

This Agreement is entered into between you (the “Merchant”, “you”, “your”) and Payleven Ltd, (“payleven”, “we”, “us”, “our”). It sets out the terms and conditions for the provision of our services to you.

1. Information about us

Payleven Ltd is a private limited company registered in England and Wales under company registration number 08016695. Our registered office is located at Oxford House, 76 Oxford Street, London, W1D 1BS.

Payleven Ltd is authorised and regulated by the Financial Conduct Authority of the United Kingdom as a payment institution, FCA registration number 581071. Contact details of the Financial Conduct Authority can be found at <http://www.fca.org.uk/site-info/contact>.

2. Services provided by Payleven

2.1 Mobile Card Payments via Card Reader

We will provide you with technical and payment services. We offer card readers (the “Card Reader”) for purchase via our website or in retail locations. We also grant you a licence to use our mobile software application (the “Application”) which will enable you to accept and process payments using the payment methods and payment cards listed on our website under the following link www.payleven.co.uk (the “Payment Cards”). The Card Reader will process the data stored on Payment Cards (the “Card Data”). The Application will generate a transaction and associated data (the “Transaction Data”). The Transaction Data will be processed and forwarded by the Application to the card schemes via a card scheme member organisation. Transaction Data is used in order to initiate the payment transactions and transfer the relevant sums into a bank account specified by you. When a payment is made to your account, we will update your account history on our website and send you an e-mail confirming that the payment transaction has taken place.

2.2 E-commerce Payments

We will provide you with card-not-present payment services that enable you to accept e-commerce payments through a third party application (a “Partner Application”) i.e. through a mobile Application or a website, provided to you by a partner (the “Partner”) under a separate commercial relationship between you and the Partner. In case you only accept e-commerce Payments, the provisions of this Agreement relating to Card Readers and procedures relating to a card being presented by the payer do not apply to you.

We are only responsible for the payment services provided as part of the partner application. We are not responsible for the functionality of the Partner Application or any service provided to you or card holders by the Partner.

If agreed between you and the Partner, we may charge fees that not only cover our transaction fees but also include a charge on behalf of the Partner to collect funds that you owe to a Partner under the separate commercial agreement you have with the Partner (the “Partner Charge”). In this case, we are not responsible for any tax implication or invoicing with respect to the Partner Charge and it is your and the Partner’s responsibility to make arrangements with the Partner with regards to invoicing, accounting and payment of relevant taxes. Disputes with regards to the Partner Charge need to be resolved by you directly with the Partner. We will not get involved in such disputes and you may not be able to bring such disputes before the Financial Ombudsman Service. Services provided to you by the Partner are not part of our payment services.

2.3 Telephone Payments

We will provide you with technical and payment services that enable you to accept card-not-present payments over the telephone. We may not allow the use of telephone payments depending on the type of business you are running as well as other risk factors. We may also ask you additional questions or require additional documentation as part of our risk procedures before we allow telephone payments.

You must at all times fulfil all data protection requirements with regards to Card Data, Transaction Data and personal data of the cardholder, including requirements imposed by the relevant card schemes.

As telephone payments may pose a higher risk of chargebacks than payments where the payment card is presented to you, we reserve the right to impose stricter transaction limits, higher amounts of reserve, delayed settlement or any combination of the foregoing.

In this Agreement, any reference to the “Application” is also a reference to the online system we make accessible to you to accept telephone payments.

2.4 We reserve the right to appoint a third party in order to fulfil some or all of our obligations under this Agreement.

2.5 We reserve the right to amend the list of accepted payment methods and Payment Cards at any time.

2.6 The Services shall be provided to you only in those territories as agreed between us (your “Service Territory”) and you are strictly prohibited from using the Services in other territories.

2.7 Any usage of the Service means automatically that user has read, understood and accepted the T&Cs.

3. The Card Reader and Application

3.1 Installation of the Card Reader and the Application

You must install the Card Reader and the Application according to the instructions described in the Download and Installation Manual available on www.payleven.co.uk.

For use or installation of a Partner Application you should refer to the instructions and documentation provided to you by the Partner.

3.2 Card Reader

3.2.1 We will sell you a suitable card reader at a purchase price determined by us from time to time or as published on our website. If we allow you to purchase the Card Reader at a reduced price or give you the reader for free, we reserve the right to make your ownership of the Card Reader conditional on the achievement of a minimum transaction volume.

3.2.2 You are not allowed to sell, rent, license or transfer the Card Reader to a third party or allow use of the Card Reader by a third party. You are also not allowed to modify the software or the hardware of the Card Reader in any way. You must not use the Card Reader for any purpose other than effecting payment transactions through your installed version of the Application.

3.2.3 At our request, you must return the Card Reader to us, either upon termination or expiry of this Agreement or to replace an existing Card Reader. If you terminate the Agreement, you must return the Card Reader at your own cost. If you have purchased the Card Reader, you are obliged to transfer ownership back to us.

3.2.4 We will refund the purchase price of the Card Reader if we are required to do so by law or we agreed to a refund. We may charge a handling fee for processing returns of Card Readers or refunding the purchase price (see [refund policy](#)). If the Card Reader is returned in used condition, we may refuse to refund the purchase price.

3.3 Unauthorized use of the Application

You shall not make copies of the Application except for the purpose of using our Services and you shall not alter, amend or reverse-engineer all or any part of the Application. If we provide an update of the Application, you are required to install the update and discontinue use of the old version. You may only use the Application in your Service Territory.

The same applies to a Partner Application you may be using. In addition, you must at all times follow our or the Partner's reasonable instruction with regards to the Partner Application, including required updates or security measures.

4. Transmission of Transaction Data

4.1 We are not direct member of the card schemes. Therefore, in order to provide you with card payment services, we are collaborating with card scheme member organisations who are facilitating technical connectivity as well as funds

management. Any reference in this Agreement to the card schemes shall also include a reference to these card scheme member organisations. Under our arrangements with the card schemes, we will transmit the Transaction Data, in accordance with the authorisation requests and authorisation responses placed through the Application, to the card schemes and ultimately to the card issuer in order to initiate payment transactions.

4.2 You agree that we may pass the Transaction Data to the card schemes, together with any other necessary account information, to enable the card schemes to initiate and process the payment transactions.

4.3 We reserve the right to change our arrangements with card schemes and their member organisations at any time.

5. Your Obligations

5.1 Registration

5.1.1 You must register with us and set up an account in order to use our Services. Our registration process is available either via our website at www.payleven.co.uk or via the Application available either through a link provided to you by email or through various mobile application providers. If you are using a Partner Application, part of the registration process may be conducted by the Partner. In this case the Partner will share any relevant data with us and you consent that the Partner may do so.

5.1.2 During the registration process, you will be asked to provide certain information including but not limited to your name, address, email address, telephone number, bank account details and, where relevant, company name and legal form of organisation, trading name, business type/category, full business address and ownership information.

5.1.3 In addition to the information asked of you during the registration process, we reserve the right to require further information if this is necessary in our reasonable opinion in order to provide the service or to comply with legal and regulatory requirements or to assess the operational and financial risk of allowing you to use our Service. If you do not provide such further information, we have the right to suspend or cancel your account.

5.1.4 You agree that the information you provide during the registration process or otherwise is accurate, complete and up-to-date and that you must immediately notify us of any changes to any information provided by you to us, either during the registration process or at any other time during the term of this Agreement. If any information provided on registration or thereafter is or becomes inaccurate or incomplete this may delay or disrupt the Services provided to you.

5.1.5 On registration, you will receive a personalised account and password which you will need in order to process payment transactions. It is your responsibility to ensure that this information and other login information are stored safely. You agree to maintain such account information solely at your own risk and in such a way that it remains inaccessible to unauthorised persons. Account information is personal and may not be transferred to or used by anyone other than you.

5.1.6 We will process your information in accordance with applicable data protection laws. For further information on how we collect, process and use your information, please refer to our Data Protection Policy which forms part of this Agreement and can be accessed at www.payleven.co.uk/datasecurity.

5.2 Verification

5.2.1 Once you have completed the registration process, we will undertake a verification of your identity in accordance with applicable anti-money laundering and anti-terrorism financing regulations as determined by us in our sole discretion.

5.2.2 The decision whether your identity has been properly verified will be entirely at our discretion. Before successful completion of the registration and verification process we reserve the right to suspend or not to start to provide any Service under this Agreement.

5.2.3 Once verified, we will assign a merchant category to you according to the business or activity you carry on. This will also be used to determine certain thresholds, such as maximum transaction amount, and frequency of transactions that are regarded as typical for that type of business or activity. You will be notified of the relevant thresholds applicable to you and you will only be able to accept payment transactions up to defined limits (the "Merchant Transaction Limits"). You must promptly inform us of any material change to your business activity.

5.2.4 In the event that, in any one week, you reach the Merchant Transaction Limits, you will not be able to accept any further card payments. We will endeavour to notify you prior to your Merchant Transaction Limits being reached. In exceptional circumstances and on a case by case basis, we may, in our sole discretion, increase the Merchant Transaction Limits.

5.3 Restrictions and limitations of use

5.3.1 You must only use the Services to accept payments in accordance with applicable laws, rules, regulations and card schemes rules. We may be required by the card schemes to change this Agreement in connection with amendments to the card schemes rules.

5.3.2 You must only use our Services for the sale of products and services typically associated with the business activities of merchants in your merchant category. You must obtain our prior approval for any products or services that fall outside of such typical product or service range. If you are in doubt whether your goods or services are typical, you must contact Customer Service (see clause 16.4).

5.3.3 You must not use the Services fraudulently or in a way that is misleading to your customers, card holders or any third party.

5.3.4 You must only use and display the card schemes brands in accordance with the card schemes rules.

5.3.5 Without our permission you must not apply a price threshold for accepting a Payment Card that is higher than any minimum transaction amount we impose for technical reasons.

5.3.6 You must not dispense cash on any payment transaction.

5.3.7 You must not accept payment transactions with Payment Cards held in your own name or the name of your business.

5.3.8 You must not act as a payment intermediary, aggregator or service bureau or otherwise resell our Services to any third party.

5.3.9 You must not use the Services to accept payment for goods and services in connection with (1) any illegal activity, (2) buyers associations, (3) credit counselling or repair agencies, (4) credit protection or identity theft protection services, (5) direct marketing or subscription offers or services, (6) infomercial sales, (7) internet/mail order/telephone order pharmacies or pharmacy referral services (where fulfilment of medication is performed with an internet or telephone consultation, absent a physical visit with a physician including re-importation of pharmaceuticals from foreign countries), (8) pyramid selling, (9) inbound or outbound telemarketers, (10) prepaid phone cards or phone services, (11) rebate based businesses, (12) up-sell customers, (13) bill payment services, (14) gambling services (including online gambling), gambling chips, or gambling credits, betting, including lottery tickets, casino gaming chips, off-track betting, and wagers at races, (15) financial institutions offering manual or automated cash disbursements, (16) financial institutions offering merchandise and services, (17) sales of money-orders or foreign currency by non-financial institutions, (18) wire transfer money orders, (19) high-risk customers, including telemarketing customers, (20) service station customer, (21) automated fuel dispensers, (22) adult entertainment oriented products or services (in any medium, e.g., internet, telephone or printed material), (23) escort services, (24) internet/mail order/telephone order

cigarette or tobacco sales, (25) in-store/internet/mail order/telephone order firearm or weapon sales, (26) products and services specifically offered or intended to be used to create drugs or grow ingredients for drugs (e.g. 'grow shop' products, seeds for cannabis plants etc.), (27) occult materials, (28) product or services invoking or supporting hatred, discrimination, violence or terrorism, (29) drug paraphernalia, (30) bankruptcy attorneys, (31) Counterfeit goods, goods infringing on third party intellectual property rights, (32) products designed to circumvent copyright protection techniques or to otherwise facilitate the unlicensed use of copyrighted materials (e.g. 'mod-chips' to break the encryption of game computers to enable the playing of unlicensed copies of games), (33) timeshare and timeshare maintenance, (34) independent financial advisers (IFA), (35) bureaux (other Internet Payment Service Providers (IPSP) / Member Service Providers (MSP)) fulfilment houses (so no use for third party products or services), (36) bureau de change / money transfer, (37) damages, losses, penalties, or fines of any kind, (38) costs or fees over the normal price of the goods or services (plus applicable taxes) or Charges that cardholders have not specifically approved, (39) overdue amounts, or amounts covering returned or stop-payment checks, (40) sales made by third parties or entities (41) amounts that do not represent bona fide sales of goods or services, e.g. amounts which do not represent a bona fide sale of goods or services by you (e.g. the "funding" of an account without a corresponding provision of goods/services to another person or purchases by the owners (or their family members) or employees of your business which are contrived for cash flow purposes).

5.3.10 You must obtain our approval if you want to accept payment for goods and services in connection with (1) private medical practices, (2) e-money and e-wallet companies, (3) auctions, (4) computers, (5) car sales / importers and car advertising publications, (6) buying of shares, (7) foreign currencies, options, other financial instruments or precious metals, (8) investments of any kind, (9) products and/or services that under applicable law subject to age or other restrictions, (10) products or services related to political or social campaigning; (11) services with a time delay of 48 hours between payment and delivery of the services.

5.3.11 We reserve the right to modify the lists mentioned in clauses 5.3.11 and 5.3.12 from time to time.

5.4 Security

5.4.1 You must provide and maintain, at your own expense, the mobile device required to use the Card Reader and the Application or the Partner Application, together with the necessary telecommunication contracts allowing the transmission of the Transaction Data.

5.4.2 We do not warrant that the Services will be compatible with your mobile device.

5.4.3 You must take all reasonable precautions to keep your Card Reader, the Application or the Partner Application and your mobile device secure and to avoid loss, theft, misappropriation or unauthorised use of your mobile device, the Card Reader, the Application or your account security details (including your user ID, passwords and other security information).

5.4.4 You must at all times follow any reasonable instructions we give you in relation to the security of any Card Data or Transaction Data, customer data and the integrity of the Card Reader and the Application or the Partner Application. We may communicate such instructions specifically to you through any agreed communication channel.

5.4.5 If your Card Reader or any security details relating to your account are lost or stolen, or you suspect that someone other than you has used or tried to use them, you must tell us without delay by contacting Customer Service.

5.4.6 If your security details have been used to access your account and we have not received any notification from you as described above, in the absence of any indication that your account may have been accessed without your authorisation we will process any payment transaction received through your account.

5.4.7 If the Payment Card presented to you has a card chip, you must first ensure that the PIN is entered for verification purposes or, if you have a Card Reader that supports contactless payments, you must ensure that the contactless transaction is properly executed. When using the Services for a transaction requiring a signature of the cardholder (Chip&Sign or Swipe&Sign), you must ensure that the Payment Card presented to you was issued to the person presenting such card to you, for example by comparing the signature on the Payment Card to that made in your presence by the person presenting the card. In the event that the two signatures are not a sufficiently close match for you to be comfortable that they were made by the same person, you must not accept the Payment Card for payment unless the person presenting the card provides some other proof that they are the person to whom the card was issued.

5.4.8 You must only accept a Payment Card if the transaction amount is within the limits applicable to the Payment Card type as communicated to you by us from time to time. In particular, you must not accept contactless payments above the applicable limit for such payments.

5.4.9 You must at all times take all necessary measures to prevent a fraudulent or otherwise illegal use of your account, the Card Reader or the Application or Partner Application. We

will report any fraudulent activity or suspicion of fraudulent activity to the appropriate authorities.

5.4.10 If you have any reasonable suspicion that a card presented to you for payment is being used fraudulently you must note the relevant card details and contact us immediately.

5.4.11 When accepting transactions requiring a signature (Chip&Sign or Swipe&Sign), you must ensure that the cardholder accepts the payment transaction and that the cardholder signs the electronic signature receipt with his/her name at the specified place in the Application.

5.4.12 We may at any time restrict the number or the value (or both) of the transactions you may submit using the Chip&Sign or Swipe&Sign procedures.

5.4.13 When processing transactions, you must submit the full amount of the invoiced goods/service as one transaction. If the transaction is declined, you must not split the transaction into smaller amounts. Please note that the card issuer retains the right to issue a chargeback if you split a transaction. Splitting transactions can result in your funds being withheld and your merchant account terminated.

5.5 Data Security Standards

5.5.1 You must at all times adhere to applicable data security standards determined by the Payment Card Industry Security Standards Council (PCI Council) whose data security standards and policies (the "PCI Standards") can be viewed at www.pcisecuritystandards.org.

5.5.2 It is your obligation as a merchant accepting Payment Cards to determine which PCI Standards are applicable to you. Based on the information we hold on you we may recommend that you take certain actions in order to become compliant with relevant PCI Standards, however, recommendations shall not constitute legal or compliance advice and we shall not be liable to you for the accuracy of any recommendations we give you.

5.5.3 Upon request, you must demonstrate how you comply with applicable PCI Standards and must provide sufficient documentary, organisational or technological evidence of your compliance, including but not limited to a completion of a PCI assessment or self-assessment questionnaire. You must at all times adhere to any instruction we give you with regards to compliance with PCI Standards.

5.5.4 For the business typically undertaken by our merchants there are currently no direct fees associated with the certification of compliance with PCI Standards, however, this may not apply to your particular circumstances and you should carefully check the applicable PCI Standards and associated certification procedures. We also cannot guarantee

that any currently free certification procedure will remain free of charge. The cost of compliance with applicable PCI Standards and any associated fees shall be borne by you.

5.6 Notification of defect

You must notify us immediately of any interruption, defect or damage relating to the Card Reader, the Application, the Partner Application or the performance by us of the Services.

5.7 Cooperation

You must fully cooperate with us at your own cost if we require your cooperation for the purposes of any audit imposed by the card schemes, or to comply with an order or investigation of a competent authority or law enforcement agency or court.

5.8 Dormant accounts

If there has been no payment activity on your account for at least six months we may deactivate your account. We will notify you of this in advance. You will be given the opportunity to tell us that you would like the account to remain active. If your response is not received by us within the specified time, we will automatically deactivate the account.

6. Processing payment transactions

6.1 Settlement

6.1.1 You must at all times maintain a bank account into which we can pay funds for successfully processed transactions (your "Settlement Account"). You must inform us immediately of any changes or closure of the Settlement Account no later than 7 business days prior to the change and you are solely responsible for the proper operation and maintenance of your new Settlement Account in the event of any changes. You shall indemnify us against all losses arising out of your failure to do so. You are solely responsible for the operation of your Settlement Account and the payment of any fees associated with your Settlement Account.

6.1.2 For the purposes of value dating, the funds for successfully processed transactions will be credited to you immediately after your funds have been received by us, however, further settlement into your Settlement Account will vary according to the timelines communicated to you from time to time depending on your merchant category and other factors such as the risk of chargebacks or refunds.

6.1.3 Settlement into your Settlement Account does not amount to the receipt of cleared funds as any settlement amount may still be subject to the Chargeback procedure set out in clause 6.3.

6.1.4 We will settle funds into your Settlement Account in regular intervals as communicated to you from time to time.

6.2 Refunds and Returns

6.2.1 You will be able to issue refunds to cardholders subject to the remaining provisions of this clause 6. However we shall not refund to you the fees levied by us in accordance with clause 8 in respect of the initial transaction that is to be refunded.

6.2.2 Refunds will only be permitted if:

- a. there are sufficient funds in your account in order to cover the refund and any associated fees;
- b. the card used by the cardholder to make the transaction is still valid.

6.2.3 By using the services, you agree to process returns and refunds for your goods or services through your account in accordance with this Agreement and the card scheme rules. You are required to:

- a. maintain a fair return and refund policy;
- b. inform your customer of your return policy at the time of purchase;
- c. do not give refunds to a customer in cash when the related transaction was done with a Payment Card, unless required by law; and
- d. do not accept cash or any other item of value for preparing a Payment Card sale refund.

6.2.4 To process a refund you must select the relevant transaction to be refunded in your transaction history, which is accessible through the sales history menu on the Application or Partner Application or MSA (the merchant service area available online to each merchant). After you have selected the relevant transaction, you must press the refund button. This action will constitute your consent to the transaction being refunded. A refund order shall be deemed to have been received by us at the time you press the refund button. You will not be able to revoke a refund order after it has been received by us. In any case where a Partner Application has not implemented this technical functionality, you should contact the Partner who will process the refund in accordance with their policy.

6.2.5 When you authorise a refund the money will be received by the recipient's payment service provider (e.g. the card issuer) no later than the end of the business day after we received the refund order. By "business day" we mean normal business hours on any day between Monday and Friday (inclusive) but not including bank holidays or other public holidays in the UK. Authorisations not received on a business day will be deemed to have been received on the next business day. Note that receipt of funds by the recipient's payment service provider does not mean that funds are automatically available to the recipient. It is not our

responsibility but that of the recipient's payment service provider when to make such funds available to the recipient.

6.2.6 If you have a negative balance in your account following your issuing of a refund, receiving a Chargeback and any associated fees, fines, or penalties, we will require that you pay us an amount equal to the negative balance. To that effect we will attempt to set off any negative balance against incoming funds credited to your account. We may (but are not obliged to) attempt to debit your Settlement Account in case you have given us a direct debit mandate over the Settlement Account. In the event that we are unable to recover the negative balance in that way within three business days or in case we suspend your account, we shall issue you with an invoice in an amount equal to the amount of that negative balance. You shall pay such invoice immediately and at the latest within 14 calendar days of the date of the invoice. Failure to repay a negative balance may result in immediate legal enforcement action to recover amounts owed to us.

6.3 Chargebacks

6.3.1 Within certain time limits determined by law and applicable card scheme rules, transactions may be reversed through a process called chargeback ("Chargeback") if such transaction:

- a. is subject to a dispute (e.g. if the goods or services are not supplied or if they fail to meet the required standards),
- b. is reversed for any reason by the relevant card scheme, the card holder or the card issuer,
- c. was not authorised or we have reasons to believe that the transaction was not authorised,
- d. is allegedly illegal, fraudulent, or in violation of the terms of this Agreement;
- e. or for any other reason as specified by applicable card scheme rules.

6.3.2 If we have received a Chargeback request in relation to a transaction, we may deduct the amount of the Chargeback and any associated fees, fines, or penalties from

- a. any settlement proceeds due to you, and/or
- b. any reserve we hold, and/or
- c. your Settlement Account.

6.3.3 If we consider, in our reasonable discretion, that a transaction may be subject to a Chargeback, we may withhold the amount of such potential Chargeback (including any associated fees or fines) until we can reasonably assess if such Chargeback will occur or not. If we assess that a Chargeback is based on a justified complaint from one of your customers, we will retain the funds. If the period of time under which a customer may dispute a transaction according to applicable law has expired, or if we determine that a Chargeback on the transaction will not occur, we will release the funds for regular settlement.

6.3.4 Where we have reason to believe that any transaction processed through our services was fraudulent, we may suspend the Services until such time as the situation has been resolved to our satisfaction. At our request, you must assist us in verifying any transactions. We will endeavour to give you advance notice of any such suspension of our services.

6.3.5 If the funds available on your account are insufficient to cover any Chargeback, you shall immediately reimburse us for the amount of the Chargeback and all expenses associated with the Chargeback.

6.3.6 If we consider in our reasonable opinion that you have an excessive amount of Chargebacks, we may implement further controls or conditions governing the use of our services. Such conditions or controls may include (but are not limited to) in any combination:

- a. adding supplementary processing fees,
- b. creating a reserve in an amount reasonably determined by us to cover anticipated Chargebacks and associated fees,
- c. require additional security for the timely fulfilment of your financial obligations under this Agreement, and/or
- d. terminating or suspending the services.

6.3.7 At any time during this Agreement and for a period of up to thirteen months after the last transaction processed under this Agreement, we may temporarily suspend or delay settlement to you in order to protect us against the risk of actual or anticipated Chargebacks or otherwise against the risk of your actual or anticipated failure to meet your obligations under this Agreement or relevant card scheme rules.

6.3.8 Set-Off Rights

We will deduct fees directly from any funds to be settled to you. The amount transferred to you will be the gross transaction volume minus the sum of all fees and Chargebacks.

6.4 Safeguarding your Funds

All funds received by us (or on our behalf by a member of the card schemes) which are due to you will be held in a segregated client bank account until such time as they are paid to you in accordance with the terms of this Agreement. This segregated client bank account may be operated by us or on our behalf by a member of the card schemes.

6.5 Transaction Statements

We will provide you with access to ongoing account statements setting out, where relevant, the following information:

- a. a reference enabling you to identify payment transactions made during the relevant month and, where appropriate, the customer and information transferred with the payment transaction;
- b. the amount of the payment transactions made during the relevant month, shown in the currency in which your account is denominated;
- c. the amount and breakdown of the transaction charges in respect of the transactions made during the relevant month; and
- d. the credit value date.

6.5.1 By accepting this Agreement, you request and agree that we aggregate fee information by brand, application, payment instrument categories and rates of interchange fees applicable to the transaction, as applicable, and that we make this information available to you periodically, at least once per month. This information will be made available electronically.

7. Payment Marks

7.1 For the duration of this Agreement we grant you a royalty-free, non-transferable and non-sub-licensable licence in the Service Territory to display the logos and trademarks of the card schemes of accepted Payment Cards ("Payment Marks") strictly in accordance with applicable card scheme rules on the use and display of such Payment Marks.

7.2 You must at all times follow the instructions given by us or the card schemes in relation to the use and display of Payment Marks. If required by us or the card schemes, you must immediately change the Payment Marks or cease use of the Payment Marks and destroy all material bearing the Payment Marks.

7.3 You indemnify us and the card schemes against any claim, fine or other loss incurred as a consequence of your use or display of the Payment Marks in breach of this Agreement or any instructions given hereunder or any card scheme rules.

8. Fees and other Charges

8.1 We charge fees in accordance with our fee schedule. Fees will normally be deducted from your settlement payment, however, if this is not possible for any reason, you must pay the fees to us by making a payment as instructed by us.

By accepting this Agreement, you declare and request from us that we may charge blended fees for different card products as per the fee schedule.

If you qualify for lower transaction fees than the standard fees (either through volume based flexible pricing, a promotion, or otherwise) you will receive a credit for reduced transaction fees each month within the first two weeks of the following month.

You can track your monthly payment volume within the Application (or the Partner App) or on your account.

8.2 We or the Partner will send you electronic invoices for any fees charged. By entering into this Agreement, you consent that we may send you electronic invoices. We will not send paper invoices.

8.3 We reserve the right to amend our fees. You will be notified of such amendments no later than two months before the date upon which the amendments are to take effect. The changes will be notified to you through an e-mail sent to you. If you do not wish to accept any such change to the terms, you are entitled to terminate this Agreement. Your continued use of the services following notification of the changes shall be deemed to be an acknowledgement of your acceptance of the amended fees.

8.4 All fees stated on the website are exclusive of VAT. If VAT is or becomes chargeable in respect of all or any of the amounts payable to us under this Agreement you agree that you will, upon receipt of a valid VAT invoice, pay to us VAT at the applicable rate in respect of the relevant supply of goods or services by us.

9. Our Liability To You

9.1 While we endeavour that our services are normally available 24 hours a day, we accept no liability if, for any reason, the services are unavailable or the Card Reader or the Application is unusable at any time or for any period. We are not liable for the Partner Application. Provision of the services may be suspended temporarily and without notice in the event of system failure, maintenance or repair, or for reasons beyond our control. We will endeavour to notify you in advance of any planned maintenance or repair operations that may result in suspension of the services.

9.2 When you are the recipient of funds:

9.2.1 we are responsible for the correct transmission of transactions to your customers' payment service provider (e.g. your customers' card issuer);

9.2.2 where we fail to transmit a transaction correctly we shall immediately re-transmit that transaction, subject to applicable card scheme rules. If you request information relating to a transaction, we will endeavour to trace the transaction and notify you of the outcome. We are not liable under this clause if our failure to correctly transmit a payment order was due to unavoidable, abnormal or unforeseeable circumstances beyond our control, or due to any requirement of applicable law or regulation.

9.3 When you are the payer of funds:

9.3.1 If someone else uses your Card Reader or account security details to make unauthorised transactions from your

account (for example, by making unauthorised refunds to cardholders), then you will be liable for a maximum of €50 for any losses prior to you notifying us in accordance with clause 5.4 (Security). However where you have acted fraudulently, or as a result of intent or gross negligence failed to comply with your security obligations under clause 5.4, you will be liable for all losses incurred in respect of unauthorised payment transactions up to the point at which you notify us in accordance with clause 5.4.5. You must notify us without delay, and in any event no later than 13 months after the debit date, of becoming aware of any unauthorised or incorrectly executed refund payments.

9.3.2 Where you have initiated a payment order (for example where you have made a payment order for a refund to be paid) we shall be liable to you for the correct execution of the payment transaction up to the point at which the recipients' payment service provider (for example, the card issuer) receives the funds. However, if we cannot prove that the recipient's payment service provider has received the funds, we remain liable to you. In circumstances where we are liable we will, without undue delay, refund to you the amount of the non-executed or defective payment transaction. In all other cases we will, at your request, make immediate efforts to trace the payment transaction and notify you of the outcome.

9.4 Subject to clause 9.5:

9.4.1 We shall under no circumstances be liable to you, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, for any loss of profit, loss of data or any indirect or consequential loss arising under or in connection with this Agreement; and

9.4.2 Our total liability to you in respect of losses arising under or in connection with this Agreement, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, shall not exceed the total amount of Fees earned by us for your use of the services during the two (2) months period immediately preceding the event giving rise to the claim for liability.

9.5 Nothing in this Agreement shall limit or exclude our liability for death or personal injury caused by negligence, or the negligence of our employees, agents or subcontractors; or fraud or fraudulent misrepresentation. No limitation of liability shall apply to any of your statutory rights under the Payment Services Regulations 2009 or our liability to you as described in 9.2 and 9.3.

10. Your Liability to us and the Card Schemes

10.1 You shall be liable to us, and the card schemes for any losses incurred by us or the card schemes (which shall include any card scheme member bank or sponsoring organisation with which we cooperate in order to accept card payments) as

a result of you or your employees, directors, officers, representatives or other third parties controlled by you;

10.1.1 breaching this Agreement;

10.1.2 failing to adhere to any security policy or manual;

10.1.3 failing to adhere to any reasonable instructions given to you by us or the card schemes in relation to the use of our services;

10.1.4 breaching applicable card scheme rules;

10.1.5 acting in a manner that will or is likely to result in reputational damage to us or the card schemes of accepted Payment Cards;

10.1.6 acting fraudulently; or

10.1.7 breaching applicable laws and regulations;

10.2 You shall indemnify and hold harmless us and the card schemes or any of our employees, directors, officers and representatives against any third party claims brought or threatened against us or the card schemes as a result of any of the events listed in clause 10.1 above.

10.3 We will report any fraudulent or illegal activities to the competent authorities.

11. Disputes and complaints

If you have any complaints about our services, you should contact our Customer Service on +44 (0)20 7112 8211 or via email to support@payleven.co.uk which will ensure a review is conducted of the complaint and that the results are communicated to you in a timely manner. You may also submit a written complaint by addressing it to payleven Customer Services, 32 - 34 Great Marlborough St, London W1F 7JB. Your complaint will be dealt with in accordance with our complaints handling procedure, a copy of which is available on request.

12. Term, Suspension and Termination

This Agreement will come into force as soon as you have given your consent to it but the provision of services to you may be suspended until we have determined that you have completed the necessary registration and verification processes successfully. The Agreement will continue until terminated by us or by you in accordance with the following provisions.

12.1 Termination by You

You may terminate this Agreement, without giving any reason, by contacting Customer Services.

12.2 Suspension and Termination by Payleven

12.2.1 We may terminate this Agreement at any time by giving you at least two months' notice.

12.2.2 Your account and this Agreement may be terminated by us after 6 months of non-use of the service.

12.2.3 You will not be able to access your account details after your account has been terminated.

12.2.4 We reserve the right to immediately suspend or terminate the provision of part or all of the services in case:

- a. we are so instructed by a governmental authority or the relevant card scheme;
- b. we in our reasonable discretion consider your products or services to be provided in breach of this Agreement, the card scheme rules and/or applicable laws;
- c. we in our reasonable discretion consider the continued provision of our services to you to pose a threat to our or the card scheme's reputation with the Scheme Owners, the regulatory authorities and/or the general public; or
- d. we find there are clear indications that you are or are likely to become insolvent and/or unable to provide a material part of the your products and/or services;
- e. you have provided us with false, inaccurate, incomplete or misleading information;
- f. you have breached the terms of this Agreement;
- g. your account has been compromised as set out in clause 5.4;
- h. you pose an unacceptable fraud or financial risk to us;
- i. you are using the services in breach of any applicable laws, rules or regulations; or
- j. you are engaged in fraudulent or illegal conduct.

12.2.5 We will endeavour to notify you in advance of our intention to suspend the services and will provide you with the reasons for doing so where this is possible.

12.3 Consequences of termination

12.3.1 Upon termination of this Agreement, you shall no longer be entitled to use the services and the licences granted to you for the Application and the use of any logos, trademarks or other intellectual property licensed to you under this Agreement will expire. You must remove all payleven and card scheme logos, including but not limited to the ones displayed on your points of sale and websites.

12.3.2 The termination of this Agreement will not affect any rights or obligations which may have accrued prior to termination or expiry. The obligations of either of us set out in this Agreement which are intended to survive termination shall continue in full force and effect notwithstanding termination.

13. Confidentiality and Privacy

13.1 The parties must keep secret and not make available to third parties any confidential information or data which they have exchanged in their contractual relations except as provided for under this Agreement or to comply with legal obligations.

13.2 By paying with a Payment Card, the cardholder consents to the processing of his personal data by us through the Application or a Partner Application. We will process and use this data in accordance with the Data Protection Act 1998 and EU Directive 95/46/EEC (as amended) regulations.

13.3 More detailed information about how we protect personal data can be found in our Data Protection Policy available on our website.

14. Intellectual property rights

14.1 Other than as expressly set out in this Agreement, you do not acquire any right, title or interest in or to the Intellectual Property subsisting in our services. For the purposes of this Agreement, "Intellectual Property" means all inventions (whether patentable or not), design rights, database rights, copyright, moral rights, semiconductor topography rights, registered or unregistered trademarks and service marks, logos, get-up and trade names and, in each case, the goodwill attaching to them, all registered intellectual property rights, know-how, and any rights or forms of protection of a similar nature and having equivalent or similar effect to any of them which subsist anywhere in the world.

14.2 You may not assign, sublicense, copy or distribute our Intellectual Property or permit third parties to use our services.

14.3 Except as permitted by law, you may not copy, adapt, reverse engineer, decompile, disassemble, modify, adapt or make error corrections to our services.

15. Representations and Warranties

You represent and warrant to us that: (i) you are at least 18 years of age; (ii) you are resident in the United Kingdom; and (iii) you have the legal right and full power and authority to enter into this Agreement and perform your obligations under it.

16. Final Provisions

16.1 Amendment

16.1.1 We reserve the right to amend this Agreement at any time and, unless the amendment is required sooner in accordance with applicable laws or regulations, we shall give you at least two months' prior notice of any such change. The change will be notified to you through a message within the Application or by email. If you do not wish to accept any such change to the Agreement, you shall be entitled to terminate this Agreement during the change notice period by notifying

us. Your continued use of our services after the change coming into effect shall be deemed to be an acknowledgement of your acceptance of the amended Agreement.

16.1.2 The latest version of this Agreement can be viewed on our Website where you can also download a permanent copy for your records.

16.1.3 The layout, form and wording of the websites or screens through which you access your account, and the account screens themselves, are subject to change by us at any time. We may make such changes without providing you with any prior notification.

16.2 Invalidity of Terms

If any provision of this Agreement is unenforceable in any way, this will not affect the validity of the remaining terms in any way. We may occasionally allow you extra time to comply with your obligations or decide not to exercise some of our rights. However, we can still insist on the strict application of this Agreement later on.

16.3 Communications

16.3.1 Statements, notices, disclosures and other communications to be given by us to you under this Agreement (including any changes to the terms and conditions of this Agreement) shall be made in English, in writing, by email or electronically through your account. For the purpose of this Agreement, any notice in writing may be given by way of recordable electronic communication in text form unless we specifically require a document to be written on paper and/or signed.

16.3.2 You must maintain a valid postal address and email account for the duration of this Agreement. You must inform us immediately if you change the address or other contact information provided to us by you. We will not be responsible for any failure by you to receive a communication if we send it to the address or other contact information provided by you. We will not bear responsibility if the sole email address specified by you is not valid or if you have changed your email address but have not notified us.

16.3.3 Any communication sent to you electronically to the last address you have given us for this purpose shall be deemed to have been received by you on the day the communication was sent, except when the sending of the communication results in an immediate error message. Communication sent to you by post shall be deemed received by you on the second business day after posting.

16.4 Customer Service

16.4.1 You can contact our Customer Service by sending an email to support@payleven.co.uk or via our website or by



Terms & Conditions of Payleven Ltd for Conichi Customers

calling +44 (0)20 7112 8211. You can also send written communication by post to 32 - 34 Great Marlborough St, London W1F 7JB, however, we recommend that you communicate with us electronically.

16.5 Assignment

16.5.1 Your account is personal to you. We verify your identity in accordance with section 5.2. Therefore, you may not assign, novate or otherwise transfer any of your rights or obligations under this Agreement to any person without our prior written consent.

16.5.2 If we decide to transfer your account to another entity (for example within the corporate group of Payleven Ltd as part of a restructuring) we will only do so to an entity which has appropriate regulatory licences or authorisations. We will give you at least two months prior notice of this change. Clause 16.1.1 applies and you will be able to terminate your account if you wish.

16.6 Consumer Rights

16.6.1 If you are a consumer, as defined by the applicable laws of the jurisdiction in which you reside, you have the right to cancel this Agreement in writing at any time within two weeks from the time of entering into this Agreement or the date on which you have been communicated these terms and conditions, whichever is later. A termination shall not affect any transactions already processed and submitted to the card schemes for settlement. You shall be entitled to a refund of fees except those fees which we have charged you for services provided up to the time of your cancellation.

16.7 Third Party Rights

A person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement.

16.8 Entire Agreement

16.8.1 This Agreement constitutes the entire agreement between you and us and supersedes and replaces all previous drafts, agreements, arrangements and understandings between you and us, whether written or oral, relating to its subject matter.

16.8.2 We each agree that in entering into this Agreement we have not relied on, and shall have no remedies in respect of, any representation or warranty (whether made innocently or negligently) that is not set out in this Agreement.

16.9 Governing law and jurisdiction

16.9.1 This Agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) are governed by English law, except if you entered into this Agreement as a consumer, in which case mandatory local consumer protection laws may be applicable.

16.9.2 If you are a business customer eligible to contractually determine the venue for disputes arising out of or in connection with this Agreement, you agree that

- a. the English courts shall have exclusive jurisdiction to determine any dispute or claim that you bring against us;
- b. the English courts shall have non-exclusive jurisdiction to determine any dispute or claim that we bring against you.

16.9.3 Payleven Ltd is a payment institution authorised and supervised by the Financial Conduct Authority of the United Kingdom (the "FCA") with FCA License number 581071. The address of the FCA is 25 The North Colonnade, Canary Wharf, London E14 5HS, United Kingdom. It can be reached by telephone on (+44) 20 7066 1000 or via its website at www.fca.org.uk.

In case we have not resolved a dispute or complaint to your satisfaction, you may be able to bring a complaint before the UK Financial Ombudsman Service. You may contact the Financial Ombudsman Service by writing to The Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London E14 9SR, United Kingdom or by calling 0800 023 4567 (from the UK) or +44 20 7964 0500 (international). Information can also be found on their website at www.financial-ombudsman.org.uk.

Signed and agreed for and on behalf of:

..... (Merchant)

Signature:

Date:

Print Name:

Position:

APPENDIX 1

To Heads of Agreement for the Supply of Payleven e-comm Payments

Dated 20 April 2016

1. Transaction and fixed fees:

The following fee schedule applies only to merchants registered in Germany and Austria.

Merchants have a choice between two fee schedules:

Fee Schedule 1:

Visa/MasterCard: 2.25% per transaction

American Express: 2.75% per transaction

Fee Schedule 2:

Visa/MasterCard: 1.75%% per transaction

American Express: 2.75% per transaction

Fixed monthly fee of €12 irrespective of transaction volume

A Third fee schedule will be available for a limited time:

Fee Schedule 3: For a limited time-frame Conichi will run a special promotion called 'Connected Hospitality' to advance Conichi acceptance points. Payleven agrees for the duration of this promotion but not beyond 1 August 2016, to offer a special price to Merchants who register under this promotion.

Visa/MasterCard: 1.95%% per transaction

American Express: 2.75% per transaction

2. Communication and operational process

- a) After a merchant registration, Conichi is responsible for informing Payleven of the appropriate fee schedule. Payleven must receive this information prior to activating the merchant to ensure the proper charge.
- b) Payleven sets the appropriate fee for the merchant
- c) For Merchants accepting Fee Schedule 2, Conichi will be responsible for collecting and invoicing the Merchant's Fixed fees.
- d) Payleven will invoice Conichi on a quarterly basis for the total Fixed fees charged per merchant.