

Ref: S&A /3rd Party/Opinion/Dotlines

TO WHOM IT MAY CONCERN

In the last 4 years a few e-commerce businesses started some unsustainable business practices. These businesses offered products to customers on deep discount with promise of delayed delivery against advance payment. However, with passage of time it became evident that these e-commerce businesses would be unable to fulfil their promises of product delivery and a huge number of customers were in fear of losing their deposited money. The whole thing started to unravel in 2021. Under this circumstance, in response to increasing customer complaints, Bangladesh Bank (the central bank of Bangladesh) along with some other government agencies has initiated investigation. Since it's a big industry involving multiple parties, some good name also got embroiled in the investigation. Foster Corporation is one such company which provides payment solution to e-commerce businesses. Later on it was found that Foster Corporation was not involved in any irregularities regarding these issues. Foster Corporation has an online payment gateway named "Foster Payments". The company is incorporated in 2011 and started the online payment gateway business in 2016. The company collects payment from customers on behalf of its merchants and then disburses the amount to the respective merchants after deducting its charges. Foster Corporation Limited is a sister concern of Dotlines group chaired by Mr. Mahbulul Matin. Dotlines is a Bangladesh based group of large technology companies. It has 348 offices across Bangladesh with more than 1,600 employees. It also has business presence in different countries across the world which includes Malaysia, Myanmar, Nepal, etc. Its international footfall started in 2007 by expanding in Malaysia. Since that period, some of the directors of the group are working and living in Malaysia with Category-1 Employment Pass. In continuation of its regular business Foster Corporation signed agreement with Qcoom Limited on April 1, 2021 for collecting payments from their customers. Complaints against this e-commerce business have not surfaced yet. Transaction of Qcoom started on April 16, 2021. As per the condition between Qcoom and Foster, Foster used to settle the payment of Qcoom twice a week, regardless of delivery of product by Qcoom to its customers. In this way, Foster Corporation


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settled payments to Qcoom at regular basis till June 22, 2021. During that time some of the banks declared that they had stopped their credit card from being used to pay for businesses like Qcoom and some other company (Follow the link to see the news:

<https://www.tbsnews.net/economy/banking/brac-bank-bans-transaction-evaly-9-merchants-through-its-cards-264856>).

The customers of the e-commerce businesses also started complaining of not receiving products even after months of making payments. To bring the situation under control and to safeguard the customers money, the Payment Systems Department of Bangladesh Bank has published a directive instructing disbursement of payment in favor of these e-commerce businesses only after confirmation of delivery of product to their customers. In compliance of the directive, Foster Corporation started to hold the transaction amounts until confirmation of delivery of products by Qcoom. Foster initiated to implement the new directives by verifying the transactions by calling each customer for confirmation of delivery. If the customer confirmed delivery, Foster Corporation disbursed the amount to Qcoom and if customer said they did not get delivery, Foster held the amount.

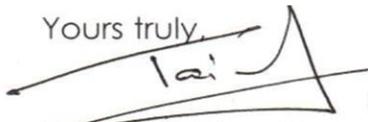
Meanwhile, several newspapers had started reporting about the ecommerce scam involving local e-commerce companies like Evaly, Qcoom, Dhamaka Shopping etc. However, Foster continued the verification process and disbursement to Qcoom. But the process was very lengthy as the transaction list provided by Qcoom were full of discrepancies and Foster had to verify each and every transaction. During this time, Qcoom tried to shift the blame of their non-performance of delivering products on Foster. Various law enforcement agencies started to investigate the accused e-commerce companies regarding their alleged involvement in money laundering and other crimes. To facilitate the investigation Bangladesh Bank and some other government's agency instructed Foster to stop processing any transaction of Qcoom and hold any amount transacted in relation to Qcoom. During this time some newspapers published misleading information without conducting proper due diligence, insinuating Foster and its directors' involvement in money laundering. As part of investigation, Foster provided the total transaction detail of Qcoom along with all supporting documents and evidence to the investigating authorities. The related bank statements and account balance confirmations have also been conveyed to Bangladesh Bank and concerned investigation authorities in due process. Foster also assured the concerned authorities with proper documents that the customers money has been kept in safe custody of the company.

All the investigating authorities scrutinized all documents and evidence provided by Foster. After the complete investigation, law enforcement agencies found no irregularities in activities of Foster regarding any transaction.

Later on, Commerce Ministry along with Bangladesh Bank, Foster Corporation and other law enforcement agencies developed a process to refund the Qcoom customers money. Thanks to timely and prompt steps taken by Foster Corporation, a significant number of customers of e-commerce business have started to get refund of their money against which they have not received any product. Foster is the only payment gateway who have taken such initiative with practical result deliveries, as per the direction of the central bank. (Follow the link to read the news regarding the refund by Foster: <https://www.thedailystar.net/business/news/e-commerce-firm-qcooms-refunds-begin-tomorrow-2945461>)

The refund process started in a press conference held at Commerce Ministry in the presence of all relevant parties and press agencies. Commerce Ministry and Bangladesh Bank appreciated Foster Corporation for complying the payment regulation and hence protecting customers' interest. There was a committee formed by Commerce Ministry along with Bangladesh Bank and other law enforcing agencies to assess the viability of Qcoom's business continuation, where a representative from Foster Corporation was also included which proves the acceptance of Foster's business ethics and compliance. Currently, there is no allegations or investigation against Foster Corporation or any of its directors and they are working with all regulatory authorities to ensure refund of customers' money.

Yours truly,


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