

Merchant Payment Processing Services - Terms & Conditions for Using Yedpay

The Payment Cards Group Limited (“**Yedpay**”) is a third-party payment processor providing payment processing service(s) (the “**Service**”).

1. GENERAL

- 1.1 The “**Agreement**” consists of (i) these Merchant Payment Processing Services Terms & Conditions (the “**Terms**”), (ii) the Merchant Application And Agreement (Hong Kong) together with respective signature page(s) (the “**Merchant Application**”) and is made by and between Merchant and The Payment Cards Group Limited (the “**Parties**”), in each case as named in the Merchant Application.
- 1.2 Yedpay is an acquirer of Alipay Payment Services (HK) Ltd. (“**Alipay**”), WeChat Pay Hong Kong Ltd. (“**WeChat**”), Visa International, Inc. (“**Visa**”), MasterCard International, Inc. (“**MasterCard**”), UnionPay International Co., Ltd. (“**UPI**”) and any other card associations as may be specified by Yedpay, its subsidiary its affiliate, and/or its recognized Third- Party Agent from time to time (including their respective successors and assigns, collectively, the “**Associations**”).
- 1.3 Under the Agreement, Merchant will be furnished with the services and products described herein and selected by Merchant herein (collectively and individually, as applicable, the “**Services**”) with respect to transactions for sale of goods and/or services involving cards issued under the Associations and/or card issuers accepted by Yedpay for the time being (“**Payment Transactions**”), and such other services as Yedpay and Merchant may agree upon from time to time. Merchant agrees to be bound by the Agreement, as may be modified or amended from time to time. Upon Merchant and Yedpay have entered into an agreement for the Services, under which Merchant accepted the use of the Associations and must:
 - (i) adhere to Yedpay’s policies and procedures as per the defined risk tolerance, and training that Merchant has been informed, received, and acknowledged;
 - (ii) use the Service in accordance with applicable laws and regulations;
 - (iii) comply with any rule of the Association;
 - (iv) refrain from knowingly submitting any transactions that are illegal or that the Merchant should have known were illegal;
 - (v) agree and acknowledge that the Associations reserve their right to limit or terminate the Services and the Agreement;
 - (vi) fully cooperate with Yedpay and/or the Associations for any ongoing investigation in compliance with local laws and regulations at the time the Agreement is duly signed until the obligations of Merchant are ceased.
- 1.4 If signed by a firm, the expression “**Merchant**” shall include the person or persons from time to time carrying on the business of such firm and, if Merchant comprises of two or more persons, the expression “**Merchant**” shall include all and each of them and their liabilities under the Agreement shall be joint and several.
- 1.5 Any reference in the Agreement to “**Merchant**”, “**Yedpay**”, or “**Depository**” shall, if the context permits or requires, be construed so as to include its and any subsequent successors, legal representatives and permitted transferees and assigns in accordance with their respective interests.
- 1.6 If the context permits or requires, words importing the masculine gender shall include the feminine and neuter genders, and words in the singular number shall include the plural number and vice versa. Any reference to a “**Clause**” shall mean a clause hereof.
- 1.7 For the convenience of wording in the Agreement, customer and consumer are collectively referred to as “**Cardholders**”, and individually as “**Cardholder**”.

2. SERVICE DESCRIPTIONS

- 2.1 Yedpay's payment processing services, which are provided under the Agreement, consist of:
- (i) authorization of Payment Transactions;
 - (ii) electronic draft capture (or collection of sales slips) of Payment Transactions;
 - (iii) outclearing of Payment Transactions to the appropriate Associations and/or card issuers;
 - (iv) settlement of Payment Transactions;
 - (v) dispute resolution with Cardholders' banks; and
 - (vi) transaction-related reporting, statements and products.
 - (vii) any other services co-related to payment processing services reasonably.
- 2.2 Merchant has elected to accept cards of the card types as specified in the Merchant Application.
- 2.3 From time to time under the Agreement, Yedpay may provide certain other types of payment processing services including without limitation payment processing services for transactions effected using mobile wallets, QR codes or cards issued under card associations not expressly set forth herein, subject to the mutual agreement between Yedpay and Merchant and any applicable addendum or supplementary agreements to be entered into between the Parties. The Merchant reserves the right to opt-out and not be provided with the certain other types of payment processing services set forth above by sending written notice of the Merchant's decision to opt-out by telefax, by courier, by regular or registered mail, or by e-mail to Yedpay. The written notice must be sent to Yedpay within 30 days after Yedpay's notice, otherwise the Merchant will be provided with the certain other types of payment processing services set forth above and bounded by the mutual agreement due to well-communicated through various means between Yedpay and Merchant, including orally, in writing, or by conduct, or any applicable addendum or supplementary agreements to be entered into between the Parties.
- 2.4 Notwithstanding the foregoing, Yedpay may suspend the payment processing services at any time with immediate effect until further notice upon written notice to Merchant without any liability:
- (i) upon Merchant's default in performing under any provision of the Agreement;
 - (ii) upon an unauthorized conversion of all or any part of Merchant's activity to mail order sales, telephone order sales, Internet-based sales, or to any sales activity where the card is not physically present and processed through Merchant's terminal;
 - (iii) upon any failure to follow the POS Terminal User Manual or any operating regulation or rule of Associations;
 - (iv) if there has been any fraud, misrepresentation, or mistake by Merchant in accordance with any law;
 - (v) upon commencement of bankruptcy or insolvency proceedings or any other similar arrangement by or against Merchant;
 - (vi) upon the change of control of Merchant without successful onboarding procedures by Yedpay; or
 - (vii) in the event Yedpay reasonably deems itself insecure in continuing the Agreement.

- 2.5 Notwithstanding the foregoing, Yedpay and/or the Associations shall reserve their sole discretion to revoke any acceptance of Merchant for which any activity may create harm or loss to the goodwill of Yedpay and/or the Associations, and Yedpay shall:
- (i) suspend all processing no later than the date specified by the Association (if applicable) after there is verification showing that Associations have prohibited the Merchant from participating in Associations' acceptance programs;
 - (ii) notify in writing if Yedpay terminates the Agreement with Merchant thereafter; and
 - (iii) in case of Merchant is terminated for cause, record it in any Terminated Merchant File which is maintained under Yedpay and/or Associations.
- 2.6 In the event that the Merchant uses the American Express Service as a channel to process payments, the Merchant shall agree and accept the terms and conditions of the American Express Service, as set forth in the "PAYMENT APPLICATION – TERMS OF AMERICAN EXPRESS".

3. PROCEDURES

- 3.1 Merchant will permit holders of valid cards bearing the symbols of the cards authorized to be accepted by Merchant hereunder to charge purchases or leases of goods and services, provided that such Payment Transaction complies with the terms of the Agreement. Each such transaction will be evidenced by a valid transaction record in an approved form such as a Cardholder-signed POS receipt, invoice, Cardholder-signed proof of receipt and proof of delivery. Merchant will not present any sales slip that does not arise out of a Payment Transaction between a Cardholder and Merchant.
- 3.2 Merchant agrees:
- (i) to follow the POS Terminal User Manual issued by Yedpay and for the time being in force, which is incorporated into and made part of the Agreement; and
 - (ii) to be bound by the operating regulations and rules of the Associations, including without limitation any rules and regulations related to Cardholder and transaction information security, such as Payment Card Industry (PCI) Data Security Standard, Visa's Cardholder Information Security Program and MasterCard's Site Data Protection Program.
 - (iii) to provide a fit and proper, secure, and stable connection of Wi-Fi signal, SIM card signal and other means of data transmission signal which may fit for the best connection of the terminal.
 - (iv) to use its best endeavors to comply with all the relevant regulations issued by relevant regulatory authorities, including but not limited to: the Hong Kong Monetary Authority, the Customs and Excise Department, the Hong Kong Police Force and other regulatory authorities or agencies.
 - (v) to use the terminal for its business purpose in its registered office or principal place of business only.
- 3.3 Merchant shall not provide a cash refund to the Cardholder in all cases. If the refund is ordered, the refund shall be made by the same method as the Payment Transaction by following the instruction given in the POS Terminal User Manual.
- 3.4 Merchant shall not divide the Payment Transaction into two or more Payment Transactions.

- 3.5 Yedpay may, from time to time, request the evidence of a valid transaction record in an approved form from the Merchant, for the purpose of, including without limitation random check, dispute management, and/or fraud investigation. Merchant shall provide true copy of all evidence indicating that such transaction complies with the terms of the Agreement.
- 3.6 Yedpay may, from time to time, issue written directions (via mail, e-mail, the Internet, or other electronic means) regarding procedures to follow and forms to use to carry out the Agreement. These directions and the terms of the forms are binding as from the effective date specified in such directions and shall form part of the Agreement.
- 3.7 Yedpay is responsible for the security of account data that Yedpay possesses or otherwise stores, processes, or transmits on behalf of the Merchant, or to the extent that they could impact the security of the Merchant's Cardholder data environment.
- 3.8 Yedpay may promptly pay or credit its Merchant's, Marketplace's, Sponsored Merchant's, PayFac's, Digital Wallet Operator (DWO)'s, or Ramp Provider's account after transaction deposit. These payments are equal the Transaction totals, deducting any Credit Transactions or Original Credit Transactions, relevant discounts, Disputes, other agreed fees, or Merchant reserve funds (if applicable) accumulated to secure the Merchant's, Sponsored Merchant's, Marketplace's, PayFac's, or DWO's payment system obligations to Yedpay.
- 3.9 Yedpay will settle within market-based timelines, provided there are no mandated holding periods (e.g., Future Service Merchants) or ongoing investigations. Yedpay retains settlements to offset any Disputes or financial losses directly associated with the Merchant.
- 3.10 Yedpay is responsible for providing settlement funds to the Merchant. Ensuring the security and proper handling of Merchant funds will be a fundamental responsibility of Yedpay.

4. MARKETING

- 4.1 Merchant shall adequately display the Associations and card issuer service marks and promotional materials supplied by Yedpay. Merchant shall cease to use or display such service marks in any way (including, without limitation, in promotional materials and transaction related papers or forms of Merchant) immediately upon notice from Yedpay or upon termination of the Agreement. Merchant shall not issue or dispatch any trade secrets, any promotional materials and any other intellectual properties of Yedpay and/or Associations (collectively "Intellectual Properties") which include but not limited to any reference to Yedpay or its name, tradename, logo, service mark and/or trademark without its prior written consent. All Intellectual Properties are owned by Yedpay and/or Associations itself as the case may be, and Merchant does not own any right against the Intellectual Properties unless such right is granted from time to time.
- 4.2 Merchant irrevocably authorizes Yedpay and/or Associations to use, including its name, tradename, logo, service mark and/or trademark in any directory or promotional materials produced by Yedpay in connection with the acceptance of the payments.

5. PAYMENT AND FEES

- 5.1 Merchant agrees to pay the fees, charges and expenses described in the Merchant Application, together with any other liabilities or expenses described in the Agreement.
- 5.2 Notwithstanding the Merchant Application, Yedpay has full and absolute discretion to modify the fees, charges and expenses while there is a change of Yedpay's internal policy.

- 5.3 Notwithstanding the Merchant Application, Yedpay has full and absolute discretion to modify the fees, charges and expenses while there is change of policy in relation to the Associations.
- 5.4 Yedpay will pay Merchant for Payment Transactions submitted under the Agreement by credit to the account(s) designated by Merchant (the “Merchant’s Account(s)”) or by delivery of a cheque or other negotiable instrument made payable to Merchant or by any other means acceptable to Yedpay. Unless otherwise agreed by Yedpay, Merchant will be paid within the timeframe set out in the Merchant Application for the gross amount of the Payment Transactions submitted less the amount of any discount, fees (including chargeback fees and administrative fees) and other charges (including full amount of the chargebacks and adjustments) set forth in the Agreement and credit vouchers deposited (together with any taxes payable in respect thereof); provided, however, that Yedpay does not warrant payment within this timeframe and the timeframe will be subject to the public holidays (if any), or actual processing time of any correspondent bank and/or recipient bank involved in this payment. If the amount payable to Merchant hereunder is insufficient to pay the outstanding charges described in the preceding sentence on any day and/or any other amount due or payable by Merchant to Yedpay under the Agreement, Yedpay shall be entitled to:
- (i) set off and deduct the outstanding amount in whole or in part from any payment due from it to Merchant; and/or
 - (ii) deduct the outstanding amount in whole or in part from subsequent credits to Merchant’s Account(s); and/or
 - (iii) claim from Merchant the outstanding amount in whole or in part.
- 5.5 In respect of the above, typically Hong Kong dollar will be used in the calculation of currency amounts of the payment. If the currency in which Cardholders are charged for the Payment Transaction is different from the currency in which the Merchant Account is credited, Yedpay will determine the applicable exchange rate when the currency amount is credited to the Merchant account. Yedpay may offer a higher or lower exchange rate compared to the market exchange rate.
- 5.6 Merchant agrees to pay for all fees, arbitration fees, chargeback fees, administrative fees, fines, penalties etc. charged by the Associations. In the event there is any overpayment by Yedpay, Merchant agrees to return the overpayment to Yedpay within 30 days of receipt of invoice from Yedpay.
- 5.7 Merchant represents and warrants that no one other than Merchant has any claim in respect of any Payment Transaction submitted hereunder except as authorized in writing by Yedpay. Merchant agrees that Yedpay has the sole right to receive payment from the Associations on any Payment Transactions submitted hereunder.
- 5.8 Merchant further represents and warrants that payment by Yedpay shall be without prejudice to any claims or rights which Yedpay may have against Merchant and shall not constitute any admission by Yedpay as to the performance by Merchant of its obligations under the Agreement and the amount payable to Merchant.
- 5.9 If Yedpay suspects, on reasonable grounds, that Merchant has committed or is about to commit a breach of the Agreement, any illegal activity (including, without limitation, money laundering) or dishonesty or fraud against Yedpay or any Cardholder, Yedpay shall be entitled to suspend all payments under the Agreement to Merchant pending enquiries by Yedpay, retain all payments due to Merchant under the Agreement or refund all payments by the same method as the Payment Transaction unless (i) Merchant has provided sufficient evidence to prove that Merchant did not participate in any illegal activity, dishonesty or fraud, (ii) Yedpay is reasonably satisfied that Merchant did not participate in any illegal or fraudulent activities and (iii) Merchant has satisfied all of its obligations under the Agreement.

6. EQUIPMENT AND SUPPLIES

- 6.1 Any advertising material, leased or rented equipment (including imprinters, authorization terminals, data capture terminals or printers), software, credit card authenticators, unused forms and Merchant deposit plastic cards provided by Yedpay are for the Merchant's exclusive use and will not become Merchant's property, and shall be returned to Yedpay on demand, upon termination of the Agreement or upon Merchant ceasing to do business, whichever is the earliest. Merchant will protect them from loss, theft, damage or any legal encumbrance and will allow Yedpay and its designated representatives reasonable access to Merchant's premises and reasonable actions for their collection, repair, servicing, replacement, removal, modification, installation and relocation.
- 6.2 Merchant acknowledges that some equipment provided under the Agreement is embedded with proprietary technology ("**Software**"). Merchant shall not obtain title, copyrights or any other proprietary right to any Software. At all times, Yedpay or its suppliers retain all rights to such Software, including but not limited to updates, enhancements and additions. Merchant shall not (i) disclose such Software to any party, convey, copy, license, sublicense, modify, translate, reverse engineer, decompile, disassemble, tamper with, or create any derivative work based on such Software, and (ii) deprive the Software's ownership, no matter such Software has been duly registered by the laws. Merchant's use of such Software shall be limited to that expressly authorized by Yedpay. Yedpay's suppliers are intended third party beneficiaries of the Agreement to the extent of any terms herein pertaining to such suppliers' ownership rights; such suppliers have the right to rely on and directly enforce such terms against Merchant.
- 6.3 The operating instructions will instruct Merchant in the proper use of the terminals, and Merchant shall use and operate the terminals only in such manner and at the location where they are initially installed (unless otherwise agreed by Yedpay). Merchant will promptly notify Yedpay of any equipment malfunction, failure or other incident resulting in the loss of use of the equipment or need for repair or maintenance, whereupon Yedpay will make the necessary arrangements to obtain required maintenance subject to payment of agreed costs (if any) by Merchant. Merchant shall cooperate with Yedpay in its attempt to diagnose any problem with the terminal.
- 6.4 With respect to any item of equipment leased or rented to Merchant by Yedpay, Merchant will not be liable for normal wear and tear, provided, however, that Merchant will be liable to Yedpay in the event that any leased or rented item of equipment is lost, destroyed, stolen or rendered inoperative. Merchant will indemnify Yedpay against any loss arising out of damage to or destruction of any item of equipment provided hereunder for any cause whatsoever. Merchant also agrees to hold harmless and indemnify Yedpay for any liabilities, losses, damages, disputes offsets, counterclaims, claims, demands, actions, costs, expenses and judgments Yedpay may suffer or incur, including reasonable attorney's fees, as a result of Merchant's use or misuse of the equipment provided hereunder.
- 6.5 All persons using any leased or rented instrument provided by Yedpay to Merchant shall be deemed to be agents of Merchant, and Merchant shall be fully responsible for their acts and omissions.

7. FINANCIAL INFORMATION

- 7.1 Merchant agrees to furnish Yedpay such financial statements, business plans, audited accounts, management accounts, sales and purchase invoices, and other information concerning Merchant, its owners, principals, shareholders, beneficiaries, partners, proprietors, directors, officers, its subsidiaries or its affiliates (collectively, "**Representatives**") as Yedpay may from time to time request in order to assess Merchant's financial position. From time to time, Yedpay may contact Merchant to undertake a review of Merchant's card processing facility and the risks associated with that facility, including without limitation Merchant's compliance with the terms of the Agreement, applicable law and Association rules. Merchant must cooperate with

Yedpay, its employees, agents or contractors in the review. Yedpay, or its duly authorized representatives, may examine the books and records of Merchant, including records of all transactions previously submitted hereunder and proof that Merchant is in compliance with the Agreement, the POS Terminal User Manual, and the Association rules.

- 7.2 Merchant agrees to retain copies of all paper and electronic transaction records and credit slips submitted to Yedpay for a period of 12 months from submission, or such longer period of time as may be required by the operating rules or regulations of the Associations, by law or by Yedpay as specifically requested in writing in individual cases.
- 7.3 Merchant agrees and allows Yedpay to share the Financial Information under applicable laws, regulations, privacy policies to the respective Associations, in order to provide the Services to Merchant with sufficient and accurate information.

8 CHANGE IN BUSINESS

- 8.1 Merchant agrees to provide Yedpay 30 days' prior written notice of its intent to:
 - (i) transfer or sell all or any substantial part (25% or more) of its shares, its total stock or its assets; or
 - (ii) liquidate or file for bankruptcy or other similar arrangement; or
 - (iii) cease business or change its business nature, or change of its products/services; or
 - (iv) convert all or part of its business to mail order sales, telephone order sales, Internet-based sales or other sales where the card is not physically present and processed through Merchant's terminal; or
 - (v) remove or relocate any shop or office; or
 - (vi) make any material change in the management of Merchant; or
 - (vii) make any change in Merchant's legal status (such as from sole proprietorship to partnership or limited company or vice versa); or
 - (viii) make any change in any other material particulars relating to Merchant which have been supplied to Yedpay in connection with the Agreement.

Upon the occurrence of any such event, the terms of the Agreement may be modified to address issues arising therefrom, including but not limited to requirements of applicable Associations.

9. TRANSFERABILITY

- 9.1 The Agreement is not transferable by Merchant without the written consent of Yedpay. Any attempt by Merchant to assign its rights or to delegate its obligations in violation of this Clause shall be void.
- 9.2 Merchant agrees that the rights and obligations of Yedpay hereunder may be transferred by Yedpay to any other person without notice to Merchant. Yedpay may subcontract or appoint any agent to carry out any of its obligations under the Agreement.

10. WARRANTIES AND REPRESENTATIONS

10.1 Merchant warrants and represents to Yedpay:

- (i) that each Payment Transaction submitted hereunder will represent a bona fide sale to a Cardholder by Merchant for the amount shown on the related transaction record as the total sale and constitutes the binding obligation of the Cardholder, free from any claim, demand, defense, setoff or other adverse claim whatsoever;
- (ii) that each transaction record or other evidence of a transaction will accurately describe the goods and services which have been sold and delivered to the Cardholder or in accordance with the Cardholder's instructions;
- (iii) that Merchant will comply fully with all laws, rules and regulations applicable to it and its business;
- (iv) that Merchant will fulfill completely all of its obligations to the Cardholder and will resolve any Cardholder dispute or complaint directly with the Cardholder;
- (v) that the signature on the sales slip will be genuine and authorized by Cardholder and not forged or unauthorized;
- (vi) that each Payment Transaction submitted hereunder shall have been consummated and the related transaction record prepared in full compliance with the provisions of the POS Terminal User Manual and the operating regulations and rules of the applicable Association;
- (vii) that, without limiting the generality of the foregoing, each Payment Transaction submitted hereunder and the handling, retention, and storage of information related thereto, will comply with the rules and regulations of the Associations related to Cardholder and transaction information security, including without limitation those referred to in Clause 3.2;
- (viii) that all of the information contained in or provided pursuant to the Agreement is true and correct;
- (ix) that Merchant shall keep strictly confidential the provisions of the Agreement, and all information and materials received from Yedpay in connection with Yedpay's businesses and instrument provided by Yedpay, and will disclose the same only to such of its employees who require such information for the purposes of performing Merchant's obligations under the Agreement; Merchant shall not and shall procure that its officers, employees and agents shall not without the prior written consent of Yedpay use or disclose any such information to any other person (except to Merchant's agents for the sole purpose of assisting Merchant to complete or enforce Payment Transactions or to Merchant's insurers and professional advisers) unless such disclosure is compelled by law or rules and regulations of Associations;
- (x) that Merchant shall not submit any Payment Transaction which is for the supply of crypto-assets, cryptocurrencies, gambling or pornographic goods or services, or any act in relation to a pyramid scheme and to provide for cash advance without the prior written consent of Yedpay;
- (xi) that Merchant shall not receive any cash payment from a Cardholder with respect to charges for goods and/or services included in a Payment Transaction;
- (xii) that Merchant shall not engage in acceptance practices or procedures that discriminate against or discourage the use of a card of a card type selected to be accepted by it hereunder in favour of any other competing card brand, and shall not promote any other means of payment more actively than promoting payment with a card of such card type (except for any privilege card issued by Merchant solely for the purpose of making purchases at Merchant or under any temporary promotion programme);

- (xiii) that after due inquiry of its Representatives, neither Merchant nor any of its Representatives is a Government Official, other than as disclosed in writing to Yedpay (for purposes of the Agreement, the term “**Government Official**” means (i) any officer, employee or representative (including anyone elected, nominated or appointed to be an officer, employee or representative) of any Government Entity or anyone otherwise acting in an official capacity on behalf of a Government Entity (whether paid or unpaid); (ii) any political party, political party official or political party employee; (iii) any candidate for public office; (iv) any royal or ruling family member or (v) any agent or representative of any of those persons listed in subcategories (i) through (v), and the term “**Government Entity**” means (i) any national, state, regional or local government, and any government agency, department, or instrumentality or political party; (ii) any entity or business that is owned or controlled by any of those bodies listed in subcategory (i); or (iii) any public international organization such as the United Nations or the World Bank); and
- (xiv) that Merchant shall comply with all applicable anti-bribery and anticorruption laws, including without limitation the U.S. Foreign Corrupt Practices Act of 1977, as amended, the UK Bribery Act 2010 and all applicable local anti-bribery laws (collectively, the “Anti-Bribery Laws”). Merchant shall promptly inform Yedpay of any allegations, investigations, indictments, or convictions against the Merchant or any of its Representatives under any Anti-Bribery Laws. Any violation of applicable Anti-Bribery Laws is a material breach of the Agreement, and notwithstanding any other provision to the contrary and without prejudice of any other rights and remedies, may result in the immediate termination of the Agreement by Yedpay.
- 10.2 In the event that any of the warranties or representations in Clause 10.1 are breached, the affected Payment Transactions or transaction records may be refused, or prior acceptance revoked and charged back to Merchant.
- 10.3 NEITHER YEDPAY, NOR ANY OF ITS RESPECTIVE SUPPLIERS MAKES ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO ANY EQUIPMENT (INCLUDING IMPRINTERS, AUTHORIZATION TERMINALS, DATA CAPTURE TERMINALS OR PRINTERS) OR ANY OF THE SERVICES FURNISHED HEREUNDER.

11. INDEMNITY

- 11.1 Merchant agrees to satisfy directly with the Cardholder any claim or complaint arising in connection with the Payment Transaction between Merchant and such Cardholder, regardless of whether such claim or complaint is brought by the Cardholder, Yedpay or another party. Merchant agrees to indemnify and hold Yedpay harmless from and against any and all liabilities (including without limitation fines imposed under the operating regulations and rules of the applicable Associations), losses, claims, damages, demands, actions, disputes, offsets, counterclaims, costs, expenses and judgements arising out of or relating to any Payment Transaction (including without limitation claims and complaints made by a Cardholder or any other person or entity with regard to any Payment Transaction submitted by Merchant hereunder) or any other Service provided hereunder.

12. LIMITATION OF LIABILITY

- 12.1 Yedpay shall not be liable for failure to provide the Services if such failure is due to any cause or condition beyond Yedpay’s reasonable control. Such causes or conditions shall include, but shall not be limited to, acts of God or of any public enemy, acts of any Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, shortages of labor or materials, freight embargoes, unusually severe weather, breakdowns, operational failures, electrical power failures, communication failures, unavoidable delays, the errors or failures of third party systems or other similar causes beyond such party’s reasonable control.

- 12.2 Under no circumstances shall Yedpay be liable for:
- (i) any lost profits, lost interest, or for special, consequential, punitive or exemplary damages arising out of or relating in any way to the Agreement, including but not limited to, damages arising out of placement of Merchant's name on any terminated merchant list for any reason, even if Yedpay has been advised of the possibility of such damages;
 - (ii) any claim, loss, billing error, damage or expense arising out of or relating in any way to the Agreement which is not reported in writing to Yedpay by Merchant within 30 days of such failure to perform or, in the event of a billing error, within 60 days of the date of the invoice or applicable statement and Merchant expressly waives any such claim that is not brought within the time periods stated herein.
- 12.3 Yedpay will not bear any potential business risk, financial risk, transaction risk, chargeback risk and other unpredictable potential risks (collectively the "**Risks**") that the Risks may direct or indirect occurred by an unstable network signal connection, an unstable of data transmission, or as a result of other external environment or other external factors, which may affect the connection between the card terminal and the network signal service provider or the provision of Services to Merchant.

13. **TERM AND TERMINATION**

- 13.1 Subject to the provisions hereof, the Agreement shall remain in full force and effect for the term as specified in the Merchant Application (the "**Initial Term**"), unless Merchant gives written notice of termination as to the Agreement at least 60 days prior to the expiration of the Initial Term or any extension or renewals thereof. If no term is specified in the Merchant Application, subject to the provisions hereof, the Agreement shall continue in full force and effect until Merchant gives not less than 60 days' prior written notice to Yedpay to terminate it.
- 13.2 Notwithstanding anything to the contrary set forth herein, in the event that a term is specified in the Merchant Application and Merchant terminates the Agreement in breach of this Clause 13, all fees assessed to Merchant under the Agreement and due to Yedpay for the remainder of the then existing term of the Agreement, including all minimum monthly fee commitments, shall be immediately due and payable to Yedpay, and Merchant hereby authorizes Yedpay to accelerate the payment of all such monthly fees and to withhold the total amount from amounts due to Merchant from Yedpay, immediately on or after the effective date of termination. If the amount cannot be withheld by Yedpay from amounts due to Merchant, Merchant shall pay Yedpay the amount due within 10 days of the date of Yedpay's invoice for same. The payment of accelerated monthly fees as described herein is not a penalty, but rather is hereby agreed by the parties to be a reasonable amount of liquidated damages to compensate Yedpay for its termination expenses and all other damages under the circumstances in which such amounts would be payable. Such amounts shall not be in lieu of but shall be in addition to any payment obligations for Services already provided hereunder (or that Yedpay may continue to provide), which shall be an additional cost, and any and all other damages to which Yedpay may be entitled hereunder.
- 13.3 Notwithstanding the foregoing, Yedpay may terminate the Agreement or any portion thereof at any time with immediate effect upon written notice to Merchant. Furthermore, Yedpay may terminate the Agreement at any time without notice:
- (i) upon Merchant's default in performing under any provision of the Agreement;
 - (ii) upon an unauthorized conversion of all or any part of Merchant's activity to mail order sales, telephone order sales, Internet-based sales, or to any sales activity where the card is not physically present and processed through Merchant's terminal;
 - (iii) upon any failure to follow the POS Terminal User Manual or any operating regulation or rule of Associations;

- (iv) if there has been any fraud, misrepresentation, mistake by Merchant;
- (v) if the Merchant remains dormant or without using the Services for more than 180 days;
- (vi) upon confirmation and verification in the event any Merchant's activity may create harm or loss to the goodwill of Yedpay and/or Associations;
- (vii) upon commencement of bankruptcy or insolvency proceedings or other similar arrangements by or against Merchant; or
- (viii) in the event Yedpay reasonably deems itself insecure in continuing the Agreement.

13.4 Termination of the Agreement shall not affect Merchant's obligations which have accrued prior to termination or which relate to any Payment Transactions submitted hereunder prior to termination, including but not limited to chargebacks even if such chargebacks come in after termination.

13.5 In the event of termination, all equipment leased or rented from Yedpay (but not from any other leasing agent), including but not limited to imprinters, terminals, data capture terminals and printers; all supplies; POS Terminal User Manual and operating instructions must be returned immediately to Yedpay at Merchant's expense.

13.6 Any termination shall not affect any liabilities incurred prior to the termination nor any provision of the Agreement expressed or intended to survive, or to be effective from, termination. In particular, but without prejudice to the foregoing, Clauses 4, 6.1, 6.4, 7, 10.1, 10.2, 11, 12, 13.4, 13.5, 13.6, 14, 15, and 16 shall remain in full force and effect notwithstanding termination.

14. RETURNED ITEMS/CHARGEBACKS

14.1 If:

- (i) a Cardholder disputes any Payment Transaction or payment for any Payment Transaction (irrespective of the nature or manner of such disputes); or
- (ii) a Payment Transaction is charged back for any reason by the card issuing institution according to the operating rules and regulations of the related Association; or
- (iii) there has been a breach by Merchant of any term of the Agreement;
- (iv) Yedpay has any reason to believe a transaction previously submitted hereunder is unlawful, unenforceable, irregular, questionable, not genuine, or is otherwise unacceptable;
- (v) any other event or circumstance, which Yedpay shall have previously notified to Merchant in writing for the purpose of this Clause 14, has occurred in relation to a Payment Transaction, the amount of such Payment Transaction may be charged back and deducted from any payment due to Merchant. If any such amount is uncollectible through withholding from any payments due hereunder, Merchant shall, upon demand by Yedpay, pay Yedpay the full amount of the chargeback, all chargeback fees arising out of the chargeback dispute processes, and/or any administrative fees.
- (vi) Merchant understands that obtaining an authorization for any transaction shall not constitute a guarantee of payment and the related sales slips can be returned or charged back to Merchant like any other item hereunder.

15. SECURITY AND GUARANTEES

- 15.1 Yedpay may, at any time, require Merchant to provide guarantees for Merchant's obligations to Yedpay under the Agreement or to apply special terms or conditions in relation to Merchant's acceptance of Transactions. Yedpay may, at any time, require Merchant to provide security in such form as Yedpay may, at its discretion, determine and create an unique account (including without limitation the creation of a trust account, a reserve account, a charged account or any other security arrangement, such as security deposit or rolling reserve) and this may include providing for the replacement of existing security. Yedpay may rely on any general guarantees or other security provided to Yedpay now or in the future. The security will not be released until Yedpay deems that Merchant's obligations have been fulfilled and Yedpay's exposure with regard to chargebacks, fines or other sums that may be due to Yedpay under the Agreement, has expired.
- 15.2 If Yedpay (i) receives any notification of fraud from issuing banks, Associations or otherwise from any law enforcement or governmental agencies with respect to Transactions submitted by the Merchant, or (ii) Yedpay reasonably suspects that Merchant has participated in any manner in any illegal activity (including, without limitation, money laundering) or dishonesty or fraud against Yedpay or any Cardholder, Yedpay shall be entitled to retain all payments due to Merchant under the Agreement (the "Retained Funds") or refund all payments by the same method as the Payment Transaction unless (i) such notifications of fraud have been revoked by the issuing banks, Associations or law enforcement or other governmental entities, (ii) Merchant has provided sufficient evidence to prove that Merchant did not participate in any illegal activity, dishonesty or fraud, (iii) Yedpay is reasonably satisfied that Merchant did not participate in any illegal or fraudulent activities and (iv) Merchant has satisfied all of its obligations under the Agreement (collectively, the "Release Conditions"). Merchant acknowledges that Yedpay may be obligated to pay all or any portion of the Retained Funds to the issuing banks upon the request of the issuing banks and Yedpay shall have no liability whatsoever to Merchant if it pays the Retained Funds to the issuing banks as requested. Yedpay shall have the sole discretion to dispose the Retained Funds if the Release Conditions are not satisfied.

16. DEFAULT/SECURITY INTEREST

- 16.1 Upon failure by Merchant to meet any of its obligations under the Agreement, any of the amounts due to Merchant from Yedpay may be debited without notice to Merchant, and Merchant irrevocably authorize Yedpay to debit any such amounts for these purposes.
- 16.2 Merchant also agrees that, in the event of a default by Merchant, Yedpay has a right of setoff and may apply any of Merchant's balances or any other monies due to Merchant from Yedpay, including Merchant's balances or funds due Merchant under any other related merchant agreement, any security arrangement, or any other outlet or business of Merchant, towards the payment of amounts due from Merchant under the terms of the Agreement. The rights stated herein are in addition to any other rights Yedpay may have under applicable law.

17. CHOICE OF LAW/COLLECTION FEES/JURISDICTION

- 17.1 Should it be necessary for Yedpay to defend or enforce any of its rights under the Agreement in any collection or legal action or remedial action, Merchant agrees to reimburse Yedpay for all costs and expenses, including reasonable collection agency and attorney's fees, as a result of such collection or legal action or remedial action.
- 17.2 Yedpay shall be entitled to employ outside debt collection agency and/or institution to collect any or all sum due but unpaid by the Merchant and for so doing, the Merchant shall be obliged to fully indemnify Yedpay for all amount of costs and expenses reasonably incurred by Yedpay in employing such outside debt collection agency or institution or its nominated agent and all legal fees and disbursements reasonably incurred by Yedpay in recovery thereof, if any.

- 17.3 Yedpay and Merchant agree that the Agreement and all disputes arising out of or relating to the Agreement shall be governed by and construed in accordance with the laws of the Hong Kong Special Administrative Region of the People's Republic of China ("**Hong Kong**") and Merchant hereby submits to the non-exclusive jurisdiction of the Hong Kong Courts.
- 17.4 Yedpay may collect, process, disclose, retain or use Personal Data of Merchant for the provision of Services to Merchant, which the Personal Data has the same meaning given to it in the Personal Data (Privacy) Ordinance (Chapter 486, the Laws of Hong Kong). In the event that such data has been changed, Merchant shall inform Yedpay by written notice as soon as practicable.

18 AMENDMENTS

- 18.1 The Agreement may be amended only in writing by Yedpay, and that Yedpay may give Merchant a notice either describing amendments to the Agreement or enclosing an entirely new agreement, which amendments or new agreement will be binding upon Merchant if it deposits sales or credit slips after the effective date of such amendment or new agreement set forth in Yedpay's notice.
- 18.2 In the event of any errors, including but not limited to the calculation error, logical error, typing error, Yedpay shall reserve its right to amend or correct such errors by making any explanatory statement/representation in writing together with the supporting documents.

19 WAIVER

- 19.1 No provision of the Agreement shall be deemed waived unless such waiver is in writing and signed by Yedpay against whom enforcement is sought. No failure to exercise, and no delay in exercising on the part of any party hereto, any right, power or privilege under the Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege under the Agreement preclude any other or further exercise thereof or the exercise of any other right, power, or privilege.

20. EXCHANGE OF INFORMATION

- 20.1 Merchant authorizes Yedpay to obtain from time to time from any person, including without limitation any credit reference agency, financial information on Merchant or any owner, principal, director, officer, shareholder, beneficiary, partner, proprietor, managing agent or guarantor of Merchant. Merchant hereby authorizes (on its own behalf and on behalf of each person mentioned in the preceding sentence) any depository institution to release any financial information concerning Merchant or its accounts to Yedpay.
- 20.2 Yedpay may exchange information about Merchant, Merchant's owners, principals, partners, proprietors, directors, officers, shareholders, beneficiaries, managing agents and guarantors with other financial institutions, Associations and any other party as Yedpay may deem necessary in connection with the Services and the Agreement. Merchant hereby authorizes (on its own behalf and on behalf of each person mentioned in the preceding sentence) Yedpay to disclose information as mentioned above and information concerning Merchant's activity to any Associations, or any of their member financial institutions, or any other party without any liability whatsoever to Merchant.
- 20.3 Yedpay may transfer Merchant's information to (i) its subsidiaries. (ii) third party service providers, such as Yedpay's information technology systems providers, hosting providers, credit reference agency, consultants (such as legal advisers) and other goods and services providers, for which involving the provision of Services to Merchant or any enhancement to the Services. Such Merchant's information will be stored in a third-party database, which may be within or outside Hong Kong.

21. USE OF MERCHANT'S NAME

- 21.1 Upon execution of the Agreement, Yedpay and/or Associations shall have the right to include the Merchant's name in any directory or promotional material produced in connection with the acceptance of Payment Transactions.

22. SEVERABILITY

- 22.1 Whenever possible, each provision of the Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of the Agreement is held to be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of the Agreement. Paragraph headings are included for convenience only and are not to be used in interpreting the Agreement.
- 22.2 If any provision or part of any provision of the Agreement was held by any court or administrative body of competent jurisdiction to be invalid, unenforceable or illegal, that provision or part of a provision is to be regarded as having been deleted from the Agreement and the other provisions shall remain in full force and effect.
- 22.3 If any invalid, unenforceable or illegal provision would be valid, enforceable or legal after some part of it were deleted or modified, the provision shall apply with whatever modification is necessary to give effect to the commercial intention of the Parties.

23. NOTICES

- 23.1 All notices required by the Agreement shall be in writing and shall be sent by telefax, by courier, by regular or registered mail, or by e-mail. Any notices sent:
- (i) to Yedpay shall be effective upon actual receipt by The Payment Cards Group Limited, Unit 2301 - 2302, 23rd Floor, Port 33, 33 Tseuk Luk Street, San Po Kong, Kowloon, Hong Kong;
 - (ii) to Merchant (including notices contained in Merchant statements) shall be effective upon the earlier of actual receipt or on the day following the date of posting such notice to the latest known address provided by Merchant to Yedpay or upon sending such notice to any e-mail address or facsimile number provided by the Merchant hereunder.
- 23.2 The Parties hereto may change the name and address of the person or the facsimile number to whom/which notices or other documents required under the Agreement must be sent at any time by giving written notice to the other party.

24. EFFECTIVE DATE

- 24.1 The Agreement shall become effective only upon acceptance by Yedpay and Associations, or upon the acceptance by Yedpay of the submission of transactions by Merchant at such locations or websites as designated by Yedpay, whichever event shall first occur.

25. DESIGNATION OF DEPOSITORY

- 25.1 The financial institution set forth in the Merchant Application is designated by Merchant as a depository institution ("**Depository**") for payments due to Merchant hereunder. Merchant authorizes Yedpay to make payment hereunder to Depository with instructions to credit the Depository. To credit the Depository, the payments due to Merchant shall be greater than or equal to HK\$300. Yedpay must approve in writing any proposed changes to Depository.

25.2 Yedpay may delay in crediting the Depository for an undefined period of time, or refuse crediting the Depository:

- (i) upon Merchant's default in performing under any provision of the Agreement;
- (ii) upon an unauthorized conversion of all or any part of Merchant's activity to mail order sales, telephone order sales, Internet-based sales, or to any sales activity where the card is not physically present and processed through Merchant's terminal;
- (iii) upon any failure to follow the POS Terminal User Manual or any operating regulation or rule of Associations;
- (iv) if there has been any fraud, misrepresentation, mistake by Merchant;
- (v) upon commencement of bankruptcy or insolvency proceedings or other similar arrangements by or against Merchant; or
- (vi) in the event Yedpay reasonably deems itself insecure in crediting the Depository.

25.3 Yedpay shall not be liable for any lost profits, lost interest, or for special, consequential, punitive or exemplary damages arising out of or relating in any way to Clause 25.2.

26 TRANSACTION CURRENCY

26.1 All transactions submitted hereunder shall be denominated in Hong Kong dollars unless otherwise agreed in writing between Yedpay and Merchant.

27. CARD NOT PRESENT TRANSACTIONS

27.1 Where Yedpay has agreed that Merchant may submit card not present transactions (including without limitation mail order sales, telephone order sales and Internet-based sales) to Yedpay for processing under the Agreement:

- (i) any reference in the Agreement to "**Payment Transaction**" shall include any card not present transaction;
- (ii) any reference to use of a card or effecting a Payment Transaction shall include use of, or effecting a Payment Transaction with, the details of or relating to the card;
- (iii) the Agreement shall apply to all card not present transactions except to the extent that any provisions of the Agreement are not applicable where a card is not physically presented to Merchant; and
- (iv) Merchant shall comply with all provisions of the Agreement, in particular, such requirements specified in the POS Terminal User Manual and written directions of Yedpay in connection with processing card not present transactions (including without limitation any software, system, security and website requirements).

28. PROHIBITIONS

28.1 Resubmission of previously disputed charges

Any transaction that has been previously disputed and returned, it is prohibited to submit.

28.2 Submission or execution of fraudulent or unauthorized transactions

It is not acceptable to knowingly submit a fraudulent or unauthorized transaction into the payment system.

28.3 Transaction laundering

Transactions that are knowingly intended to hide the true source and nature of the transaction by layering them through what appear as low risk but in fact it is prohibited goods or services as per the rules of Associations.

28.4 Data security breach

Unauthorized storage, processing, or transmission of payment data through non-approved software and processes are prohibited, as is the failure to enforce data security requirements for Merchants or Third- Party Agents.

29. ELECTRONIC SIGNATURES AND TRANSMISSION

29.1 If Merchant elects to execute the Agreement by electronic means, Merchant acknowledges that the Agreement and all electronically executed documents related hereto are legally binding in the same manner as are hard copy documents executed by hand signature when (1) Merchant's electronic signature is associated with the Agreement and related documents, (2) Merchant consents and intends to be bound by the Agreement and related documents, and (3) the Agreement is delivered in an electronic record capable of retention by the recipient at the time of receipt (i.e., print or otherwise store the electronic record).

29.2 By executing the Agreement by electronic means, Merchant agrees (i) that the Agreement and related documents shall be effective by electronic means, (ii) to be bound by the terms and conditions of the Agreement and related documents, (iii) that Merchant has the ability to print or otherwise store the Agreement and related documents, and (iv) to authorize Yedpay to conduct an investigation of Merchant's credit history with various credit reporting and credit bureau agencies for the sole purpose of determining the approval of the applicant for merchant status or equipment leasing. This information is kept strictly confidential and will not be released.

29.3 The Merchant shall enroll for the Services and shall provide to Yedpay the Merchant's e-mail address(es) and any message, statement, advice, confirmation, notice, communication or document to be given by Yedpay to the Merchant will be deemed to be validly given by Yedpay to the Merchant if dispatched to the Merchant's e-mail address(es) provided to Yedpay upon enrollment aforesaid.

29.4 Delivery of an executed counterpart of the Agreement or a signature page to the Agreement by facsimile or in electronic (i.e., "pdf" or "tif") format shall be effective as delivery of a manually executed original counterpart of the Agreement. The exchange of a fully executed Agreement (in counterparts or otherwise) by fax or electronic transmission shall be sufficient to bind the parties to the terms and conditions of the Agreement.

29.5 Any notice or communication delivered under the terms and conditions of the Agreement personally, sent by post, facsimile transmission, telex, email or placed in the Merchant's profile shall be deemed to have been received by the Merchant (where delivered personally) at the time of personal delivery or on leaving it at the address last notified by the Merchant to Yedpay via such means and in such format and manner as shall be acceptable to Yedpay, (where sent by post) 3 days after posting if such address is in Hong Kong and 7 days after posting if such address is outside Hong Kong or (where sent by facsimile transmission, telex, email or placed in the Merchant's profile) immediately after transmitting to the facsimile or telex number or email address last notified by the Merchant to Yedpay via such means and in such format and manner as shall be acceptable to Yedpay or placed in the Merchant's profile. Notice or communication sent by the Merchant to Yedpay shall be treated as delivered to Yedpay on the day of actual receipt.

30. OFFER OF ADVANTAGE

Yedpay has not offered or accepted and shall not (and shall procure its employees and agents not to) offer or accept any advantage, benefit or other inducement with a view to influence the placing of the Agreement (which may constitute an offence under the Prevention of Bribery Ordinance Cap.201) and notwithstanding anything herein contained, the Merchant shall be entitled to forthwith terminate the Agreement without prior notice in the event any such act has occurred.

31. ENTIRE AGREEMENT

31.1 The Agreement comprises the entire Agreement between the Parties in relation to the subject matter of the Agreement to the exclusion of all other terms and conditions and prior or collateral Agreements, notices of intention and representations and the Parties agree that they have not been induced to enter into the Agreement on the basis of any other representation verbal or otherwise.

31.2 Should any dispute arise, the decision of Yedpay shall be final.

PAYMENT APPLICATION – TERMS OF AMERICAN EXPRESS

(“AMEX Terms”)

In the event that the Merchant uses the American Express Service as a channel to process payments, the Merchant shall agree and accept the terms and conditions of the American Express Service, as set forth in the AMEX Terms, the Merchant agrees to:

- (a) accept the terms and conditions under this Agreement and the AMEX Terms which incorporate the Terms and Conditions and the International Merchant Regulations (both, as amended from time to time);
- (b) grant an express authorization to submit to, and receive settlement from, us on behalf of the Sponsored Merchant;
- (c) grant an express disclosures and consents necessary for: (i) you to disclose transaction data, Sponsored Merchant Data, Personal Information, and other information about the Sponsored Merchant to us and our Affiliates, agents, subcontractors, and employees, and; (ii) us and our Affiliates, agents, subcontractors, and employees to use such information to perform under the Agreement, operate and promote the Amex network, perform analytics and create reports, and for legal, regulatory or compliance reasons, or for any other lawful business purpose;
- (d) follow the requirements to display our Marks and give Amex equal representation with any signage, decals, or other identification when promoting payment methods, and remove them should the Agreement be terminated;
- (e) follow the requirements that will enable you to comply with your obligations in relation to Card Member disputes, transaction processing, authorization, submission, and protecting Card Member information;
- (f) follow the requirement to comply with all applicable laws, rules and regulations relating to the conduct of the Sponsored Merchant’s business;
- (g) follow a requirement that Sponsored Merchants’ refund policies for purchases on the Card must be at least as favorable as their refund policies for purchases on any Other Payment Product, and the refund policy must be disclosed to Card Members at the time of purchase and in compliance with applicable law;
- (h) follow a limitation of liability provision, including a provision in which the Sponsored Merchant agrees to abide by the limitation on Amex’s liability set forth in this Agreement;
- (i) follow a third-party beneficiary provision, conferring on Amex third-party beneficiary rights, but not obligations, to the Sponsored Merchant Agreement that will fully provide Amex with the ability to enforce the terms of the Sponsored Merchant Agreement against the Sponsored Merchant as necessary to protect the Amex brand;

- (j) confirm that the Sponsored Merchant is not a third-party beneficiary under this Agreement;
- (k) be notified of any industry-specific requirements which Amex notifies You in writing from time to time;
- (l) follow the requirements to ensure that each Sponsored Merchant website does not contain libelous, defamatory, obscene, pornographic, or profane material or any information that may cause harm to any individuals or damage to the Amex brand;
- (m) in markets where it is legal to do so, follow the requirements to treat American Express Cards in the same manner as other payment products. Where a Sponsored Merchant is charging a fee for transactions using American Express Cards that is different from fees charged for other payment products, requirements that Sponsored Merchants must advise Card Members that such fees and assessments are not at the request of Amex; and
- (n) follow a requirement to comply with American Express' Data Security Operating Policy (DSOP) which is available at www.americanexpress.com/datasecurity (as updated from time to time), and also the applicable PCI Security Standard Council requirements (e.g. PCI DSS) <https://www.pcisecuritystandards.org/>.

Last Updated in June 2025, by Yedpay.