

Terms and Conditions Governing Use of N-Pay Digital Payment System

These digital terms and conditions ("**Terms and Conditions**") govern the use of NBP Fund Management Limited's ("**NBP Funds**") N-Pay Digital Payment System or N-Pay. N-Pay Digital Payment System, is an online payment system that will enable businesses to securely and efficiently make salary, vendor, bill, and tax payments in just a few clicks. These Terms and Conditions are in addition to Terms and Conditions governing use of N-Pay Digital Payment System (the "**Arrangement**") and, other terms and conditions acknowledged and signed by the CUSTOMER on relevant forms at the time of account opening / entering into an Arrangement and executing transactions.

Capitalized terms used in these Terms and Conditions shall have the same meaning as defined in Terms and Conditions governing use of N-Pay Digital Payment System (the "**Arrangement**") unless otherwise stated. References to 'I', 'you', 'your' and 'yours' are references to the User(s) accessing N-Pay.

These Terms and Conditions are applicable on each N-Pay User(s) i.e. Admin, Maker, Checker, Authorizer and Super Authorizer (in case of single-person business having sole access and control) using / accessing the N-Pay Digital Payment System in their individual capacity, unless any clause referred to specific N-Pay User. These Terms and Conditions shall remain valid and binding on each User(s) unless cancelled/terminated by the NBP Funds. User(s) agrees not to challenge any such cancellation/termination and will not contest this in any way.

The User(s) accessing the N-Pay shall be deemed to have read and accepted these Terms and Conditions. The User(s) are required to read and agree to these Terms and Conditions prior to use of N-Pay Digital Payment System and NBP Funds shall be entitled to deem such Users as having agreed to these Terms and Conditions. Any violation of these Terms and Condition would result in restricting the access of User to N-Pay and/or discontinuation of Arrangement as deem fit by NBP Funds.

1. The User(s) will fully abide by all Terms and Conditions, guidelines, procedural requirements made applicable by NBP Funds from time to time for utilizing N-Pay Digital Payment System.
2. User(s) acknowledges that although every precaution has been taken to offer the N-Pay Digital Payment System using all reasonable security measures, there is a risk of unauthorized access to CUSTOMER information if the CUSTOMER and/or its User(s) fail to exercise adequate controls over the password(s) and login information. By using the N-Pay Digital Payment System, the CUSTOMER acknowledges that this risk exists and that NBP Funds is not liable for any harm or damage that may occur due to gross negligence of the CUSTOMER and/or its User(s).
3. User(s) shall not use N-Pay Digital Payment System for any purposes other than making salary, vendor, bill and tax payments. In the context of making payments, the respective User shall not use N-Pay for illegitimate purpose such as; executing / making illegal payments / fund transfer to beneficiaries (payees) which are subject to sanctions by Law Enforcement Agencies and shall adhere with all applicable laws.
4. Each User of N-Pay is responsible to perform their obligation as associated with their respective role/ authority assigned in N-Pay including but not limited to following:

- 4.1 Admin User rest with overall responsibility to create Maker and Checker in N-Pay database and provide their correct details / information and maintain data accuracy. This also includes updation of records / editing their details as and when required and/or upon intimation through system generated emails / alerts, changing their status from Active to Inactive and vice versa as well as deleting users who are no longer needed;
- 4.2 Maker will be responsible to add beneficiaries / payees in N-Pay database, enter their information accurately and create payment transactions against those payees / beneficiaries; the Maker cannot be an Authorizer.
- 4.3 Checker will be responsible for reviewing every transaction and payment created by the Maker, and for verifying the details of all payees that are being added and edited in the N-Pay database; the Checker cannot edit the information prepared by the Maker and cannot be an Authorizer.
- 4.4 The Authorizer (including Super Authorizer) will only be responsible for approving (or rejecting, in case of discrepancies), and processing all payments (transactions and bill payments). The Authorizer will be required to authorize and process payments as per the limits set for them, according to the instructions given in the relevant Forms i.e. (N-Pay Registration Form and/or N-Pay Change Request Form).
- 4.5 In the event the CUSTOMER intends to close /discontinue the use of N-Pay Digital Payment System upon notification to NBP Funds, the respective User(s) shall ensure that there is no such request / transaction pending in N-Pay at the time of closure.
5. All digital payment transactions through N-Pay will be routed through CUSTOMER'S NBP Funds Account which is linked with N-Pay. Therefore, the Authorizer(s) authorized by the CUSTOMER and having authority of disbursing payment or Super Authorizer as the case may be, hereby grants an irrevocable and unconditional authorization to NBP Funds to redeem the equivalent Units from the CUSTOMER'S NBP Funds Account of respective Fund against each transfer / payment disbursement and further hereby grants an irrevocable and unconditional authorization to NBP Funds and the Trustee to redeem the Units of the Funds available in their account with NBP Funds against any of the transactions executed on the N-Pay on the Unit Price ("NAV") applicable for that Business Day without the need to file a separate redemption form. Tax on withdrawal may be deducted as per prevailing and applicable Tax Laws and as per the constitutive documents of the Funds / Plans.
6. The User authorizing the payment understand that where payment processed after respective Fund's cut-off time, the Units will be redeemed from CUSTOMER'S NBP Funds Account on the NAV applicable for the next Business Day and that User would not hold NBP Funds responsible for any loss consequent to such processing of redemption of Unit on the next Business Day.
7. Each Authorizer (being authorized by the CUSTOMER) or Super Authorizer as the case may be, hereby understands and agrees that all instructions transmitted through the N-Pay shall at all times be legally binding and enforceable against the CUSTOMER and accordingly waives all rights and remedies to challenge or dispute any instructions executed by NBP Funds (through N-Pay) in compliance with these Terms and Conditions. The User(s) authorized for payments hereby undertakes to indemnify and hold the NBP Funds

and the Trustee harmless from and against all losses, costs and damages that may be suffered or sustained in the performance of transaction.

8. Each User(s) performing transactions through N-Pay will be considered as an authorized user. The NBP Funds is authorized to accept such transactions and redeem the Units from the CUSTOMER'S NBP Funds Account (linked with N-Pay), irrespective of the fact that the transaction is carried out by the original authorized person user or any other person, whether on his/her behalf or not. The risk arising from the use and the misuse of the N-Pay for executing payments is thus solely assumed by the User(s) directly and NBP Funds or Trustee will not be liable in respect of the same.
9. The User(s) performing transactions agrees that all instructions transmitted by using the N-Pay, shall be deemed to be written instructions and agrees not to dispute or challenge the validity or enforceability of any such instruction on the grounds that such instructions were not written documents and hereby waives any such right that may have at law. In addition, such instructions are considered original documents and the User(s) agrees not to challenge the admissibility of any such instruction on the grounds that it is made in electronic form.
10. Each User(s) agree, accept and acknowledge that NBP Funds shall have no obligation to verify the authenticity of any transaction made by using the N-Pay, other than by means of verification of the login/password details / PIN code.
11. In the context of disbursing payment, the Authorizer(s) agrees that each transfer / payment disbursement through N-Pay shall be subject to an aggregate daily and monthly payment limit along with individual Authorizer(s) limit that are provided to NBP Funds at the time of registration to N-Pay and/or upon any change thereof. Daily payment limit will be available for 24 hours of a single day, subject to there being sufficient number of Units in NBP Funds linked Account.
12. In case there is insufficient number of Units or the drawing limit is exhausted, no transfer or utilization of Funds will be allowed. The Authorizer(s) therefore undertakes that they shall not make any activity via N-Pay amounting over and above the prescribed limit and such request shall not be honored by the NBP Funds.
13. Notwithstanding this condition, in case for any reasons, if the Authorizer somehow transfer amount over and above their prescribed limit, then the Authorizer(s) agrees to authorize NBP Funds to redeem such number of units equal to the transfer amount from the balance of Units lying with NBP Funds Account. In case, where CUSTOMER'S NBP Funds Account is overdrawn i.e. (Units are not available to recover the excess transfer / payment), NBP Funds shall reserve the right to set-off overdrawn amounts against amounts lying in CUSTOMER other accounts at NBP Funds (whether linked with N-Pay or not) by redeeming equivalent number of Units. In case, other account of CUSTOMER does not exist in NBP Funds and/or having insufficient balance to recover the excess amount, then CUSTOMER is being required to cover the shortfall through purchasing Units of respective Fund of equivalent amount.
14. In case the transaction is completed and Units redeemed from sender account i.e. (NBP Funds Account), however, the amount to beneficiaries / payees is either not disbursed or disbursed / transferred short or in excess by using N-Pay, the Authorizer(s) is required to lodge a claim/complaint with the NBP Funds for

respective transaction amount. The matter shall be resolved by NBP Funds in accordance with the 1LINK (PRIVATE) LIMITED ("1LINK") dispute handling procedure and pre-defined Turn-Around-Time (TATs). The TATs may be subject to change as and when revised by 1Link.

15. Notwithstanding the Clause 14 above, any N-Pay User(s) can lodge a complaint related to N-Pay by calling NBP Funds' Call Center, sending an email from their registered email address (the one associated with N-Pay) to support.npay@nbpffunds.com or can also lodge complaint through N-Pay Help Center available on all screens of the N-Pay portal. NBP Funds will register the complaint for further processing in accordance with their standard operating procedures.
16. The User(s) authorizing and transferring the payments will be liable for any loss of amount arising from any unauthorized transactions from their respective User ID if the loss occurs before you notify NBP Funds that your log-in credentials have been misused, lost or stolen or become known to someone else and if you contribute to the loss because of your failure to look after and keep your log-in credentials secure or your carelessness in failing to protect their security is the dominant cause of your loss; Or your unreasonable delay in notifying NBP Funds of the misuse, loss or theft of your log-in credentials becoming known to someone else and the loss occurs between the time you did, or should reasonably have, become aware of these matters and the time you officially notify NBP Funds. However, User(s) will not be liable for losses which are incurred before you have received your log-in credentials; if the transactions occurs after you notify NBP Funds that your credentials have been misused or become known to someone else.
17. NBP Funds may in its sole discretion can restrict the User(s) access to N-Pay and/or block the User(s) for performing any transaction if situation warrants and/or due to any doubt or suspicion. This also includes restricting any beneficiary(ies) / payee(s) addition to N-Pay and/or blocking of transactions (credit payments) in favor of that beneficiary(ies) / payee(s).
18. These terms and conditions shall be subject to changes from time to time and accordingly binding on the User(s).
19. In the event that transaction through N-Pay cannot be performed or the obligations cannot be fulfilled for any reason beyond the reasonable control of NBP Funds including communication malfunctions, power outage / electrical breakdown at any level disrupting the online service connection , war, strike, act of any civil or military or governmental authority or industrial action, terrorism, suicide bombing, pandemic or Acts of God, internet failures / cyber-attack/ mass theft in electronic verification details, then such non-performance or failure or non-fulfillment of obligations shall be deemed not to be breach of these Terms and Conditions.
20. NBP Funds N-Pay Digital Payment System (pass through only) transaction charges and any government taxes, duties and levies etc. shall apply and shall be deducted/ recovered by NBP Funds by redeeming equivalent number of units from the CUSTOMER'S NBP Funds Accounts based on the redemption price applicable on the redemption proceeds for onward remittance to revenue authorities.

21. User(s) understand that NBP Funds disclaim all and any liability, whether direct or indirect, whether arising out of loss of profit or otherwise arising out of any failure or inability by NBP Funds to honor any instruction from the User(s) or as a result of making or not making the N-Pay Facility available to any User, for whatsoever reason, even if NBP Funds have been advised of the same. The User(s) understands and accepts that NBP Funds shall not be responsible for any of the risks.

22. The User(s) accepts that there may be delays in redeeming CUSTOMER'S NBP Funds Account through redemption of Units on account of payment made to beneficiary / payee due to the infrastructure, connectivity and services provided by the network service providers and other factors, such as; unavailability of Units in CUSTOMER NBP Funds Account to honor the payment obligations, delays from settlement bank and/or financial institution end. As a result, while the User may give an instruction before the cut-off timings on a business day, the same may be processed after the cut-off timings and in calculating NAV, the following business day's rates shall be applicable. The User shall not hold NBP Funds liable for any such instances unless it is proved that delay is due to gross negligence of NBP Funds. Therefore, the User(s) also accepts that NBP Funds have disclaimed all liability in respect of the said risks. Circumstances where NBP Funds will not be liable will include (but not be limited to):
 - a. acting on instructions received by NBP Funds through the use of the N-Pay;
 - b. any reliance on financial information provided as part, or by means of integration with banks/financial institution systems;
 - c. any delays in executing payments from settlement bank and/or financial institution end including crediting beneficiary / payee accounts with payment received;
 - d. loss or distortion of data during transmission or other faults in the telecommunication network or a network failure.

23. The User acknowledges that the payment execution is dependent on the infrastructure, connectivity and services provided by the network service providers and other factors. The User accepts that timeliness, accuracy and readability of SMS/alerts/information shall depend on factors affecting the network service providers. NBP FUNDS shall not be liable for non-delivery or delayed delivery of SMS/alerts/instructions/information, payments, error, loss or distortion in transmission of information and instructions to/from the User.

24. NBP Funds by providing N-Pay Digital Payment System shall accept electronic transactions and requests for inter alia redemption of Units from CUSTOMER'S NBP Funds Account subject to these Term and Conditions. These Terms and Conditions are in addition to and not in derogation of the Trust Deed and Offering Document of the relevant Fund(s) of which the CUSTOMER is a Unit Holder and shall be construed in accordance with the applicable law and regulations from time to time. The login/password details selected by the User(s) is confidential in nature and the User(s) confirms that they will keep the login/password details confidential, including One-Time Password (OTP) received by User(s) on their registered mobile number and email address for performing transaction and/or any activity through N-Pay and will not divulge it to anybody else except for the purpose of using it themselves. The User(s) also agrees to take all possible care to prevent discovery of the login/password details/OTP by any other person. The responsibility for misuse of the login/password details/OTP of the User is solely of the User and NBP Funds shall not be responsible for the use/misuse of the login/password details/OTP or for any fraudulent activity / transactions made through using the N-Pay Facility in any manner whatsoever. Accordingly, the User agrees to accept the activities conducted through the use/misuse of or fraudulent use of the login / password details / OTP of the User in the same manner as if such activities were duly

authorized by the respective User. The User(s) shall inform NBP Funds immediately in case their login/password details become known to any other person or is lost. NBP Funds may in its absolute discretion, issue to the User a new login/password details on similar terms and conditions or under such terms and conditions as it may deem fit. The User accepts that the use of the N-Pay is not the most secure method of accepting and transmitting information and that it involves security hazards and the risk of obtaining of information by any third party will be to its account and NBP Funds shall, in no way, be held responsible for the same and this shall not be considered as a breach of its or its constituent company. The User shall accept a notification as received electronically against performing activity / transaction in N-Pay as conclusive evidence of the activity performed / transaction made by the User by using the N-Pay. NBP Funds reserve the right to take legal action against any User committing or attempting to commit frauds, fraudulent activities, involve in making / transferring illegitimate payments and/or use N-Pay Digital Payment System for illegitimate purpose. The User shall not interfere with, alter, amend, tamper with or misuse N-Pay in any manner whatsoever and in the event of any damage or loss due to improper or fraudulent use by the User, it shall be liable itself.

25. The User must ensure:

- 25.1 to protect the safety of password including other log-in credentials, emails / notification having User Log-in credentials;
- 25.2 adhere to password setting guidelines / criteria and security tips available on N-Pay;
- 25.3 The N-Pay User ID will be temporarily blocked upon three (03) failed login attempts.
- 25.4 Following the password criteria, the User are required to change the password regularly. Passwords will automatically expire after every 90 days and N-Pay prompt the User to change the password. The User will have to set a new password upon login, following the password criteria.

26. If User executing / authorizing the payment fails to schedule the beneficiary(ies) / payee(s) payment according to the recommended time frame, NBP Funds will not be responsible for any such delay and/or the late fees or finance charges. NBP Funds shall not be responsible for any charges imposed or any other action taken by a beneficiary / payee resulting from a payment that is being delayed, including any applicable finance charges or late fees and/or any other damages claimed by such beneficiary / payee.

27. NBP Funds will not be liable if a payment transaction cannot be processed as a result of:

- 27.1 legal order prohibiting withdrawals from the CUSTOMER'S NBP Funds Account or beneficiary / payee bank account or NBP Funds account (*applicable where beneficiary / payee maintaining investment account in NBP Funds and intend to receive payment in the form of Units*).
- 27.2 due to blocking / freezing of CUSTOMER'S NBP Funds Accounts or beneficiary / payee bank or NBP Funds account (as the case may be) on the order of any competent authority
- 27.3 the CUSTOMER'S NBP Funds Account or beneficiary / payee bank or NBP Fund account (as the case may be) is closed or has been frozen.
- 27.4 NBP Funds are otherwise not authorized to redeem the Units from the CUSTOMER'S NBP Funds Account for whatsoever reason including regulatory restrictions.

- 27.5 beneficiary / payee bank or NBP Funds account (as the case may be) is restricted for any transactions for whatsoever reason.
- 27.6 due to any other reason including regulatory or internal restriction of respective institutions where payee / beneficiary maintaining the account and intend to receive payment.
- 27.7 the User has provided an incorrect account number or other incorrect details of beneficiary(ies) / payee(s).
28. Making transfers to other financial institutions for effectuating payments: For funds transfers between financial institutions, those transfers will be processed, completed and posted by the other institution in accordance with its own rules.
29. No forbearance, delay or indulgence by NBP Funds in enforcing the provision of these Terms and Conditions between NBP Funds and the User shall prejudice or restrict the rights of NBP Funds nor shall any waiver of its rights in relation to a breach of these Terms and Conditions operate as a waiver of any subsequent breach and no right, power or remedy given to or reserved to NBP Funds under the agreement is exclusive of any other right, power or remedy available to NBP Funds, and each such right, power or remedy shall be cumulative.
30. If any provision of these Terms and conditions is held to be ineffective, unenforceable or illegal for any reason, such decision shall not affect the validity or enforceability of any or all of the remaining provisions of these Terms and Conditions.
31. The validity, construction and performance of these Terms and Conditions shall be governed by and be interpreted in accordance with the laws of the Pakistan. Any dispute arising in connection with these Terms and Conditions shall be settled by arbitration in accordance with the provisions of the Arbitration Act, 1940. The arbitration process as defined in terms and conditions of the Arrangement will apply.