

MERCHANT TERMS OF SERVICE AGREEMENT

This MERCHANT TERMS OF SERVICE AGREEMENT ("Agreement") is entered into between Lifa Holdings Limited, a company duly registered under the laws of Malawi with registration number _____ [Insert CRN], having its registered office at [Insert Address] ("Lifa", "Company", "we", "us", "our") and the merchant entity ("Merchant", "you", "your") identified during registration.

By clicking "I AGREE" or by accessing, registering for, or using the Lifa Merchant Portal, Application, or related services ("Services"), you agree to be bound by this Agreement. If you do not agree to all terms, DO NOT ACCESS OR USE THE SERVICES.

1. DEFINITIONS

- "Platform" means the Lifa Merchant web portal, mobile application, and associated technology.
- "Services" means the technology platform enabling Merchants to list, market, sell, and deliver goods/services to end-users ("Customers").
- "Transaction" means a completed order placed by a Customer through the Platform.
- "Transaction Value" means the total amount paid by the Customer (including taxes, delivery fees, less any discounts).
- "Merchant Wallet" means the electronic payment account within the Platform holding your earnings.
- "Products/Services" means the goods or services you list for sale on the Platform.

2. ELIGIBILITY & REGISTRATION

2.1 You must:

- Be a legally registered business in Malawi (sole proprietorship, partnership, or limited company).
- Possess a valid Malawi Revenue Authority (MRA) Taxpayer Identification Number (TPIN).

- Have a valid business license from the relevant local authority (city/town assembly).
- If selling regulated goods (food, pharmaceuticals, electronics), possess all required sector-specific licenses.
- Provide accurate business registration documents, owner identification, and bank/mobile money details.

2.2 You warrant that all information provided is accurate and will be promptly updated if changes occur.

2.3 Lifa may conduct verification checks and reserves the right to refuse or suspend registration at its sole discretion.

3. NATURE OF RELATIONSHIP

3.1 Independent Contractors: You are an independent business entity, NOT an agent, employee, or partner of Lifa. This Agreement creates a principal-to-principal relationship.

3.2 Your Responsibilities:

- You are solely responsible for the quality, safety, legality, and description of your Products/Services.
- You set your own prices, inventory, and operating hours on the Platform.
- You are responsible for all costs of your business operations, including taxes, licenses, and packaging.
- You must comply with all applicable Malawian laws (Consumer Protection Act, Competition Act, VAT Act, etc.).
- You may sell on other platforms concurrently.

3.3 Our Responsibilities: Lifa provides the technology platform to connect you with Customers. We do not:

- Own, prepare, or handle your Products/Services.
- Guarantee sales volumes or customer traffic.
- Assume liability for your Products/Services or customer disputes regarding quality.

4. PRODUCT/SERVICE LISTINGS & STANDARDS

4.1 Listing Requirements: Each listing must:

- Accurately describe the Product/Service.
- Display clear, recent photographs.
- Specify price, available variants (size/color), and delivery time.
- Disclose all material terms (warranties, return policies).

4.2 Prohibited Items: You may NOT list:

- Counterfeit or stolen goods.
- Illegal substances or paraphernalia.
- Weapons, ammunition, or explosives.
- Pornographic material.
- Items violating intellectual property rights.
- Live animals (except with prior written approval).
- Perishable goods without proper cold-chain capability.

4.3 Pricing & Availability: You are responsible for maintaining accurate inventory and pricing. Deliberate price manipulation or false stock indicators may result in immediate suspension.

5. ORDER PROCESSING & FULFILLMENT

5.1 Order Acceptance: When a Customer places an order, you have 15 minutes to accept or reject it via the Platform. Frequent rejections may affect your visibility.

5.2 Fulfillment Time: You must fulfill and dispatch orders within the time frame specified in your listing. Delays beyond 24 hours without customer consent are considered breaches.

5.3 Delivery Options:

- Merchant Delivery: You may arrange your own delivery, bearing full responsibility until Customer receipt.
- Lifa Delivery Network: You may opt for Lifa's delivery partners at agreed rates. Lifa acts as a facilitator; the delivery partner is independently responsible for shipment.

5.4 Customer Service: You must provide professional customer service, including responding to queries within 4 hours during business days.

6. FEES, PAYMENTS & SETTLEMENTS

6.1 Commission Structure: Lifa charges a commission of 18% on the Transaction Value for each completed sale ("Platform Fee") but we are currently operating on Promotional rates. By using our platform you authorize Lifa to deduct all applicable commissions and fees before remitting any balance back to you.

Our Promotional commission rates are as follows

- Food orders: 13% per order.
- Grocery orders: 10% per order.

6.2 Service Classification. These are promotional rates and Lifa reserves the right, at it's sole discretion, to adjust the category of services or transactions for the purpose of applying the appropriate commission rate. You will be notified beforehand if or when we do so.

6.3 Additional Fees:

- Payment Processing Fee: 2.5% per transaction for mobile money/card processing.
- Delivery Fee: If using Lifa Delivery Network, charged separately to Customer.
- Subscription Fee: Optional premium merchant plans may be introduced with prior notice.

6.4 Settlement Cycle:

- Earnings (Transaction Value minus Commission and applicable fees) are credited to your Merchant Wallet.
- Withdrawals to your registered bank account/mobile money are processed every Wednesday for orders completed the previous week (Monday-Sunday).
- Minimum withdrawal: MK5,000.
- Withdrawal fee: MK1,000 per transaction.

6.5 Tax Invoicing: You are solely responsible for issuing valid tax invoices/receipts to Customers for VAT purposes if registered. Lifa will provide a monthly statement of all transactions.

7. REFUNDS, RETURNS & DISPUTES

7.1 Refund Policy: You must clearly state your refund/return policy on each listing. Lifa's default policy requires Merchants to accept returns for faulty, misdescribed, or incorrect items within 7 days of delivery.

7.2 Dispute Resolution: Customer complaints will first be directed to you. If unresolved within 48 hours, Lifa may intervene as a mediator. Lifa reserves the right to refund the Customer and deduct the amount from your Merchant Wallet if you are found at fault.

7.3 Chargebacks: In case of payment card/bank chargebacks, you are responsible for providing evidence of delivery/service. If the chargeback is upheld, the amount plus a MK5,000 processing fee will be deducted from your Wallet.

8. DATA PROTECTION & INTELLECTUAL PROPERTY

8.1 Data Protection: Both parties agree to comply with the Malawi Data Protection Act (2024). You may only use Customer data to fulfill orders and may not retain, sell, or misuse it.

8.2 Intellectual Property:

- Lifa grants you a limited license to use its Platform and trademarks solely for operating under this Agreement.
- You grant Lifa a royalty-free license to use your business name, logo, and product images for marketing the Platform.
- You warrant you own or have licenses for all intellectual property in your listings.

9. LIABILITY & INDEMNIFICATION

9.1 Your Liability: You are solely liable for:

- Any harm caused by your Products/Services.
- Breach of any laws or regulations.
- Any misrepresentation in your listings.

- Employment-related claims of your staff.

9.2 Indemnity: You agree to indemnify and hold harmless Lifa, its directors, and employees from any claims, losses, damages, or expenses arising from your breach of this Agreement or negligence.

9.3 Limitation of Lifa's Liability: Lifa's maximum liability under this Agreement shall not exceed the total commissions paid by you in the preceding 6 months. We are not liable for indirect, consequential, or punitive damages.

10. TERMINATION

10.1 Term: This Agreement continues until terminated by either party.

10.2 Termination by You: You may terminate with 30 days' written notice and settlement of all outstanding balances.

10.3 Termination by Lifa: We may suspend or terminate immediately if you:

- Breach this Agreement.
- Sell prohibited items.
- Receive excessive customer complaints.
- Engage in fraudulent activity.
- Become insolvent or cease operations.

10.4 Post-Termination: Upon termination, you must remove all Lifa branding, settle all amounts due, and your listings will be removed. Outstanding customer orders must still be fulfilled.

11. DISPUTE RESOLUTION & GOVERNING LAW

11.1 Governing Law: This Agreement is governed by the laws of Malawi.

11.2 Dispute Resolution: Any dispute shall first be negotiated in good faith. If unresolved within 30 days, it shall be referred to mediation in Blantyre under the Malawi Arbitration Act. If mediation fails, either party may pursue legal action in Malawian courts.

11.3 Class Action Waiver: You waive any right to participate in class actions against Lifa.

12. GENERAL

12.1 Force Majeure: Neither party is liable for delays due to events beyond reasonable control (e.g., internet outages, strikes, government restrictions).

12.2 Amendments: Lifa may amend this Agreement with 14 days' notice via the Platform. Continued use constitutes acceptance.

12.3 Assignment: You may not assign this Agreement without Lifa's prior written consent.

12.4 Notices: Official notices to you will be sent via the Platform notification system or registered email. Notices to Lifa must be in writing to [Insert Address/Email].

12.5 Entire Agreement: This Agreement, together with the Privacy Policy, constitutes the entire understanding between the parties.

BY CLICKING "I AGREE," YOU ACKNOWLEDGE THAT YOU HAVE READ, UNDERSTOOD, AND AGREE TO BE BOUND BY THIS AGREEMENT. YOU CONFIRM YOU ARE AN INDEPENDENT BUSINESS ENTITY AND NOT AN AGENT OR PARTNER OF LIFA HOLDINGS LIMITED.

Lifa Holdings Limited

[Company Registration Number]

[Address]

[Date]

SCHEDULE 1: PROHIBITED PRODUCTS/SERVICES CATEGORIES

1. Counterfeit goods or unauthorized replicas
2. Illegal drugs, narcotics, and paraphernalia
3. Weapons, firearms, ammunition, and explosives
4. Pornographic material and adult services
5. Stolen goods or property
6. Hazardous materials and chemicals
7. Unlicensed pharmaceuticals and medical devices
8. Live animals (except with special written permission)
9. Gambling services or lottery tickets
10. Items promoting hate speech or violence
11. Government documents, IDs, or uniforms
12. Recalled items or items violating safety standards

SCHEDULE 2: COMMISSION & FEE STRUCTURE

Fee Type Rate Notes

Platform Commission 18% of Transaction Value Applied to each completed sale

Payment Processing Fee 2.5% of Transaction Value For mobile money/card payments

Delivery Fee (Optional) Variable Based on distance/weight if using Lifa Delivery

Withdrawal Fee MK1,000 per transaction For transfers to your bank/mobile money

Premium Subscription TBD Optional enhanced visibility/services

MERCHANT DECLARATION

I, _____ (Full Name), on behalf of _____ (Business Name), confirm that:

1. I have the authority to bind the business to this Agreement.
2. All provided business documents are authentic and current.
3. I understand I am an independent business, not an employee/agent of Lifa.
4. I will comply with all Malawian laws and regulations.
5. I accept the fee structure and terms outlined above.

Business Stamp/Seal: _____

Authorized Signature: _____

Date: _____

TPIN: _____