institution actively providing products and services commensurate with that of a 'Bank' as defined in the Banks Act, 1990. The term 'Bank' will also include any 'Designated Clearing System Bank' as defined by the NPS Act, 1998.
Bank Account	This means a bank account held at a Bank which can be debited or credited as a result of a Payment Instruction.
Business Days	Every day of the week, excluding Saturdays, Sundays, and Public Holidays.
Calendar Days	Every day of the week, including Saturdays, Sundays, and Public Holidays.
Collections	This means a mandated Payment Instruction from the User to its Sponsoring Bank, presented in the form of an electronic record, to collect money from a Payer's Bank Account using the DebiCheck Payment Stream.
Collection Day / Collection Date	The day that is stated in the Mandate Information as the day upon which the Payer elected the Payment Instruction is to be presented for collection against her / his' Bank Account held at the Paying Bank.
Contract	The contractual arrangement (including, but not limited to, any loan or sales agreement) concluded between a Payer (Netcash Client's Customer) and an Ultimate Creditor (Netcash Client).
Contract Reference	The unique reference used by the Ultimate Creditor (Netcash Client) and the Payer (Netcash Client's Customer) to identify the Contract concluded between them.

<table>
<tr><th>Term</th><th>Definition</th></tr>
<tr><td>Credit Tracking</td><td>A process in terms of which a Payment Instruction that was not paid upon initial presentment is held over for presentment until either successful or the period for Credit Tracking is complete, whichever is the earlier.</td></tr>
<tr><td>DebiCheck</td><td>A debit order that is electronically confirmed by the Payer with the Paying Bank.</td></tr>
<tr><td>Dispute Action</td><td>A reversal of funds from the User to the Payer via the Netcash Sponsoring Bank (NSB) and Paying Bank.</td></tr>
<tr><td>Dispute Ratio</td><td>The total monthly disputed Payment Instructions as a percentage of the total successful monthly input.</td></tr>
<tr><td>Dispute Request</td><td>A request by the Payer to dispute the validity of a successful Payment Instruction processed against the Payer’s Bank Account.</td></tr>
<tr><td>Early Window</td><td>The period within which DebiCheck, Migrated NAEDO (Non-Authenticated Early Debit Order), NAEDO and Registered Mandate Payment Instructions are processed directly after bulk credits, and in accordance with the First Priority or Second Priority.</td></tr>
<tr><td>First Collection</td><td>If applicable, this is the first instalment of which –
the value of the first instalment as stated in the Mandate Information, which can be greater, equal to or less than the Instalment Amount; and
the specific date that is stated in the Mandate Information and upon which the Payment Instruction is to be presented for collection against the Payer’s Bank Account at the Paying Bank.</td></tr>
<tr><td>First Priority</td><td>Randomisation of DebiCheck, AEDO (Authenticated Early Debit Order), Migrated AEDO and Migrated NAEDO Payment Instructions which are processed directly after bulk credits, in the Early Window.</td></tr>
<tr><td>Fraud</td><td>Deliberate deception to unlawfully gain access or potential access to money in a Bank Account of a Bank, User or Payer (a proven outcome after an investigation into alleged fraud has been conducted).</td></tr>
<tr><td>Fraudulent Transaction</td><td>This means any alleged fraudulent transaction intended to defraud or deceive the Bank, User or Payers.</td></tr>
<tr><td>Frequency</td><td>The regularity of the Payment Instruction, namely:
Weekly
Fortnightly
Monthly
Quarterly
Bi-annually
Annually
Monthly by Rule –
<table><tr><td>01 – Last Monday</td><td>02 – Last Tuesday</td></tr><tr><td>03 – Last Wednesday</td><td>04 – Last Thursday</td></tr><tr><td>05 – Last Friday</td><td>06 – Last Saturday</td></tr><tr><td>07 – First Monday</td><td>08 – First Tuesday</td></tr><tr><td>09 – First Wednesday</td><td>10 – First Thursday</td></tr><tr><td>11 – First Friday</td><td>12 – First Saturday</td></tr><tr><td>13 – 2nd Last Day</td><td>14 – Last Day</td></tr></table></td></tr>
<tr><td>Item limit</td><td>The maximum monetary value of a single transaction that may be submitted by a User.</td></tr>
<tr><td>Instalment Amount</td><td>The amount Authorised by the Payer as set out in the Mandate Information, excluding First Collection.</td></tr>
<tr><td>Late Recall</td><td>Late Recall means a request by the User to withdraw a Payment Instruction where the PSO processing window is closed, and the request may not be processed as a Recall.</td></tr>
<tr><td>Mandate</td><td>The written, verbal, or electronic authority given by the Payer to the Ultimate Creditor, allowing the Ultimate Creditor / User to debit the Payer’s Bank Account or to initiate a payment instruction against the Payer’s Bank Account.</td></tr>
<tr><td>Mandate Amendment Request</td><td>A request to amend the Mandate Information.</td></tr>
<tr><td>Mandate Information</td><td>Information referred to in C7.</td></tr>
<tr><td>Mandate Reference Number</td><td>A unique number allocated, by the Paying Bank, to the Mandate Information held on the Mandate Register.</td></tr>
<tr><td>Mandate Register</td><td>A register held and managed by the Paying Bank containing, as a minimum, the Mandate Information.</td></tr>
<tr><td>Migration / Migrated</td><td>The process in terms of which AEDO and NAEDO Mandates are loaded and stored on the Mandate Register and collected against the Payer’s Bank Account as a</td></tr>
</table>

Term	Definition
	Migrated DebiCheck Mandate in accordance with the AC Directive and as set out in C1.
Migration Period	The period for Migration prescribed in accordance with the AC Directive issued by the SARB.
Maximum Collection Amount	The maximum amount per Payment Instruction that the User is allowed to collect as mandated by the Payer.
Nominated Account	Means a current account in the User's name held by the Sponsoring Bank for the specific (but not necessarily exclusive) purpose of transacting / posting entries connected with Collection services.
Notification	A message by the Paying Bank to the Payer of an update to the Mandate Information, not requiring Authorisation or the registration of Registered Mandate Information.
Once-Off Mandate	A Mandate that meets the criteria of a Fixed Mandate and is used for a single Payment Instruction; or an irregular Payment Instruction.
Payer	A natural person who holds a Bank Account at the Paying Bank.
Paying Bank	The Bank with whom the Payer holds a Bank Account.
Payment Instruction / Transaction / Item	An instruction to a Bank to transfer funds (make a payment) (CR Payment Instruction) or to collect funds (collect a payment) (DR Payment Instruction).
Payment System	A system that enables: the transfer of mandate Information; payments to be affected; the circulation of money; and includes any instruments such as noted and coins, paper and electronic Payment Instructions, and procedures that relate to the system.
PCH System Operator (PSO)	A person(s) appointed by each Bank to provide payment clearing processing services on behalf of such Bank in the PCH, which appointment is subject to authorisation of the PASA.
Payment Stream	A Payment Stream refers to the types of service available to the User (e.g. DebiCheck) to process Collections as defined by its own characteristics and terms.
Payment Clearing House (PCH)	An arrangement between two or more clearing system participants and SARB settlement system participants, excluding a designated settlement system operator, governing the clearing, or netting, of Payment Instructions between those clearing system participants and the SARB settlement system participants.
Processing Days	Means Mondays to Saturdays (excluding Public Holidays) for 6-day processing Banks; and Monday to Sunday (including Public Holidays) for 7-day processing Banks.
Processing Day Rule	The Processing Day Rule only applies to the processing of Payment Instructions. Payment Instructions will be processed every day of the week (including Sundays and Public Holidays) for 7-day processing Banks. Payment Instructions will be processed Mondays to Saturdays, excluding Sundays and Public Holidays for 6-day processing Banks.
Public Holidays	A Public Holiday as determined by the Public Holidays Act No. 36 of 1994. This means non-Business Days which are not valid Action Dates.
Randomisation	Means the random combination of all Payment Instructions by the Paying Bank.
Recall	A Recall means a request by a User to its Sponsoring Bank to withdraw a Payment Instruction not yet posted to the Bank Account of the Payer.
Reversal	A Reversal means a request by the User to its Sponsoring Bank to withdraw a Payment Instruction which has been processed to the Bank Account of the Payer.
Registered Mandate	Registration of Mandate Information at the Paying Bank that has not been Authorised by the Payer, and which is therefore not registered as DebiCheck, due to no response being received from the Payer and collected against the Payer's Bank Account as a Registered Mandate as set out in C2.
Second Priority	Randomisation of NAEDO and Registered Mandate Payment Instructions which are processed directly after the First Priority, in the Early Window.
Sponsoring Bank	The Bank that sponsors the User.
Mandate Suspension	An Instruction by the Payer to the Paying Bank to stop future Payment Instructions from being processed on the Payer's Bank Account.
System Error	The processing of a Payment Instruction which has been introduced into the Payment System erroneously, by either a Bank or a Bank's User.
System Error Correction	The automated process of correcting a System Error.
TPPP (Third Party Payment Provider)	A Third-Party Payment Provider as contemplated in section 7(c) of the NPS Act, who collects payments on behalf of the Ultimate Creditor (Netcash Client).
Ultimate Creditor	The person to whom the Payer has given the Mandate.

Term	Definition
User	The person (Ultimate Creditor or TPPP collecting on behalf of the Ultimate Creditor) sponsored by the Sponsoring Bank, including an Ultimate Creditor that may or may not have a direct relationship with the Sponsoring Bank.

2. Qualifying Criteria

In order for Netcash to be sponsored into the National Payment System by its NSB, the NSB must be satisfied regarding the following:

2.1 The User must not introduce any risk into the National Payment System. This risk includes but is not limited to, reputational, legal and/or financial risk.

2.2 The User must submit Payment Instructions as per the technical specifications provided to them by the NSB.

2.3 The User must comply with Netcash and its NSB's pre-onboarding vetting which includes (without limitation) producing a sample of their Mandate for vetting to ensure compliance with the minimum requirements as set out in this Terms of Use.

3. Payment Instructions eligible for processing

3.1 Can only be submitted as per the Mandate Information registered in the Mandate Register;

3.2 Can only be submitted to the NSB in its capacity as the Sponsoring Bank;

3.3 Can only be submitted after the Mandate Information has been Authorised;

3.4 Must conform to and contain the required information as per the relevant NSB channel specifications utilised by Netcash;

3.5 Before the Payment Instruction can be presented against the Payer's Bank Account, it must be successfully validated by the Paying Bank. Whether the Payment Instruction is successfully validated or not, a response will be sent to the NSB by the Paying Bank;

3.6 The User must ensure that the Collection Amount must always be less than or equal to:
- 3.6.1 the Maximum Collection Amount in respect of usage based and variable Mandates; or
- 3.6.2 the Instalment Amount in respect of fixed and variable Mandates (where present);
- 3.6.3 Once-off mandate – Collection Amount must be equal to the Instalment amount;
- 3.6.4 First Collection amount must be equal to the First Collection Amount;

3.7 The Maximum Collection Amount must always be known and Authenticated by the Payer;

3.8 For a Once-off Mandate the Instalment Amount and the Maximum Collection Amount must be equal to one another.

Action Date and Date Adjustment

3.9 The User must ensure that Payment Instructions are submitted in accordance with the following:
- 3.9.1 If the Date Adjustment Indicator is set to "No" the Collection Day will be on the same day as the Action Date or the next Processing Day to cater for non-processing days.
- 3.9.2 If the Date Adjustment Indicator is set to "Yes" the Collection Day may not necessarily be on the same day as the Action Date.

Contract Reference

3.10 The Contract Reference as contained in the Payment Instruction will reflect on the Payer's bank statement.

3.11 A Contract Reference may only be amended by the Ultimate Creditor provided that no Payment Instruction has been presented against the Payer's Bank Account.

3.12 Once a Payment Instruction has been presented against the Payer's Bank Account, a Contract Reference cannot be changed for the duration of the Contract.

3.13 A new Contract Reference may be issued only in respect of a new Mandate.

4. Mandate Initiation

4.1 The minimum Mandate Information which must appear in all Mandate types (i.e. fixed, variable or usage based) for voice, written or electronic (not incorporated into the contract document) or which is to appear in the contract document (in which the Mandate is also embedded), as set out in C3. With regards to the latter, the contract document would have to be disclosed in order to evidence the existence of the information set out below.

4.2 The NSB can process a request to the Paying Bank to register Mandate Information in real time or batch.

4.3 After successful validation, the Paying Bank will request Authorisation from the Payer.

4.4 The NSB will advise the User should the request to register Mandate Information be rejected by the Paying Bank due to failed validations.

4.5 The Paying Bank may only capture the Mandate Information in the Mandate Register and create a Mandate Reference Number per Mandate initiation request on successful Authorisation by the Payer.

4.6 Each Mandate Information, including Mandate Information for Once-off Mandates, must have a Mandate Reference Number.

4.7 Mandates will be verified by NSB prior to processing.

4.8 Once-off Mandate

4.8.1 The User must request Authorisation in respect of a Once-off Mandate.

4.8.2 A Once-off Mandate will have a unique Mandate Reference Number and where there is an existing underlying contract between the Payer and the Ultimate Creditor, the same Contract Reference must be used/retained.

4.9 DebiCheck Payment Instructions will be presented as First Priority.

5. Mandate Amendment

5.1 If a User amends the Mandate and in doing so changes the format from what is currently being used read with clause 4.1 above, the format must be approved by the NSB prior to being used.

5.2 When amending a Mandate, the User must ensure that the applicable contractual and/or legislative obligations are met including but not limited to the Payer's authorisation.

5.3 Mandate Amendment Requests must originate from or on behalf of the Ultimate Creditor but may be delivered by the User/TPPP involved (where applicable).

5.4 Amendments to Mandate information can be processed in real time or batch.

5.5 Mandate Amendment Requests must contain the Mandate Information that must be amended and the Mandate Reference Number/s to enable the Paying Bank to identify the Mandate Information that it needs to amend.

5.6 The Paying Bank will determine if the Mandate Amendment Request requires Authorisation by the Payer or Notification to the Payer.

5.7 If the Paying Bank's validation fails, then the request must be rejected.

5.8 The Paying Bank must validate if the Mandate Amendment Request requires Authorisation from or Notification to the Payer or where no action by the Payer as per C5.

5.9 If the requested amendment requires Authorisation from the Payer, and:

5.10 Authorisation is obtained; the Paying Bank must update the Mandate Register with the new details.

5.11 If no Authorisation is obtained, then the Paying Bank cannot update the Mandate Register and therefore the existing Mandate Information will remain in effect.

5.12 If the requested amendment requires Notification, the Paying Bank must update the Mandate Register with the new details and notify the Payer that there has been an amendment.

5.13 The NSB will submit the outcome of the Mandate Amendment Request to the User as received by the Paying Bank. The User will receive the outcome (i.e. where the Payer was notified or where the amendment was Authorised, not Authorised, or no response by the Payer) of the Mandate Amendment Request prior to submission of the next Payment Instruction.

5.14 If a User wishes to send a consecutive amendment of a Mandate, the User must only do so once the response of the initial amendment request is received.

6. Mandate Retention

6.1 In the event of Mandate Information being suspended or cancelled, the Mandate Information will be retained in the Mandate Register for a period of 13 (thirteen) months where after it may be archived.

7. Mandate Information

7.1 The User may request for Mandate Information from the Mandate Register.

7.2 The User must submit the request to its Sponsoring Bank.

7.3 Such request must contain the Mandate Reference Number and the Ultimate Creditor's Abbreviated Short Name.

7.4 Where there is a conflict between the Mandate Information contained in the Mandate Register and the information contained elsewhere, the Mandate Information in the Mandate Register will prevail.

8. Cancellation of Mandate Information

8.1 When a DebiCheck Payment Instruction is cancelled this means the cancellation of the Mandate Information in the Mandate Register which will stop all further processing of Payment Instructions in respect of the Mandate Information.

8.2 Cancellation of Mandate Information can be processed in real-time or batch.

8.3 The User has the discretion to cancel the Mandate information at any time with the NSB; however the User must cancel Mandate Information with the NSB when the Mandate between the Payer and the Ultimate Creditor is cancelled and/or terminated.

9. Credit Tracking

9.1 Where a User makes use of Credit Tracking the User must indicate (on the Mandate) that the Credit Tracking option will be used.

9.2 The User will only be afforded Credit Tracking for a maximum of 10 (ten) calendar days commencing on the Action Date.

10. Disputed Authority for Payment Instructions

10.1 The Payer has the right to make a Dispute Request against any successful Payment Instruction processed against his/her Bank Account at his/her Paying Bank provided that all the requirements for a Dispute Request are met namely:

10.2 The Paying Bank must verify the identity of the Payer;

10.3 the Payer must identify the successful Payment Instruction in dispute; and

10.4 the Payer must provide the reason for the dispute which must be one of the following:
10.4.1 the amount of the Payment Instruction differs from the amount the Payer Authorised; or
10.4.2 the Payment Instruction was presented on a date not Authorised by the Payer.

10.5 A Dispute Request is allowed on all Mandate types and is initiated as a result of Payment Instruction being processed contrary with the terms of the Mandate (e.g. Instalment Amount or date field).

10.6 A Dispute Request will qualify as a Dispute Action if:

10.6.1 the Dispute Request for the full amount of the Payment Instruction is made within 60 (sixty) Calendar Days from date the Payment Instruction was successful; and
10.6.2 the Action Date of the Payment Instruction does not match the Collection Day (except where the Processing Day Rule applies) irrespective of whether the Date Adjustment is set to "yes" or to "no"; or
10.6.3 the amount collected in accordance with the Payment Instruction is greater than the Instalment Amount in the Mandate Register; or
10.6.4 no Instalment Amount appears in the Mandate Register; or
10.6.5 the Payment Instruction is a representment.

10.7 If the Dispute Request does not qualify as a Dispute Action, the Paying Bank will not get involved with the resolution of the dispute between the Payer and the Ultimate Creditor.

10.8 If the Dispute Request does qualify as a Dispute Action the Paying Bank must:
10.8.1 credit the Payer's Bank Account within 2 (two) Processing Days from the date the Dispute Request qualified as a Dispute Action; and
10.8.2 send a message to the NSB of the Dispute Action, which will result in the automatic reversal of the Payment Instruction by the NSB, back to the Paying Bank.

10.9 The Sponsoring Bank will notify the User of a successful Dispute Action on reversal of funds.

10.10 No Dispute Action may be processed for any partial amounts.

11. Returned Payment Instructions

11.1 If for any reason a Payment Instruction cannot be processed as received by a User, the NSB will return the Payment Instruction to the User due to either being unpaid or disputed, together with a reason as per the Unpaid Response and Dispute Reason Codes provided for in C4.

11.2 These Response and Reason Codes each have an action attached to them to which the User must comply with.

12. Recalls

12.1. DebiCheck recall requests can only be actioned against Payment Instructions prior to collection or that are in Credit Tracking. This must be effective before the start of the next day's tracking requests. I.e. Any recall request submitted against Payment Instructions already in collection or not in tracking when the request must be actioned will be rejected.

12.2. The requests for and the responses to DebiCheck recalls must be processed in batch format.

12.3. The Mandate Reference Number for the original Payment Instruction must be included as part of the recall request failing which the request will be rejected.

12.4. The User may not submit a Recall request in order to recover part of the Payment Instruction value.

12.5. Successful and unsuccessful responses to the Recall request will be provided to the User.

12.6. Where the NSB is unable to assist the User with a Late Recall request, the NSB may process such request as a Reversal and/or System Error Correction.

12.7. Partial reversals/recoveries are not allowed.

13. System Errors

13.1. Where the User has successfully processed a DebiCheck Payment Instruction, which was invalid due to a System Error, for instance where a System Error has resulted in the duplication of a Payment Instruction, the User may request the NSB to reverse the Payment Instruction.

13.2. In the event of a System Error Correction authorisation from the Payer will not be required.

14. Abbreviated Short Name

14.1. Must be validated and approved by the NSB prior to being included in any Payment Instructions.

14.2. Should an Abbreviated Short Name submitted by the User be similar to or already in use by another User (including Users sponsored by other banks), the NSB will reject the Abbreviated Short Name submitted and the User will have to resubmit a different Abbreviated Short Name.

14.3. The Abbreviated Short Name as contained in the Payment Instruction will reflect on the Payer's bank statement.

15. Mandate Suspension

15.1. The Payer is entitled to request the suspension of the Mandate Information for the following reasons:

15.1.1. the Contract has expired; or
15.1.2. the Payer does not agree with the revised terms; or
15.1.3. the Payer has cancelled the contract;

15.2. Mandate Information will also automatically be suspended:

15.2.1. after the 7th (seventh) consecutive unsuccessful Payment Instruction;
15.2.2. when the Payment Instruction, indicated as final or relates to a Once-off Mandate, has been successfully collected;
15.2.3. when a Payment Instruction is returned with the response "Account Closed";
15.2.4. when a Payment Instruction is returned with the response that the Payer's Bank Account is unable to accept debits or is inoperable for whatever reason;
15.2.5. upon receipt of the Payer's request to suspend the Mandate Information;

15.3. The User will be notified of a Mandate Suspension and must ensure that the Ultimate Creditor is also notified thereof;

15.4. The NSB will make available the details of the Mandate Suspension request to the User.

15.5. Mandate Suspension suspends the Mandate immediately and indefinitely.

15.6. Where a Payment Instruction is unsuccessful and returned due to a Mandate Suspension the User must not submit nor resubmit any future dated Payment Instruction(s).

15.7. A Mandate Suspension will also stop any Payment Instruction that is already in Credit Tracking while the Mandate Information is suspended.

15.8. The User may seek to resolve the issue with the Payer and may request that the Mandate be unsuspended.

15.9. The User can only unsuspend the Mandate Suspension by means of Mandate Amendment Request provided that Authorisation has been obtained from the Payer.

15.10. The NSB will notify the User once the Mandate Information has been unsuspended. The User must ensure that the Ultimate Creditor is also notified thereof.

15.11. The User has 13 (thirteen) months to reinstate or cancel the Mandate from the Mandate Register, failing which the Mandate Information will be removed from the Mandate Register.

16. Presentment and Re-Presentment

16.1. Only 2 (two) presentments are allowed for the same Action Date, except for a Once-Off Mandate, where only a single presentment at a time is allowed per once-off collection authenticated initially.

16.2. A Payment Instruction can only be re-presented if such Payment Instruction was not successfully collected including a previously reversed Payment Instruction and meets the required payment type.

16.3. The User may re-present a Payment Instruction against a Once-Off Mandate, if unsuccessful.

16.4. For these payment types and the allowable presentment combinations refer to C6, provided they have been agreed to in the Mandate.

16.5. The User may not present Payment Instructions in contravention of the actions relating to the Unpaid Response Codes and the Dispute Reason Codes as outlined in C4.

17. Item Limit

17.1. The User may not circumvent the specified item limit by splitting Payment Instructions.

17.2. The DebiCheck debit Item limit is R 1 000 000 (One Million Rand).

18. Cession and/or Assignment

18.1. A User may not cede or assign any of its rights in terms of a Mandate held to any third party unless:
- 18.1.1. the Contract/Agreement is also ceded or assigned to that third party;
- 18.1.2. such cession or assignment is communicated to the Payer prior to any Payment Instructions being processed against the Bank Account of the Payer in terms of the ceded or assigned Mandate; and
- 18.1.3. the Payer is informed of the full name of the third party and its Abbreviated Short Name, should these details change due to the cession or assignment.

18.2. Once the User has notified the NSB of the cession or assignment the NSB is obligated to inform the PASA and the Paying Bank of the cession or assignment.

18.3. The User will not be able to complete the cession or assignment until notified by the NSB that the Paying Bank has updated the Mandate Register successfully.

18.4. Only the following fields can be updated without Authorisation by the Payer:
- 18.4.1. Ultimate Creditor or TPPP Nominated Account number (whichever is applicable);
- 18.4.2. Ultimate Creditor or TPPP Bank name and branch code (only applicable where the Sponsoring Bank changes)
- 18.4.3. Ultimate Creditor and/or TPPP contact details (if TPPP applicable), i.e. telephone number and email address
- 18.4.4. Ultimate Creditor and/or TPPP name (if TPPP applicable)

18.5. Mandates that have been cancelled or suspended cannot be re-instated through the cessions/assignment process.

18.6. The User who is a recipient of a Mandate and agreement of cession or assignment may only request Mandate Information using the existing Mandate Reference Number.

18.7. Any Dispute Actions raised against Payment Instructions which were successfully processed prior to the cession or assignment will be processed to the User on record with the NSB prior to the cession or assignment. The User must allow for Dispute Actions and enquiries to the Nominated Account which is to be ceded or assigned for a minimum period of 12 (twelve) months.

18.8. Payment Instruction which are in Credit Tracking before the cession or assignment will remain in Credit Tracking until either successful or the period for Credit Tracking is complete, whichever occurs earlier.

18.9. Once a Payment Instruction has been presented against the Payer's Bank Account, a Contract Reference cannot be changed for the duration of the Contract even in the event of cession or assignment.

19. Fraud

19.1. The Payer is entitled to report Alleged Fraud to its Paying Bank (e.g. the Payer did not Authenticate or Authorise the Mandate request, the contract has been paid up, or the contract has been cancelled).

19.2. All complaints of alleged Fraudulent Transactions received by the NSB will be reported to the relevant NSB Fraud team for investigation.

19.3. Where the Paying Bank is not the NSB, it may engage with the NSB in an attempt to recover a refund for the Payer which will also be reported to the relevant NSB Fraud team for further investigation.

19.4. Where Fraudulent Transactions are proven in respect of any User, the NSB may suspend and/or terminate the sponsoring relationship with such User.

C1 - MIGRATED NAEDO

All DebiCheck terms will apply to Registered Mandates but for the terms contained in C1. In the event of a conflict between the DebiCheck terms and the Migrated NAEDO terms, or a deviation from the DebiCheck terms, the Migrated NAEDO terms in this document will prevail and apply.

1. Mandate Initiation

1.1. A Migrated NAEDO Mandate can only be initiated and/or submitted during the Migration Period through the Netcash Sponsoring Bank (NSB).
1.2. The request for Migration does not require Authorisation by the Payer;
1.3. The request for Migration must be submitted in accordance with the DebiCheck Mandate types. i.e. fixed, variable or usage.
1.4. Neither the Instalment Amount nor the Maximum Collection Amount for any Migration request must exceed the Item Limit.
1.5. The NSB will inform the User of the outcome of a Migration request;
1.6. Migration (whether successful or not) will not impact on the ability to collect with the existing Mandate in a different Payment System transaction type provided the existing Mandate is a valid Mandate and conforms to the minimum requirements as per clause 5.1. above.
1.7. Migrated NAEDO Payment Instructions will be presented as First Priority.

2. Mandate Amendment

2.1. The Migrated NAEDO Mandate can be converted to a DebiCheck Mandate by means of a Mandate Amendment Request which must be Authorised by the Payer;
2.2. Should Authorisation not be obtained by the Payer the Mandate will remain a Migrated NAEDO Mandate.
2.3. Where a Migrated NAEDO Mandate requires Notification, the Mandate will remain a Migrated NAEDO Mandate.

3. Disputed Authority for Payment Instruction

3.1. Payment Instructions in respect of Migrated NAEDOs are disputable and reversable.
3.2. A Dispute Request for a Migrated NAEDO will result in a Dispute Action for the following reasons:
  3.2.1. Amount not allowed;
  3.2.2. Date invalid;
  3.2.3. Not what the Payer agreed to;

4. Item Limit

4.1. The Migrated NAEDO Debit Item Limit is R30 000 (Thirty Thousand Rand).

C2 - REGISTERED MANDATE SERVICE

All DebiCheck terms will apply to Registered Mandates but for the terms contained in C2.

1. Mandate Initiation

1.1. The User may only request a Registered Mandate after the Payer has failed to respond to the DebiCheck Mandate initiation request, resulting in a no response code ('NRSP') being received by the User.
1.2. The User may only initiate the Registered Mandate within 10 (ten) Calendar Days from receipt of the NRSP.
1.3. The Mandate Information in the Registered Mandate must not differ from the Mandate Information in the related DebiCheck Mandate except for:
  1.3.1. First Collection Amount (if not present);
  1.3.2. First Collection Date (if not present);
  1.3.3. Authentication Type;
1.4. After the Registered Mandate has been successfully validated by the Paying Bank, the Paying Bank will notify the Payer.
1.5. Registered Mandate Payment Instructions will be presented as Second Priority.

2. Mandate Amendment

2.1. The Registered Mandate can be converted to a DebiCheck Mandate by means of a Mandate Amendment Request which must be Authorised by the Payer.
2.2. Should Authorisation not be obtained by the Payer the Mandate will remain a Registered Mandate.
2.3. Where a Registered Mandate requires Notification, the Mandate will remain a Registered Mandate.
2.4. If a User amends the Mandate and in doing so changes the format from what is currently being used, the format must be approved by the NSB prior to being used.
2.5. When amending a Mandate, the User must ensure that the applicable contractual and/or legislative obligations are met including but not limited to the Payer's authorisation.

3. Disputed Authority for Payment Instruction

3.1. Payment Instructions in respect of Registered Mandates are disputable and reversable.
3.2. A Dispute Request for a Registered Mandate will result in a Dispute Action for the following reasons:
  3.2.1. Amount not allowed;
  3.2.2. Date invalid;
  3.2.3. Not what the Payer agreed to.

4. Losses

4.1. Where a User is found to have initiated a Registered Mandate when the related DebiCheck Mandate initiation request was declined by the Payer, or if, due to the unsuspension or amendment of a Registered Mandate, the Mandate from the Payer is converted to DebiCheck which is disputed by the Payer, the User is responsible for any Losses raised against the NSB as a result.

C3 – Mandate Information

1. The minimum information which must appear in all Mandate types (i.e. fixed, variable or usage based) for voice, written or electronic (not incorporated into the contract) or which is to appear in the contract document (in which the Mandate is also embedded), is set out below.

2. With regards to the latter, the contract document would then have to be disclosed in order to evidence the existence of the information set out below (if not all set out in the Mandate embedded in the contract).

3. The minimum requirements to be contained in the Mandate / contract are the following: -

    3.1. Full name of Ultimate Creditor (registered name, including trading name);
    3.2. ABSN (to enable a Payer to identify who debited their account and included on the Bank statement);
    3.3. Contract Reference number;
    3.4. First Collection date if required;
    3.5. Collection Day (i.e. if salary date is stated, an indicative date as to when the amount may be deducted from the Payer's account is to be provided);
    3.6. Frequency of the Payment Instruction (weekly, fortnightly, monthly, quarterly, annually, biannually, and monthly by rule (e.g. 3rd Friday of every month).
    3.7. Date adjustment rule – is a field used to indicate that the Collection Day may or may not change and is intended to be used for either indicating (i) a fixed Collection Day [i.e. the date adjustment rule indicator is 'no'] or (ii) a Collection Day that may change [i.e. the date adjustment rule indicator is 'yes'];
    3.8. Payer's details – must contain:
        3.8.1. Surname, full name or initial of Payer;
        3.8.2. Identity, passport number or temporary residence ID;
        3.8.3. their bank (as Paying Bank);
        3.8.4. account number;
        3.8.5. disclosure to the Payer (as opposed to consent) for Credit Tracking;
        3.8.6. Explicit Authority by the Payer to debit their account (I Authorise the Bank to debit my account);
        3.8.7. Authorisation of the Payer (a wet signature; biometric record, a legally acceptable "electronic signature" and / or voice recorded consent) and the date on which such consent was granted.
    3.9. Cession and/or Assignment whereby the Payer acknowledges that the Mandate may be ceded or assigned to a third party if the Contract is also ceded or assigned to that third party.
    3.10. The further information which is to appear over and above the information stated above:

Fixed Mandate	Variable Mandate	Usage Based Mandate
Initial Amount (i.e. an amount that is not the same as the Instalment Amount, insert in mandate, if applicable).	Initial Amount (i.e. an amount that is not the same as the Instalment Amount, insert in mandate, if applicable).	Initial Amount (i.e. an amount that is not the same as the Instalment Amount, insert in mandate, if applicable).
Instalment Amount: the amount is a fixed recurring amount.	Instalment Amount: the amount is a predetermined recurring amount (subject to the adjustment category changes).	Instalment Amount: if available, is presented.
Maximum Amount: can be up to 1.5 times greater than the Instalment Amount.	Maximum Amount: can be up to 1.5 times greater than the Instalment Amount (subject to the adjustment category changes).	Maximum Amount: must always appear.
Adjustment Category: Not required to be presented – refers to the ability of the Creditor (User) to adjust the Instalment Amount and / or maximum amount: this must be defaulted to never.	Adjustment Category: Refers to the ability of the Creditor (User) to adjust the Instalment Amount and / or maximum amount: this must be never, quarterly, biannually, annually, when the repo rate changes. Other than when 'repo rate' or 'never' is elected, one of the following must appear – Adjustment Amount (an amount that the Instalment and / or Maximum Collection Amount may be adjusted based on Adjustment Category) OR Adjustment Rate (a rate that the instalment and / or maximum). Collection Amount may be adjusted based on Adjustment Category).	Adjustment Category: Refers to the ability of the Creditor (User) to adjust the Instalment Amount and / or maximum amount: this must be never, quarterly, biannually, annually, when the repo rate changes. Other than when 'repo rate' or 'never' is elected, one of the following must appear – Adjustment Amount (an amount that the Instalment and / or Maximum Collection Amount may be adjusted based on Adjustment Category) OR Adjustment Rate (a rate that the instalment and / or maximum). Collection Amount may be adjusted based on Adjustment Category).

C4 – Dispute Return Reason Code

Code	Description	Action to be Taken
AM02 Not allowed amount	The Payer is disputing the Payment Instruction based on the fact that the amount differs from what is agreed to in the Mandate.	The current Payment Instruction, as well as all future Payment Instructions, must be removed from processing. The User must obtain a new Mandate from the Payer prior to submitting any new Payment Instruction.
DT01 Invalid date	The Payer is disputing the Payment Instruction based on the fact that the date differs from what is agreed to in the Mandate.	The current Payment Instruction, as well as all future Payment Instructions, must be removed from processing. The User must obtain a new Mandate from the Payer prior to submitting any new Payment Instruction.
NWIA Not what I agreed to	The Payer is disputing the Payment Instruction based on the fact that the Payment Instruction differs from what is agreed to in the Mandate.	The current Payment Instruction, as well as all future Payment Instructions, must be removed from processing. The User must obtain a new Mandate from the Payer prior to submitting any new Payment Instruction.

C5 – Mandate Amendment Requirements

Date Element	Notification or Re-Authorisation with Payer if Amended	Validate Debit Payment Instruction against Mandate
Initial Amount	Re-authenticate	Yes (if provided and different to Instalment Amount)
Adjustment Amount	Re-authenticate	No
Adjustment Rate	Re-authenticate	No
First Collection Date	Re-authenticate	Yes
Collection Day	Re-authenticate	Yes
Date Adjustment Rule Indicator	Re-authenticate	Yes
User / Ultimate Creditor Abbreviated Short Name	Re-authenticate	Yes
Maximum Collection Amount	Notification	Yes
Adjustment Category	Notification	No
Payer Account Type	Notification	No
Tracking Indicator	Notification	Yes
Payer Identification	Notification	No
Frequency	New Mandate required	Yes
Contract Reference Number	New Mandate required	N/A
Paying Bank	New Mandate required	Yes
Debit Value Type	New Mandate required	No
Mandate reference	New Mandate required	Yes
User / Ultimate Creditor Name	Dependent – Mandate amendment must be sent by User / Ultimate Creditor and User / Ultimate Creditor needs to notify Payer	No
Payer Account Number	Dependent - Notification if in same Bank else New Mandate required	Yes
Instalment Amount	Dependent – Re-authorise if outside adjustment rules	Yes
Sponsoring Bank	N/A	No
Mandate Initiation Date	N/A – not a changeable field	No
Mandate Authentication Date	N/A – not a changeable field	No
Message authentication code	N/A – not a changeable field	No
Authentication indicator	N/A – not a changeable field	No
Authentication channel	N/A – not a changeable field	No
Payer Name	N/A – User can send an amendment request for the Mandate Database and Mandate Register to be in sync.	No

C6 – Allowable Presentment Combinations

Only two presentments are allowed for the same Action date.
The types of presentments allowed are:

- First – FRST
- Recurring – RCUR
- Represented (arrears) – RPRE
- Final (Last) – FNAL

Please note that there is no order determination between the first and second presentment, but it is the combination that must be correct.

First or Second Presentment		**Action**
FRST	FRST	Reject
FRST	RCUR	Process
FRST	FNAL	Reject
FRST	RPRE	Reject
RCUR	FRST	Process
RCUR	RCUR	Reject
RCUR	FNAL	Process
RCUR	RPRE	Process
RPRE	FRST	Reject
RPRE	RCUR	Process
RPRE	FNAL	Process
RPRE	RPRE	Process
FNAL	FRST	Reject
FNAL	RCUR	Process
FNAL	FNAL	Reject
FNAL	RPRE	Process
PRESENTMENTS per ONCE-OFF COLLECTION		
Only a single presentment at a time is allowed per Once-off collection authenticated initially. Types of presentments allowed are: • Once-off – OOFF • Represented – RPRE (cater for unpaid once off amount).		
		Action
OOFF		Process
RPRE		Process
OOFF	FRST	Reject
OOFF	RCUR	Reject
OOFF	OOFF	Reject
OOFF	FNAL	Reject
OOFF	RPRE	Reject

C7 – Mandate Information

For purposes of this annexure: Collection Amount is synonymous with Instalment Amount. This Table provides the minimum Mandate Information to be held in the Mandate Register.

Message Element Name	Description / Comments
Adjustment Category	This field may contain “N” – Never; “A” – Annually; “B” – Biannually; or “R” Repo.
Authentication Channel	Paying Bank authorisation channel to Payer (e.g. ATM, Internet Banking, Mobile and Card.
Authentication Type	This field may contain – “REAL TIME” or “BATCH” or “PREAUTH”
Authorisation (MAC)	Used for Card Present (CP) Authentication for TT3.
Collection Amount	Amount of this Payment Instruction – Amount due and payable by Payer
Collection Day	Contains a number for the day of Collection as per Frequency selected
Contract Reference	The number issued by the User / Ultimate Creditor to the Payer when a contract is concluded between both parties. This will appear on the statement and will be referenced in Mandate Suspension, etc.
Creation date and time	The format as captured YYYY-MM-DD T hh:mm:ss
Ultimate Creditor Account Number	This is the Ultimate Creditor’s Bank Account number.
Sponsoring Bank (branch number)	The 6-digit branch sort code as required to identify the Bank.
Ultimate Creditor Details	Ultimate Creditor Name, Telephone Contact Details, Email Contact Details, Account Number, Bank Branch Number, Ultimate Creditor Identifier and Abbreviated Short Name.
Ultimate Creditor Name	35-character field to capture Ultimate Creditor Name.
Date Adjustment Rule	Used to indicate that Collection Day could change (“Y” – Yes or “N” – No).
Debit Sequence Type	Allows for First, Once-off, Recurring, Re-presented or Final.
Debit Value Type	Indicator to describe the mandate type – Fixed, Variable OR Usage-based.
Payer Account Number	This is the Payer’s Bank Account Number.
Payer Account Type	Current, Savings, Transmission.
Payer Details	Payer- Name, Identification, Telephone Contact Details, Email Contact Details, Payer Account Number, Account Type, Paying Bank Branch Number, Ultimate Payer Name.
Payer Name	Individuals who is responsible for the mandate Authorisation and payment of the Collection.
First Collection Date	Earliest date in which the first Collection can occur.
Frequency	Frequency of Collections – weekly, monthly, quarterly, annually, bi-annually, fortnightly, monthly by rule.
From Date (Mandate Initiation Date)	Date on which the mandate is first submitted to the Payer for Authorisation.
Initiating Party	The name of the Ultimate Creditor.
Mandate Reference Number	Paying Bank provides this unique mandate identification in the response if the Mandate Information is Authorised in the mandate. This number must be unique in the industry for lifetime of the Mandate Information and consists of 4-character Bank Number, 8 Numeric Mandate Creation Date and 10 characters of Free format.
Mandate Status	This will reflect the status of the mandate – Active, Suspended or Cancelled.
Maximum Collection Amount	Maximum amount that can be collected.
Message Identifier	Unique Message Identifier constructed of several elements including date and file number.
Remittance Information	The first 10 characters of statement lines will contain the short name; the next 14 digits are the agreement number, and then a 6-digit date indicating the Collection Date. The remaining 110 characters are to be used for bill presentment.