

paynt

Terms and conditions

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Terms and conditions

1. DEFINITIONS AND INTERPRETATION

1.1. Definitions

1.1.1. The following capitalised definitions when used in the Terms and Conditions shall have the following meanings:

- 1) **Account Administrator** shall mean the person initially referred to as the "Contact for Signatory Requirements" in the Agreement Form or subsequently appointed by the Merchant.
- 2) **Agreement** shall mean the agreement entered into between the Merchant and Paynt, including the Agreement Form, the Terms and Conditions, the Privacy Policy, pricing schedules and all other annexes, appendices or Schedules included into the Agreement by reference and any amendments thereto from time to time;
- 3) **Agreement Form** shall mean documents that contain the Special Terms and Conditions agreed between Paynt and the Merchant;
- 4) **Applicable Laws** shall mean all applicable and relevant laws, regulations, orders, rules, directions, judgments, decisions, recommendations, policies, and other instruments with binding effect made by a competent authority having (or asserting) jurisdiction over one or both of the Parties;
- 5) **Authentication** shall mean a procedure which allows to verify the identity of the Cardholder or the validity of the use of the Payment Card, including the use of the user's personalised security credentials;
- 6) **Authorisation of the Payment Card** shall mean a process of obtaining confirmation from the Payment Card issuer that the Payment Card is valid, that there are sufficient funds to make the Transaction, that the Payment Card is not blocked, and that the amount necessary for the Transaction will be reserved;
- 7) **Business Day** shall mean a day when banks are generally open for business in United Kingdom;
- 8) **Card Schemes** shall mean the organisations that establish the international rules for payment systems and for acquiring payments made using the Payment Cards, including MasterCard Worldwide, Visa Europe, Japanese Credit Bureau (JCB), UnionPay International and American Express Limited;
- 9) **Card Data** shall mean the data used to identify a Payment Card, including the card number, expiry date and the Payment Card's Security Code;
- 10) **Cardholder** shall mean the authorised user of the Payment Card;
- 11) **Chargeback** shall mean a Transaction that has been returned

to the Cardholder by the Payment Card issuer in accordance with the Rules;

- 12) **Connected Services** shall mean services provided by third parties under additional and/or separate business terms and/or agreement;
- 13) **Customer** shall mean a person that purchases goods or services from the Merchant, including Cardholder;
- 14) **Fees** shall mean charges and fees for Transactions and performance of the Services and other events related to the Agreement;
- 15) **Fixed Collateral** shall mean an upfront payment made by the Merchant to Paynt as consideration for entering into the Agreement and for accepting the Merchant's risk profile, including any actual or anticipated liabilities, costs or exposures arising in connection with the Merchant, the Card Schemes or the Member. Fixed Collateral is not held by Paynt on behalf of the Merchant, does not constitute relevant funds for the purposes of the Payment Services Regulations 2017, and is not subject to safeguarding requirements. Paynt may apply or set off the Fixed Collateral against any Secured Claims in accordance with the Agreement;
- 16) **Initial Term** shall mean a period of thirty-six (36) months commencing on the execution date of the Agreement (or such other start date as may be agreed in the Agreement Form).
- 17) **Insolvency Event** shall mean actual circumstances, when: (a) the Party is subject to any voluntary or involuntary proceeding seeking its winding-up, bankruptcy, reorganisation, or debt consolidation under any bankruptcy or insolvency laws or otherwise goes into liquidation; (b) there is appointed a trustee, administrator, receiver, custodian, liquidator, conservator or the like, for the Party and/or over all or substantially all of the assets of the Party, or (c) the Party makes an assignment of all or substantially all of its assets for the benefit of creditors;
- 18) **Mail and/or Telephone Order (or MOTO)** shall mean a Transaction where the Cardholder provides their Card Data to the Merchant over the phone or on a mail order form and authorises the Merchant to enter the Card Data into the Payment Solution;
- 19) **Member** shall mean a financial institution that is a principal member of any of the Card Schemes and a contractual co-operation partner that provides Paynt with access to the Card Schemes and enables Paynt to process Transactions;
- 20) **Merchant** shall mean the person, which has entered into the

Agreement with Paynt;

- 21) Merchant Category Code (or MCC)** shall mean a code designating the principal trade, profession, or line of business in which a Merchant is engaged;
- 22) Merchant Data Account** shall mean an account opened for the Merchant by Paynt containing data related to the Merchant's Transactions (this Merchant Data Account is not a payment account and cannot be used for holding of electronic money, receiving or transferring payments);
- 23) Merchant-Initiated Transaction** shall mean a Transaction initiated by the Merchant that relates to a previous Transaction initiated by the Cardholder, in accordance with agreement between the Merchant and the Cardholder enabling conduction of Transactions without the presence of the Cardholder;
- 24) Merchant Identifier (or MID)** shall mean identifier assigned by Paynt to the Merchant;
- 25) Party** shall mean each of Paynt and the Merchant separately;
- 26) Paynt** shall mean Paynt Limited, a private limited company: established and operating in the United Kingdom, registration number 10643467, registered address 1 Ground Floor, Venari House, Trimbush Way, Market Harborough, Leicestershire, England, LE16 7XY; and registered with the Financial Conduct Authority as an EMD Agent (with firm reference number 903111) of Rapyd Payments Limited, which is authorised as an Electronic Money Institution by the Financial Conduct Authority under the Electronic Money Regulations 2011 (with firm reference number 900688);
- 27) Payment Card** shall mean a payment card, device, or any other electronic or virtual product or account that is capable of completing a Transaction, which is approved by Paynt in the Agreement Form;
- 28) Payment Solution** shall mean a type of method of enabling payments by Payment Cards that Paynt implements as part of the Services;
- 29) PCI DSS** shall mean any the security standards, known as the Payment Card Industry Data Security Standard and the Payment Application Data Security Standard;
- 30) Personalised Security Features** shall mean personalised data provided to the Merchant for the purpose of authentication and accessing the Merchant Data Account;
- 31) Politically Exposed Person (or PEP)** shall mean a natural person entrusted with important public duties (as defined under any of the Applicable Laws) at any time during validity (or within twelve months prior to conclusion of) the Agreement (unless a longer period is defined under the Applicable Laws) or an immediate family member (as defined under any of the Applicable Laws) or a close personal associate (as defined under any of the Applicable Laws) of such individual entrusted with important public duties;
- 32) Privacy Policy** shall mean regulations issued by Paynt regarding collection, protection, disclosure and processing of personal data;
- 33) Recurring Payments (or REC)** shall mean the Transactions completed automatically by the Merchant with the stored Card Data when the Cardholder gives a Merchant the authority to charge fixed or variable amount at specific intervals over a particular period of time or until further notice;
- 34) Rolling Reserve** – a particular percentage of the amount of each Transaction (initially defined in the Agreement Form) that is held as a security to cover potential liabilities of the Merchant from the Secured Claims;
- 35) Rules** shall mean any and all bylaws, rules and regulations, guidelines, manuals and other requirements established by any of the Card Schemes and/or Payment Solution providers, as may be supplemented or amended from time to time;
- 36) Schedules** shall mean schedules included in the Agreement by reference;
- 37) Secured Claims** shall mean Fees, Chargebacks, refunds, fraudulent payments, cancellation of the Transactions, non-compliance assessments, fines or any other liabilities that the Merchant may owe to Paynt and/or that Paynt incurs in relation with of the activities or the Transactions of the Merchant;
- 38) Security Threat** shall mean the risk of inadequate or insufficient internal processes or external events that have or may have a negative impact on the availability, integrity and confidentiality of information and communication technology systems and / or payment service information, including the risks associated with cyber-attacks or insecurity;
- 39) Sensitive Payment Card Data** shall mean Payment Card's security information used to authenticate the Cardholders and the Transactions, including security code (e.g. CVV2, CVC2, CID, PVV, PCSC) which appears inside or near the signature strip, magnetic stripe data, personal identification numbers etc.;
- 40) Services** shall mean payment, processing services and/or other services that are offered by Paynt to the Merchant under the Agreement (not including Connected Services);
- 41) Special Terms and Conditions** shall mean the terms and

conditions set out in the Agreement Form, annexes, appendices and Schedules included into the Agreement by reference and any amendments thereto from time to time;

42) Subject of Sanctions shall mean a natural person or other identifiable subject that appears on any list of the restrictions or prohibitions imposed under the Applicable Laws (including without limitations restrictions or prohibitions imposed under United States laws) and/or Rules;

43) Terms and Conditions shall mean the then-current version of these Terms and Conditions ;

44) Transaction shall mean the payment transaction initiated by the Cardholder (or on behalf of the Cardholder) as payment for the goods or services of the Merchant (including approved and declined transactions, Merchant-Initiated Transactions, Secured Claims, errors etc.) by using a Payment Card on the Website, POS terminal, as a Mail and/or Telephone Order (MOTO) or via any other Payment Solution supported by Paynt;

45) Transaction Data shall mean the data used to complete the Transaction, including the Card Data, Sensitive Payment Card Data, time of the Transaction and other information received in connection with the Transaction;

46) UK GDPR shall mean Data Protection Act 2018 and GDPR as implemented in the United Kingdom under the section 3 of the European Union (Withdrawal) Act 2018 and as amended by the Data Protection, Privacy and Electronic Communications (Amendments etc.) (EU Exit) Regulations 2019.

47) Ultimate Beneficial Owner (or UBO) shall mean a natural person: (in a legal entity) who owns or controls directly or indirectly that legal entity via any means in any capacity with more than 25% of shares or voting rights; or (in a legal arrangement) in whose interests of for whose benefit the legal arrangement is established or operates, or who directly or indirectly, exercises control over the legal arrangement via any means in any capacity including without limitations the founder, proxy, trustor, trustee, custodian or supervisor of that legal arrangement;

48) Unique Identifier shall mean a bank account number or other combination of letters, numbers or symbols specified by payment service provider of the Merchant to unambiguously identify the Merchant and/or the payment account of the Merchant for settlements with the Merchant;

49) Website shall mean the website operated by the Merchant, or through which the Merchant offers its goods or services.

1.2. Interpretation

1.2.1. References to Sections, unless expressly stated (or the context requires) otherwise, shall be construed as references to Sections of these Terms and Conditions.

1.2.2. References to Schedules, unless expressly stated (or the context requires) otherwise, shall be construed as references to Schedules of the Agreement.

1.2.3. References to Applicable Laws, Rules and PCI DSS shall be construed as references to all then-current amendments, modifications, extensions, consolidations, replacements or re-enactments of any such legal act.

1.2.4. Headings to Sections and clauses are for convenience only and do not affect the interpretation of the Agreement.

1.2.5. In these Terms and Conditions: (1) words importing the masculine gender include the feminine and the neuter and vice versa; (2) words in the singular include the plural and vice versa; (3) references to persons shall include legal persons, unincorporated associations, partnerships and other legal arrangements, in each case whether or not having a separate legal personality; (4) words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitations".

2. SCOPE OF THE AGREEMENT AND LIMITATIONS

2.1. Scope of the Agreement

2.1.1. Together with the rest of the Agreement, these Terms and Conditions govern the relationships between the Merchant and Paynt regarding acquiring of the Merchant's Transactions and other Services provided under the Agreement. Paynt may at any time request that Merchant re-confirms its acceptance of the then-current version of the Agreement (including the Terms and Conditions, Agreement Form and other Schedules) by means of a written or electronic document signed by an authorised representative of the Merchant.

2.1.2. The Merchant can ask for a copy of the Agreement by contacting Paynt.

2.1.3. The Agreement covers payments made using the Payment Cards that the Merchant and Paynt have approved as acceptable methods of processing of the Transactions. The Agreement establishes the terms and conditions that apply to processing of the Merchant's Transactions by Paynt. For each type/category of Payment Card that the Merchant accepts under the Agreement, the Merchant must honour all valid such Payment Cards when properly presented for payment and must not discriminate among customers seeking to pay with

such Payment Cards, or refuse acceptance based on the identity of the issuer or the Cardholder, except as expressly permitted by the Rules.

- 2.1.4.** The Merchant is responsible for ensuring that the Merchant's sales and all Transactions are completed in accordance with the Applicable Laws and the Rules. In particular, the Merchant ensures that the products sold and services provided by the Merchant are allowed under the Applicable Laws and the Rules. Approvals, requirements, instructions and other information received from Paynt shall not be considered as a professional advice on compliance of products/services, sales, Transactions, taxes and other issues related to the business of the Merchant.
- 2.1.5.** The Merchant may only use the Agreement for payments for activities, products, services and Websites that have been registered with (and approved by) Paynt and for the countries that were approved by Paynt, and only from the Merchant's location(s)/address(es) in such approved country(ies) that have been notified to and/or approved by Paynt and from which the Merchant conducts the relevant business activity and operations under the Agreement. Failure to comply with this clause shall constitute a material breach of the Agreement.
- 2.1.6.** As of the day of issue the Terms and Conditions, Paynt is not issuing and respectively redeeming electronic money and is not providing payment accounts. Thus, no provisions regarding provision of payment accounts, issuance and redemption of electronic money are set forth in these Terms and Conditions.
- 2.1.7.** Merchants that are natural persons (including sole traders and partnerships) are allowed to use Services under this Agreement only for professional services, trade and business purposes. By executing the Agreement, the Parties that are not consumers, micro-enterprises or charities hereby agree: (a) to not apply provisions of Part 6, regulations 50 (Changes in contractual information), 66(1) (charges), 67(3) and (4) (withdrawal of consent), 75 (evidence on authentication and execution), 77 (payer or payee's liability for unauthorised transactions), 79 (refunds for direct debits), 80 (requests for direct debit refunds), 83 (revocation of a payment order), 91 (defective execution of payer-initiated transactions), 92 (defective execution of payee-initiated transactions) and 94 (liability for charges and interest) of the Payment Service Regulations 2017 for contractual relationships; (b) that the period for notifying Paynt of any unauthorised or incorrectly executed payment transaction is any such period specified in this Agreement

rather than the period specified in regulation 74(1) (notification of unauthorised or incorrectly executed payment transactions) of the Payment Services Regulations 2017. Applicable terms are indicated in the Agreement.

2.2. Limitations

- 2.2.1.** The Merchant must not use the Agreement for the following purposes:
- 1)** for the Transactions originating from sales or activities offered by other parties (other than the Merchant);
 - 2)** activities that may harm reputation, brand and image of Paynt, the Member, co-operation partners of Paynt and/or the Card Schemes;
 - 3)** sale of products and/or provision of services that are not expressly approved by Paynt;
 - 4)** sale of products and/or provision of services, for which a valid license or other permission or other registration is required under the Applicable Laws and/or the Rules, and which the Merchant does not have (irrespective if sale of such products and/or service is a part of the principal business of the Merchant);
 - 5)** the sale of goods or provision of services that are listed as prohibited by Paynt or the Card Schemes, the Member or under the Applicable Laws and/or the Rules;
 - 6)** the sale of goods and provision of services that infringe intellectual property rights.
- 2.2.2.** Failure of the Merchant to fully comply with obligations defined above in this Section shall be considered as the material breach of the Agreement by the Merchant.

3. GENERAL REQUIREMENTS APPLICABLE TO THE MERCHANT

3.1. General

- 3.1.1.** By executing the Agreement, the Merchant acknowledges and agrees that the execution of the Agreement by Paynt shall be subject to the results of the Merchant's assessment, including Merchant's risk and verification of identity of the Merchant (and representatives of the Merchant and Ultimate Beneficial Owners of the Merchant). Paynt is entitled to terminate the Agreement with immediate effect until the moment, when: (a) Paynt has completed the mandatory identification and verification of identity of the Merchant (and representatives of the Merchant and Ultimate Beneficial Owners of the Merchant); (b) Paynt has issued a live Merchant Identifier to the Merchant; and (c) Paynt has allowed the Merchant to perform Transactions under the Agreement. Execution of the Agreement by Paynt does not imply acceptance by the Member, which

may be withheld or withdrawn at any time.

3.1.2. Upon executing the Agreement, the Merchant undertakes to comply with requirements of the Agreement. Failure of the Merchant to fully comply with obligations defined above in this Section shall be considered as the material breach of the Agreement by the Merchant.

3.1.3. The Merchant must provide to Paynt upon first request information and documentation required for assessment of the risk of the Merchant, including information and documentation required for Paynt to fulfil its obligations under the Applicable Laws. The Merchant hereby confirms that the Merchant understands that Paynt may at any time during the term of the Agreement request the Merchant to provide additional information and documentation, if such information is required for (re-) assessment of the risk of the Merchant or to fulfil compliance obligations under the Applicable Laws and/or the Rules. The Merchant must submit such additional information requested by Paynt without any delay, within the time period specified by Paynt as part of the request for such additional information. Failure of the Merchant to fully comply with obligations defined above in this Section shall be considered as the material breach of the Agreement. The Merchant authorises Paynt to retrieve information related to the Merchant from third parties (including public registers, credit rating agencies, information bureaus etc.) and the Merchant authorises such third parties to provide the above-mentioned information to Paynt.

3.1.4. The Merchant must:

- 1)** settle any amounts due to Paynt, either through granting a set-off right to Paynt or direct payment of invoices issued by Paynt;
- 2)** transmit the Transactions to Paynt without undue delay and not to transmit the Transactions to Paynt for settlement before the products/services have been sent or delivered to the agreed recipient, unless Paynt has given the Merchant an express approval to accept prepayments;
- 3)** transmit the Transactions for settlement via one of the Payment Solutions expressly approved by Paynt under the Agreement;
- 4)** transmit only the true, complete and accurate Transaction Data to Paynt;
- 5)** sell products or services and use the Services in accordance with requirements of the Agreement, the Applicable Laws and the Rules;
- 6)** not use the Services for activities that may harm brand and/or reputation of Paynt, the Member and/or Card schemes;

- 7)** not use the Services for morally or ethically dubious purposes, or purposes that in any way violate the Applicable Laws and/or the Rules;
- 8)** not hack, improperly access or interfere with the Payment Solutions, other software and/or applications of Paynt, the Member or Card Schemes;
- 9)** immediately notify Paynt about any unauthorised access or attempt to access the Merchant Data Account or the IT systems of the Merchant related to processing of Transactions;
- 10)** cooperate with Paynt in relation to any Chargeback related to Transaction of the Merchant;
- 11)** provide the information requested by Paynt for the purpose of provision of the Services under the Agreement;
- 12)** not use the Services for the performance of illegal or fraudulent activities;
- 13)** not sell, purchase, provide, exchange or otherwise disclose any Card Data, Transaction Data and/or personal data of or about any Cardholder (including, where applicable, Account PAN, Payment Account Reference (PAR) or Token), in any form or medium, except to Paynt, the Member, the Card Schemes and third-party payment processing service providers approved under the Agreement, or in response to a valid government demand (or otherwise as required/permitted by the Applicable Laws and the Rules);
- 14)** not use the Card Data or any Payment Account Reference (PAR) data for any purpose other than performance of the Transactions, except that PAR data may be used only to the extent permitted under the Rules (including to complete refunds, respond to Chargebacks or other reversals, comply with Applicable Laws or the applicable Scheme Anti-Money Laundering Programs, conduct fraud detection/control/mitigation, or provide services to a Cardholder at the Cardholder's direction and with the Cardholder's explicit consent), and for no other purpose without Paynt's prior written approval (and any consent required under the Rules);
- 15)** not store any Sensitive Payment Card Data;
- 16)** not accept payments or perform the Transactions on behalf of third parties or for websites, products/services, or countries not approved by Paynt;
- 17)** provide the services and/or products ordered by the Customer in a timely and proper manner, with due skill and care and of the quality generally expected in the provision of such products and/or services;

- 18) to uphold and apply the spirit and explicit requirements of the fair treatment of Customers established under the Applicable Laws and/or the Rules;
- 19) not to directly or indirectly misrepresent itself as a member of the Card Schemes;
- 20) Accept all Payment Cards and Payment Solutions indicated in the Agreement Form;
- 21) not impose (or compel) the Cardholder to waive a right to dispute a Transaction; and
- 22) implement and apply the principles and explicit additional requirements under the Rules and/or Applicable Laws related to particular types of Transactions, including direct marketing, gambling, drugs, adult content etc.

3.2. Website of the Merchant

3.2.1. The Merchant ensures that each Website (if any), where the Merchant uses the Services for Transactions under this Agreement, continuously complies with the following requirements during the term of the Agreement:

- 1) the Website clearly and prominently displays at all points of interaction and in any event before the Cardholder is prompted to provide Card Data, the Merchant's name, company registration number and registered office address (including country) and other details required under the Applicable Laws and/or the Rules; and the Merchant's name and country/location so disclosed are consistent with the Merchant information submitted to Paynt and used for Transaction processing under the Rules;
- 2) the Website clearly and prominently displays the Merchant's contact details, including e-mail, phone number and actual business address (including country), being an address from which the Merchant conducts the business activity and operations governed by the Agreement;
- 3) the Website clearly and prominently displays the e-mail address and telephone number for customer service or similar department and schedule of the availability of the customer service or similar department;
- 4) the Website clearly and prominently displays a clear description of the products/services that the Merchant sells/provides on the Website;
- 5) clear prices (including or expressly indicating any applicable taxes and/or fees and currencies of each and every product and/or service);
- 6) Merchant's business terms and conditions, including the rules related to the Cardholder's right of cancellation, delivery

(including delivery of multiple shipments), payment, return and refund policy, as well as shipping costs;

- 7) the Website clearly and prominently displays the Merchant's privacy policy applicable to the Customers, and clearly stating that the Merchant (and not Paynt or the Member) is responsible for the Transaction, including delivery of goods (whether physical or digital) or provision of services, and for customer service and dispute resolution, in each case in accordance with the terms applicable to the Transaction;
- 8) the Website clearly and prominently displays a clear reference that the Customers are able to pay using the relevant Payment Cards and Payment Solutions in compliance with the Rules and the Applicable Laws;
- 9) the Website contains a clear and prominent "click to accept" button, checkbox or another appropriate type of confirmation function under the Rules and the Applicable Laws on the same screen used as the checkout screen indicating the total Transaction amount or during the sequence of pages before final checkout and evidencing that the Customer has accepted the Merchant's business terms and conditions applicable to the Transaction;
- 10) the Website clearly and prominently displays the required names, marks and logos of the Payment Cards, Card Schemes and Payment Solution providers at the checkout/payment pages (where payment options are presented), with parity or similar prominence to other payment option marks, as required by the Rules and Applicable Laws;
- 11) the Website is not containing means (or vulnerabilities) allowing access to Services for activities that are not expressly approved by Paynt (*known as transaction laundering*);
- 12) the Website implements appropriate means of protection of the data of the Customers and Cardholders, including secure sockets layer and/or 3-D Secure under the Rules and Applicable Laws;
- 13) the Website clearly and prominently displays any export restrictions under the Applicable Laws and the Rules; and
- 14) the Website must implement additional requirements under the Rules and Applicable Laws related to particular types of Transactions, including direct marketing, gambling, drugs, adult content, etc.

3.2.2. In addition to the above, the Merchant shall retain the title (or an appropriate license to use) to the domain name of the Website during the term of the Agreement.

3.2.3. The Merchant confirms that the Merchant understands and

authorises Paynt to perform assessments of the Merchant's Website at any time during the term of the Agreement without a prior notice to the Merchant. If during such assessment, Paynt detects failure to comply with requirements of the Agreement, the Applicable Laws and/or the Rules and the Merchant fails to cure such deficiencies within the time period notified by Paynt, then such deficiencies shall be considered as a material breach of the Agreement and Paynt shall be entitled to terminate the Agreement with immediate effect.

3.3. Information on the Merchant

3.3.1. By executing the Agreement, the Merchant hereby confirms that the Merchant has submitted and will continue to submit to Paynt the data, documents and/or information that Paynt reasonably requires to: (i) assess the Merchant's compliance with requirements of the Agreement; (ii) establish the risk level posed by the Merchant; and (iii) identify, verify and assess identity of the Merchant (and representatives of the Merchant and Ultimate Beneficial Owners of the Merchant). The Merchant commits to provide to Paynt any additional data, documents and/or information requested in order to re-assess Merchant's compliance and the risk level posed by the Merchant, including prompt prior notice of any change to the Merchant's name used in customer-facing payment flows, Website domain, country of operation, or actual business address relevant to Transactions under the Agreement.

3.3.2. By executing the Agreement, the Merchant represents and warrants to Paynt that the submitted documents, data and information provided to Paynt, information entered into the Agreement Form (and in Schedules, annexes and other documents incorporated into the Agreement) are true and correct in all aspects on the date of the Agreement and shall remain as such on each day of the Agreement, including (where applicable) the Merchant's name and country/location and address information provided by the Merchant to Paynt for use in authentication, authorization and clearing Transaction messages and disclosed to Customers/Cardholders, and that each such disclosed business address is an address in the relevant country from which the Merchant conducts the business activity and operations governed by the Agreement, and that the Merchant operates a bona fide business and the Merchant complies with the Applicable Laws and the Rules throughout the term of the Agreement. The Merchant further represents and warrants that its name(s), trading name(s), Website, domain name(s), business address, location

(including country), Merchant descriptor(s) and other Merchant-identifying information provided to Paynt are accurate, lawfully used by the Merchant, do not impersonate any other person or entity, and are consistent with the information disclosed to Customers and Cardholders and on Transaction receipts (where applicable). The Merchant shall ensure that Transactions processed under the Agreement correspond to the applicable MCC(s) and shall promptly notify Paynt of any change to its business, goods, services, Website, domain, country of operation or location that may require an update to the MCC(s), Merchant descriptor(s) or Merchant Identifier(s). The Merchant acknowledges and agrees that any information submitted to Paynt may be disclosed to regulatory or enforcement authorities, Card Schemes, the Member and outsourced service providers of Paynt, if such disclosure is mandatory under the Applicable Laws and the Rules or is necessary for performance of the Services.

3.3.3. Representations, confirmations and warranties given by the Merchant upon execution of the Agreement are considered as binding from the moment of signing by the Merchant and shall be deemed as continuing representations, confirmation and warranties that are repeated and reaffirmed by the Merchant continuously throughout the term of the Agreement as true, correct and complete in all material respects.

3.4. Changes in the Merchant's circumstances

3.4.1. The Merchant must immediately inform Paynt in writing of any change in the circumstances, documents and information related to the Merchant that are of the substantial significance for establishing and maintaining of the business relationships, including:

- 1)** changes in ownership and/or control of the Merchant, including any changes in Ultimate Beneficial Owners of the Merchant;
- 2)** changes in direct or indirect ownership of 10% or more of shares (or voting rights) of the Merchant;
- 3)** changes in Merchant's management (including management board (if applicable), supervisory board (if applicable) and managing director), as well as authorised signatories;
- 4)** changes regarding shareholders' agreement, partnership agreement (if applicable);
- 5)** changes in Merchant corporate documents, including Articles of Association or other documents governing management of the Merchant;
- 6)** changes in Merchant's legal form (e.g. a change from a sole proprietorship to a private limited company etc.);

- 7) changes in Merchant's business, including introduction of new products/services, significant altering of existing product/services, significant changes of Merchant business terms and conditions, additional target regions, industrial re-classification, significant changes to Transactions' volumes than may be expected due to seasonality or other reasons etc.;
 - 8) changes in Merchant's contact details, including Website address (URL);
 - 9) changes in the Merchant's financial standing, including failure to settle with its creditors for more than one month, a claim is brought against the Merchant in the amount not less than GBP 10,000 (ten thousand British pounds), any Insolvency Event related to the Merchant;
 - 10) changes of Ultimate Beneficial Owner data, including changes in the means used by Ultimate Beneficial Owners to control the Merchant;
 - 11) any other significant changes in the Merchant's circumstances relevant to the Agreement.
- 3.4.2. In addition to the above, the Merchant must enclose with the notice on changes, copies of documents evidencing the notified changes.
- 3.4.3. The Merchant hereby acknowledges and agrees that notification of changes in accordance with this Section may require amendment of the Agreement or may result in termination of the Agreement.
- 3.4.4. Any changes in accordance with this Section must be notified in writing, in a form satisfactory to Paynt. In the event the Merchant fails to meet the form requirement, it shall be considered as a material breach of the Agreement granting the right to Paynt to terminate the Agreement with immediate effect.
- 3.5. Performance of know-your-client requirements**
- 3.5.1. Upon execution of the Agreement, the Merchant confirms that documents and information regarding the identity of the Merchant (and representatives of the Merchant and Ultimate Beneficial Owners of the Merchant), which are submitted to Paynt and/or available in public business registers of the country of registration of the Merchant are accurate and valid in all material aspects in compliance with the provisions of Applicable Laws and Rules.
- 3.6. Requirements regarding documents submitted by the Merchant**
- 3.6.1. Upon request the Merchant must submit to Paynt originals or duly certified copies of all the required documents.
- 3.6.2. The Merchant ensures that all documents submitted to Paynt are true, effective and complete and the Merchant undertakes to immediately notify Paynt on any changes.
- 3.6.3. All documents and information must be submitted in English unless otherwise is expressly agreed with Paynt. Upon request of Paynt, the Merchant must provide to Paynt a translation of the submitted document that is duly certified as accurate by the signature of the translator.
- 3.6.4. In the event the Merchant fails to submit the documents and information that meets the above-mentioned requirements, Paynt shall be entitled to refuse to accept such documents. If the Merchant fails to cure deficiencies in documents and information within the time period indicated by Paynt and/or:
(a) such failure poses is considered as the unacceptable risk by Paynt; or (b) it is not possible to identify and verify the identity of the Merchant (or representatives of the Merchant or the Ultimate Beneficial Owners of the Merchant), then Paynt shall be entitled to terminate the Agreement with immediate effect.
- 3.7. Connected Services**
- 3.7.1. Paynt offers access to use the Services with various Connected Services provided by third parties via integrations designed for interoperation of the Connected Services with the Services provided by Paynt.
- 3.7.2. The Merchant may use the Connected Services under a separate agreement between the Merchant and the provider of the particular Connected Services.
- 3.7.3. Paynt may offer to facilitate conclusion of the agreement between the Merchant and the provider of the particular Connected Services by acting as an agent (or distributor and/or reseller) of the particular Connected Services. Notwithstanding anything to the contrary, the Connected Services do not constitute a part of the Services provided by Paynt under this Agreement, and Paynt shall have no contractual obligations to the Merchant in relation with the Connected Services. The Merchant shall use the Connected Services at its own risk and cost.
- 3.7.4. Before using of any Connected Services, the Merchant must diligently review and accept: the applicable business terms of the provider of the Connected Services; the privacy notice and privacy policy applicable to use of the Connected Services; compliance of the Connected Services with the Applicable Laws and Rules; and data security regime applicable to the Connected Services.

3.7.5. If the Merchant indicates to Paynt that they intend to utilise any Connected Services (by signing the Agreement Form, addendum, clicking the respective button, checkbox or using other appropriate type of confirmation), then:

- 1)** Paynt may rely that the Merchant has conducted a review according with requirements of the Section above, accepted and approved all terms, requirements, risks and circumstances related to use of the Connected Services;
- 2)** the Merchant agrees to be bound by terms of the Agreement applicable to use of the Connected Services with the Services provided by Paynt;
- 3)** the Merchant authorises Paynt to receive from (and process and transfer to) the provider of the Connected Services the data collected and processed in relation with providing the Merchant with the Services under this Agreement;
- 4)** the Merchant acknowledges, agrees and warrants that the Merchant has obtained the respective consents and/or other legitimate grounds to collect and process the data of (and provided all mandatory notifications to) the Customers for the purpose of using the Connected Services;
- 5)** the Merchant acknowledges and agrees that Paynt provides no warranties (whether express, implied or statutory) in relation with use of the Connected Services to the maximum extent allowed under the Applicable Laws, including security, availability, compatibility, merchantability, fitness for a particular purpose, title and non-infringement, and warranties that may arise out of course of dealing, course of performance, usage or trade practice.

3.7.6. The Merchant will defend and indemnify Paynt against all liabilities, damages, losses, costs, fees (including legal fees), and expenses relating to any claims and legal proceeding to the extent arising from misuse of the Connected Services by the Merchant and/or misuse of interoperation of the Connected Services with the Services.

3.7.7. The Merchant must inform Paynt if the Merchant uses (or intends to use) any third-party service provider that processes the Card Data (or which for other reasons has access to the Card Data) related to Transactions processed under the Agreement. The Merchant must also notify Paynt, in a timely manner, about any change in its use of third-party service providers involved in processing the Transactions under the Agreement.

3.7.8. The Merchant ensures that all third-party service providers (that process the Card Data related to Transactions processed

under the Agreement) are registered by the appropriate Card Scheme (to the extent required) and comply with the requirements laid down in PCI DSS.

4. RISK ASSESSMENT

4.1.1. Paynt may perform risk assessment of the Merchant based on information provided by the Merchant and other information collected by Paynt. Paynt may perform the risk assessment of the Merchant before establishing the business relationships with the Merchant (and at any time thereafter).

4.1.2. The Merchant is responsible for notification to its shareholders, Ultimate Beneficial Owners, managing director, members of management board and/or supervisory board and authorised signatories that they may be included in a risk assessment of the Merchant performed by Paynt for the purpose of the Agreement.

4.1.3. As a result of risk (re-)assessment Paynt may unilaterally amend the Agreement with immediate effect:

- 1)** change the Merchant Category Code(-s), Merchant descriptors, Merchant Identifiers;
- 2)** extend the Rolling Reserve hold period, extend the Fixed Collateral hold period, demand a bank guarantee or other type of collateral to secure payment obligations and liabilities of the Merchant under the Agreement;
- 3)** withhold the Merchant's settlement of payments received on behalf of the Merchant in whole or in part;
- 4)** extend the settlement period for all or parts of the Merchant's revenue;
- 5)** establish a risk and/or the Chargeback Fee payable by the Merchant;
- 6)** make other necessary requests or determinations.

If the Merchant does not accept the above-mentioned amendments, then Paynt may unilaterally terminate the Agreement with immediate effect.

4.1.4. As part of ongoing risk assessment, Paynt, the Member, the Card Schemes or a representative of either the Card Scheme, the Member or Paynt may conduct an unannounced inspection of the Merchant's premises, Website or application from which the products/services are sold/provided to the extent they are relevant to the Agreement, including security assessment and/or a general assessment covering the following areas: (1) Merchant's servers and data storage; (2) Merchant's processes and procedures; (3) Merchant's compliance with all security requirements imposed pursuant to the Agreement and the Rules.

4.1.5. The Merchant must ensure the necessary access and assistance for the above-mentioned audit free of charge, provided that the auditor is bound by reasonable non-disclosure obligations. If any non-compliance issues are discovered as a result of the above-mentioned audit, then Paynt may request the Merchant to reimburse all reasonable costs associated with such audit. Failure by the Merchant to fully comply with this requirement shall be considered as the material breach of the Agreement and subject to termination of the Agreement by Paynt with an immediate effect.

4.1.6. Merchant Category Codes, Merchant Identifiers, Merchant descriptors are indicated in the Agreement Form on a preliminary basis only. Merchant Category Codes, Merchant Identifiers, Merchant descriptors, reflect results of dynamic assessment of the information available about the Merchant and the risk profile of the Merchant and can be unilaterally changed at discretion of Paynt at any time in order to ensure better match of these details and available Payment Solutions with the risk profile of the Merchant, requirements of the then-current Rules, Applicable Laws and/or terms of Payment Solutions' providers. Paynt is entitled to request the Merchant to conclude a separate Agreement(-s) for provision of the Services related to a particular type of Transactions and/or Merchant Category Code(-s). If the Merchant fails to enter into a separate Agreement for a particular type of Transactions and/or Merchant Category Code(-s), then Paynt is entitled to suspend or restrict availability of particular Payment Solutions for the Merchant with an immediate effect and/or terminate the Agreement.

5. MERCHANT DATA ACCOUNT WITH PAYNT

5.1. Upon establishment of the business relationships under the Agreement the Merchant will be provided with the Merchant Data Account on the Paynt system.

5.2. To access its Merchant Data Account the Merchant must use the required Personalised Security Features.

5.3. The Merchant must use Personalised Security Features for each access to the Merchant Data Account. Personalised Security Features must be used in compliance with instructions provided by Paynt. If the Merchant fails to comply with instructions provided by Paynt, then the Merchant is responsible and liable for any and all damages in relation thereto.

5.4. Personalised Security Features, access to email of the Account Administrator and emails of the authorised users of the

Merchant must be kept by the Merchant as inaccessible to third parties. That includes a duty to secure that the Personalised Security Features are not lost, stolen or misappropriated, and also that the Personalised Security Features are not available for copying or obtaining data required to access the Merchant Data Account in any other way without physically obtaining them.

5.5. The Merchant must immediately notify Paynt about loss, theft or other misappropriation or unauthorised use of Personalised Security Features, email of the Account Administrator or emails of the authorised users of the Merchant.

5.6. Paynt retains the right to block use of the Personalised Security Features and access to the Merchant Data Account, if: it is required so for security reasons; the Merchant (or the particular Account Administrator or authorised user of the Merchant) does not comply with provisions of the Agreement; the Merchant (or the particular Account Administrator or authorised user of the Merchant) has not accessed the Merchant Data Account for more than six months in a row; during maintenance of the systems of Paynt; during technical disturbances affecting safety and/or operation of the Merchant Data Account; Paynt has suspicions about unauthorised or fraudulent use of the Personalised Security Features and/or the Merchant Data Account; there are indications of repeated unsuccessful attempts to use the Personalised Security Features; any Merchant's Insolvency Event procedure is initiated; performance of the Services is suspended or terminated; force majeure event has set in; the Agreement is terminated; or there are other existing circumstances allowing Paynt to unilaterally terminate the Agreement. Such an action may be temporary or permanent. The Merchant may be informed on such blocking by issuing an email, unless Paynt is not entitled to do so under Applicable Laws and/or Rules.

5.7. Usage of the Personalised Security Features will be considered as the appropriate means of proof evidencing that the Merchant Data Account has been accessed by the Merchant and respectively any further actions performed on the Merchant Data Account following such an access have been performed by the Merchant (unless the actions performed on the Merchant Data Account would require additional authentication under the Applicable Laws or Rules).

5.8. Paynt retains the sole right to request the Merchant to perform repeated and/or additional actions to access the Merchant Data Account and/or perform activities related to the Services,

including actions that are not directly indicated in the Agreement or instructions provided by Paynt.

- 5.9.** The Merchant acknowledges and agrees that the Account Administrator: (1) after successful identification by Paynt shall be deemed as authorised to use the Personalised Security Features as an electronic signature to conclude further agreements, issue consents approvals, acceptances, actions and other statements; (2) is considered as an authorised user of the Merchant for purposes of the Agreement; and (3) may appoint additional authorised users. Consents, approvals, acceptances, actions and other statements performed by an authorised user of the Merchant using Personalised Security Features shall have the same legal validity as a wet written signature of the Merchant on a written document. Agreements concluded by the Account Administrator and/or an authorised user of the Merchant using Personalised Security Features shall be treated as written agreements concluded by the Merchant. Any instructions submitted by the Account Administrator and/or the authorised user of the Merchant using Personalised Security Features will be treated as being submitted by the Merchant.
- 5.10.** If the Merchant Data Account has been accessed by anyone else except the Merchant and/or any actions have been performed following such access that resulted in loss of the Merchant's funds and the Merchant did not authorise such access and/or further actions (when usage of the Personalised Security Features was necessary), Paynt must as soon as practically possible (but not later than until the end of the Business Day following the day when Paynt became aware of such an access to the Merchant Data Account): (1) to refund the Merchant with the amount of such unauthorised loss of funds; and (2) to ensure that the Merchant will suffer no damages in relation to failure pay or receive (whatever may be the case) the interest on the certain term, save for the cases of fraud.
- 5.11.** The Merchant must immediately notify Paynt on any and all unauthorised activities on the Merchant Data Account, but not later than within one month following the day when such unauthorised activity took place.
- 5.12.** The Merchant must take all reasonable steps to keep the username and the password of the Merchant Data Account safe at all times and never disclose it to any third parties. Paynt personnel will never ask to disclose the password to the Merchant Data Account.

- 5.13.** Paynt recommends to the Merchant to regularly change the password to the Merchant Data Account in order to reduce the risk of a security breach in the Merchant Data Account. Paynt also recommends not to choose a password that can be easily identified from the information someone might know or gather about the Merchant or a password that has a meaning. The Merchant must never allow anyone to access the Merchant Data Account or have anyone watching the Merchant accessing the Merchant Data Account.

- 5.14.** Should the Merchant have any indication or suspicion related to the Merchant Data Account, login details, password or other Personalised Security Features being lost, stolen, misappropriated, used without authorisation or otherwise compromised, the Merchant must inform Paynt in relation thereto and is required to change the password immediately. The Merchant is liable for losses incurred as a result of any undue delay in notifying the above-mentioned circumstances to Paynt. If the Merchant suspects that the Merchant Data Account has been accessed by an unauthorised person, the Merchant should also contact local police (or other appropriate local law enforcement authority) and report the incident.

- 5.15.** The Merchant must take all reasonable care to ensure that the Merchant's email used to register with Paynt is secure and can only be accessed by the Merchant, as the Merchant's email address may be used (among other means of communication) to communicate with the Merchant. If the email address registered with Paynt during the term of Parties relationship is compromised, the Merchant must inform Paynt without undue delay after becoming aware of this and contact the email service provider.

- 5.16.** Irrespective of whether the Merchant is using a public, shared or his/her own computer to access the Merchant Data Account, the Merchant must always ensure that the Merchant's login details are not stored by the browser or cached or otherwise recorded. The Merchant should never use any functionality that allows login details or passwords to be stored by the computer the Merchant is using.

6. SECURITY REQUIREMENTS

6.1. Card Data

- 6.1.1.** The Card Data must be used only in compliance with the Applicable Laws and the Rules to complete the Transactions and must not be used for any other purpose (for example, to establish the identity of the Cardholder or to perform unauthorised transactions etc.).

6.1.2. The Merchant must store the Card Data (that is allowed to be stored under the Applicable Laws and the Rules, PCI DSS and the Agreement) in compliance with the Applicable Laws and the Rules and PCI DSS, and must inform all Cardholders that their personal data, including the Card Data, is passed to Merchant's third-party payment processors.

6.1.3. The Merchant must store the Transaction documentation, for a minimum retention period required by the Card Schemes. Once the retention period has expired, the Transaction documentation/settlement documents must be destroyed in a proper manner (under PCI DSS, the Applicable Laws and the Rules), in such a manner that unauthorised persons are prevented from accessing this data.

6.2. Compliance with PCI DSS requirements

6.2.1. The Merchant must inform Paynt how the Merchant handles/stores the Card Data.

6.2.2. The Merchant is subject to the requirements of PCI DSS, and the Merchant shall be responsible for all costs related to compliance with requirements of PCI DSS.

6.2.3. The Merchant must present their PCI DSS certificate to Paynt. Examples are a "self-assessment form" approved by Paynt, a report of compliance (ROC) completed by a certified data security firm (Qualified Security Assessor) and a pass result for a vulnerability scan performed by a certified data security firm under validation requirements of Paynt and the Card Schemes. If Paynt is not satisfied by the PCI DSS certificate provided by the Merchant, then Paynt may request the Merchant to perform another scan of their systems in order to ensure compliance with PCI DSS requirements.

6.2.4. The Merchant that does not handle and/or store Card Data is not required to provide PCI DSS certificate (unless otherwise is required by the Card Schemes, Payment Solution provider, the Member or Paynt), but such Merchant must submit to Paynt a self-assessment questionnaire attesting it does not handle or store Card Data.

6.2.5. Under no circumstances shall the Merchant collect or store or allow collection or storage of the Sensitive Payment Card Data.

6.3. Compromising of systems

6.3.1. The Merchant must inform Paynt immediately (within two hours of an incident happening during working hours or within two hours of the next business day of an incident happening outside of working hours) of any unauthorised access or suspicion of unauthorised access to their systems containing Card Data as well as any compromise or suspected

compromise of Card Data.

6.3.2. In the event the systems containing the Card Data handled by the Merchant (or by the third-party service providers of the Merchant) are compromised (or reasonably suspected to be compromised), then Paynt reserves the right to impose charges on the Merchant to the same extent as those imposed on Paynt by the Card Schemes or state authorities. Paynt may require the Merchant to introduce additional security solutions in order to mitigate risk of future compromises of the Merchant's systems. Failure by the Merchant to fully comply with above-mentioned requirements shall entitle Paynt to terminate the Agreement with an immediate effect.

6.3.3. The Merchant shall be liable for any loss or damage incurred as a result of any use of the Card Data after a compromise of its systems, including the costs associated with the issuing of the new Payment Cards, and the costs associated with any investigation required into the security breach or a suspected breach. The Merchant must cooperate with and assist Paynt, the data security firm chosen by Paynt, the Card Schemes, the Member and any relevant public authorities in the event of any fraud, other compromise or suspected fraud or compromise.

6.3.4. During any investigation, Paynt shall be entitled to suspend its Services, extend Rolling Reserve and Fixed Collateral hold periods, withhold settlements of the funds collected for Transactions of the Merchant until such investigation is completed. For avoidance of any doubt, Paynt shall not be responsible for any loss of the Merchant incurred in relation to the above-mentioned suspension of the Services.

7. PAYMENT SOLUTIONS

7.1. Integration

7.1.1. Paynt shall provide to the Merchant one or more Payment Solutions expressly approved under the Agreement, including integration of the Merchant's Website with the Payment Solution; enabling the Merchant to use software for POS terminals provided or approved by Paynt; or other Payment Solution allowing Paynt to provide its Services under the Agreement.

7.1.2. The Merchant shall have no right to amend, adjust, and/or develop additional functionalities or in any way augment, interfere or tamper with Payment Solution, software, hardware or the Services. If the Merchant shall require any configuration, amendment, adjustment or assistance related to Payment Solution, software, hardware or the Services, then the Merchant must immediately contact Paynt and request assistance and

advice of the required process to address the issue. The Merchant must comply with instructions provided by Paynt.

- 7.1.3.** Paynt shall be entitled to request the Merchant to introduce additional IT solutions in the Merchant's systems, if Paynt considers that such additional IT solution shall be required to facilitate performance of the Payment Solution(-s), software, hardware and/or the Services or that it provides increased security of the Merchant's systems. Failure by the Merchant to fully comply with above-mentioned requirements shall entitle Paynt to terminate the Agreement with an immediate effect.
- 7.1.4.** Paynt is allowed to provide Payment Solutions in co-operation with different Members and third-party service providers (including payment platforms, payment processors, gateway service providers, anti-fraud solution providers etc.) engaged in reasonable discretion of Paynt. Support of each Payment Solution is subject to acceptance of the relevant Member and/or Payment Solution provider that may be withheld or revoked by such Member in its reasonable discretion. The Merchant acknowledges and agrees that the Card Schemes, Payment Solution providers and some Members may require the Merchant (directly or via imposing requirements on Paynt) to: (a) incorporate additional security, authentication or other requirements; (b) perform registration with the Card Scheme and/or the Payment Solution provider; (c) enter into direct agreement in order to enable the Merchant to use (or continue to use) the relevant Payment Solution. The Merchant authorises Paynt to: submit information obtained from the Merchant to the relevant Card Schemes, Payment Solution providers and Members and third-party service providers in order to arrange conclusion of a direct agreement, procure permission to enable the Merchant to use (or continue to use) the relevant Payment Solution and/or perform the required registration with the Card Scheme and/or the Payment Solution provider; and set off expenses incurred by Paynt in relation to procuring such permission, registration and/or arrangement of conclusion of the direct agreement from the Rolling Reserve, Fixed Collateral, amount collected by Paynt on behalf of the Merchant or other amounts otherwise payable to the Merchant or request the Merchant to reimburse such expenses directly by issuing an invoice. Failure by the Merchant to fully comply with above-mentioned requirements shall entitle Paynt to suspend or terminate the Agreement with immediate effect.
- 7.1.5.** Paynt is allowed to cease support of any particular Payment Solution or change: the Member, service providers involved in

provision of this Payment Solution; and/or conditions and requirements, under which the Merchant can continue to use this Payment Solution. Paynt shall notify the Merchant at least two months in advance (unless a shorter notification period is allowed under the Terms and Conditions) on discontinuation of support of the particular Payment Solution and/or relevant changes in conditions and requirements in the Payment Solution that directly affect the Merchant.

7.2. Maintenance

- 7.2.1.** Paynt provides no warranties statutory, express, or implied, including the warranties of compliance with industrial standards and fitness for a particular purpose. Paynt shall undertake commercially reasonable efforts to provide the Services, the Payment Solution, software and/or hardware free from interference, error and other discrepancies, but nothing in these Terms and Conditions shall create the express or implied obligation to do so. Paynt shall not be liable for any damages resulting from any such interference, error or other discrepancy, except where it is the direct result of gross negligence or wilful misconduct by Paynt. In any such case, damages shall be subject to the contractual limitation on liability as set forth in these Terms and Conditions.

- 7.2.2.** Availability of the Services may be temporarily limited in whole or in part where necessary, including maintenance, adjustments, changes, detection and correction of malfunctions, integrity testing etc. In the event of any interference, interruption or error, Paynt shall undertake commercially reasonable efforts to remove such interference and other discrepancies as soon as practically possible. Paynt shall inform the Merchant of any known technical failures or potential technical failures affecting the Payment Solution that may impact the Merchant's business along with any remedial actions as they occur.

- 7.2.3.** Paynt reserves the right to change the Payment Solution, software, hardware and the Services and any technical aspect thereof at discretion of Paynt and at any time. Should any modifications be required for the integration to the Merchant's Website, software or hardware used for the Services, then such modifications shall be made by Paynt (or a third-party service provider appointed by Paynt).

8. AUTHORISATION OF THE PAYMENT CARDS AND THE AUTHENTICATION

- 8.1.** The Merchant must submit only valid Transactions only between the Merchant and a bona fide Cardholder and request the Authorisation of the Payment Cards for all Transactions. The

Merchant must not submit to Paynt any Transaction that the Merchant knows or should have known to be fraudulent or not authorised by the Cardholder, or that it knows or should have known to be authorised by a Cardholder colluding with the Merchant for a fraudulent purpose. For the purposes of this clause, the Merchant is responsible for the conduct of its employees, agents and representatives.

- 8.2.** The total amount of the Customer's order must be authorised as a single Transaction. The Merchant is prohibited to attempt to split the amount of the Customer's order across several Transactions on the same Payment Card or across several Payment Cards.
- 8.3.** Where the Authorisation of the Transaction is rejected, the Merchant must not complete such Transaction, irrespective of the amount.
- 8.4.** The Authentication of all Transactions must be performed only by the Cardholder during the moment of entering Payment Card data for the purpose of the Transaction. The Merchant must not accept any Card Data of the Cardholder and/or the Transaction outside of the Payment Solution provided by Paynt, irrespective if such data is provided by the Cardholder himself or any third party. The Merchant may request, but must not require, a Cardholder to provide additional identification information as a condition of acceptance of a Payment Card, unless such information is required to complete the Transaction (for example, for shipping purposes) or is otherwise required or expressly permitted under the Applicable Laws and/or the Rules. Failure to comply with this requirement will be considered as the material breach of the Agreement.
- 8.5.** The Authorisation of the Payment Card is neither a guarantee that the Transaction will be accepted, nor is it a confirmation of the Cardholder's identity; it merely confirms that the Payment Card is not blocked and that there are sufficient funds in the account to cover the amount at the time of the Authorisation of the Payment Card.
- 8.6.** If the Transaction is not carried out, any amount of funds reserved for such a Transaction must be reversed within 24 hours of cancellation of the purchase. If the final Transaction amount is less than the amount that was originally reserved for such a Transaction, the excess of the reserved amount must be reversed immediately. Amounts that are not reversed must correspond to the final Transaction amount.

9. APPROVED CURRENCIES

- 9.1.** The Transactions may be only performed in the currencies

approved by the Parties in the Agreement. The Merchant must not offer, perform or facilitate dynamic currency conversion (being currency conversion offered to the Cardholder in connection with a Transaction at checkout/in the payment flow) unless expressly approved in writing by Paynt in advance and implemented strictly in accordance with Paynt's instructions, the Applicable Laws and the Rules.

- 9.2.** If the currency of the Transaction is different from: (a) the allowed currencies, in which payments are processed by the respective Card Scheme; or (b) the currency, in which payments are settled to the Merchant under the Agreement, then the Merchant assumes the foreign currency exchange risk (of fluctuation in the exchange rates between these currencies) and the rate of exchange (plus appropriate currency conversion Fees and expenses) applied by the respective Card Scheme, Member, Paynt or a third-party foreign exchange services provider chosen at discretion of Paynt. For all transactions that require a currency conversion, Paynt may charge the currency conversion Fee (in percentage above the applicable exchange rate) of 2.5%. Foreign currency exchange transactions are performed independently from the payment transactions and foreign currency exchange transaction funds are not considered as relevant funds for safeguarding purposes.

10. PAYMENT FOR THE SERVICES

10.1. Pricing

- 10.1.1.** The Fees, commissions, fines and other payments payable by the Merchant to Paynt shall be initially indicated in the Agreement Form (except payments defined under the Terms and Conditions).

10.2. Settlement

- 10.2.1.** After receipt of the settlement funds from the Card Schemes (or the Member, where applicable) for Transactions of the Merchant, Paynt shall organise settlements with the Merchant in accordance with the applicable settlement period and frequency (as initially indicated in the Agreement Form) and in accordance with the terms of the Agreement. However, the settlement may be delayed in the following cases:
 - 1)** in connection with public or currency holidays; or
 - 2)** additional verification of the Transaction is required (including investigation of indications of possible fraudulent activities, suspicious activities, errors etc.); or
 - 3)** the Transaction is disputed (or the Chargeback initiated) by the Cardholder or the Payment Card issuer; or

- 4) there is a reasonable assumption that the Transaction shall be refunded; or
- 5) there is suspicion of violation of the Agreement, Applicable Laws and/or the Rules; or
- 6) income from the Transactions of the Merchant substantially deviates from the normal income of the Merchant and the Merchant has not provided proper explanations for such deviation; or
- 7) delay in settlement of the funds for Transactions of the Merchant by the Card Scheme or the Member;
- 8) if a delay is required by the supervisory authorities, the Member or the Card Schemes; or
- 9) in any other cases specified in the Agreement, the Applicable Laws and/or the Rules.

Paynt shall issue to the Merchant a notice in writing indicating the grounds of the delay (except, if such notification is prohibited under the Applicable Laws and/or the Rules) and indicating the term of the settlement (if practically possible). However, in any event Paynt shall put all reasonable efforts to clear the situation that resulted into the delay as soon as practically possible and not unreasonably postpone settlement with the Merchant.

- 10.2.2. Amounts payable by the Merchant to Paynt shall be deducted from the funds acquired on behalf of the Merchant.
- 10.2.3. Paynt shall organise transfer of the settlement amount directly to the Merchant's bank account initially indicated in the Agreement Form. The Merchant shall inform Paynt of any changes to the payment details as soon as practically possible but no later than within 5 (five) Business Days from the occurrence of such changes.
- 10.2.4. If the Merchant provided wrong details of the bank account number (or other Unique Identifier) or failed to notify Paynt about changes in bank account (or other Unique Identifier) details and Paynt organises settlement with the Merchant to this wrong bank account (or other Unique Identifier), then Paynt shall be considered to have settled with the Merchant in a timely and due manner. Nevertheless, Paynt shall undertake commercially reasonable efforts to cooperate with the Merchant in relation thereto and shall seek to retrieve the settlement payment. In addition to the foregoing, Paynt shall furnish the Merchant with necessary information regarding such settlement payment, so that the Merchant could itself retrieve the settlement payment.
- 10.2.5. Paynt shall make available to the Merchant, via the Paynt Portal

(or such other electronic means as may be notified to the Merchant from time to time), a settlement notification identifying the settled amounts and relevant dates..

- 10.2.6. The Merchant must verify that settlement is received and that the amount is correct. The Merchant must submit a written notice to Paynt: (a) within one month from the date of the Transaction, if settlement/payment was not received; and (b) within one month from the date settlement/payment is received, if the received amount is not correct. Such written notice must clearly indicate the relevant details of the involved Transactions and re-calculation of the settlement/payment amount. For avoidance of any doubt, if no proper notice is received within the indicated term, it shall be considered that the Merchant verified that all settlements/payments are correct.
- 10.2.7. If the Merchant has received a payment to which it has no legal claim (regardless of whether such error is attributable to Paynt), this amount must be returned to Paynt immediately.
- 10.2.8. Paynt reserves the right to require the Merchant to directly pay to Paynt any amounts due under the Agreement. In such an event Paynt shall issue a separate invoice regarding such outstanding payments. Invoices shall be issued to the Merchant by email to the address indicated in the Agreement Form. The Merchant shall be deemed to have received the invoice on the next Business Day.
- 10.2.9. Paynt may use the collected Rolling Reserve and/or the Fixed Collateral to settle the Secured Claims. Paynt shall be entitled to deduct (and set off) the Secured Claims from the Merchant's Rolling Reserve and/or the Fixed Collateral and/or such amounts against the amounts otherwise payable to the Merchant. Paynt shall determine the order and manner in which the Rolling Reserve and/or Fixed Collateral are applied, and may prioritise the use of Rolling Reserve before Fixed Collateral where appropriate. In the event of set-off, the remaining amount (except the Rolling Reserve and the Fixed Collateral) shall be transferred to the bank account of the Merchant.
- 10.2.10. If the amount of the funds acquired by Paynt on behalf of the Merchant (and the Rolling Reserve and Fixed Collateral) is insufficient for setoff of the amounts due from the Merchant, then: (i) amounts related to any of the Secured Claims are due and payable within 5 (five) Business Days after the date of issue of the respective invoice; and (ii) invoices pertaining to payment of Fees and other payment obligations are due and payable within 20 (twenty) Business Days after the date of issue

of the respective invoice, unless another payment term is expressly indicated on the respective invoice. These provisions shall not limit rights of Paynt to settle amounts outstanding from the Merchant by means of offset against any amounts collected on Merchant's behalf. The Merchant shall have no right to make any deductions from amounts payable to Paynt. If the Merchant has not paid the issued invoice within the required timeframe, then the Merchant shall be considered to be in material breach of the Agreement and Paynt shall have the right to immediately terminate the Agreement.

10.2.11. The Merchant acknowledges and agrees that the Merchant has elected to receive from Paynt the information on individual Transactions in blended form on an aggregated basis, including references to Transactions, Transaction amounts, the currency credited and any Fees associated with the Transactions. Unless otherwise agreed between the Parties such information shall be made available by Paynt once per month free of charge. The Merchant may request and Paynt may agree (at its discretion) to provide more frequent, additional, non-standard, custom reports, statements and other deliverables, in which case Paynt may charge the Merchant a custom report fee on a time and material basis, subject to a minimum of GBP 70 (seventy British pounds) per deliverable.

An aggregated sum of amounts withheld as the Rolling Reserve shall be paid to the Merchant following expiry of the applicable Rolling reserve hold period (as defined in the Agreement Form), together with the next settlement of funds received for the Merchant's Transactions. Paynt may delay release of amounts withheld as the Rolling Reserve to cover any then-current, pending or reasonably anticipated Secured Claims until such Secured Claims have been finally resolved or otherwise adequately secured. Fixed Collateral shall be applied and/or returned in accordance with Section 21.17.

10.2.12. The Rolling Reserve constitutes Merchant reserve funds held by Paynt as relevant funds on behalf of the Merchant to secure the Merchant's actual, contingent, future and/or potential obligations and liabilities under the Agreement (including Secured Claims). Amounts withheld as Rolling Reserve remain the property of the Merchant and are held by Paynt (and/or the Member, as applicable) in a segregated manner (including through segregated accounts and/or appropriate internal records and sub-ledgers) to ensure that such amounts are identifiable and attributable to the Merchant and are not

commingled with Paynt's own funds. Any safeguarding account may be opened and maintained in the name of Paynt and/or the Member with a licensed financial institution in accordance with Applicable Laws. The Merchant has no right to withdraw or otherwise access the Rolling Reserve except as expressly provided under this Agreement. Paynt may apply, set off or deduct amounts from the Rolling Reserve in accordance with this Agreement, including in respect of Secured Claims, fees, charges and other amounts owed by the Merchant under the Agreement. The Parties agree that such application constitutes a permitted use of the Rolling Reserve for the purposes for which it is held. Where Paynt applies or sets off amounts from the Rolling Reserve, Paynt shall notify the Merchant in the next settlement notification issued under Section 10.2.6 (or as soon as reasonably practicable thereafter), identifying the amount applied and the basis for the deduction. For the avoidance of doubt, Fixed Collateral does not constitute relevant funds, is not held on behalf of the Merchant, and is not subject to safeguarding or segregation requirements. Paynt may apply or set off Fixed Collateral against any Secured Claims or other amounts owed by the Merchant under the Agreement. Any claims related to collection, application, set-off or release of the Rolling Reserve and/or Fixed Collateral must be submitted within six (6) months from the date on which the Merchant was notified of the relevant action. After expiry of this period, the Merchant may not assert such claims, except where such claims arise from fraud, wilful misconduct or gross negligence by Paynt.

10.2.13. Except as expressly provided otherwise in the Agreement, all settlement funds received for Transactions (excluding any amounts withheld as Fixed Collateral) are held on behalf of the Merchant are combined with relevant funds of other merchants and safeguarded in accordance with the Applicable Laws by Rapyd Payments Limited as the principal provider of authorised payment services.

10.3. Late Payment

10.3.1. In the event of a failure to settle outstanding invoices in timely and due manner as indicated in these Terms and Conditions or as specifically agreed by the Parties in the Agreement Form, the Merchant pays a default interest on the overdue amount at the rate of 6% per annum above the Bank of England's base rate from time to time. Such interest shall accrue on a daily basis from the due date until actual payment of the overdue amount, whether before or after judgement. The Merchant must pay the

interest together with the principal overdue amount. The Merchant must pay Paynt the amount of all costs and expenses (including legal fees) incurred by Paynt in connection with the collection and/or enforcement of due amounts under the Agreement.

- 10.3.2.** The obligation to pay the default interest shall remain valid and in full force and effect after termination or expiry of the Agreement until full and proper settlement with Paynt.

11. RELATIONSHIP BETWEEN THE MERCHANT AND THE CUSTOMER, CREDITING OR CANCELLATION OF THE TRANSACTION

11.1. Relationship between the Merchant and the Customer

- 11.1.1.** The Merchant shall be responsible for completing the Customer's order in a timely and due manner and in the quality that is usually expected in connection with such services and/or products. The Merchant shall ensure the accuracy and appropriateness of the information provided to the Cardholder, including the information about the services and/or products provided by and invoices issued by the Merchant to the Cardholder.

- 11.1.2.** The Merchant shall receive, process and resolve any claims from the Cardholder relating to the Merchant's services and/or products, including customer service matters and dispute resolution in connection with Transactions, in accordance with the terms applicable to the relevant Transaction. The Merchant ensures that the terms of sale and supply of their products and services include provisions that all claims shall be settled directly between the Merchant and the Cardholder and should not involve Paynt (including its officers, directors, employees, representatives, agents and service providers) and/or the Member. Failure by the Merchant to fully comply with this requirement shall be considered as the material breach of the Agreement and subject to termination of the Agreement by Paynt with an immediate effect.

- 11.1.3.** The Merchant shall, at the Merchant expense, indemnify, defend and hold harmless Paynt (including its officers, directors, employees, representatives, agents and service providers), its affiliates and clients against any loss, cost, expense or liability (including attorney's fees) arising out of claims the Cardholders or any third parties associated with the Cardholders.

11.2. Crediting of the Transaction

- 11.2.1.** The Merchant must only credit the Cardholder for the Transaction for the purpose of refunding (in whole or in part) a

past Transaction from the same Cardholder performed using the same Payment card, e.g. if the Cardholder returns a purchased product. The credit Transaction must be identifiable to the original Transaction. Cash refunds are expressly prohibited, and performance of cash refunds shall be considered as a material violation of the Agreement.

- 11.2.2.** The credit Transactions must always be credited to the same Payment Card that was used for the original Transaction. The amount credited to the Cardholder must not exceed the total amount of the original Transaction.

- 11.2.3.** In the event of a credit Transaction, Paynt shall deduct (and set off) the amount of the credit Transaction (and all other relevant costs) from the funds acquired by Paynt on behalf of the Merchant or future settlements to the Merchant or the Rolling Reserve, or issue an invoice to the Merchant for the amount of the credit Transaction (and all other relevant costs). Previously calculated Fees shall be refunded in connection with such credit Transactions, to the extent they are also refunded by the Member and the Card Schemes.

- 11.2.4.** The Merchant ensures that its business terms and condition include: (a) where no refund will be given, the Cardholder must be advised, at the time of the Transaction, that the sale is a "final sale" and "no returns" are permitted; (b) the Cardholder must be advised of any policy that provides for no-cash refunds and in-store credit only; (c) a mandatory notification to Cardholder on the exact number of days of required reservation of deposit refunds; and (d) all other mandatory notification on all advance reservations.

11.3. Cancellation of the Transaction

- 11.3.1.** If the Transaction is made in error, then the Merchant must cancel the Transaction if possible. If it is not possible to cancel the Transaction, the Merchant must complete the credit Transaction. If this is not possible, the Merchant must contact Paynt.

11.4. Fees for use of the Payment Cards

- 11.4.1.** If the Merchant, acting in accordance with the Applicable Laws and the Rules, charges a fee for the Transactions (surcharge), the Merchant must inform the Cardholder accordingly before the Transaction is completed; provided that the Merchant must not directly or indirectly require any Cardholder to pay any part of any merchant discount or other processing fee, and any fee charged in connection with a Transaction that is not charged for another payment method may only be applied to the extent expressly permitted by the Applicable Laws and the Rules. Any

other fee (including a bona fide commission, postage, expedited service or convenience fee) may be charged only if imposed on all like transactions regardless of the form of payment, unless otherwise expressly permitted by the Rules.

- 11.4.2.** The Merchant must not require, or indicate that it requires, a minimum or maximum Transaction amount as a condition for accepting a valid and properly presented Payment Card, except to the extent expressly permitted by the Applicable Laws and the Rules.

11.5. Merchant-Initiated Transactions and Recurring Payments

- 11.5.1.** This Section applies to the Recurring Payments and the Merchant-Initiated Transactions. The terms of this Section related to the Recurring Payments and the Merchant-Initiated Transactions will take precedence over other terms of the Agreement. The Merchant must ensure that the Recurring Payments and the Merchant-Initiated Transactions are marked correctly, including submitting the Transaction indicator for the Recurring Payments and the Merchant-Initiated Transactions.

- 11.5.2.** An agreement must be entered into between the Merchant and the Cardholder giving the Merchant permission to complete the Recurring Payments and/or the Merchant-Initiated Transactions with the Cardholder's Card Data. The agreement for Recurring Payments and/or the Merchant-Initiated Transactions must include:

- 1)** the express authorisation to perform Recurring Payments and/or the Merchant-Initiated Transactions with the Cardholder's Card Data;
- 2)** details of the goods or services provided using Recurring Payments and/or the Merchant-Initiated Transactions;
- 3)** information about the criteria for completion of the Transactions with the Cardholder's Card Data;
- 4)** the ongoing Transaction amount and billing frequency, whether any of these things will change after a set time or trial period;
- 5)** information about how a receipt will be provided/made available to the Cardholder;
- 6)** information about the Cardholder's liability;
- 7)** information about the procedure for renewing or deleting the Cardholder's Card Data;
- 8)** information about the procedure for discontinuing/terminating the subscription and/or agreement for Recurring Payments and/or the Merchant-Initiated Transactions;
- 9)** the notification procedure in advance of performing Recurring Payments and/or the Merchant-Initiated Transaction and

notification of the Transaction receipt after performing Recurring Payments or the Merchant-Initiated Transaction;

- 10)** the Cardholder's acceptance of the business terms and conditions of the Merchant, including: (i) Acceptance of the criteria for completion of the Transactions with the Cardholder's Payment Card; (ii) Acceptance of the amount of the Transactions; (iii) The maximum period between the Recurring Transactions that must not exceed 12 (twelve) months.

- 11.5.3.** The Sensitive Payment Card Data entered by the Cardholder must under no circumstances be recorded or stored.

- 11.5.4.** The agreement on Recurring Payments must either be signed by the Cardholder or accepted directly on the Merchant's Website with subsequent written confirmation provided to the Cardholder. The terms of agreement on Recurring Payments and prices must be accessible to the Cardholder on sign-up.

- 11.5.5.** Procedure for renewal and deletion of the Card Data provided by the Cardholder for the purpose of the Recurring Payments:

- 1)** The Merchant must employ a secure procedure for registering, renewing and deleting the Card Data, and for handling the expired Payment Cards;
- 2)** The Merchant's procedure for deleting the Card Data must provide for the deletion of the information from the customer register immediately after the Cardholder makes a request to this effect;
- 3)** The Merchant must inform Paynt, if the Merchant stops offering Recurring Payments.

- 11.5.6.** The Merchant must keep a detailed record of the basis on which the Merchant determined that all submitted Recurring Payments and/or the Merchant-Initiated Transactions were eligible to be submitted as Recurring Payments or the Merchant-Initiated Transactions and make such records available to Paynt immediately upon request.

12. CHARGEBACKS

- 12.1.** Paynt shall provide the Chargeback service on the behalf of the Merchant at prices initially indicated on the Agreement Form.

- 12.2.** If Paynt receives a Chargeback notification regarding a Transaction, then Paynt shall withhold the full amount, plus any Fees from the funds acquired by Paynt on behalf of the Merchant until final resolution of the dispute, and shall set off such amount against the Merchant's settlement from Paynt (and/or the Rolling Reserve and/or the Fixed Collateral), if Paynt is unable to reject the Chargeback based on the document/information provided by the Merchant. If the funds

acquired by Paynt on behalf of the Merchant are insufficient for set-off, then Paynt may invoice the Merchant.

- 12.3.** The Merchant must properly respond to all Chargeback notifications in compliance with the Applicable Laws and the Rules. The Merchant must not, as a condition of accepting a Payment Card, require a Cardholder to waive any right to dispute a Transaction.
- 12.4.** The Merchant must not resubmit, re-present, reprocess or otherwise re-enter into any payment system (whether via Paynt or any other acquirer or payment service provider) any Transaction that has been subject to a Chargeback, retrieval request, dispute or reversal (including where the Transaction has been charged back, refunded or otherwise reversed), except to the extent expressly permitted under the Rules and in accordance with Paynt's instructions.
- 12.5.** If Paynt requests the Merchant to submit documents, data and/or information in connection with the disputed Transaction or other Cardholder's claim, then the Merchant must submit to Paynt the necessary documents, data and/or information related to the Transaction.
- 12.6.** If the Merchant failed to provide the requested documents to Paynt by the time or in the manner specified by Paynt in the request, then Paynt shall be entitled to uphold the Chargeback of the Cardholder and deduct (offset) the Chargeback's amount against (from) the funds acquired by Paynt on behalf of the Merchant (and/or the Rolling Reserve and/or the and the Fixed Collateral).
- 12.7.** Paynt reserves the right to reverse the Transactions that the Payment Card issuer has confirmed as being fraudulent or otherwise illegal.
- 13. MONITORING**
- 13.1.** Paynt shall monitor the Merchant's Transactions, as well as disputes, Chargebacks, fraud and other compliance issues related to Transactions of the Merchant.
- 13.2.** Paynt shall be entitled, with immediate effect, to modify the settlement conditions, to withhold settlement, and/or to suspend or terminate the Agreement: (a) If monitoring of the Merchant's Transactions reveals significant deviations of current business activity of the Merchant from normal business activity of the Merchant or from normal business activity of similar businesses within the Merchant's industry; or (b) if Paynt, for any other reason whatsoever, suspects card fraud or other illegal activities attributable to the Merchant; or (c) if Paynt considers as unacceptable the level of fraud and other illegal

activities related to Transactions of the Merchant; or (d) if required under the Applicable Laws and the Rules or upon request of the supervisory authority, the Member or the Card Schemes.

- 13.3.** Paynt may require the Merchant to implement such measures as may be needed to reduce the risk of fraudulent transactions, disputes, Chargebacks or credit Transactions, etc. The Merchant must act in accordance with Paynt's risk mitigation instructions within the time limit specified by Paynt.
- 13.4.** If the number of disputes, Chargebacks, fraudulent transactions or credit Transactions leads to additional costs for Paynt, including charges payable to the Member or one or more the Card Schemes, Paynt shall reserve the right to request reimbursement of these costs from the Merchant.

14. INTELLECTUAL PROPERTY RIGHTS

- 14.1.** The Merchant is granted a non-exclusive and non-transferable license to use the Payment Solution, other software and/or application as required under the Agreement.
- 14.2.** Paynt (and its licensors, as the case may be) shall be the owners of all intellectual property rights related to Services, including the Payment Solution, materials, software, applications and other intellectual property objects provided in relation with the Services. Proprietary rights and other intellectual property rights that may be attached to the Payment Solution and (or) other software and any other application shall belong exclusively to Paynt or the relevant third party. All rights to the trademarks of the Payment Cards that the Merchant accepts as means of payment belong to the respective Card Schemes. The Merchant shall comply with the Applicable Laws and the Rules regarding the use of the trademarks and other intellectual property objects of the products, programs, or services, in which the Merchant is required to (or chooses to) participate. All rights to the trademarks to the products and services of Paynt belong to Paynt (or licensors of Paynt). The Merchant may not contest (for any reason) ownership of trademarks owned by the Card Schemes, Payment Solution providers and/or Paynt (or licensors of Paynt).
- 14.3.** The Merchant shall gain no author's rights, proprietary rights or the rights attached to the author's rights or proprietary rights or any other rights that would constitute intellectual property rights in relation to the Payment Solution or other software and/or other application (if applicable) except the right to use the Payment Solution, other software and/or application as

required under the Agreement.

14.4. Any payment solution, other software and/or application modifications that Paynt or a third party may develop during the term of the Agreement shall be governed by the Terms and Conditions.

14.5. The Merchant shall not:

- 1) make any copies of the Payment Solution, other software and/or applications other than expressly permitted under the Agreement and to the extent that it is required to exercise the Merchant's rights under the Agreement;
- 2) modify, adapt, reverse engineer, decompile or disassemble, create derivative works of, publish, distribute or commercially exploit the Payment Solution, other software and/or applications or any content of the Payment Solution, other software and/or applications;
- 3) remove any copyright or proprietary notices on the Payment Solution, other software and/or applications;
- 4) use, distribute or disclose confidential, personal or sensitive information within the content of the payment solutions, other software and/or applications without appropriate authority; nor
- 5) make any unlawful or unauthorised use of the Payment Solution, other software or other applications (including attempt to gain unauthorised access, introducing any computer virus or malware or inhibiting their operation).

14.6. The Merchant shall be liable to reimburse any direct and indirect damage and losses of Paynt and/or third party related to infringement of obligations related to intellectual property. Notwithstanding the foregoing, any such event shall constitute a material breach of the Agreement and shall grant Paynt the right to immediately terminate the Agreement and to block any access to the Payment Solution, other software and/or applications if Paynt considers that necessary to safeguard Paynt or third party's intellectual property and to avoid any further damages and losses to Paynt and/or a third party.

14.7. The Merchant may use the Payment Cards' trademarks (including in advertising, acceptance decals and signs) only in strict accordance with the Rules (including applicable reproduction, usage, branding and artwork standards, as amended from time to time). The Merchant must clearly post the trademarks (logos) of the Payment Cards that it accepts as means of payment. The trademarks must not be used for any other purpose. Images of the Payment Cards used in marketing materials must not contain a valid Payment Card's number or

a valid Cardholder's name. The use of the trademarks must not violate the owners' rights to the trademarks and must not create the impression that the products and services are sponsored, produced, offered, sold or otherwise supported by Paynt, the Member and/or the Card Schemes. The Merchant has no other rights – such as ownership or intellectual property rights – to the trademarks beyond the abovementioned right of use. The Merchant acknowledges that Card Schemes and/or Paynt may prohibit the Merchant (for any reason) from using any of their trademarks.

14.8. The Merchant must immediately cease all use and display of any name, logo, trademark or other intellectual property of Paynt, the Member and the Card Schemes upon: (a) termination or expiry of the Agreement; or (b) request of Paynt, the Member or Card Schemes.

15. USE OF PERSONAL DATA

15.1. Paynt processes personal data in relation with the services in compliance with provisions of the UK GDPR. Depending on the activity Paynt acts as the data controller or the data processor under UK GDPR. Paynt acts mainly as a data processor under direction of the Merchant. Paynt shall act as the data processor when Paynt processes the personal data under instructions of the Merchant. Paynt may act as a data controller with legitimate interest in collection and processing of personal data. The legitimate interests and purposes of collection and processing of the personal data, recipients of the personal data, terms of transfer and disclosure of the personal data, identity of the data controllers, contact details of the data protection officers, data storage periods, data subject rights and other specific terms of collection and processing of personal data shall be defined under the then-current Privacy Policy of Paynt.

15.2. The Merchant shall ensure that: (i) the Cardholders and users of the Website are properly notified in writing that their personal data will be provided to third party providers, including Paynt, the Member, the Card Schemes and third-party payment processing service providers; and (ii) any and all consents to obtain, manage, store or use personal data of the Cardholders (and other personal data subjects) are obtained in a timely and due manner.

15.3. The Merchant declares, warrants and guarantees that the following statements of the Merchant are true and correct on the execution date of the Agreement and shall be deemed as continuing representations, confirmations and warranties,

which shall be deemed repeated and reaffirmed by the Merchant continuously throughout the term of the Agreement as true, correct and complete in all material respects:

- 1) The Merchant is not engaged in any activity that could cause harm to Paynt, any of the Card Schemes and other third Party used by Paynt in performance of its obligations under the Agreement;
 - 2) The Merchant is operating within the allowed jurisdiction and is not misrepresenting the location at which a Transaction is completed according to the Applicable Laws and the Rules;
 - 3) The Merchant ensures that all staff are appropriately trained in line with their responsibilities under the Applicable Laws and the Rules;
 - 4) Any personal data transferred to Paynt is transferred in compliance with the Applicable Laws and the Rules;
 - 5) The Merchant has the right to collect, process and transfer such data to Paynt and such transfer does not violate any rights or legitimate interests of the Cardholders (and other personal data subjects);
 - 6) The Merchant has received any and all consents from the Cardholders (and other personal data subjects) and/or has concluded necessary agreements with the Cardholders (and other personal data subjects) allowing the Merchant to legally collect and process the personal data of the Cardholders (and other personal data subjects) and to transfer such personal data to Paynt and to any other processing provider, including the Member and gateway providers. All such consents and/or agreements are valid and shall not have expired at the time the personal data is transferred to Paynt;
 - 7) The Merchant has duly and properly informed all Cardholders (and other personal data subjects) of the transfer of their personal data to Paynt and of the purpose for such transfer;
 - 8) The Merchant holds Paynt harmless, agrees to indemnify Paynt and assumes full liability for any and all claims from or disputes with the Cardholders (and other personal data subjects) regarding the transfer of their personal data to Paynt and Paynt's processing of such personal data;
 - 9) The Merchant hereby shall undertake to reimburse Paynt for any direct and indirect damages and losses that Paynt may suffer in relation to improper, illegal or unlawful use of personal data of the Cardholders (and other personal data subjects).
- 15.4.** PCI DSS regulations shall prevail in relation to processing of any Card Data.
- 15.5.** Paynt may use the personal data provided by the Merchant to:

(a) provide the Merchant with information about other products and services offered by Paynt that are similar to the services used by the Merchant (or where otherwise allowed under the Applicable Laws); (b) better understand possible interest of the Merchant in other products and services; (c) provide the Merchant with information about products and services that the Merchant might be interested in; (d) to provide the Merchant with information on products and services of cooperation partners of Paynt, provided that the Merchant has consented to receive such information; (e) better understand effectiveness of information provided to the Merchant about products and services; (f) to ask opinion of the Merchant about products and services. Where required by the Applicable Laws, Paynt will ask for the Merchant's prior consent to receive the above-mentioned information. The Merchant may unsubscribe or opt-out of further communication by changing preferences of marketing communications in Merchant Data Account settings or by sending an email to privacy@paynt.com.

15.6. Paynt may display advertising in the course of provision of the Services. If the use of Merchant personal data is enabled according to the Applicable Laws and Rules, then Paynt may use the personal data of the Merchant to provide more relevant advertising and other personalised experiences in the course of use of the Services. If the Merchant applies for any service available via Paynt, then Paynt may use the necessary data (including personal data) to process applications for such products and services and make decisions about approval of the submitted applications.

16. ASSIGNMENT

16.1. Paynt shall be entitled, without the Merchant's consent, to assign the Agreement to a third party, whether in whole or in part. In such cases, the Agreement shall continue in force, without changes, with the new party entering into Paynt place as the contracting party.

16.2. The Merchant shall not be entitled to assign or in any other way transfer the Agreement or any rights thereunder to a third party, whether in whole or in part without Paynt prior written consent.

17. CHANGES TO THE PRICES AND TO THE AGREEMENT

17.1. Paynt may unilaterally amend the Agreement (including prices, the Terms and Conditions, Schedules, annexes, addendums etc.) by notifying the Merchant at least 30 (thirty) days in advance (unless the Merchant is considered as a consumer,

micro-enterprise or a charity, in which case notification must be provided at least 2 (two) months in advance). Shorter notice may be given, if such changes are: (a) favourable to the Merchant; (b) made in response to amendments of the Applicable Laws and/or the Rules; (c) requests of public authorities, the Member or the Card Schemes; (e) in response to a security incident; (f) as a result of (re-)assessment of risk related to the business relationship with the Merchant; or (g) in relation to the termination of the Agreement or otherwise objectively justifiable.

17.2. Notice regarding amendment of the Agreement shall be issued by e-mail at the address indicated in the Agreement Form or separately notified by the Merchant to Paynt. The Merchant shall inform Paynt of any changes to their e-mail address. The Merchant assumes liability for their non-receipt of a notice on changes in the Agreement, if the Merchant has failed to properly inform Paynt of a change to their e-mail address.

17.3. Paynt expressly reserves the right to use its website and/or the Merchant Data Account to inform the Merchant about any changes to the Agreement.

17.4. Changes to the Agreement (including prices, the Terms and Conditions, Schedules, annexes, addendums etc.) shall be considered to have been approved by the Merchant, if he continues to use the Services after notification of changes takes effect, unless the Merchant prior to the date of effectiveness of the changes, has properly notified Paynt that the Merchant rejects the new terms of the Agreement.

17.5. If the Merchant informs Paynt that the Merchant rejects changes of the Agreement (including prices, the Terms and Conditions, Schedules, annexes, addendums etc.), then Paynt shall be entitled to terminate the Agreement with immediate effect.

17.6. If the Merchant requests changes in the Agreement, then Paynt may charge an administration Fee for reviewing and processing the changes based on time and material basis, but no less than GBP 50 (fifty British pounds) per request.

18. NON-DISCLOSURE

18.1. Parties shall be required to treat all information relating to the contractual relationship between the Merchant and Paynt as confidential. Obligations of non-disclosure of the confidential information shall not apply to information: available to the general public; disclosed to the receiving Party by a third party without any obligation of confidentiality; already known to the receiving Party at the time of disclosure; developed

independently by the receiving party; or to the extent the receiving Party is compelled to disclose the confidential information by a decision of the court or administrative authority.

18.2. Paynt shall be entitled to disclose information about the Merchant to the Card Schemes, the Member and the outsourced services providers, provided that such disclosure shall be required in order for Paynt to perform the Services and to fulfil its obligations under the Agreement, the Applicable Laws and/or the Rules.

18.3. The Merchant acknowledges and agrees that under the Applicable Laws Paynt may be required to file to appropriate tax and revenue authorities information on use of the Services by the Merchant. The Merchant acknowledges and agrees that under the Applicable Laws and/or the Rules Paynt may be required to provide to the Card Schemes, Payment Solution providers and/or competent authorities information on conclusion, termination of the Agreement and use of the Services by the Merchant, which may result in inclusion of the Merchant in relevant registers of the Card Schemes, Payment Solution providers and/or competent authorities.

18.4. Paynt is allowed to disclose the fact that Paynt has entered into business relationships with the Merchant for Paynt's marketing purposes and such disclosure of information shall not be considered as a breach of confidentiality. For the avoidance of doubt, no further other information regarding Parties' business relationship may be disclosed under this provision.

18.5. If the Agreement is terminated as a result of the Merchant's material breach of the Agreement, or because the Merchant has facilitated or aided and abetted fraud, then Paynt may be compelled to report the Merchant to the Card Schemes.

19. REPRESENTATIONS AND WARRANTIES

19.1. Each Party hereby represents and warrants to another Party that the following representations, confirmations and warranties of the Party are true and correct on the execution date of the Agreement and shall be deemed as continuing representations, confirmations and warranties, which shall be deemed repeated and reaffirmed by the Party continuously throughout the term of the Agreement as true, correct and complete in all material respects:

1) Authority. The Party has full right, power and authority (including decisions and consents from its bodies, creditors and authorities) required to: execute the Agreement, undertake financial responsibility defined under the Agreement, perform

the obligations indicated in the Agreement. All above-mentioned decisions and consents from the Party's bodies, creditors and authorities are valid and enforceable. The Agreement constitutes a valid and binding obligation of the Party, enforceable in accordance with its terms.

- 2) Non-conflict.** Neither the execution of the Agreement nor the compliance by the Party with its terms and provisions will conflict with, or result in a breach or violation of any of the terms, conditions and provisions of (i) any permit, consent, decision, judgement, order, decree or ruling of any person, authority, organisation or dispute resolution body, to which the Party is subject; (ii) any transaction or commitment to which the Party is a party to; or (iii) any Applicable Laws or Rules;
- 3) No proceedings.** There is no claim, action, suit, proceeding, arbitration, investigation or hearing, pending or threatened, by or before any authority or dispute resolution body against the Party that might adversely affect the ability of the Party to perform its obligations under the Agreement;
- 4) Capacity.** The Party is a duly established and validly existing legal entity under the laws of the jurisdiction of its formation and is not subject to any Insolvency Event, reorganisation, spin-off or liquidation is pending or threatened against the Party;
- 5) Compliance.** The Party complies with the Applicable Laws and Rules.

20. LIABILITY

20.1. Liability, limitation of liability

- 20.1.1.** Notwithstanding any other provisions of these Terms and Conditions, under no circumstances shall Paynt be liable for claims by third parties, any specific, indirect or incidental loss, operating losses, consequential damages, lost profits, revenue, customers, goodwill or interest, even if advised in advance of possibility of such damages.
- 20.1.2.** The Merchant shall indemnify Paynt for any losses or claims, including claims for damages, and for any complaints, legal proceedings or expenses (including lawyers' fees), including any fine or fee imposed on Paynt or any other claims brought against Paynt by the Member and/or the Card Schemes in relation with any circumstances attributable to the Merchant or any Transaction of the Merchant.
- 20.1.3.** In no event shall total cumulative liability of Paynt in the aggregate from any breach of the Agreement or for any claims under or in connection with the Agreement exceed the aggregate amount of Fees paid by the Merchant during the three-month period immediately preceding the event that

gave rise to claim for damages.

- 20.1.4.** No limitation of liability shall be applicable if not permitted under the Applicable Laws, otherwise limitation of liability shall be applicable to the maximum extent allowed under the Applicable Laws.
- 20.1.5.** Paynt shall not be held liable:
 - 1)** for any loss of the Merchant that resulted from hacking, tampering, or other unauthorised access or use of the Services, the failure to protect the Personalised Security Features (irrespective of the reason) or from loss, theft or misappropriation of the Personalised Security Features, failure to implement appropriate anti-fraud measures or any other data security measures;
 - 2)** for acts and omissions of the Merchant or any errors, inaccuracies, omissions, or losses in or to data provided to Paynt by (or on behalf of) the Merchant;
 - 3)** for errors, delays, suspension of funds and discrepancies that occurred by third parties beyond Paynt's control;
 - 4)** for breach of any of Paynt's obligations caused by communication failures, electricity supply failures other failures in services of third-party service providers;
 - 5)** for any unauthorised access of infrastructure or data used in connection of the Services;
 - 6)** for any bugs, viruses, or other harmful code that may be transmitted to or through the Services;
 - 7)** the defamatory, offensive, or illegal conduct of third parties;
 - 8)** for any consequences resulting from the termination of the Agreement, suspension or delay in provision of the Services by Paynt, if Paynt acted in accordance with the Agreement, Applicable Laws and Rules;
 - 9)** for breach and/or termination of the Agreement and/or any and all damages that occurred because of Paynt compliance with the Rules, the Applicable Laws and/or court order and/or order by other state authorities;
 - 10)** for any and all damages suffered by the Merchant because of failure to: (i) comply with the rules of use of the Personalised Security Features resulting from the Merchant's wilful misconduct or gross negligence or the Merchant acting unfair; (ii) inform Paynt immediately on loss, theft or misappropriation of the Personalised Security Features as soon as practically possible; (iii) comply with Paynt's instructions regarding use of the Services, Payment Solution or protection of the Personalised Security Features.
- 20.1.6.** All legal obligations under the Agreement are only between the

Parties (and their respective successors and assignees). The Merchant expressly agrees not to assert any claims and/or complaints and/or other legal actions against the Member, outsourced service providers of Paynt and/or the Card Schemes. Notwithstanding the above-mentioned, the Card Scheme (Payment Solution provider and/or the Member) may directly enforce their rights against the Merchant under the Agreement, Applicable Laws and Rules as if it was a party hereto.

- 20.1.7.** If Paynt incurs a fine, fee, non-compliance assessment or other charge under the Applicable Laws or the Rules from a competent authority, Card Scheme, Member and/or Payment Solution provider in relation with a Transaction or activity of the Merchant, then the Merchant shall pay to Paynt a pre-determined amount of compensation for the initial processing expenses and reputational damages of Paynt in amount of GBP 2,500 (two thousand five hundred British pounds) per case. The above-mentioned amount of compensation is determined only in relation with the initial processing of the above-mentioned fine, fee, non-compliance assessment or other charge and without prejudice to: (a) obligations of the Merchant to compensate the amount of the respective fine, fee, non-compliance assessment or other charge; and (b) any rights of Paynt under the Agreement, Applicable Laws and/or Rules related to subsequent activities (including complaints, disputes, litigations, mediation, alternative dispute resolution methods, etc.).

20.2. Force Majeure

- 20.2.1.** Notwithstanding the foregoing, Paynt shall not be liable for losses incurred as a result of failure to comply with its obligations in connection with circumstances beyond the control of Paynt. Even in areas where stricter liability rules prevail, Paynt cannot be held responsible for losses incurred as a result of:
- 1)** failure of third-party IT systems, inability to access third-party IT systems, damage to the data maintained in the third-party IT systems as a result of any of the reasons listed below, except if such events were caused by the intent or gross negligence of Paynt,
 - 2)** a power supply failure or failure in Paynt's telecommunications systems, legislative or administrative interventions, natural disasters, war, revolution, civil unrest, sabotage, terrorism or vandalism (including virus attacks and computer hacking),
 - 3)** strikes, boycotts or blockades, regardless of whether the

conflict is directed against or was started by Paynt or by Paynt's organisation, and regardless of the cause of such conflict. The foregoing also applies if the conflict only affects portions of Paynt and other circumstances that are beyond Paynt's control.

- 20.2.2.** Paynt's exemption from liability in the event of force majeure does not apply if:

- 1)** at the date of the Agreement Paynt should have foreseen the circumstances giving rise to the loss, or if Paynt should have been able to avoid or overcome the cause of the loss or consequences thereof by taking appropriate commercial precautions;
- 2)** the legislation under all circumstances makes Paynt liable for the circumstances giving rise to the loss.

21. TERMINATION OF THE AGREEMENT

- 21.1.** The Agreement shall come into effect on its execution date and continue for an Initial Term with automatic renewals for additional one (1) year terms, unless otherwise shall be agreed in the Agreement Form or otherwise terminated by either Party in accordance with the terms of the Agreement.

- 21.2.** Each Party may unilaterally terminate the Agreement by giving the other Party at least 60 (sixty) days' prior written notice. Where the Merchant is not a consumer, micro-enterprise or charity within the meaning of the Payment Services Regulations 2017, any termination notice submitted by the Merchant shall not expire (and the termination shall not take effect) prior to the end of the Initial Term. Where such Merchant purports to terminate with an effective date prior to the end of the Initial Term, Paynt may, at its discretion, accept such termination, in which case Section 21.4 shall apply. Merchants who are consumers, micro-enterprises or charities within the meaning of the Payment Services Regulations 2017 retain the statutory right to terminate the Agreement on not more than one (1) month's notice at any time in accordance with Applicable Laws. Where Paynt elects to accept such termination with an earlier effective date, Section 21.4 shall apply. Prepaid annual subscriptions or monthly Fees are not refundable on termination of the Agreement.

- 21.3.** Following termination or expiry of the Agreement, Paynt may, at its sole discretion, elect to continue, suspend or terminate any separate arrangement or agreement with the Merchant relating to terminal or equipment servicing, rental, lease, hire, financing, or any other ancillary product or service, in each case in accordance with (and subject to) the terms of such separate

arrangement or agreement. Any separate arrangement or agreement concluded for a fixed term or an initial/minimum term shall otherwise continue in accordance with its own terms, and the Merchant shall remain liable for all amounts and obligations due under it, notwithstanding termination or expiry of the Agreement. For avoidance of doubt, Paynt has no responsibility for, and no ability to vary or terminate, any third-party arrangement except to the extent Paynt is a party to it.

21.4. If the Merchant terminates (or purports to terminate) the Agreement with an effective date prior to the end of the Initial Term, and Paynt elects to accept such termination (rather than require that the applicable notice period expires), Paynt may issue to the Merchant an invoice for an early termination fee. The early termination fee shall be calculated as the aggregate of: (a) any fixed monthly Fees, terminal rental fees, or service fees that would have been payable by the Merchant under the Agreement from the date of termination to the end of the Initial Term; and (b) a sum equal to three (3) months' average of the Merchant's fixed monthly and service Fees (excluding variable or transaction-based fees), representing Paynt's reasonable estimate of the costs of onboarding, account management, and closure attributable to early termination. For the avoidance of doubt, the early termination fee shall not include variable or transaction-based fees that have not yet been accrued at the date of termination. The Parties agree that the early termination fee represents a reasonable estimate of the costs and losses incurred by Paynt as a result of early termination and is not intended to operate as a penalty. Paynt may require payment of the early termination fee as a condition of accepting such termination, or may accept such termination and invoice the Merchant for the early termination fee, which shall be payable within 20 (twenty) Business Days of the invoice date. Paynt shall be entitled to deduct and set off the early termination fee against the Merchant's Rolling Reserve and/or other amounts payable to the Merchant, and to apply or set off any Fixed Collateral towards such amounts.

21.5. If, within the 12 (twelve) months prior to Paynt's receipt of a Merchant's notice of termination, Paynt has notified the Merchant of a material breach of the Agreement, and such breach has not been: (a) withdrawn by Paynt; (b) finally dismissed by a competent court or authority; or (c) remedied by the Merchant to Paynt's reasonable satisfaction, then Paynt may issue to the Merchant an invoice for a termination fee. The termination fee shall reflect the reasonable costs, losses and

expenses incurred or to be incurred by Paynt as a result of such termination, including costs associated with onboarding, provision of equipment, servicing of the Merchant and closure of the Merchant account, taking into account the Merchant's agreed fee structure. For the avoidance of doubt, the termination fee shall not include variable or transaction-based fees that have not yet been accrued. The Parties agree that the termination fee represents a reasonable estimate of the costs and losses incurred by Paynt as a result of such termination and is not intended to operate as a penalty. Paynt may require payment of the termination fee as a condition of accepting such termination.

21.6. If Paynt terminates the Agreement due to a material breach by the Merchant (including, for the avoidance of doubt, termination under Section 21.10 where the relevant ground constitutes a material breach), the Merchant shall pay a breach fee. The breach fee shall be calculated as follows: (a) where the Agreement has been in force for 12 months or more at the date of termination: 5% (five percent) of the highest monthly volume charged during the term of the Agreement, multiplied by 12 (twelve); (b) where the Agreement has been in force for less than 12 months at the date of termination: 5% (five percent) of the highest monthly volume charged during the term of the Agreement, multiplied by the number of months remaining until the end of the Initial Term.

21.7. Prior to applying the breach fee, Paynt shall provide the Merchant with written notice identifying: (i) the material breach relied upon; (ii) the calculation of the breach fee and the highest monthly volume used; and (iii) the date on which the fee will be applied, which shall be no earlier than five (5) Business Days from the date of such notice.

21.8. The breach fee shall not be considered a penalty but as a genuine pre-estimate of the fees, costs, and losses that Paynt may incur as a result of the Merchant's material breach and the consequent termination of the Agreement. Paynt may deduct and set off the breach fee against the Merchant's Rolling Reserve and/or other amounts payable to the Merchant, and may apply or set off any Fixed Collateral towards such amounts, or issue an invoice payable within **20 (twenty)** Business Days of issue.

21.9. Paynt shall have the right to deduct and/or set off any fees or amounts due under Sections 21.4, 21.5 and 21.6 against the Merchant's Rolling Reserve and/or other amounts payable to the Merchant; and to apply or set off any Fixed Collateral

towards such amounts, or issue to the Merchant an invoice payable within 30 (thirty) days of issue.

21.10. Paynt shall be entitled, with immediate effect, to terminate the Agreement if:

- 1) The Merchant provided false, inaccurate or incomplete information to Paynt;
- 2) The Merchant failed to provide full and accurate information requested by Paynt under the Agreement in a timely manner;
- 3) The risk assessment of the Merchant is unsatisfactory to Paynt;
- 4) Any of the supervisory authorities, Card Schemes or the Member requests Paynt to suspend or terminate the Agreement;
- 5) there is a major change in Merchant's circumstances, to the extent that if such circumstances existed before the or on the date of the Agreement, the Merchant would have not passed Paynt's due diligence procedure and respectively the Agreement would have not been concluded;
- 6) The Merchant does not comply with the requirements under the Agreement, the Rules and Applicable Laws or causes Paynt to be in breach of the Rules or Applicable Laws;
- 7) Any non-material breach of the Agreement by the Merchant is not resolved within the time limit specified in writing by Paynt;
- 8) The number of disputes in which the Merchant shall be involved is disproportionately large;
- 9) The number of the refund/credit Transactions or Chargebacks related to activities of the Merchant are (or expected to be) disproportionately large;
- 10) Any part of the Merchant's activities is considered as illegal or unfair under the Applicable Laws or the Rules;
- 11) the Merchant fails to respond to Paynt's request for information, or fails to implement the necessary precautions to mitigate risk of disputes, Chargebacks, fraudulent and otherwise illegal activities;
- 12) the Merchant's activities or actions are damaging or may damage the image/reputation/goodwill of Paynt, the Member or the Card Schemes;
- 13) Risk related to the Merchant's activities is unacceptable, or deviates significantly from what was agreed on conclusion of the Agreement;
- 14) There is a change in control or direct or indirect ownership of more than 10% of the Merchant's share capital;
- 15) Any of the Ultimate Beneficial Owners, directors, key function

holders or representatives of the Merchant is a PEP and, following an individual risk assessment carried out by Paynt in accordance with Applicable Laws and Paynt's internal policies and procedures, Paynt reasonably determines that continuing the Agreement would expose Paynt to unacceptable legal, regulatory, financial crime or reputational risk;

- 16) The Merchant has not settled the invoice issued by Paynt within 30 (thirty) Business Days after the issue;
- 17) The Merchant infringes any obligations related to protection of intellectual property under these Terms and Conditions;
- 18) the Merchant becomes subject to any Insolvency Event or otherwise ceases activities or commences cessation proceedings or enters into restructuring proceedings;
- 19) The Merchant committed any other material breach of the Agreement.

The Merchant shall be liable to reimburse any and all of Paynt's direct and indirect damages and losses related to the termination of the Agreement based on any of the circumstances referred above in this Section.

21.11. If, within any period of three (3) consecutive months: (a) the Merchant has not submitted any Transactions to Paynt; or (b) the Fees received by Paynt for Services provided to the Merchant do not reasonably cover the costs maintaining the Services to that Merchant, Paynt may terminate the Agreement with immediate effect.

21.12. Paynt may immediately terminate the Agreement due to termination of any agreement with any of the Card Schemes, Payment Solution providers or the Member required for performance of the Services under the Agreement.

21.13. Even if the Agreement is terminated, the terms of the Agreement shall remain valid in respect of outstanding claims at the time of the Agreement's expiry.

21.14. In the event of any termination or expiry of the Agreement, Paynt may withhold settlement funds (being funds held on behalf of the Merchant) and/or the Rolling Reserve to cover then-current, pending or reasonably anticipated Secured Claims. Paynt may apply such withheld amounts towards any Secured Claims in accordance with the Agreement. For the avoidance of doubt, where the Merchant's fraud rate and/or chargeback ratio has exceeded applicable card scheme monitoring programme thresholds during the term of the Agreement, Paynt may treat the risk of future scheme assessments, chargebacks, fraud-related reversals and

related liabilities as reasonably anticipated Secured Claims for the purposes of this clause. Amounts withheld pursuant to this clause are without prejudice to Paynt's right to apply a breach fee under Section 21.6. Where Paynt withholds funds pursuant to this clause, Paynt shall notify the Merchant in writing of: (a) the amount being withheld; (b) the reason for the withholding, including the nature of the Secured Claims being covered; and (c) the expected duration of the withholding or, where the duration cannot be determined with certainty, the conditions or events upon which the withheld funds will be reviewed and released.

21.15. Paynt shall review the amount withheld at intervals of no more than 90 (ninety) days and shall release to the Merchant any amount that is no longer required to cover then-current, pending or reasonably anticipated Secured Claims within 14 (fourteen) Business Days following such review.

21.16. For the avoidance of doubt, Fixed Collateral is governed by Section 21.17 and is not held on behalf of the Merchant, is not subject to the safeguarding or withholding provisions of this clause, and may be applied by Paynt towards Secured Claims in accordance with the Agreement.

21.17. Upon termination or expiry of the Agreement for any reason, Paynt may apply any Fixed Collateral towards any Secured Claims in accordance with the Agreement. To the extent that any Fixed Collateral remains after all then-current, pending and reasonably anticipated Secured Claims have been fully satisfied, Paynt may return such remaining amount to the Merchant within 30 (thirty) Business Days of the date on which Paynt reasonably determines that no further Secured Claims are outstanding or reasonably anticipated.

21.18. The Merchant acknowledges that the Member, the Schemes and supervisory authorities (such as the FCA) may at any time prohibit or restrict business relationships between the Merchant and Paynt in relation to violation of the Rules, Applicable Laws or risk of such violations. The Merchant may not take any action that could interfere with exercise of the above-mentioned rights of the Member, the Schemes and/or supervisory authorities.

21.19. Paynt shall provide reasons for termination of the Agreement where required to do so under Applicable Laws. Notwithstanding the above, Paynt shall not be required to provide reasons where doing so would be prohibited by Applicable Laws, including where providing such reasons would constitute tipping off under the Proceeds of Crime Act 2002, the

Terrorism Act 2000, or any other laws relating to financial crime, money laundering, terrorist financing or sanctions.

22. SECURITY THREATS

22.1. In the event of misappropriation of data related to provision of the Services, suspected or executed Security Threat, the Merchant will be informed by Paynt by email at the address registered with Paynt, by phone and/or other communication means. In order to properly identify the Merchant, Paynt may ask the Merchant to verify their identity using the data known to Paynt. Where the Merchant has been informed of a Security Threat by phone call, the phone call shall be recorded. Paynt shall be entitled to suspend the use of the Merchant Data Account and provision of the Services during the time that Paynt requires to investigate and remove the relevant Security Threats, if any.

22.2. Paynt may block usage of the Services in justifiable circumstances, including: (a) indications of unauthorised and illegal usage of the Services; (b) indications of illegal usage or disclosure of the Card Data or personal data of the Cardholders; or (c) suspicious or unusual activities related to the use of the Services.

23. COMMUNICATION

23.1. To communicate with Paynt, the Merchant may send an email to support@paynt.com and/or use the online chat functionality available in the Merchant portal maintained by Paynt. Paynt may respond via email to the Merchant's email address registered with Paynt and/or via message within the Merchant portal.

23.2. The original and controlling version of the Agreement shall be the version using the English Language. All translations of this Agreement into other languages shall be for the convenience of the Parties only, and shall not control the meaning or application of the Agreement. All notices and other communications required or permitted by the Agreement must be in English (except as stated under the Section 3.6.3. and 25.2 hereof or expressly required under the Applicable Laws), and the interpretation and application of such notices and other communications shall be based solely upon the English language version of the Agreement.

23.3. When the Applicable Laws require Paynt to provide the Merchant with information on a durable medium, Paynt will send the Merchant an email to the Merchant's email address used to register with Paynt.

- 23.4.** When the Applicable Laws require Paynt to communicate with the Merchant in a secure way, Paynt may use other secure forms of communication.
- 24. GENERAL**
- 24.1. Entire Agreement.** The Agreement shall contain the entire agreement between the Parties hereto with respect to the relationship contemplated herein, and all prior negotiations, representations, agreements and understandings are merged into and completely expressed by it. The Parties shall execute any other instruments or documents or perform any other acts that shall be or may be necessary to effectuate and carry on the purposes set forth in the Agreement.
- 24.2. Sub-contraction.** Subject to the Rules, Paynt shall be entitled to sub-contract any third party for performance of any activities under the Agreement at discretion of Paynt.
- 24.3. Waiver.** Any failure or delay by any Party in exercising any right or remedy in one or many instances shall not prohibit a Party from exercising it at a later time or from exercising any other right or remedy. No part of the Agreement may be waived, modified, amended, or supplemented in any manner whatsoever except by a written document signed by authorised officers of the Parties.
- 24.4. Invalidity.** If any provision of the Agreement shall be found by any court or legal authority to be invalid, unenforceable or illegal, the other provisions shall remain valid and in force and, to the extent possible, the provision shall be modified to ensure it is valid, enforceable and legal whilst maintaining or giving effect to its commercial intention.
- 24.5. Effect.** All provisions of the Agreement which by their nature shall be intended to continue shall survive expiry, termination and/or cancellation of the Agreement, including terms of the Sections 1, 2.2, 3.3, 4, 5, 10, 12, 14, 16, 18, 19, 20, 21, 23, 24 and 25 and any related terms in the Agreement.
- 24.6. Accrue rights.** Termination or expiry of the Agreement shall not affect accrued rights and obligations of Paynt and the Merchant except unless such rights were accrued unlawfully or in breach of the Agreement.
- 24.7. Enforceability.** No provisions of the Agreements shall be intended to be enforceable by any other person other than the Parties of the Agreement, except if otherwise is expressly defined under the Agreement.
- 24.8. Governing law.** The Agreement shall be governed by English law.
- 24.9. Counterparts.** The Agreement may be executed in counterparts, all of which taken together will constitute one single agreement between the Parties.
- 24.10. Titles and Subtitles.** Titles and subtitles used in the Terms and Conditions shall be used for convenience only and shall not be considered in the interpretation of the Agreement.
- 24.11. Conflict.** In the event of any conflict and/or discrepancy between the Terms and Conditions and the Special Terms and Conditions, the Special Terms and Conditions shall prevail.
- 24.12. Further Assurances.** The Merchant shall execute and deliver such other instruments and documents, and take such other actions, Paynt reasonably requests or as are necessary or appropriate to evidence or effect the transactions contemplated by the Agreement.
- 25. COMPLAINTS**
- 25.1.** If the Merchant is of the opinion that their rights and/or interests related to the Agreement and/or the Services have been violated, the Merchant must first submit the complaint to Paynt following the instructions provided by Paynt at <https://www.paynt.com/handling-of-complaints>.
- 25.2.** If the Merchant is not satisfied once Paynt has responded to the complaint, and the Merchant is an eligible complainant and the complaint falls within the Financial Ombudsman Service's jurisdiction, then the Merchant may be able to take the complaint to the Financial Ombudsman Service. Further information on eligibility criteria and the procedures involved in referring complaints to the Financial Ombudsman Service are available on the following weblink (<http://www.financial-ombudsman.org.uk>).
- 25.3.** If the Merchant is not eligible to submit complaints to the Financial Ombudsman Service, or the complaint does not fall within the Financial Ombudsman Service's jurisdiction, or the Merchant does not wish to refer the complaint to the Financial Ombudsman Service, then it is agreed that the English courts will have exclusive jurisdiction to hear any claims arising out of or relating to the Agreement.