



22/11/2021

IMPORTANT INFORMATION: ANZ MERCHANT CUSTOMER NOTICE

1 ANZ WORLDLINE JOINT VENTURE

ANZ announced on 15 December 2020 that it was entering into a joint-venture with Worldline S.A. to provide leading payments technology and merchant services in Australia.

Worldline is the largest European player in payment services with over 20,000 employees and a presence in 50 countries. Worldline currently provides acquiring, payment processing, point-of-sale and other payment solutions to one million merchants and 1,200 banks and financial institutions globally.

The ANZ Worldline joint venture aims to provide ANZ's merchant acquiring customers in Australia with access to the latest payments technology currently available, as well as future innovations, for fast, reliable and more secure point-of-sale and online payments.

ANZ and Worldline currently anticipate their joint venture will commence operations on 1st April, 2022. In preparation, ANZ will transfer its merchant acquiring business to its wholly-owned entity Payment Acceptance Australia Pty Ltd (**Alliance Entity**) and then sell a majority stake in that company to Worldline (**Transaction**).

2 EFFECT ON YOU

For customers whose current merchant agreement with ANZ relies on the 'General Conditions - ANZ Merchant Services' (**ANZ Merchant Agreement**) and who have not otherwise received a novation letter from ANZ, that agreement will be replaced by a new arrangement with the Alliance Entity should you choose to accept it.

The transition of your merchant agreement to the Alliance Entity is expected to have minimal effect on you and your services on a day to day basis.

If you have received a novation letter from ANZ, the replacement of your current merchant agreement will be governed by the terms of that document and not by this notice.

3 OFFER OF THE AE MERCHANT AGREEMENT

The Alliance Entity is making an offer (**Offer**) to existing ANZ merchant acquiring customers to accept a new merchant acquiring agreement with the Alliance Entity (**AE Merchant Agreement**). The General Conditions which form part of the AE Merchant Agreement can be found here: anzworldline.com.au/customer-transfer

Details about the AE Merchant Agreement, including any differences between it and your existing ANZ Merchant Agreement, are set out below in section 4.

(a) Settlement account with ANZ

Subject to section 7, if your settlement account is with ANZ, the AE Merchant Agreement is effective on the date that ANZ transfers its merchant acquiring business to the Alliance Entity in anticipation of completion of the Transaction ('Transfer' Date). It is currently anticipated that this will be on 29 March 2022.

(b) Settlement account not with ANZ

Subject to section 7, if your settlement account is not with ANZ, the AE Merchant Agreement is conditional on:

- 1 the Alliance Entity completing its know your customer identification process on you; and



- 2 you providing a direct debit authority to the Alliance Entity, from the 'Transfer' Date, to debit your applicable settlement account.

Provided these conditions have been met, the AE Merchant Agreement is effective on the 'Transfer' Date.

If you accept the Offer but these conditions have not been met on or before the 'Transfer' Date, your ANZ Merchant Agreement will continue, however, the services under that agreement will be provided by the Alliance Entity. Unless otherwise terminated, this arrangement will continue until the conditions are met, at which point your ANZ Merchant Agreement will terminate and your AE Merchant Agreement will become effective.

4 WHAT THE AE MERCHANT AGREEMENT WILL LOOK LIKE

The AE Merchant Agreement will be substantially the same as your ANZ Merchant Agreement, however key differences include:

- 1 changes necessary to reflect that the Alliance Entity will provide the merchant services (for example, changes of names, notice details and addresses);
- 2 changes to permit ANZ to debit your settlement account with ANZ with the applicable fees and to transfer the relevant funds to the Alliance Entity;
- 3 an updated privacy provision under which you will agree to the collection of personal information about you, your personnel and your customers;
- 4 provisions relating to the use and transfer of data to third parties (including ANZ) – please note that if you, as an individual, are the merchant acquiring customer then you can contact ANZ **by email/phone** using the details below to withdraw your consent to the Alliance Entity disclosing your personal information to ANZ (except where otherwise permitted by law, for example where the Alliance Entity has engaged ANZ to provide a service to the Alliance Entity which requires your personal information); and
- 5 changes required for compliance with Nominated Card Scheme rules, such as a restriction on "load balancing" (i.e. splitting transactions across accounts to avoid certain limits).

5 WHEN THE OFFER IS OPEN AND EFFECTIVE

The Offer of the AE Merchant Agreement will be open for acceptance from 22 December 2021 (**Acceptance Date**).

The Offer will be effective on the 'Transfer' Date.

6 AUTHORITY TO DEBIT FEES AND CHARGES TO YOUR ANZ SETTLEMENT ACCOUNT

If your settlement account is with ANZ, then by accepting the Offer you also authorise ANZ to debit your ANZ settlement account from the 'Transfer' Date in relation to fees, charges, other payments set out in clause 16 of the AE Merchant Agreement, without prior notice, and to transfer the relevant funds to the Alliance Entity. The fees, charges and other payments include (where a term is not defined, it will have the meaning given to it in the AE Merchant Agreement):

- (a) all fees, charges and costs owing to the Alliance Entity by you under the AE Merchant Agreement;
- (b) the value of any over credits paid by the Alliance Entity to you due to errors and omissions;
- (c) all credits paid by the Alliance Entity in respect of Transactions which are Invalid Transactions;
- (d) the full amount of any Refund Transaction less any amounts in respect of such Transaction

already debited by ANZ to the settlement account;

- (e) all Taxes incurred or payable by the Alliance Entity in connection with the Agreement, the Merchant Facilities, any transaction contemplated by the Agreement, the settlement account or any Electronic Terminal;
- (f) all fines, penalties and other charges incurred by the Alliance Entity as a result of your act or omission including a breach of the AE Merchant Agreement by you;
- (g) any fees, charges or penalties imposed on the Alliance Entity by any Nominated Card Scheme due to the nature of your business;
- (h) all fines and/or penalties levied by a Nominated Card Scheme as a result of your breach of any Nominated Card Scheme rules specified in the Agreement or otherwise notified to you from time to time; and
- (i) all other amounts owing to the Alliance Entity by you under the AE Merchant Agreement.

If your settlement account is not with ANZ, then you should have separately received a direct debit authority and details of the know your customer identification process required to be undertaken in respect of you (refer to section 3 for further details). Please return all necessary documentation to ANZ as soon as possible.

7 HOW TO ACCEPT THE OFFER

You can accept the Offer by either:

- 1 providing notice to ANZ **by email/phone** using the contact details provided below at any time between the Acceptance Date (22 December 2021) and the 'Transfer' Date (29 March 2022); or
- 2 processing transactions between the Acceptance Date and the 'Transfer' Date.

8 WHAT HAPPENS IF YOU DO NOT ACCEPT THE OFFER

If you do not either provide notice to ANZ of your acceptance or process any transactions between the Acceptance Date and the 'Transfer' Date, then your ANZ Merchant Agreement with ANZ will be terminated, and will not be replaced with the AE Merchant Agreement. Please see section 10 below for further information on termination.

9 WHAT YOU CAN DO IF YOU DO NOT WISH TO BE AN ALLIANCE ENTITY CUSTOMER

If you do not wish to be an Alliance Entity customer, you can opt out by:

- 1 contacting ANZ using the contact details provided below by 28 February 2022; or
- 2 ceasing to process transactions on or prior to the Acceptance Date.

10 NOTICE OF TERMINATION OF YOUR ANZ MERCHANT AGREEMENT

ANZ has a right to terminate your ANZ Merchant Agreement by giving you notice under clause 30(i) of the General Conditions – ANZ Merchant Services (a copy of which can be found on ANZ's website). Upon termination of the ANZ Merchant Agreement, all rights and obligations of the parties under it cease except for those which have accrued before termination.

ANZ hereby gives notice that your ANZ Merchant Agreement will terminate on the 'Transfer' Date.



If you have any further questions, please contact our Merchant Servicing Team on 1800 316 646 between 9am and 5pm AEST Monday to Friday, or by email ANZWorldlineSupport@anz.com. Alternatively, contact your ANZ Transaction Banking Manager.

You can also find more information about the joint venture on: www.anz.com.au/worldline.