



**UAB “PAYRNET”**

## **TERMS AND CONDITIONS FOR CORPORATES**

### **PARTIES**

(1) **UAB “PAYRNET”**, incorporated and registered in the Republic of Lithuania with company number 305264430, whose registered office is at Girulių str. 20, LT-12123 Vilnius, the Republic of Lithuania (hereinafter referred to in this Agreement as **“Payrnet”**, **“we”** **“us”**);

(2) You, having provided to us all the corporate details including:

(A) Country of Incorporation

(B) Legal Entity Name

(C) Incorporation Number

(D) Registered office

(3) Hereinafter referred to in this Agreement as **“Client”**, **“you”** or **“your”**.

### **BACKGROUND**

(A) **What this Agreement covers?** This Agreement is a framework contract which sets out the basis on which we will carry out the services set out in Schedule 1.

(B) **Why you should read the Agreement?** Please read this Agreement carefully before you agree to it, as its terms apply to the services provided by us and its terms will be incorporated into any contracts entered into between you and us pursuant to these terms. The Agreement explains many of your responsibilities to us and our responsibilities to you, how and when each Contract and this Agreement can be terminated and the extent of our liability to you. If there are any terms that you do not understand or do not wish to agree to, please contact us. You should only complete the sign-on procedures and agree to the terms of this Agreement and enter into Contracts if you agree to be bound by this Agreement.

(C) **Are you a Micro-Enterprise or Charity?** For the avoidance of doubt, these terms and conditions are not intended for Micro Enterprises or Charities.

### **AGREED TERMS**

## 1. INFORMATION ABOUT US AND HOW TO CONTACT US

1.1 Who we are. We are UAB “PAYRNET”, a company incorporated in the Republic of Lithuania (company number: 305264430) with its registered office at Girulių str. 20, LT-12123 Vilnius, the Republic of Lithuania. We are authorised by the Bank of Lithuania under the Law on Electronic Money and Electronic Money Institutions (license reference 72, issued on 28 August 2020) for the issuing of electronic money and provision of the related Payment Services.

1.2 The Electronic Money Institution license issued to Payrnet is published in the official website of the Bank of Lithuania and may be found following the below links:

In English: [https://www.lb.lt/en/enforcement-measures-1/view\\_license?id=1970](https://www.lb.lt/en/enforcement-measures-1/view_license?id=1970)

In Lithuanian: [https://www.lb.lt/lt/frd-licencijos/view\\_license?id=1970](https://www.lb.lt/lt/frd-licencijos/view_license?id=1970)

1.3 Payrnet is included in the public list “Electronic Money Institutions holding an electronic money institution license” managed by the Bank of Lithuania which is published in the Bank of Lithuania’s official website. The list may be found following the link: [https://www.lb.lt/en/sfi-financial-market-participants?ff=1&market=1&type%5B%5D=7&business\\_form%5B%5D=32](https://www.lb.lt/en/sfi-financial-market-participants?ff=1&market=1&type%5B%5D=7&business_form%5B%5D=32)

1.4 Payrnet activities are supervised by the Bank of Lithuania which is located at Gedimino avenue 6, LT-01103, Vilnius, the Republic of Lithuania, telephone no. +370 800 50 500. Further details of the Bank of Lithuania are available at its official website: <https://www.lb.lt/en/>.

1.5 **Communications between us are to be in English.** This Agreement is concluded in the English language and all communications between you and us shall be in English only. By accepting this Agreement, you confirm that you understand this language, do not have any objections for this language being used as a language of contractual relations between you and us and agree to be bound by this Agreement in the language that it is drafted in.

1.6 **How to contact us.** You may contact us in writing by email to [support@payr.net](mailto:support@payr.net) or by posting a letter to our registered office. However, initial queries should be directed towards the Associated Service Provider. You can contact the Associated Service Provider using the email address set out in Schedule 2.

1.7 **How we may contact you.** If we have to contact you we will do so: (a) by telephone to the telephone numbers; or (b) by writing to you at the email address(es), you provided when agreeing to this Agreement or by using any other contact details you have provided to us or have used in communications with us or the Associated Service Provider.

1.8 **‘Writing’** includes emails. When we use the words “writing” or “written” in this Agreement, this includes emails.

1.9 **Some of the services we provide are subject to the Law on Payments of the Republic of Lithuania.** The law regulates how Payments must be transmitted and provides protection for

the clients of authorised payment services providers. You are hereby notified of the exemption of Article 3(7) of the Law on Payments of the Republic of Lithuania allowing Payrnet, as the payment service provider, and you, as a payment service user which is not a consumer, to deviate from provisions of Section III (including Article 13, listing requirements for the framework agreement between the payment service provider and payment service user), Articles 4(1), 4(2), 4(3), 11(1), 11(2), 11(5), 29(3), 36 (to the extent the term for notifying about unauthorised or improperly executed payment transactions is concerned), 37, 39, 41, 44, 51, 52 of the Law on Payments of the Republic of Lithuania. You are hereby notified and by accepting this Agreement you confirm your understanding that this Agreement might in certain cases deviate from the mentioned provisions of the law, including that the contents of this Agreement may be narrower than required under Article 13 of the Law on Payments of the Republic of Lithuania, and agree to be bound by this Agreement as they are below worded, including any such deviations.

## 2. INTERPRETATION

The definitions set out in this clause apply in this Agreement as follows:

**“Account”** means an Electronic Money account that we will open for you for the keeping of the Electronic Money that we will issue to you and for the provision of the related Services.

**“Account Information Service Provider”** means the provider of an online service to provide consolidated information on one or more payment accounts held by a payment service user (which could be you) with another payment service provider or with more than one payment service provider.

**“Agreed Purposes”** means fulfilling the terms of this Agreement and complying with applicable legislation relating to the prevention of money laundering and terrorist financing.

**“Agreement”** means this agreement including the Schedules and the Privacy Policy.

**“Business Day”** means a day when the clearing banks in Vilnius are open for business, excluding Saturdays, Sundays and public holidays in Lithuania.

**“Contract”** means any contract entered into pursuant to this Agreement, including a Payment Contract.

**“Controller”, “data controller”, “processor”, “data processor”, “data subject”, “personal data”, “processing”** and **“appropriate technical and organisational measures”** all have the meanings set out in the Data Protection Laws in force at the time.

**“Data Protection Laws”** means (i) the Law on Personal Data Protection of the Republic of Lithuania No I-1374 as of 11 June 1996 (as amended), (ii) the General Data Protection Regulation (GDPR) (Regulation (EU) 2016/679) and any national implementing law, regulations and secondary legislation on and after 25 May 2018 and for so long as the GDPR is effective in Lithuania, and (iii) any successor legislation to the Law on Personal Data Protection of the Republic of Lithuania and the GDPR.

“**Durable Medium**” means an instrument which enables you to store information addressed personally to you in a way accessible for future reference for a period of time adequate for the purposes of the information and which allows the unchanged reproduction of the information stored.

“**Electronic Money**” means electronically stored monetary value as represented by a claim against us.

“**Loss**” has the meaning given in sub-clause 9.2 of this Agreement.

“**Payment Initiation Service Provider**” means the provider of an online service to initiate a Payment Order at the request of a payment service user (which could be you) with respect to a payment account held at another payment service provider.

“**Payment Services**” means the services provided by us pursuant to the terms set out in Schedule 1.

“**Permitted Recipients**” means the parties to this Agreement, the employees of each party, any third parties engaged to perform obligations in connection with this Agreement, as well as any authorities entitled to receive the Shared Personal Data under any applicable laws.

“**Privacy Policy**” means our privacy policy, a copy of which is available on our Website (<http://www.railsbank.com/payrnet>).

“**Regulations**” means the Law on Payments of the Republic of Lithuania No VIII-1370 of 28 October 1999 (as amended).

“**Safeguarded Account**” means the bank account(s) belonging to us, which is separate to our own office bank accounts, into which we will receive money from you, or on your behalf, in return for the issuance of Electronic Money.

“**Services**” means the services identified in clause 4.

“**Shared Personal Data**” means the personal data to be shared between the parties pursuant to clause 12 of this Agreement. Shared Personal Data is defined in our privacy policy (<http://www.railsbank.com/payrnet>).

“**Term**” means the term of this Agreement, as set out in clause 3.4.

“**Website**” means our website from time to time, currently [www.payr.net](http://www.payr.net).

2.1 Clause, Schedule and paragraph headings shall not affect the interpretation of this Agreement.

2.2 The Schedules form part of this Agreement and shall have effect as if set out in full in the body of this Agreement. Any reference to this Agreement includes the Schedules.

2.3 References to clauses and Schedules are to the clauses and Schedules of this Agreement and references to paragraphs are to paragraphs of the relevant Schedule.

2.4 If there is an inconsistency between any of the provisions in the main body of this Agreement and the Schedules, the provisions in the Schedule shall prevail.

2.5 Any words following the terms including, include, in particular, for example or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.

2.6 Unless the context otherwise requires, words in the singular shall include the plural, and in the plural shall include the singular.

2.7 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.

2.8 A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.

2.9 A reference to a statute or statutory provision shall include all subordinate legislation made from time to time.

### **3. TERM AND BECOMING A CLIENT**

**3.1 How can you agree to this Agreement?** You can agree to this Agreement by checking the box online confirming that you agree to them, by signing them (using a PDF signer, wet ink or otherwise) or by otherwise confirming your agreement to them or making use of the Services.

**3.2 When will you become a client of ours?** You will be bound by this Agreement as soon as we or the Associated Service Provider notifies you that you have become a client. In order to become a client and before any Services can be provided by us, you must provide us with all information reasonably required by us to comply with our legal and regulatory obligations and our own internal risk management processes and agree to these terms. You warrant that all information provided to us is true and correct to the best of your knowledge and belief.

3.3 At our absolute discretion we may refuse to open the Account for you and may do so without giving any reason and without any liability on our part.

### **4. SERVICES**

4.1 We may in our absolute discretion provide, or continue to provide, the Services set out in Schedule 1 to you.

4.2 As part of the Services, we shall issue you with Electronic Money upon receipt of money from you or a third party on your behalf, store your Electronic Money and redeem Electronic Money both on your express instruction and in accordance with this Agreement.

4.3 Our Services do not include the provision of advice. We do not offer advice under this Agreement on any matter including (without limit) the merits or otherwise of any currency transactions, on taxation, or markets. Although we may provide you with market information from time to time, we do not provide advice. It is entirely for you to decide whether a particular Contract and your instructions to us, are suitable for you and your circumstances.

## **5. ISSUING ELECTRONIC MONEY TO YOU**

5.1 Where we receive money from you or on your behalf this money will be held by us in the relevant Safeguarded Account in exchange for the issuance by us to you of Electronic Money.

5.2 When we issue you with Electronic Money, you holding the Electronic Money and us holding the funds corresponding to the Electronic Money is not the same as a bank holding your money in that:

(a) we cannot and will not use the funds to invest or lend to other persons or entities;

(b) the Electronic Money will not accrue interest; and

(c) the Electronic Money is not covered by the Deposit Insurance Scheme of the Republic of Lithuania or a comparable guarantee scheme in any other country.

5.3 You may hold Electronic Money and we may hold funds corresponding to your Electronic Money indefinitely. However, if we hold Electronic Money for you for more than 12 (twelve) months, with no activity on the account during those 12 (twelve) months, we shall use reasonable endeavours to contact you to redeem the Electronic Money and return the corresponding funds to you. If we are unable to contact you, we may redeem the Electronic Money and send the corresponding funds, less any of our costs incurred, to the last known bank account we have on file for you.

5.4 We accept no responsibility in the event that you send money to the incorrect account.

5.5 We do not accept cash or cheques. We accept monies by electronic funds transfer to our bank account, the details of which we shall provide to you upon demand.

## **6. GENERAL**

6.1 All funds provided by you under a Contract may be appropriated by us if we incur any liability in respect of any Contract or in the event that you are unable to pay sums due to us or breach of this Agreement.

6.2 If you fail to make any payments, in full or in part, due to us on time then (without prejudice to any other right or remedy that may be available to us under the Contract or general law):

(a) we may charge you interest at the rate of 4% above the base rate of one of the central banks of the country of the currency you owe us money in, from time to time in force, or the Bank of Lithuania (the choice of which is at our discretion) from the date payment is due until the date payment is made;

(b) we will be entitled to terminate the Contract.

## **7. WARRANTIES, REPRESENTATIONS AND UNDERTAKINGS**

7.1 You warrant and represent to us (such representations and warranties to be made both on the date you sign this Agreement and on the date you enter into each Contract) that:

(a) you are acting in the course of a business, trade or profession;

(b) that you have appointed the Associated Service Provider as your agent to place orders to enter into Contracts with us and otherwise communicate with us;

(c) all information that you supply to us is complete, true, accurate and not misleading in any material respect;

(d) all sums which you send to us or are sent to us on your behalf (until these monies become due to us or are paid back to you) are and will remain owned by you and you have not created and will not create any charge or other encumbrance over or in respect of such monies;

(e) you are not prevented by any legal disability or subject to any law or regulation from performing your obligations under this Agreement and any related transactions contemplated by them;

(f) you have all necessary consents and have the authority to enter into an agreement under this Agreement and subsequent Contracts and if you are a body corporate, you are properly empowered and have obtained all necessary corporate or other authority pursuant to its constitutional and organisational documents;

(g) you comply with all relevant laws, regulations, exchange control requirements and registration requirements.

7.2 You undertake to inform us with immediate effect, if you are a corporation, where beneficial ownership of your corporation changes by more than 10%.

## **8. INTELLECTUAL PROPERTY RIGHTS**

8.1 The material displayed on our Website is provided without any guarantees, conditions or warranties as to its accuracy.

8.2 You acknowledge and agree that Payrnet and/or its licensors own all intellectual property rights in the Website. Except as expressly stated herein, this Agreement does not grant you any rights to, under or in, any patents, copyright, database right, trade secrets, trade names, trademarks (whether registered or unregistered), or any other rights or licences in respect of the Website.

## **9. GENERAL LIMITATION OF LIABILITY**

9.1 Where we and another person (such as another payment services provider) are liable to you in respect of the same matter or item, you agree that our liability to you will not be increased by any limitation of liability you have agreed with that other person or because of your inability to recover from that other person beyond what our liability would have been had no such limitation been agreed and/or if that other person had paid his or its share.

9.2 Where any loss, liability, cost or expense (a "Loss") is suffered by you for which we would otherwise be jointly and severally or jointly liable with any third party or third parties, the extent to which such Loss shall be recoverable by you from us (as opposed to any third parties) shall be limited so as to be in proportion to the aggregate of our contribution to the overall fault for such Loss, as agreed between all of the relevant parties or, in the absence of agreement, as determined by a court of competent jurisdiction. For the purposes of assessing the contribution to the Loss in question of any third party for the purposes of this clause, no account shall be taken of any limit imposed or agreed on the amount of liability of such third party by any agreement (including any settlement agreement) made before or after such Loss occurred or was otherwise incurred.

9.3 We accept no responsibility for any delay in fulfilling a Contract attributed to the late arrival of funds or instruction of payment relative to the cut off times of the designated bank or for delays or faults due to the clearing banks or banking systems.

9.4 We shall not be liable for any bank charges that you may incur in sending funds to or receiving funds from us.

9.5 We shall not be liable to you for the non-performance of our obligations or the failure to execute any Payment Order if the execution of the Payment would be illegal.

9.6 Nothing in this Agreement limits or excludes our liability for death or personal injury caused by our negligence or for any damage or liability incurred by you as a result of fraud or fraudulent misrepresentation by us or to the extent that the liability may not be excluded or limited by any applicable law.

## **10. COMPLAINTS**

10.1 If you feel that we have not met your expectations in the delivery of our Services, in the first instance contact the Associated Service Provider using the contact email address for



complaints set out in Schedule 2. If the Associated Service Provider does not deal with your complaint adequately, please contact us via email to [complaints@payr.net](mailto:complaints@payr.net).

10.2 We have internal procedures for handling complaints fairly and promptly in accordance with the Bank of Lithuania requirements. A copy of our complaints' procedure is available on our Website and may also be submitted to you directly upon request.

10.3 We, either directly or via the Associated Service Provider, will respond to your complaint in writing or using another Durable Medium within 15 (fifteen) Business Days after the receipt of complaint. In exceptional cases, due to reasons which are beyond our control, we may send you a preliminary response by indicating reasons for delay and the term by which you will receive our final response. In any case the term for provision of final response will not exceed 35 (thirty-five) Business Days after the receipt of complaint. Handling of complaints is free of charge. Should you not be satisfied with our final response, or should we fail to respond to you, you always have a right to apply to the Bank of Lithuania as per sub-clause 10.4 below or the competent court as per sub-clause 10.5 below.

10.4 You may address the Bank of Lithuania with a request to protect your rights and legitimate interests which you consider having been violated. Such complaints may be submitted in writing or by electronic means at the following addresses: (i) Totorių g. 4, LT-01121 Vilnius, [info@lb.lt](mailto:info@lb.lt), and/or (ii) Žalgirio g. 90, Vilnius, e-mail: [pt@lb.lt](mailto:pt@lb.lt). Complaints must be submitted in Lithuanian or English languages.

10.5 Any dispute arising out of or in connection with this Agreement, including without limitation any disputes regarding its valid conclusion, existence, nullity, breach, termination or invalidity shall be finally referred to and resolved by the courts of the Republic of Lithuania, except where prohibited by EU law. Before referring the dispute to court, you and us will endeavour to resolve the dispute by amicable negotiations.

## **11. ESTABLISHING YOUR IDENTITY**

11.1 To comply with the requirements of the Law on the Prevention of Money Laundering and Terrorist Financing of the Republic of Lithuania and related regulations, it may be necessary to obtain from you, and retain, evidence of your personal identity (or directors or partners of your business and/or your ultimate beneficial owners) in our records from time to time. If satisfactory evidence is not promptly provided to us, we cannot accept your instructions.

11.2 To assist us with meeting our obligations, we may carry out an electronic verification check via third party providers in order to verify the identity of you or your shareholders or officers or partners. If such searches are carried out, we may keep records of the contents and results of such searches in accordance with all current and applicable laws. You acknowledge that us carrying out an electronic verification check may leave a soft footprint on the individual or entity's credit history. You warrant that you have obtained the consent to such checks being carried out from each individual officer and shareholder owning 10% or more of you.

11.3 We are also obliged to report any reasonable suspicions about instructions received, transactions and activities to the regulatory authorities. This may affect our relationship with you so far as confidentiality is concerned. If we are required under legislation (including the Law on the Prevention of Money Laundering and Terrorist Financing of the Republic of Lithuania) to refrain from communicating with you and/or proceeding with your instructions, we can accept no liability for the consequences of being prevented from doing so.

## **12. DATA PROTECTION**

12.1 We are obliged under the Law on the Prevention of Money Laundering and Terrorist Financing of the Republic of Lithuania to retain certain Shared Personal Data. Sub-clauses 12.2 to 12.5 sets out the framework for the sharing of personal data between the parties as data controllers. Each party acknowledges that you will regularly disclose to us Shared Personal Data collected by you for (among other things) the Agreed Purposes.

12.2 Each party shall comply with all the obligations imposed on a Controller under the Data Protection Laws.

12.3 Each party shall:

(a) ensure that it has proper legal grounds and/or all necessary notices and consents in place to enable lawful transfer of the Shared Personal Data to the Permitted Recipients for the Agreed Purposes;

(b) give full information to any data subject whose personal data may be processed under this Agreement of the nature such processing. This includes giving notice that, on the termination of this Agreement, personal data relating to them may be retained by or, as the case may be, transferred to one or more of the Permitted Recipients, their successors and assignees;

(c) not disclose or allow access to the Shared Personal Data to anyone other than the Permitted Recipients;

(d) ensure that all Permitted Recipients are subject to legal requirements and/or written contractual obligations concerning the Shared Personal Data (including obligations of confidentiality) which are no less onerous than those imposed by this Agreement;

(e) ensure that it has in place appropriate technical and organisational measures to protect against unauthorised or unlawful processing of personal data and against accidental loss or destruction of, or damage to, personal data;

(f) not transfer any personal data outside the EEA unless the transferor:

(1) complies with the provisions of Articles 26 of the GDPR (in the event the third party is a joint Controller); and

(2) ensures that (i) the transfer is to a country approved by the European Commission as providing adequate protection pursuant to Article 45 GDPR; (ii) there are appropriate safeguards in place pursuant to Article 46 GDPR; or (iii) one of the derogations for specific situations in Article 49 GDPR applies to the transfer.

12.4 Payrnet shall process the Shared Personal Data only for the Agreed Purposes.

12.5 Mutual assistance. Each party shall assist the other in complying with all applicable requirements of the Data Protection Laws. In particular, each party shall:

(a) consult with the other party about any notices given to data subjects in relation to the Shared Personal Data;

(b) promptly inform the other party about the receipt of any data subject access request;

(c) provide the other party with reasonable assistance in complying with any data subject access request;

(d) not disclose or release any Shared Personal Data in response to a data subject access request without first consulting the other party wherever possible;

(e) assist the other party, at the cost of the other party, in responding to any request from a data subject and in ensuring compliance with its obligations under the Data Protection Laws with respect to security, breach notifications, impact assessments and consultations with supervisory authorities or regulators;

(f) notify the other party without undue delay on becoming aware of any breach of the Data Protection Laws;

(g) where possible, use compatible technology for the processing of Shared Personal Data to ensure that there is no lack of accuracy resulting from personal data transfers;

(h) maintain complete and accurate records and information to demonstrate its compliance with this clause 12; and

(i) provide the other party with contact details of at least one employee as a point of contact and responsible manager for all issues arising out of the Data Protection Laws, including the procedures to be followed in the event of a data security breach and the regular review of the parties' compliance with the Data Protection Laws.

## **13. TERMINATION**

13.1 When we may terminate this Agreement. We shall have the right (but not the obligation) to terminate this Agreement:

- (a) AT ANY TIME IF YOU DO NOT FULFIL OUR REGULATORY CUSTOMER DUE DILIGENCE CHECKS ON YOU WHILE WE ARE ON-BOARDING YOU; and
- (b) at any time and for any reason by giving you not less than ninety (90) days written notice; and
- (c) upon or at any time after the occurrence of any one or more of the following events:
- (1) you become bankrupt;
  - (2) you suspend payment of your debts;
  - (3) you make or take steps with a view to making any moratorium, assignment, composition or similar arrangement with your creditors;
  - (4) you have a liquidator, trustee in bankruptcy, judicial custodian, compulsory manager, receiver, administrative receiver, administrator or similar officer appointed in respect of some or all of your assets;
  - (5) you are the subject of a winding up, administration or dissolution;
  - (6) any person takes any steps, or you allow any steps to be taken, for your winding up, administration or dissolution (except for a solvent amalgamation or reconstruction approved in advance in writing by us) or gives notice to us of an intention to appoint an administrator;
  - (7) you are the subject of a meeting of your shareholders, directors or other officers, which meeting was convened for the purpose of considering any resolution for, to petition for or to make application to or to file documents with a court or any registrar for, its winding up, administration or dissolution or If any such resolution is passed;
  - (8) you are subject to a request from your shareholders, directors or other officers for the appointment of, or giving notice of their intention to appoint, a liquidator, trustee in bankruptcy, judicial custodian, compulsory manager, receiver, administrative receiver, administrator or similar officer;
  - (9) you suffer anything similar to the events described in this clause paragraphs (1) to (8) above;
  - (10) you fail in any respect to fully and promptly comply with any obligations under this Agreement;
  - (11) if any of the representations made in this Agreement or information supplied by you are or become materially inaccurate or materially changed;
  - (12) if it becomes or may become unlawful for us to maintain or give effect to all or any of our obligations under this Agreement or otherwise to carry on our business;

(13) if you commit any material breach of the Data Protection Laws and such breach is not remedied within 30 days of written notice from us to you;

(14) if the Associated Service Provider Terms (as defined in Schedule 1) between you and the Associated Service Provider are terminated for whatever reason;

(15) if we are requested to by any governmental or regulatory authority whether or not that request is legally binding;

(16) we consider it necessary to do so for our own protection including (without limitation) in the following circumstances: (i) protection from fraud or money laundering; (ii) protection from your default; (iii) protection from market failure; (iv) protection from adverse or volatile market conditions; and (v) protection from loss by us;

(17) if you commit a material breach of this Agreement that, if capable of remedy, is not remedied within ten (10) days of service of notice by us on you requiring such remedy;

(18) If you commit a material breach of this Agreement that is not, in our reasonable opinion, capable of remedy;

(19) upon notice with immediate effect on the termination for any reason of (where such an agreement is in place) a distributor agreement or an agent agreement between you and us.

(d) If you become aware of the occurrence or likely occurrence of any event referred to in paragraph (1) to (8) above, you shall notify us immediately.

13.2 When you may terminate this Agreement. You may terminate this Agreement:

(a) at any time by giving 90 days' notice to us via email to support@payr.net. We may contact you to confirm your request;

(b) immediately if any of the events referred to in paragraph 13.1(c)(1) to (8) occur to us;

(c) immediately if we commit a material breach of this Agreement that, if capable of remedy, is not remedied within ten (10) days of service of notice by you on us requiring such remedy; or

(d) immediately if we commit a material breach of this Agreement that is not, in your reasonable opinion, capable of remedy.

13.3 Effect of Termination. Upon the effective date of termination:

(a) you will no longer be able to use the Services;

(b) all of your payment obligations under this Agreement will immediately become due and payable;

(c) we shall redeem any Electronic Money we hold for you and send the equivalent funds to you to a bank account in your name, unless agreed by both parties, less any monies which are due and owing to us. Redemption of your Electronic Money as such will always be free of charge.

After termination, you may contact us using the contact details set out in clause 1.3 to redeem any Electronic Money you still hold with us.

## **14. CONFIDENTIALITY**

14.1 Each party undertakes that it shall not at any time, disclose to any person any confidential information concerning the other party except:

(a) to its employees, officers, representatives or advisers who need to know such information for the purposes of exercising the party's rights or carrying out its obligations under or in connection with this agreement. Each party shall ensure that its employees, officers, representatives or advisers to whom it discloses the other party's confidential information comply with this clause; and

(b) as may be required by law, a court of competent jurisdiction or any governmental or regulatory authority.

14.3 No party shall use any other party's confidential information for any purpose other than to exercise its rights and perform its obligations under or in connection with this Agreement.

## **15. GENERAL**

15.1 Ensuring this Agreement is legally enforceable. This Agreement constitutes our offer to make the Services available to you and you agreeing to this Agreement constitutes your acceptance of this offer.

15.2 Advertising. Neither party shall issue a press release relating to their business relationship without the written consent of the other party. Neither party may use the trademark or trade name of the other party without the written consent of such party.

15.3 Even if we delay in enforcing under this Agreement, we can still enforce it later. If we do not insist immediately that you do anything you are required to do under this Agreement, or if we delay in taking steps against you in respect of your breach of this Agreement or any Contract, that will not mean that you do not have to do those things and it will not prevent us taking steps against you at a later date. For example, if you miss a payment and we do not chase you, but we continue to fulfil the Contract, we can still require you to make the payment at a later date.

15.4 What if something unexpected happens? We shall have no liability to you under this Agreement or any Contract if we are prevented from or delayed in performing our obligations under this Agreement, or from carrying on our business, by acts, events, omissions or accidents beyond our reasonable control, including, without limitation, strikes, lock-outs or other industrial

disputes (whether involving us or any other party), failure of a utility service or transport or telecommunications network, act of God, war, riot, civil commotion, malicious damage, compliance with any law or governmental order, rule, regulation or direction, accident, breakdown of plant or machinery, fire, flood, storm or our default or sub- contractors, provided that you are notified of such an event and its expected duration.

15.5 If a court finds part of this Agreement illegal, the rest will continue in force. Each of the sub-clauses, clauses and paragraphs of this Agreement operates separately. If any court or relevant authority decides that any of them are unlawful, the remaining sub-clauses, clauses and paragraphs will remain in full force and effect.

15.6 This is our entire agreement with you. This Agreement, and any documents referred to in them, constitute the whole agreement between the parties and supersede any previous arrangement, understanding or agreement between them relating to the subject matter they cover.

15.7 We are not partners, and neither of us may act as the other's agent. Nothing in this Agreement is intended to or shall operate to create a partnership or joint venture between you and us, or authorise either party to act as agent for the other, and neither party shall have the authority to act in the name or on behalf of or otherwise to bind the other in any way (including, but not limited to, the making of any representation or warranty, the assumption of any obligation or liability and the exercise of any right or power).

15.8 We can make amendments to this Agreement. We may amend this Agreement by giving you no less than two months' notice in writing. If you object to the proposed amendments, you have the right to terminate this Agreement without charge before the date proposed by us for the entry into force of the changes. You will be deemed to have accepted the proposed amendments unless you notify us and terminate this Agreement before the date proposed by us for the entry into force of the changes. If we receive no objection from you, such amendments shall take effect from the date specified by us but may not affect any rights or obligations that have already arisen and will not be retrospective. For the avoidance of doubt, the termination of this Agreement by any means by you, shall not affect any Contract nor any rights or obligations that have already arisen at the date of the termination.

15.9 What happens if you are jointly a client of ours with another person? Where you comprise two or more people, each person will be jointly and severally liable to us in respect of all obligations contained in this Agreement.

15.10 Can you obtain a copy of this Agreement or additional information? You may request and we shall provide a copy of this Agreement to you in Durable Medium at any time prior to termination of this Agreement.

15.11 We may transfer this agreement to someone else. We may transfer our rights and obligations under this Agreement to another organisation without your consent. We will always tell you in writing if this happens and we will ensure that the transfer will not affect your rights under any Contract.

15.12 You need our consent to transfer your rights to someone else. You may only transfer your rights or your obligations under this Agreement to another person if we agree to this in writing.

15.13 Nobody else has any rights under this Agreement. This contract is between you and us. No other person shall have any rights to enforce any of its terms.

15.14 Which laws apply? This Agreement and any Contract to which this Agreement applies and any disputes or claims arising out of or in connection with this Agreement or any such Contract or its or their subject matter or formation (including non-contractual disputes or claims) are governed by, and construed in accordance with, the laws of the Republic of Lithuania.

15.15 Where you may issue proceedings under this Agreement. You irrevocably agree that the courts of the Republic of Lithuania have exclusive jurisdiction to settle any dispute or claim or other matter that arises out of or in connection with this Agreement and any Contract or their subject matter or formation (including non-contractual disputes or claims) or any of the documents to be entered into pursuant to this Agreement.

## Schedule 1 – PAYMENT SERVICES

### 1. INTERPRETATION

1.1 The definitions and rules of interpretation set out in clause 2 of the main body of this Agreement and in this paragraph 1 apply to this Schedule:

**“Associated Service Provider”** means the third-party service provider, the details of which are set out in Schedule 2, which is providing its own services alongside the Services and acts as your agent in accordance with paragraph 2.

**“Associated Service Provider’s App”** means the App that you use to interact with the Associated Payment Provider and provide instructions to Payrnet and obtain data from Payrnet.

**“Associated Service Provider Terms”** means the terms and conditions which you have entered into with the Associated Service Provider related to this Agreement, a link to which is set out in Schedule 2.

**“Beneficiary”** means the recipient of money pursuant to a Payment.

**“Beneficiary Account”** means the bank account of the Beneficiary which is the subject of a Payment.



“**Fees**” means the fees which will be charged for the provision of the Payment Services, the details of which are set out in the Associated Service Provider Terms – see Schedule 3.

“**Payment**” means us redeeming your Electronic Money and sending the corresponding funds to a Beneficiary Account, the details of which you set out in your Payment Order.

“**Payment Contract**” means a contract between us and you whereby we commit to executing one or more Payments on your behalf pursuant to the Payment Order you have provided to us.

“**Payment Order**” means a request from you to us for us to execute one or more Payments.

“**Unique Identifier**” has the meaning set out in paragraph 3.2(b).

## **2. CONFIRMATION THAT THE ASSOCIATED SERVICE PROVIDER IS YOUR AGENT**

2.1 You warrant and represent that you have executed the Associated Service Provider Terms and appointed the Associated Service Provider as your agent to place, amend and withdraw Payment Orders with us on your behalf.

2.2 You undertake to inform us via email to support@payr.net as soon as the Associated Service Provider is not entitled to act as your agent to place, amend and/or withdraw Payment Orders with us on your behalf.

2.3 You undertake to ratify, confirm and be liable for whatever we do or purport to do in good faith in reliance upon this paragraph 2.

2.4 Subject always to paragraph 2.5, you undertake to indemnify us against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other reasonable professional costs and expenses) which we sustain or incur in connection with any action taken in good faith pursuant to this paragraph 2 (including any cost incurred in enforcing this indemnity).

2.5 The indemnity in paragraph 2.4 shall not cover us to the extent a claim under it results from our negligence or willful misconduct.

## **3. PLACING PAYMENT ORDERS**

3.1 How to place a Payment Order.

You may place a Payment Order with us via the Associated Service Provider as your agent. The Associated Service Provider Terms set out how you can do this. The Associated Service Provider is able to place your Payment Order with us on your behalf using the Associated Service provider’s App. We will accept Payment Orders received by us from the Associated Service Provider on your behalf. You must notify us immediately upon the Associated Service

Provider no longer being authorised to place Payment Orders with us as your agent on your behalf. We are entitled to assume that:

(a) the Associated Service Provider is authorised to make Payment Orders on your behalf until you notify us to the contrary in writing;

(b) all Payment Orders received by us from the Associated Service Provider via the Associated Service Provider's App have been authorised by you without carrying out any further due diligence.

Payment Orders received by us from the Associated Service Provider in accordance with this paragraph 3.1 will be deemed by us as 'consent' for the execution of the Payment(s) set out in the Payment Order and accordingly authorised by you pursuant to Article 29 of the Regulations.

3.2 Details to be set out in the Payment Order. The Payment Order must confirm:

(a) the amount and currency of the money you wish to send pursuant to each Payment;

(b) the details of the Beneficiary Account (the "Unique Identifiers") which is to be the subject of each Payment, including the following:

(1) full name and address of the Beneficiary;

(2) the account details of the Beneficiary Account which shall be:

(a) the IBAN; or

(b) such other details that we request from you.

3.3 What if you have provided incorrect details? If you think that you have provided incorrect Unique Identifiers or other details relating to a Payment, you must contact the Associated Service Provider immediately by email to the Associated Service Provider's customer support email.

3.4 Deemed receipt of the Payment Order. The Payment Order shall be deemed to be received at the time at which it is received:

(a) in accordance with the terms and conditions of the relevant payments scheme; and

(b) except that if a Payment is to be made on a day in the future your Payment Order shall be deemed to be received on the day stated for the making of that Payment (provided we hold enough Electronic Money to execute the Payment and pay the associated Fees) or, if that day is not a Business Day, on the Business Day immediately following that date.

3.5 What happens when a Payment Order is accepted? Once accepted, such Payment Order will form a Payment Contract. You may be notified by the Associated Service Provider when a

Payment Order is accepted by us. Please note that we are under no obligation to accept any Payment Orders.

3.6 Options available to us following receipt of a Payment Order. Following receipt of a Payment Order, we may:

(a) refuse that Payment Order and if we do so, we shall (unless it would be unlawful for us to do so) notify you of that refusal, the reasons for that refusal (if possible), and the procedure for rectifying any factual errors that lead to that refusal. Such notification shall be given to you as soon as practicable following the refusal and we may charge you for such notification where the refusal is reasonably justified. Such charge will be equivalent to the cost of processing the Payment Order. A Payment Order which is refused by us shall be deemed not to have been received for the purposes of paragraph 3.4; and/or

(b) request further confirmation or information from you if we consider that such confirmation or information is desirable and/or that Payment Order is ambiguous.

3.7 Revocation of Payment Orders. You may not revoke:

(a) a Payment Order which has been initiated through a Payment Initiation Service Provider, without our written consent;

(b) a Payment Order initiated in any way other than through a Payment Initiation Service Provider, after it has been received by us except if you have agreed with us that the Payment is to be made on a day in the future and the revocation is received by us prior to the end of the Business Day preceding that day - such revocation of the Payment shall be deemed to be withdrawal of consent for the Payment in accordance with Article 44 of the Regulations.

3.8 Any withdrawal of consent for a Payment, in accordance with paragraph 3.7(b), must be received by us in the same way you place a Payment Order pursuant to paragraph 3.1.

3.9 We may charge you for any revocation of a Payment. In particular, but not by way of limitation:

(a) you shall bear all costs, expenses and losses of us whatsoever that may arise on account of the revocation; and

(b) we may charge interest at the rate referred to in clause 6.2 of the main Agreement on any sums due to us pursuant to this paragraph 3.9.

3.10 Time for delivery of proceeds of Payment. Where the Payment is denominated in:

(a) euro and is being sent to a Beneficiary Account in Lithuania, and the Payment Order is submitted before 12 am Vilnius time, we shall ensure that the amount of the Payment is credited to the Beneficiary's payment service provider's account by the end of the same Business Day;

(b) euro and is being sent to a Beneficiary Account in the EEA, we shall ensure that the amount of the Payment is credited to the Beneficiary's payment service provider's account by the end of the Business Day following that on which your Payment Order was deemed to be received, except where the Payment Order was submitted with the future Payment date under paragraph 3.4(b) – in such a case the amount of the Payment is credited to the Beneficiary's payment service provider's account by the end of the Business Day on which your Payment Order was deemed to be received in accordance with paragraph 3.4(b);

(c) an EEA currency other than euro and the Beneficiary Account is located within the EEA, we shall ensure that the amount of the Payment is credited to the Beneficiary's payment service provider's account by the time specified in the terms and conditions of the relevant payments scheme prevailing at the time on which your Payment Order was deemed to be received, but in any case no later than within four (4) Business Days; and

(d) a non-EEA currency or if the Beneficiary Account is located outside the EEA, please contact the Associated Service Provider using the contact details set out in Schedule 2 for details of execution times.

#### **4. INFORMATION**

4.1 All transaction information, i.e. information about the executed Payment Orders, is available anytime and free of charge through the Associated Service Provider's App.

4.2 You should regularly check transaction information for mistakes or discrepancies, through the Associated Service Provider's App.

#### **5. HOLDING ENOUGH ELECTRONIC MONEY TO FULFIL A CONTRACT**

5.1 In order for a Payment to be executed, you will need to hold enough Electronic Money to complete the Payment and pay the applicable Fee. This should be achieved by you sending us money in the correct currency to the Safeguarded Account, in which case we shall issue you with the appropriate amount of Electronic Money.

5.2 You can redeem the Electronic Money you hold with us and receive the corresponding funds into a bank account belonging to you by entering into a Payment Contract and using your own bank details as the Beneficiary Account details. Redemption of your Electronic Money as such will always be free of charge.

5.3 When executing the Payment, we will automatically redeem your Electronic Money and send the corresponding amount of funds to the Beneficiary Account pursuant to the terms of the relevant Payment Contract.

#### **6. SAFEGUARDS AND SECURITY**

6.1 You must take all reasonable steps to keep safe all communication channels you and your employees and representatives have with the Associated Service Provider including any API

keys, passwords, PINs or email addresses you use to communicate with the Associated Service Provider. If you become aware that there is a risk that your communication with the Associated Service Provider is no longer secure, you must notify the Associated Service Provider's customer support as soon as possible.

6.2 You must take all reasonable precautions to prevent fraudulent use of Payment Services.

6.3 We shall contact you via email in the event of suspected or actual fraud or security threats, unless we are of the view that your emails might be compromised, in which case we shall contact you by telephone.

6.4 We may stop or suspend the use of the Associated Service Provider's App based upon:

(a) the security of the Associated Service Provider's App;

(b) suspected unauthorised or fraudulent use of the Associated Service Provider's App.

6.5 We may stop or suspend your ability to use the Associated Service Provider or any Account Information Service Provider or Payment Initiation Service Provider if we have reasonably justified and duly evidenced reasons for same relating to:

(a) unauthorised or fraudulent access to your payment account information by the Associated Service Provider, that Account Information Service Provider or that Payment Initiation Service Provider; and/or

(b) the risk of unauthorised or fraudulent initiation of a Payment.

If we do deny access to the Associated Service Provider or any Account Information Service Provider or Payment Initiation Service Provider in accordance with this paragraph 6.4, unless doing so would compromise security or is unlawful, we shall notify you as soon as possible via phone or email in accordance with clause 1.4.

## **7. LIABILITY FOR PAYMENTS**

7.1 Subject to the remainder of this paragraph 7, where it is established that:

(a) a Payment was not authorised by you or was incorrectly initiated or executed by us; and

(b) you have notified us by email to [support@payr.net](mailto:support@payr.net), without undue delay on becoming aware of the unauthorised or incorrectly executed Payment no later than one month after the date the Payment was made, we shall refund to you the full amount debited erroneously immediately and the amount debited without authorisation as soon as practicable and in any event no later than the end of the Business Day following the day on which we became aware of the unauthorised Payment, unless we have reasonable grounds to suspect fraud and notify the appropriate authorities.

7.2 It shall be for you to prove that the Payment was not authenticated by you. Failure to do so will mean that you are not entitled to a refund in accordance with this paragraph 7.

7.3 We shall not be liable for non-execution or defective execution of a Payment which we have made in accordance with a Unique Identifier given to us by you or deemed to have been given by you which proves to be incorrect. However, we shall make efforts to trace any non-executed or defectively executed Payment and notify you of the outcome.

7.4 We are liable to you under paragraph 7.1 for the correct execution of a Payment unless:

(a) paragraph 7.3 applies; or

(b) we can prove to you (and where relevant, to the Beneficiary's payment service provider) that the Beneficiary's payment service provider received the amount of the Payment within the appropriate time period described in paragraph 3.10.

7.5 Under Article 41 of the Regulations, you may be entitled to a refund in certain circumstances where a Payment is initiated by the Beneficiary. It is not anticipated that any Payment will be initiated by a Beneficiary under the Services provided by us pursuant this Schedule.

7.6 The provisions in this paragraph 7 shall survive termination of this Agreement and any Contract.

7.7 In some circumstances a number of intermediaries (such as correspondent banks) may be involved in an international transfer of currency, and such intermediaries may charge fees and expenses. The charges will in most cases (but not always) be deducted prior to its delivery. These charges are beyond our control and whilst we will endeavour to minimise these for you wherever possible, those charges cannot therefore be calculated in advance. You hereby acknowledge that you shall be liable for these charges.

## **8. PERFORMING FOREIGN EXCHANGE PRIOR TO ENTRY INTO A PAYMENT**

8.1 If the currency which you require the Payment to be made in (in accordance with the information provided in the relevant Payment Order) is different to the currency of the Electronic Money you are using to make the Payment, then we shall, prior to making the Payment, exchange the Electronic Money for money in the currency you wish the Payment to be in using our standard exchange rates or exchange rates that have been agreed in your Fee schedule.

8.2 If the currency of the Electronic Money that you wish to redeem is different than the currency that the Electronic Money was issued, prior to making the redemption of Electronic Money we will exchange the Electronic Money for money in the currency you wish the redemption to be in using our standard exchange rates.

## **9. FEES**



9.1 We shall charge you the Fees for Payments at the time each Payment is executed. These Fees will be invoiced by the Associated Service Provider.

9.2 We will pass on to you all bank charges and any other costs incurred or suffered by us or by your instruction, to reverse, recall or modify any Payment except as the result of any error on our part. Some of these charges are levied by us to offset the costs we incur from our banking providers for making Payments. If the banks we use charge us more to process any Payments, we shall have to pass this cost onto you. We shall provide you with as much notice as we can.

9.3 Any transfer of funds (whether resulting from a Contract or otherwise) may be liable to taxation in the Republic of Lithuania or in any other applicable jurisdiction. It is your responsibility to ascertain the applicability and extent of any taxation and to declare and pay any tax on any such sums. In the event that we are required to withhold any sums in respect of taxation by any court, regulation or taxing entity in any applicable jurisdiction, we shall be permitted to do so. We shall have no obligation to account to you in respect of sums so withheld.

## SCHEDULE 2 – ASSOCIATED SERVICE PROVIDER

Associated Service Provider Name	Cledara Limited
Associated Service Provider Registered Address	18 Dower Court Silwood Street London SE162BF United Kingdom
Associated Service Provider Postal Address	18 Dower Court Silwood Street London SE162BF United Kingdom
Associated Service Provider country of incorporation	United Kingdom
Associated Service Provider company number	11455373
Associated Service Provider website	<a href="https://www.cledara.com">https://www.cledara.com</a>
Associated Service Provider contact email address for queries and support	hello@cledara.com
Associated Service Provider contact email address for complaints	hello@cledara.com

## SCHEDULE 3 – THE SERVICES AND FEES

Refer to the services and fees set out in the Associated Service Provider Terms.