

# SERVICE AGREEMENT

Revised: April 15, 2025

This Service Agreement (this "**Agreement**") is entered into by and between Payment Pro Logistics, LLC, a California limited liability company doing business as Payment Labs ("**Payment Labs**") and the company identified in the Order Form ("**Company**") as of the Effective Date indicated on the Order Form. Payments Labs and Company may each individually be referred to herein as a "Party", and collectively referred to herein as the "Parties".

WHEREAS, Payment Labs provides a technology solution to assist users ("**Users**") through a web-based application to create, track, and manage the status of payments to Users (the "**Services**").

WHEREAS, Company desires to engage with Payment Labs to provide the Services, and Payment Labs is willing to provide the Services, under the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Payment Labs and Company agree as follows:

Company's execution of one or more Order Forms that incorporate this Agreement by reference indicates Company's acknowledgement and acceptance of the terms herein. As used herein, the term "Agreement" shall include all Order Forms, exhibits, policies, schedules, and documents incorporated herein by reference.

## 1. DEFINITIONS

As used in this Agreement, the following terms shall have the meanings set forth below:

1.1 "Agreement" means this Service Agreement, including all Order Forms, exhibits, policies, schedules, and documents incorporated herein by reference.

1.2 "Authorized Payment Method" means a current, valid, payment method accepted by Payment Labs, as may be updated from time to time and which may include payment through an account with a third party. Authorized Payment Methods include without limitation credit card and ACH Direct Debit.

1.3 "Billing Period" means the period for which Company agrees to pay fees under this Agreement. For example, if Company's Agreement is for a period of one (1) year, the Billing Period may be every month, for twelve (12) consecutive months, or as otherwise specified in the Order Form.

1.4 "Biometric Data" means personal data resulting from specific technical processing relating to the physical physiological, or behavioral characteristics of a natural person, which allows or confirms the unique identification of that natural person, such as information regarding facial geometry.

1.5 "Biometric Information" means any information, regardless of how it is captured, converted, stored, or shared, based on an individual's Biometric Data.

1.6 "Biometric User" means Company's end users who are requested or required by Company to use the Identity Verification Service.

1.7 "Company" means the company identified in the Order Form.

1.8 "Confidential Information" means non-public, proprietary, and confidential information of Disclosing Party, whether or not labeled as "confidential", subject to the exclusions in Section 7.

1.9 "Data Protection Laws" means (i) the General Data Protection Regulation ((EU) 2016/679) (GDPR) and (ii) any other laws, regulations and secondary legislation relating to data protection, the use of information relating to individuals, the information rights of individuals and/or the processing of personal data.

1.10 "Deliverables" means all documents, work product, and other materials that are delivered to or accessible by Company under this Agreement or prepared by or on behalf of Payment Labs in the course of performing the Services.

1.11 "Disclosing Party" means the Party disclosing Confidential Information.

1.12 "FBO Account" or "For Benefit Of Account" means a custodial bank account set up for the Company to fund payments to Users. The FBO Account holds funds in trust for the Company's payment operations and is segregated from Payment Labs' operating accounts. This definition applies specifically to Payout Services.

1.13 "Identity Verification Service" or "IDV" means the identification verification service made available by Payment Labs that uses an identification document and Biometric Data, namely facial geometry information, to confirm the identity of an end user. IDV Services may be required based on risk factors and are subject to separate fees as specified in the Order Form.

1.14 "Intellectual Property Rights" means all intellectual property rights, including copyrights, patents, patent disclosures, and inventions (whether patentable or not), trademarks, service marks, trade secrets, know-how, methods, processes and other confidential information, trade dress, trade names, logos, corporate names, and domain names, together with all of the goodwill associated therewith, derivative works, and all other rights.

1.15 "MT Services" means the services provided by a reputable and properly licensed third-party payment service provider as an Accounts Payable Automation Platform to manage direct payments to Users.

1.16 "Payin Services" means the services provided by Payment Labs that enable Users to receive payments through the Services.

1.17 "Payout Services" means the services provided by Payment Labs that enable Users to send payments to recipients through the Services.

1.18 "Payment Services" means, collectively, the Payin Services and Payout Services.

1.19 "Payment Labs" means Payment Pro Logistics, LLC, a California limited liability company doing business as Payment Labs.

1.20 "Personal Data" means any information which relates to a living individual including without limitation Users who can be identified from such data, or from such data and other information which is in the possession of, or is likely to come into the possession of Payment Labs, and includes any expression of opinion about the individual, whether directly or indirectly.

1.21 "Receiving Party" means the Party receiving Confidential Information.

1.22 "Services" means the software and technology solutions provided by Payment Labs to assist Users through a web-based application to create, send, receive, track, and manage the status of payments, including the Payment Services. Services may be provided through Payment Labs or through third-party service providers engaged by Payment Labs.

1.23 "Order Form" means the document executed by both Parties that specifies the Services to be provided to Company, applicable fees, and other commercial terms specific to Company's engagement of Payment Labs. Each Order Form shall incorporate this Agreement by reference.

1.24 "Terms of Service" means the terms of service attached as Exhibit A.

1.25 "Users" means any individual or entity that uses the Services, including but not limited to: (i) Companies that utilize the platform to send payments to recipients ('Payout Customers'); (ii) merchants, sellers, or service providers that utilize the platform to receive payments ('Payin Customers'); (iii) individuals or entities who make payments through the platform ('Payors'), including buyers, customers, or other individuals who make payments to Payin Customers; (iv) individuals or entities who receive payments through the platform ('Payees'), including recipients of payments from Payout Customers; and (v) any other individuals or entities that access or use any part of the platform for payment processing, reporting, or administrative purposes. The term 'Users' encompasses all parties engaging with the Payment Labs platform regardless of their role in the payment process.

1.26 "Payment Partners" means third-party providers of money transfer and related financial services engaged by Payment Labs to facilitate the Payment Services.

1.27 "Reversal" means an instruction initiated by a Payment Partner or Payment Labs to return funds for an existing payment transaction. Reversals may result from (i) invalidation of a charge by a Payment Partner due to non-compliance with payment processing standards, insufficient funds, unauthorized transactions, or discrepancies identified through audits or dispute resolution processes; (ii) funds settled to Company in error or without authorization, including technical errors, duplicate payments, or system malfunctions; and (iii) submission of a transaction in violation of any Applicable Law (as defined in Section 10.1(xii)) or this Agreement.

1.28 "Restricted Businesses" means businesses or activities that are prohibited from using the Services, including but not limited to: gambling; firearms, explosives, or dangerous materials; adult content and

services; unfair, predatory, or deceptive products or services; and any other illegal products or services. Restricted Businesses also include any use of the Services involving entities or individuals embargoed or blocked by government sanctions, including those listed by the United States Office of Foreign Asset Control (OFAC).

1.29 "Payment Methods" means the various methods available for sending and receiving payments through the Services. For Payout Services, these include but are not limited to:

- ACH: A standard U.S. bank-to-bank transfer.
- Outbound Domestic Wire (Fedwire): A faster U.S. bank-to-bank transfer.
- Outbound International Wire (SWIFT w/ FX): A global wire transfer for sending funds to banks internationally in the payee's local currency.
- Outbound International Wire (SWIFT w/o FX): A global wire transfer for sending funds to banks internationally in the Company's funding currency.
- Local Bank Transfer: Transfers in the payee's local currency to bank accounts in 60+ countries—often cheaper than SWIFT. Typically settles within 3 business days.
- Real-Time Local Transfers: Near-instant or same day bank transfers in the payee's local currency where Real Time Payments (RTP) are available.
- Prepaid Debit/Gift Cards: One-time, non-reloadable gift or debit cards.
- Instant Transfer via Debit Card: Sends funds instantly to the payee's debit card (usually available in minutes).

For Payin Services, Payment Methods will be specified in the applicable Order Form.

Payment options may vary based on the funding currency, the currency the User can receive, and the country in which the User resides.

1.30 "Tax Services" means the services provided by Payment Labs in connection with tax documentation and reporting. For Payout Services, these include but are not limited to:

- W-9, W-8 Form Collection: Electronically collect and make available a W-9, W-8BEN, or W-8BEN-E for each payee.
- End of Year Tax Statement Generation, E-Delivery and Filing with the IRS: Generation of an End of Year Tax Statement, and E-Delivery via our app, including email notifications. E-File 1099-NECs, 1099-MISCs and 1042-Ss of payments made on the platform.
- Generation of Forms 945 and 1042: Generation of file-ready Form 945 and 1042 of payments made on platform.
- TIN Verification: Verify U.S. persons tax identification number to avoid IRS CP2100/CP2100A ("B" notices).
- Withholding Remittance: Automatically remit withholdings to the IRS for on-time deposits.

For Payin Services, applicable Tax Services, if any, will be specified in the applicable Order Form.

No other tax related services shall be provided by Payment Labs. Company is solely responsible for the filing of its tax documents and returns, and the reporting of its payments made to employees and contractors to applicable tax authorities as necessary. Company is solely responsible for its own taxes,

levies, duties, charges, contributions, and assessments (collectively, "Taxes") imposed by any federal, state, local, or foreign taxing authorities in connection with the execution, delivery, performance, receipt, and payment of services, goods, or rights under the Order Form and the Service Agreement. Company agrees to comply with all applicable tax laws and regulations in a timely and accurate manner. Company agrees to indemnify and hold harmless Payment Labs against any and all taxes, including but not limited to, any additional taxes, penalties, interest, and related expenses that Payment Labs may be assessed as a result of Company's failure to comply with its tax obligations herein.

1.31 "Payment Account" means, with respect to Payin Services, the account established by Payment Labs for the Company to receive and hold funds processed through the Payin Services. This definition applies specifically to Payin Services.

1.32 "Merchant Account" means a type of bank account that allows businesses to accept and process electronic payment card transactions. This definition applies specifically to Payin Services.

1.33 "Card Association" means a network of issuing banks and acquiring banks that process payment cards of a specific brand, including but not limited to Visa, Mastercard, American Express, and Discover. This definition applies specifically to Payin Services.

1.34 "Card Association Rules" means the bylaws, rules, and regulations, as they exist from time to time, of the Card Associations. This definition applies specifically to Payin Services.

1.35 "Chargeback" means a transaction that is returned to Payment Labs by the issuer of a payment card, typically when a Payor successfully disputes an item appearing on their payment card statement or account statement. This definition applies specifically to Payin Services.

1.36 "Industry Standard" means, with respect to services, technology, or security measures, the generally accepted practices, methods, and procedures that a reasonable and prudent provider of similar services in the payments processing industry would use under similar circumstances, taking into account applicable legal and regulatory requirements, technical constraints, operational considerations, and cost-effectiveness.

## **2. SERVICES**

Payment Labs shall provide to the Company the Services. The Services shall be provided subject to the Terms of Service, attached hereto as Exhibit A (the "Terms of Service"), which Terms of Service are incorporated herein by reference. To the extent that any conflict arises between this Agreement and the Terms of Service, the terms of this Agreement shall control.

To the extent that Payment Labs provides or makes available Identity Verification Services (as defined in Exhibit D) to Company, said Identity Verification Services shall be provided in accordance with and shall be subject to the Identity Verification Services Terms attached hereto as Exhibit D.

For avoidance of doubt, the Services shall not include direct payments to Users. Payment Labs has engaged a reputable and properly licensed third-party payment service provider as an Accounts Payable Automation Platform to manage direct payments to Users (the "MT Services").

### 3. COMPANY OBLIGATIONS

Company shall:

3.1 Respond promptly to any reasonable requests from Payment Labs for instructions, information, or approvals required by Payment Labs to provide the Services.

3.2 Provide Payment Labs the following information, to the extent needed by Payment Labs or any third-party service provider engaged by Payment Labs to provide the Services ("Payment Labs Service Provider") to verify Company's identity and compliance with the USA PATRIOT Act (the Bank Secrecy Act) ("PATRIOT Act") and all rules and regulations promulgated under the PATRIOT Act or by any other regulatory (including self-regulatory) agency that purports to have jurisdiction over Company or any of Company's affiliates:

(i) proof of existence and address, (ii) taxpayer identification number, (iii) proof of ownership and control, (iv) nature of business and source of funds, (v) e-mail address, and (vi) any other information reasonably requested by Payment Labs or any Payment Labs Service Provider.

3.3 Be prohibited from analyzing, modifying, adapting, disassembling, reverse engineering, or creating derivative works based on, the Services and any Deliverables, or otherwise exploiting any Intellectual Property Rights therein.

3.4 **Legal Compliance.** Comply with all applicable laws, regulations, and guidelines, including anti-money laundering (AML) and know-your-customer (KYC) requirements. Company shall not use the Services to facilitate illegal or fraudulent transactions.

3.5 **Restricted Businesses.** Not use the Services to enable any person, including itself, to benefit from any activities identified as Restricted Businesses. If Company or its Users are found to be engaged in Restricted Businesses, Company must notify Payment Labs immediately, and Payment Labs may terminate this Agreement.

3.6 **Compliance Documentation.** Provide information about itself, its activities, and its Users as reasonably requested by Payment Labs to comply with AML, KYC, and other legal requirements. Company must notify Payment Labs of any changes to KYC information within three (3) business days. Additionally, Company shall refresh all compliance and due diligence information at minimum annually and at any other time as required by Payment Labs and its Payment Partners.

3.7 **Additional Obligations for Payin Services.** When utilizing Payin Services, Company shall:

a. Accurately and truthfully describe products and services offered to customers.

- b. Prominently display clear refund, return, shipping, cancellation, and privacy policies on Company's website or at point of sale.
- c. Properly display Payment Labs' or its partners' logos and payment acceptance marks in accordance with provided guidelines.
- d. Promptly fulfill all orders or services purchased by customers in accordance with Company's policies and applicable law.
- e. Not apply any surcharge or minimum purchase amount for payment card transactions unless permitted by applicable law and Card Association Rules.
- f. Comply with Card Association Rules and all applicable laws, rules, and regulations related to payment processing, consumer protection, data privacy, and electronic commerce.
- g. Implement and maintain fraud prevention measures and monitoring systems as required by Payment Labs or applicable laws.
- h. Maintain physical, technical, and administrative safeguards to protect payment data in accordance with industry standards and applicable regulations.
- i. Not store sensitive payment data except as specifically authorized by Payment Labs and in compliance with PCI DSS.

## **4. FEES AND EXPENSES**

4.1 In consideration of the provision of the Services by Payment Labs and the rights granted to Company under this Agreement, Company shall pay the fees set forth in the Order Form in accordance with the payment terms specified therein. Fees are non-refundable. Fees described in the Order Form may be increased upon each automatic renewal thereof in accordance with the terms therein. Payment Labs reserves the right to modify subscription fees, payment fees, and service fees at any time with thirty (30) days' prior written notice to Company. Company's continued use of the Services after such notice period shall constitute acceptance of the modified fees.

Fees for different payment types shall be as set forth in the Order Form. In addition, Payment Labs may, at its sole discretion, add and set the fees for new payment types (the "New Payment Types"). Payment Labs will provide Company with notice of the addition of any New Payment Types (e-mail notice or conspicuous notice on the Payment Labs website or app being sufficient). Company understands and agrees that New Payment types will immediately become available for use by Company's payees, and Company hereby agrees to pay all fees for New Payment Types or have them deducted from payee payments in accordance with the terms set forth in the Order Form. Company may opt out of allowing its payees to use New Payment Types by providing written notice to Payment Labs at [customersuccess@paymentlabs.io](mailto:customersuccess@paymentlabs.io).

Company shall be responsible for all fees, including but not limited to fees that Company elects to have deducted from payee payments (if the fee is unable to be deducted), returned payment fees, cancellation fees, and others. Company's election to pass fees along to its payees or have fees deducted from payee payments does not release Company from its obligation to pay all fees.

Payment Labs reserves the right to process Reversals for any transactions as necessary. In the event of a Reversal, Company shall be responsible for reimbursing Payment Labs for the full amount of the Reversal, plus any associated fees or penalties imposed by Payment Partners. Payment Labs may deduct such amounts from Company's FBO Account or Payment Account (as applicable), future payments, or invoice Company for immediate payment.

4.2 Except for invoiced payments that the Company has successfully disputed, all late payments shall bear interest at the highest rate permissible under California law, calculated daily and compounded monthly. In addition to all other remedies available under this Agreement or at law (which Payment Labs does not waive by the exercise of any rights hereunder), Payment Labs shall be entitled to suspend the provision of any Services if the Company fails to pay any undisputed amounts when due hereunder and such failure continues for thirty (30) days following written notice thereof.

**4.3 Reserve Account Requirements.** Payment Labs, at its sole discretion, may require Company to establish and maintain a reserve account with Payment Labs in an amount determined by Payment Labs. The reserve amount shall be specified in the Order Form or determined by Payment Labs at its sole discretion based on factors including, but not limited to, Company's transaction history, risk profile, and anticipated transaction volume. Such reserve may be established by Payment Labs:

(i) at the commencement of Services; (ii) if Company has a history of late payments or disputes; (iii) if Payment Labs reasonably believes there is an increased risk of non-payment; (iv) if Company experiences significant changes in transaction volume or transaction amounts; or (v) upon termination of this Agreement to cover final payments and adjustments.

Payment Labs may increase the required reserve amount at any time upon written notice to Company. The reserve may be funded by direct payment from Company or by withholding amounts from payments otherwise due to Company, at Payment Labs' sole discretion. All funds held in reserve shall be held by Payment Labs without interest payable to Company. This provision applies to both Payin Services and Payout Services, though the implementation may differ based on the specific service type.

**4.4 Currency Conversion.** All fees are designated in USD. Should the Company pay or fund its payment account in a currency other than USD, said foreign currency shall be converted into USD at the time of payment at the then-current exchange rate. Currency conversion may be subject to additional fees as specified in the Order Form.

**4.5 Third-Party Banking Fees.** Users may be charged additional fees by their banking institutions or other MT Services involved in the processing of payment transactions. We recommend Users check with their bank to learn more about third-party fees that may apply when receiving payment transactions.

**4.6 Authorized Payment Method:** If Company is paying by Authorized Payment Method, Company authorizes Payment Labs to charge the Authorized Payment Method for all fees payable during the Billing



Period, including but not limited to Subscription Fees. Payment Labs will charge the Authorized Payment Method in conjunction with the issuance of invoices. Company further authorizes Payment Labs to use a third party to process payments, and consents to the disclosure of payment information to such third party.

**4.7 Invoicing.** Payment Labs will invoice Company no more than fourteen (14) days before/after the effective date of the Agreement and each subsequent Billing Period, and other times during the Agreement when fees are payable, unless otherwise specified in the Order Form.

**4.8 Payment Information.** Company shall keep its Authorized Payment Method, contact information, and billing information up to date for the payment of incurred and recurring fees, as applicable. Changes may be made on request via Payment Labs' third-party billing platform. Company authorizes Payment Labs to continue to charge the Authorized Payment Method for applicable fees during the Agreement and until any and all outstanding Fees have been paid in full. All payment obligations are non-cancelable, and all amounts paid are non-refundable, except as specifically provided for in this Agreement. All fees are due and payable upon receipt of invoice(s) throughout the Billing Period.

## **4A. ADDITIONAL TERMS APPLICABLE TO PAYIN SERVICES**

The following terms apply exclusively to Companies utilizing Payin Services:

**4A.1 Payment Processing for Payin Services.** Payment Labs will process payments directed to Company through the Payin Services. Payment Labs will deposit funds into Company's Payment Account, subject to the terms of this Agreement, including but not limited to applicable fees, Chargebacks, and reserves. The specific payment methods available to Company's customers will be set forth in the applicable Order Form.

**4A.2 Settlement Schedule.** Subject to the terms of this Agreement, Payment Labs will initiate settlement of funds received through the Payin Services to Company's designated bank account according to the settlement schedule set forth in the applicable Order Form. Payment Labs reserves the right to delay or withhold settlement in cases of suspected fraud, compliance concerns, or as otherwise provided in this Agreement.

### **4A.3 Chargebacks and Disputes.**

a. Company acknowledges that Chargebacks may occur when a Payor disputes a transaction. Company shall be responsible for all Chargebacks, associated fees, fines, and other penalties that may arise from such Chargebacks.

b. Payment Labs may establish a reasonable Chargeback threshold for Company's account. If Company exceeds this threshold, Payment Labs may suspend or terminate the Payin Services or take other actions as specified in this Agreement.

c. Company agrees to respond promptly to all Chargeback and retrieval requests in accordance with Card Association Rules and applicable law. Failure to respond in a timely manner may result in additional fees, fines, or loss of dispute rights.

d. Payment Labs may establish a reserve from settlements due to Company or require Company to make additional payments to cover potential Chargebacks and related expenses.

**4A.4 Merchant Account Requirements.** If applicable to the Payin Services provided, Company shall maintain a Merchant Account in good standing. Company shall comply with all terms, conditions, and requirements imposed by the acquiring bank, Card Associations, and applicable laws and regulations related to such Merchant Account.

**4A.5 Payment Card Industry Compliance.** Company shall comply with the Payment Card Industry Data Security Standard (PCI DSS) and all other applicable security requirements as required by Payment Labs, any Card Association, or applicable law. Company shall complete all required compliance validations, questionnaires, and certifications as directed by Payment Labs or as required by PCI DSS.

**4A.6 Prohibited Activities for Payin Services.** In addition to the Restricted Businesses defined in this Agreement, Company shall not use the Payin Services for:

- a. Accepting payments for goods or services that violate Card Association Rules;
- b. Credit repair or debt consolidation services;
- c. Any form of factoring, such as purchasing or otherwise acquiring card transactions that were originally made to a different merchant;
- d. Processing transactions for any other entity (i.e., acting as a payment service provider);
- e. Transactions where there is no bona fide good or service provided, created specifically for the purpose of initiating a payment transfer (i.e., money transfer);
- f. Any business or product that would cause Payment Labs to violate any law or Card Association Rule or would expose Payment Labs to any regulatory or enforcement risk.

**4A.7 Refunds and Returns Policy.** Company must maintain and properly communicate to customers a fair and commercially reasonable refund, return, or cancellation policy. Any material changes to Company's refund policy must be communicated to Payment Labs at least thirty (30) days prior to implementation.

**4A.8 Transaction Receipts and Records.** Company shall maintain complete and accurate records of all transactions processed through the Payin Services for at least two (2) years from the date of the transaction, or longer if required by applicable law or Card Association Rules. Company shall provide copies of such records to Payment Labs upon request.

**4A.9 Recurring Billing.** If Company offers recurring or subscription billing options to its customers, Company shall:

- a. Obtain explicit consent from customers for such recurring charges;

- b. Provide clear disclosures about the recurring nature of the charges, including amount, frequency, and duration;
- c. Provide a simple mechanism for customers to cancel recurring payments;
- d. Notify customers in advance of any changes to the recurring payment amount;
- e. Immediately cancel recurring billing upon customer request or upon termination of this Agreement.

**4A.10 High-Risk Activities.** Payment Labs reserves the right to designate Company as a high-risk merchant based on factors including, but not limited to, industry type, transaction volume, Chargeback rates, or other risk indicators. Such designation may result in additional fees, enhanced monitoring, extended settlement periods, or increased reserve requirements as specified in the applicable Order Form or as later implemented upon notice to Company.

## **5. LIMITED WARRANTY**

5.1 Subject to the warranties set out in Section 10.2, the Parties acknowledge and agree that the Services are provided "as is" without warranties of any kind, either expressed or implied, including, but not limited to, the implied warranties of merchantability and fitness for a particular purpose, and warranties of non-infringement. Payment Labs does not represent or warrant that content or information provided through the Services are accurate, complete, reliable, current, or error-free. Payment Labs does not represent or warrant that the Services are free of viruses or other harmful components and, therefore, Company should use industry recognized software to detect and remove viruses from any download. No advice or information, whether oral or written, obtained by Company from Payment Labs or through the Services shall create any warranty not expressly stated herein.

## **6. INTELLECTUAL PROPERTY; CONTENT**

6.1 All intellectual property rights, including copyrights, patents, patent disclosures, and inventions (whether patentable or not), trademarks, service marks, trade secrets, know-how, methods, processes and other confidential information, trade dress, trade names, logos, corporate names, and domain names, together with all of the goodwill associated therewith, derivative works, and all other rights (collectively, "Intellectual Property Rights") in and to all documents, work product, and other materials that are delivered to or accessible by Company under this Agreement or prepared by or on behalf of Payment Labs in the course of performing the Services (collectively, the "Deliverables") shall be owned by Payment Labs.

6.2 If applicable, Payment Labs hereby grants Company a license for the term of this Agreement to use the Deliverables free of additional charge and on a non-exclusive, worldwide, non-transferable, non-sublicensable, basis, solely to the extent necessary to enable Company to make reasonable use of the Services in accordance with the terms of this Agreement. All rights not expressly granted herein are reserved by Payment Labs.

## **7. CONFIDENTIALITY**

From time to time during the Term of this Agreement, either Party (as the "Disclosing Party") may disclose or make available to the other Party (as the "Receiving Party"), non-public, proprietary, and confidential information of Disclosing Party, whether or not labeled as "confidential" ("Confidential Information"); provided, however, that Confidential Information does not include any information that:

(a) is or becomes generally available to the public other than as a result of Receiving Party's breach of this Section 8; (b) is or becomes available to the Receiving Party on a non-confidential basis from a third-party source, provided that such third party is not and was not prohibited from disclosing such Confidential Information; (c) was in Receiving Party's possession prior to Disclosing Party's disclosure hereunder; or (d) was or is independently developed by Receiving Party without using any Confidential Information.

The Receiving Party shall: (x) protect and safeguard the confidentiality of the Disclosing Party's Confidential Information with at least the same degree of care as the Receiving Party would use to protect its own Confidential Information, but in no event with less than an Industry Standard degree of care; (y) not use the Disclosing Party's Confidential Information, or permit it to be accessed or used, for any purpose other than to exercise its rights or perform its obligations under this Agreement; and (z) not disclose any such Confidential Information to any person or entity, except to the Receiving Party's Group (as defined below) who need to know the Confidential Information to assist the Receiving Party, or act on its behalf, to exercise its rights or perform its obligations under this Agreement.

If the Receiving Party is required by applicable law or legal process to disclose any Confidential Information, it shall, prior to making such disclosure, use commercially reasonable efforts to notify Disclosing Party of such requirements to afford Disclosing Party the opportunity to seek, at Disclosing Party's sole cost and expense, a protective order or other remedy. "Receiving Party's Group" shall mean the Receiving Party's affiliates and its or their employees, officers, directors, shareholders, partners, members, managers, agents, independent contractors, subcontractors, attorneys, accountants, and financial advisors.

## **8. TERM, TERMINATION**

8.1 This Agreement shall commence as of the Effective Date and shall continue until the earlier of: a) the date all Order Forms have expired or been terminated; and b) the date this Agreement is terminated in accordance with Section 9.2 or Section 9.3.

Termination of this Agreement shall cause all Order Forms to be terminated.

8.2 Either Party may terminate this Agreement, effective upon written notice to the other Party (the "Defaulting Party"), if the Defaulting Party:

a. Materially breaches this Agreement, and such breach is incapable of cure, or with respect to a material breach capable of cure, the Defaulting Party does not cure such breach within thirty (30) days after receipt of written notice of such breach.

- b. Becomes insolvent or admits its inability to pay its debts generally as they become due.
- c. Becomes subject, voluntarily or involuntarily, to any proceeding under any domestic or foreign bankruptcy or insolvency law, which is not fully stayed within seven (7) days or is not dismissed or vacated within forty-five (45) days after filing.
- d. Is dissolved or liquidated or takes any corporate action for such purpose.
- e. Makes a general assignment for the benefit of creditors.
- f. Has a receiver, trustee, custodian, or similar agent appointed by order of any court of competent jurisdiction to take charge of or sell any material portion of its property or business.

8.3 Notwithstanding anything to the contrary in Section 9.2(a):

- a. Payment Labs may terminate this Agreement at any time for convenience upon thirty (30) day written notice.
- b. Company may terminate this Agreement at any time for convenience upon thirty (30) day written notice provided there are no outstanding payments to be made to Users. Termination of this Agreement pursuant to this Section 9.3 shall not relieve Company of its obligation to pay agreed upon fees, and all such fees shall continue to accrue and be due and payable.

**8.4 Waiver of Claims Related to Termination.** To the fullest extent allowed by law, Company waives all rights or protection under any statute, rule or law for compensation or damages from termination of this Agreement. The manner and notice of expiration, nonrenewal or other form of termination of this Agreement are reasonable and, upon such termination, whether with or without cause, no payment, compensation or indemnity for loss of goodwill or accounts, or prospective profits, or any other damages, indemnity or loss shall be due of Payment Labs.

**8.5 Effect of Termination for Payout Services.** Termination of this Agreement shall not relieve either Party of any obligations to the other incurred prior to termination. Any termination shall result in the immediate cancellation of Company's use of the Services and all amounts owed by Company to Payment Labs shall become immediately due and payable without set off. All license grants are for the Agreement term only and shall automatically expire upon termination of this Agreement.

For Payout Services, post-termination payment obligations shall continue, and all fees shall continue to accrue and be due and payable if there are existing payouts still being processed and transactions have not fully settled for up to forty-five (45) calendar days after the last payment or activity.

**8.6 Effect of Termination on Payin Services.** Upon termination of this Agreement while Company is utilizing Payin Services:

- a. Payment Labs shall process all pending transactions initiated prior to termination, subject to the terms of this Agreement.

- b. Company shall continue to be responsible for all fees, Chargebacks, refunds, adjustments, and other amounts due under this Agreement.
- c. Payment Labs may establish or maintain a reserve hold on funds for a period of up to one hundred eighty (180) calendar days following termination to cover potential Chargebacks, returns, fees, and other obligations. This extended reserve period for Payin Services addresses the higher risk of delayed Chargebacks and disputes typical in payment card transactions. Any remaining balance will be released to Company after such period, provided all outstanding obligations have been satisfied.
- d. Company shall immediately cease displaying Payment Labs' or its partners' logos and payment acceptance marks.
- e. Company shall retain responsibility for honoring any refunds or returns for transactions processed prior to termination in accordance with Company's stated policies.

## 9. RENEWAL FRAMEWORK

9.1 **Automatic Renewal.** Unless otherwise specified in an applicable Order Form, this Agreement and any Order Forms shall automatically renew for successive periods equal to the initial term unless either Party provides written notice of non-renewal at least thirty (30) days prior to the end of the then-current term.

9.2 **Renewal Notice.** No later than ninety (90) days prior to the end of the then-current term, Payment Labs may provide Company with written notice of proposed changes to fees or terms for the subsequent renewal term.

9.3 **Renewal Negotiations.** Upon receipt of proposed renewal terms, the Parties may engage in good-faith negotiations to finalize fees and any other relevant terms for the upcoming renewal period. Such negotiations should be completed no later than thirty (30) days prior to the expiration of the then-current term.

9.4 **Non-Renewal.** If either Party provides timely notice of non-renewal, or if the Parties fail to reach agreement on renewal terms, this Agreement and any applicable Order Forms shall terminate at the conclusion of the then-current term.

9.5 **Order Form Provisions.** Each Order Form may specify additional renewal terms, including maximum fee increases and specific renewal procedures, which shall take precedence over the general provisions in this section where applicable.

9.6 **Effect of Renewal.** Upon renewal, all terms of this Agreement shall remain in full force and effect unless explicitly modified in writing signed by both Parties or as permitted through the amendments process in Section 16.

## 10. REPRESENTATIONS AND WARRANTIES

The following representations and warranties apply to both Parties:

**10.1 General Representations.** Each Party represents and warrants that: (i) it has the full corporate right, power and authority to enter into this Agreement and to perform the acts required of it under this Agreement; (ii) the execution of this Agreement and performance of its obligations under this Agreement do not and shall not violate any other agreement to which it is a party; and (iii) the individual executing this Agreement on behalf of a Party has authority to bind such Party to this Agreement and the performance hereof.

**10.2 Company Representations and Warranties.** Company represents and warrants to Payment Labs that: (i) it is performing under this Agreement as a business and not as an individual consumer; (ii) all forms and due diligence questionnaires and correspondence provided by Company in association with this Agreement, including but not limited to the "Know Your Customer" (KYC) Data Gathering document(s), and Order form(s) (collectively referred to as "Account Set Up Documentation") on behalf of the Company and/or Users shall be deemed to constitute representations by Company herein of the veracity of the information contained therein; (iii) that any and all information provided to Payment Labs or its third-party service provider(s) in the course of applying for, setting up and using the Services shall be true and accurate; (iv) Company is not using the Services on behalf of a third party; (v) Company has full and exclusive right, title and interest in the money used in connection with the Services ("Funds"); (vi) Company has full authority to pay Users, whether to individuals or companies on behalf of individual users; (vii) Company will resolve any dispute or complaint directly with each User that may arise, except where the User's complaint is solely due to the fault of Payment Labs; (viii) Company will not use the Services, directly or indirectly, for any fraudulent undertaking or in any manner so as to interfere with the operation of the Services; (ix) Company is not in breach of agreements with any financial institution where Company demand deposit account(s) are maintained; (x) other than as required by law, Company shall not at any time divulge, directly or indirectly, any of the terms of this Agreement to any natural person, corporation, firm, joint venture, partnership, limited liability company, trust, unincorporated organization, government or any department, political subdivision or agency of a government ("Person") other than Company's legal counsel or other professional service providers; (xi) no statement, representation, promise, or inducement has been made to Company in connection with the terms of this Agreement, the execution hereof or otherwise, except as is expressly set forth in this Agreement; (xii) Company's use of the Services shall, and will continue at all times to, comply with all laws, ordinances, rules, regulations, orders, licenses, permits, judgments, decisions or other requirements of any governmental authority, governing body or jurisdiction applicable to Company or the Services (collectively, all "Applicable Laws"), whether those Applicable Laws are now in effect or later come into effect; (xiii) Company shall not, and shall ensure that its Users do not, use the Services in violation of any Applicable Laws, including but not limited to anti-money laundering laws, anti-terrorist financing laws, sanctions regimes, consumer protection laws, data privacy laws, or any other laws or regulations applicable to financial services or payment processing.

**10.3 Payment Labs Representations and Warranties.** Payment Labs represents and warrants to Company that during the term of this Agreement to the extent possible: (i) it shall comply with all material laws, rules and regulations (including without limitation export control laws) applicable to its

activities in connection with this Agreement; (ii) the services provided herein shall be provided with reasonable care and skill in accordance with Industry Standards; (iii) it shall comply with the data privacy provisions set out in Exhibit B; (iv) the Services shall comply with the Applicable Laws; (v) it is capable of performing its obligations under this Agreement; (vi) it shall use industry standard firewalls and encryption technologies which are up to date; (vii) it shall not hold itself out as an agent of Company; (viii) it is the owner of all Intellectual Property Rights in relation to the Services; and (ix) the Services do not infringe third party intellectual property rights in any way.

Without limitation, Payment Labs makes no representation that use of the Services will result in any improvement in the business of Company or its relationships with Users.

## **11. INDEMNIFICATION**

**11.1 Company Indemnification.** Company agrees and shall indemnify and hold harmless Payment Labs, its affiliates, subsidiaries, and their officers, directors, employees and agents from and against any and all liability, losses, claims, damages, causes of action, costs or other expense (including without limitation reasonable attorneys' fees and cost of defense) arising from or relating to: (i) any action or inaction of Company; (ii) Company's breach of this Agreement; (iii) any Company and User dispute of any kind; (iv) use of the Services; (v) any incorrect or incomplete payment instructions or User information; (vi) any action or inaction of Company that prohibits or otherwise affects Payment Labs' ability to provide the Services; and (vii) any gross negligence or willful misconduct by Company.

**11.2 Payment Labs Indemnification.** Payment Labs agrees and shall indemnify, defend and hold harmless Company, its affiliates, subsidiaries, and their officers, directors, employees and agents from and against any and all liability, losses, claims, damages, causes of action, costs or other expense (including without limitation reasonable attorneys' fees and cost of defense) arising from or relating to: (i) any breach by Payment Labs of its representations and warranties herein; (ii) Payment Labs's breach of this Agreement; (iii) any Payment Labs and User dispute of any kind; (iv) provision of the Services; or (v) any gross negligence or willful misconduct by Payment Labs.

With respect to such indemnity, Payment Labs shall control the defense and settlement of any claim, action, suit or controversy with counsel selected by Payment Labs. This indemnification obligation shall survive the expiration of the Term or the termination of this Agreement. Payment Labs shall have no indemnification obligation pursuant to this Section 12.2 to the extent that such obligation would not have arisen but for: a) any act or omission of Company; b) Company's breach of this Agreement, negligence, or willful misconduct; c) Company's combination of the Services with any product or service not provided by Payment Labs; or d) Payment Labs' following of the Company's express written direction.

**11.3 Insurance.** Payment Labs shall maintain during the Term and for three (3) years thereafter insurance with liability limits that are reasonable and customary for companies operating in Payment Labs' industry.



## **12. LIMITATION OF LIABILITY; RELEASE OF LIABILITY**

12.1 IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY OR TO ANY THIRD PARTY FOR ANY LOSS OF USE, REVENUE, OR PROFIT OR LOSS OF DATA OR DIMINUTION IN VALUE, OR FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL, OR PUNITIVE DAMAGES WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGE WAS FORESEEABLE AND WHETHER OR NOT EITHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.

12.2 IN NO EVENT SHALL EITHER PARTY'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, EXCEED ONE (1) TIMES THE AGGREGATE AMOUNTS PAID OR PAYABLE TO PAYMENT LABS AS MANAGED SERVICE FEES PURSUANT TO THIS AGREEMENT IN THE SIX (6) MONTH PERIOD PRECEDING THE EVENT GIVING RISE TO THE CLAIM.

12.3 In consideration of being permitted to access and use the Services, Company hereby agrees to release Payment Labs and its affiliates and subsidiaries, and their officers, directors, employees and agents from all damages (whether direct, indirect, incidental, consequential or otherwise), losses, liabilities, costs and expenses of every kind and nature, known and unknown, arising out of or in any way connected with disputes between Company and third parties (including Users) in connection with the Services or Company's access and use of the Services. In connection with the foregoing release, Company hereby waives California Civil Code 1542 and any other applicable law or statute, which says, in substance: "A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party."

## **13. ENTIRE AGREEMENT**

This Agreement, including and together with any Order Forms, related statements of work, exhibits, schedules, attachments, and appendices, constitutes the sole and entire agreement of the Parties with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral, regarding such subject matter. Payment Labs' Privacy Policy is contained in Exhibit C and is incorporated by reference herein.

## **14. NOTICES**

All notices, requests, consents, claims, demands, waivers, and other communications under this Agreement (each, a "Notice", and with the correlative meaning "Notify") must be in writing and addressed to Payment Labs at its address set forth below and to Company at its address set forth in the Order Form (or to such other address that the receiving Party may designate from time to time in accordance with this Section). Unless otherwise agreed herein, all Notices must be delivered by personal

delivery, nationally recognized overnight courier, certified or registered mail (in each case, return receipt requested, postage prepaid), or via e-mail to the e-mail address provided below. Except as otherwise provided in this Agreement, a Notice is effective only (a) on receipt by the receiving Party or upon receiving Party's refusal of delivery thereof (or, if via e-mail, upon being sent to the e-mail address provided below); and (b) if the Party giving the Notice has complied with the requirements of this Section 15.

Notice to Payment Labs: Payment Labs 14403 Tiara Street, Unit 8 Van Nuys CA 91401  
legal@paymentlabs.io Attention: Legal

## **15. SEVERABILITY**

If any term or provision of this Agreement is found by a court of competent jurisdiction to be invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

## **16. AMENDMENTS**

Payment Labs reserves the right to amend, modify, add, or remove portions of this Agreement (excluding any Order Forms) at any time and at its sole discretion. Any changes will be effective immediately upon posting the revised version on <https://www.paymentlabs.io/legal/service-agreement>. It is Company's responsibility to review this Agreement periodically for updates or changes. Company's continued use of the Services following the posting of any changes constitutes Company's acceptance of those changes. If Company does not agree to the amended Agreement, Company must stop using the Services immediately. Payment Labs will provide additional notice of any amendment, such as via email or through a notification on our website or service platform. The date of the last revision of this Agreement will be indicated at the top of this page.

## **17. WAIVER**

No waiver by any Party of any of the provisions of this Agreement shall be effective unless explicitly set forth in writing and signed by the Party so waiving. Except as otherwise set forth in this Agreement, no failure to exercise, or delay in exercising, any right, remedy, power, or privilege arising from this Agreement shall operate or be construed as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege.

## **18. ASSIGNMENT**

Company shall not assign, transfer, delegate, or subcontract any of its rights, licenses granted hereunder or delegate any of its obligations under this Agreement, including by virtue of any merger or corporate reorganization which may be deemed an assignment, without the prior written consent of Payment Labs.

Any purported assignment or delegation in violation of this Section 19 shall be null and void. No assignment or delegation shall relieve the Company of any of its obligations under this Agreement. Payment Labs may assign any of its rights or delegate any of its obligations to any affiliate or to any person acquiring all or substantially all of Payment Labs' assets, without Company's consent.

## **19. SUCCESSORS AND ASSIGNS**

This Agreement is binding on and inures to the benefit of the Parties to this Agreement and their respective permitted successors and permitted assigns.

## **20. RELATIONSHIP OF THE PARTIES**

The relationship between the parties is that of independent contractors. Nothing contained in this Agreement shall be construed as creating any agency, partnership, joint venture, or other form of joint enterprise, employment, or fiduciary relationship between the parties, and neither Party shall have authority to contract for or bind the other party in any manner whatsoever.

## **21. NO THIRD-PARTY BENEFICIARIES**

This Agreement benefits solely the Parties to this Agreement and their respective permitted successors and assigns and nothing in this Agreement, express or implied, confers on any other party any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of this Agreement.

## **22. CHOICE OF LAW**

This Agreement and all related documents including the Order Form, all exhibits attached hereto, and all matters arising out of or relating to this Agreement, whether sounding in contract, tort, or statute are governed by, and construed in accordance with, the laws of the State of California, United States of America, without giving effect to the conflict of laws provisions thereof to the extent such principles or rules would require or permit the application of the laws of any jurisdiction other than those of the State of California. The Parties agree that the Uniform Computer Information Transactions Act as enacted in any State of the United States shall not apply to this Agreement or any performance hereunder and the parties expressly opt-out of the applicability of UCITA to this Agreement.

## **23. COUNTERPARTS**

This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. A signed copy of this Agreement delivered by email or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

## 24. ENGLISH LANGUAGE

Communications and documents from Payment Labs, on the Payment Labs' website (the "Site"), or through the Services may be in a language other than English. With respect to this Agreement, the Terms of Service (Exhibit A), Privacy Policy (Exhibit C), and any other agreement between you and Payment Labs, or other policy implemented by Payment Labs, the English language version of each of these documents is the version that governs your use of the Services and controls in the event of any conflict.

## 25. FORCE MAJEURE

Payment Labs shall not be liable or responsible to Company, nor be deemed to have defaulted or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement when and to the extent such failure or delay is caused by or results from acts or circumstances beyond the reasonable control of Payment Labs including, without limitation, acts of God, flood, fire, earthquake, explosion, governmental actions, war, invasion or hostilities (whether war is declared or not), terrorist threats or acts, riot, or other civil unrest, national emergency, revolution, insurrection, epidemic, lock-outs, strikes or other labor disputes (whether or not relating to either Party's workforce), or restraints or delays affecting carriers or inability or delay in obtaining supplies of adequate or suitable materials, or telecommunication, technology, system failures, breakdowns or power outages at third-party payment service provider(s) or other third-party service provider(s) that provide the MT Services or other services.

## 26. ARBITRATION

**26.1 Pre-Arbitration Dispute Resolution.** Prior to initiating an arbitration, the Parties each agree to notify the other party of the dispute and attempt to negotiate an informal resolution to it first. If after a good faith effort to negotiate, either of the Parties feels the dispute has not and cannot be resolved informally, the Party intending to pursue arbitration agrees to notify the other party via email prior to initiating the arbitration.

**26.2 Agreement to Arbitrate.** The Parties agree that any dispute, claim, or controversy, whether based in contract, tort, statute, fraud, misrepresentation or any other legal theory, arising out of or relating to this Agreement or the breach, termination, enforcement, interpretation or validity thereof, or to the use of the Services (collectively, "Disputes") will be settled through binding arbitration and not in a court of law. The Parties each hereby agree to resolve any and all Disputes through binding arbitration or in small claims court (to the extent the claim qualifies) instead of in courts of general jurisdiction and only on an individual basis and not as part of any purported class, consolidated or representative proceeding. Only the arbitrator appointed pursuant to this Section, and not any federal, state or local court or agency, shall have the authority to resolve any dispute or claim relating to this Section, including, without limitation, the scope, enforceability and arbitrability of this Agreement. This arbitration provision shall survive termination of this Agreement. This Agreement evidences a transaction in interstate commerce and the interpretation and enforcement of this Section is governed by the Federal Arbitration Act, notwithstanding the choice of law set forth in this Agreement.

**26.3 Scope of Arbitration.** This agreement to arbitrate is intended to be broadly interpreted. It includes, but is not limited to: (i) all claims arising out of or relating to any aspect of the relationship between the Parties, whether based in contract, tort, statute, fraud, misrepresentation or any other legal theory; (ii) all claims that arose before this or any prior agreement (including, but not limited to, claims relating to advertising); and (iii) all claims that may arise after termination of this Agreement and/or Company's use of the Services.

**26.4 Exceptions.** Notwithstanding this agreement to arbitrate, either Party may (i) bring an action on an individual basis in small claims court (to the extent the applicable claim qualifies), (ii) bring issues to the attention of federal, state or local agencies, including, for example, the Federal Trade Commission and the California Division of Consumer Services, which agencies may be able to seek relief on a Party's behalf (the Complaint Assistance Unit of the Division of Consumer Services may be contacted in writing at 1625 North Market Blvd., Suite N 112, Sacramento, California 95834, or by telephone at (800) 952-5210), and (iii) bring suit in court to seek a preliminary injunction or other interim relief pending the outcome of arbitration.

**26.5 No Class Actions.** EACH PARTY HEREBY AGREES THAT EACH MAY BRING CLAIMS AGAINST THE OTHER ONLY IN ITS INDIVIDUAL CAPACITY, AND NOT AS A PLAINTIFF OR CLASS MEMBER IN ANY PURPORTED CLASS, CONSOLIDATED OR REPRESENTATIVE PROCEEDING. THE ARBITRATOR MAY NOT CONSOLIDATE MORE THAN ONE PERSON'S CLAIMS, MAY NOT PRESIDE OVER ANY FORM OF CLASS, CONSOLIDATED OR REPRESENTATIVE PROCEEDING AND MAY ONLY PROVIDE RELIEF IN FAVOR OF THE INDIVIDUAL PARTY SEEKING RELIEF AND ONLY TO THE EXTENT NECESSARY TO PROVIDE RELIEF WARRANTED BY THAT PARTY'S INDIVIDUAL CLAIM.

**26.6 Notice of Dispute.** A Party who intends to seek arbitration must first send to the other a written Notice of Dispute ("Notice"). The Notice shall be addressed to the address set forth in Section 15, or as otherwise provided by the other Party and must be sent by certified mail. The Notice must (i) describe the nature and basis of the claim or dispute; and (ii) set forth the specific relief sought.

If the Parties do not reach an agreement to resolve the claim within sixty (60) calendar days after the Notice is received, either Party may commence an arbitration proceeding.

**26.7 Arbitration Proceedings.** The arbitration will be governed by the Commercial Arbitration Rules, or, if the actions giving rise to the dispute or claim relate to Company's personal or household use of the Services (rather than business use), the Consumer Arbitration Rules (in each case, the "AAA Rules") of the American Arbitration Association ("AAA"), as modified by this Section, and will be administered by the AAA and settled by a single arbitrator. The AAA Rules are available online at [adr.org](http://adr.org) or by calling the AAA at 1-800-778-7879. The arbitrator is bound by the terms of this Agreement. All issues are for the arbitrator to decide, including, but not limited to, issues relating to the scope, enforceability, and arbitrability of this Section. Unless the Parties agree otherwise, any arbitration hearings will take place in a reasonably convenient location in the United States for both parties with due consideration of their ability to travel and other pertinent circumstances. If the parties are unable to agree on a location, AAA shall determine the location. If Company's claim is for ten thousand dollars (\$10,000) or less, Payment Labs agrees that Company may choose whether the arbitration will be conducted solely on the basis of

documents submitted to the arbitrator, through a telephonic hearing, or by an in-person hearing as established by the AAA Rules. If Company's claim exceeds ten thousand dollars (\$10,000), the right to a hearing will be determined by the AAA Rules. Regardless of the manner in which the arbitration is conducted, the arbitrator shall issue a reasoned written decision sufficient to explain the essential findings and conclusions on which the award is based. All decisions by the arbitrator shall be final and binding and judgment on the award rendered may be entered in any court having jurisdiction.

#### **26.8 Costs of Arbitration; Legal Fees.**

a. Payment of all filing, administration, and arbitrator costs and expenses imposed by AAA will be governed by the AAA rules, provided that if Company is initiating an arbitration against Payment Labs and the value of the relief sought is ten thousand dollars (\$10,000) or less, then Payment Labs will advance all filing, administrative and arbitration costs and expenses imposed by AAA (subject to reimbursement as set forth below). If the circumstances in the preceding sentence apply, but the value of relief sought is more than ten thousand dollars (\$10,000) and Company demonstrates to the arbitrator that such costs and expenses would be prohibitively more expensive than a court proceeding, then Payment Labs will pay the amount of any such costs and expenses that the arbitrator determines are necessary to prevent the arbitration from being prohibitively more expensive than a court proceeding (subject to reimbursement as set forth below). In the event that the arbitrator determines that all of the claims Company asserts in arbitration are frivolous according to Federal Rule of Civil Procedure 11, Company agrees to reimburse Payment Labs for all such cost and expenses that Payment Labs paid and that Company would have been obligated to pay under the AAA rules.

b. Just as in any court proceeding, each Party will initially bear its own attorneys' fees and expenses in connection with any arbitration. Should either Party be determined to have substantially prevailed in the arbitration, then upon such Party's request, the arbitrator shall award such prevailing Party the reasonable attorneys' fees and expenses that it incurred in connection with the arbitration, provided that to the extent that the dispute or claim relate to Company's personal or household use of the Services (rather than business use) Payment Labs will not seek to recover its attorneys' fees and expenses in an arbitration initiated by Company. The arbitrator may make rulings and resolve disputes as to the reimbursement of attorneys' fees and expenses upon request from either party made within fourteen (14) days of the arbitrator's ruling on the merits.

### **27. CHOICE OF FORUM**

In the event that the Agreement to Arbitrate above is found not to apply to Company or to a particular claim or dispute, then any dispute or claim not subject to arbitration shall be resolved exclusively by a federal court located in Los Angeles County, California, and to the extent there is no subject matter jurisdiction in such federal court, then a state court in Los Angeles County, California. Both Parties agree to submit to the personal jurisdiction and venue of such courts and agree that such a forum is convenient.

## **28. TIME TO BRING CLAIMS**

Any cause of action arising out of or related to the Site or Services must commence within one year after the cause of action accrues. Otherwise, such cause of action is permanently barred.

## **29. HEADINGS**

The heading references herein are for convenience purposes only, do not constitute a part of this Agreement, and will not be deemed to limit or affect any of the provisions of it.

## **30. SURVIVABILITY**

Those terms of this Agreement relating to ownership of Services, Deliverables, and Intellectual Property; licensing; limitations of liability; release of liability; indemnification; the payment of fees; confidentiality; effects of termination; arbitration; dispute resolution; warranty disclaimers; and express warranties, as well as those representations, warranties, terms and covenants in this Agreement which by their nature or context should survive any termination, shall survive any termination of this Agreement.

## **31. CHANGE OF BUSINESS**

Company shall promptly notify Payment Labs in writing within three (3) business days of any material changes to its business operations, including but not limited to: (i) changes to Company's legal or regulatory status; (ii) changes in ownership or control structure of Company's business; (iii) changes to the Company's business model or use case; (iv) significant changes to the Company's payment needs; (v) significant changes to the transaction amounts and/or transaction volume processed through the Services; and (vi) changes to the countries or jurisdictions in which Company operates or sends payments.

Upon receiving notice of such material changes, Payment Labs reserves the right to review and, if necessary, adjust the terms of this Agreement, require additional information or documentation from Company, or suspend or terminate the Services if the changes adversely affect Payment Labs' ability to provide the Services in compliance with applicable laws or agreements with its Payment Partners.

## **EXHIBIT A**

### **PAYMENT LABS TERMS OF SERVICE**

Payment Labs [Terms of Service](https://www.paymentlabs.io/legal/terms-of-service) is provided at <https://www.paymentlabs.io/legal/terms-of-service> and is subject to change by Payment Labs at its sole discretion. The version of the Terms of Service that shall apply to Company at any given time shall be the then-current version published at the URL above at the time of Company's use of the Services. Company's continued use of the Services constitutes acceptance of the then-current Terms of Service. Company is responsible for regularly reviewing the Terms of Service for any changes.



## EXHIBIT B

### DATA PROTECTION

**“Data Protection Laws”** shall have the meaning set forth in Section 1.9 of the Service Agreement, namely: (i) the General Data Protection Regulation ((EU) 2016/679) (GDPR) and (ii) any other laws, regulations and secondary legislation relating to data protection, the use of information relating to individuals, the information rights of individuals and/or the processing of personal data..

**“Personal Data”** shall mean any information which relates to a living individual including without limitation Users who can be identified from such data, or from such data and other information which is in the possession of, or is likely to come into the possession of Payment Labs, and includes any expression of opinion about the individual, whether directly or indirectly.

Both Parties warrant that they will observe all of their obligations under the applicable Data Protection Laws, regulations and codes of practice which arise in connection with this Agreement.

Both Parties shall:

- (i) ensure that they have in place appropriate technical and organizational measures to protect the Personal Data;
- (ii) ensure that the persons engaged in the processing of Personal Data are bound by appropriate confidentiality obligations;
- (iii) comply promptly with any lawful request from the other Party requesting access to, copies of, or the amendment, transfer or deletion of the Personal Data to the extent the same is necessary to allow either Party to fulfill its own obligations under the Data Protection Laws;
- (iv) notify the other Party within forty-eight (48) hours if it receives any complaint, notice or communication (whether from a data subject, competent supervisory authority or otherwise) relating to the processing of Personal Data or to either Party's compliance with Data Protection Laws under this Agreement, and provide the other Party with reasonable cooperation, information and assistance in relation to any such complaint, notice or communication;
- (v) notify the other Party immediately if it becomes aware of a breach of this Exhibit B, in which case the Party in breach shall take any and all steps to remedy such breach;
- (vi) it will not disclose or transfer the personal data to a third party data controller located outside the European Economic Area (“EEA”) unless it notifies the data exporter about the transfer (and provided that such transfer is permitted by the Agreement) and: (i) it has

provided appropriate safeguards in relation to the transfer; (ii) data subjects continue to have enforceable rights and effective legal remedies following the transfer; (iii) it provides an adequate level of protection to any Personal Data that it transferred; and (iv) it complies with reasonable instructions notified to it in advance by the other Party with respect to the transfer; and (vii) provide reasonable assistance in assisting each Party's obligations under the Data Protection Laws including but not limited to the completion of data protection impact assessments.

Each Party (each and "Indemnifying Party") will indemnify, defend and hold harmless the other Party from any and all losses, liabilities, fines, damages, costs and expenses including legal fees on a solicitor/client basis and disbursements and costs of investigation, litigation, settlement, judgment, interest and penalties arising from or in connection with any breach by the Indemnifying Party of its obligations set out in Exhibit B.

#### **USE OF PAYMENT PARTNERS BY PAYMENT LABS**

Company acknowledges and agrees that Payment Labs may use Payment Partners in connection with the MT Services and Payment Services, provided that Payment Labs has entered into written agreements with each sub-processor containing data protection obligations not less protective than those in this Agreement.

## **EXHIBIT C**

### **PRIVACY POLICY**

Payment Labs [Privacy Policy](https://www.paymentlabs.io/legal/privacy-policy) is provided at <https://www.paymentlabs.io/legal/privacy-policy> and is subject to change by Payment Labs at its sole discretion. The version of the Privacy Policy that shall apply to Company at any given time shall be the then-current version published at the URL above at the time of Company's use of the Services. Company's continued use of the Services constitutes acceptance of the then-current Privacy Policy. Company is responsible for regularly reviewing the Privacy Policy for any changes.

# EXHIBIT D

## IDENTITY VERIFICATION SERVICE TERMS

Company's use of the Identity Verification Service (as defined in Section 1.13 of the Service Agreement) shall be governed by both the terms of the Service Agreement and these Identity Verification Services Terms (the "IDV Terms"). Should any conflict arise between the Service Agreement and these IDV Terms, these IDV Terms shall control, but solely with respect to Company's use of the Identity Verification Service.

### 1. DEFINITIONS

Capitalized terms within these IDV Terms shall have the meanings set forth in the Service Agreement, particularly Sections 1.4 (Biometric Data), 1.5 (Biometric Information), 1.6 (Biometric User), and 1.13 (Identity Verification Service or IDV).

### 2. BIOMETRICS

2.1 IDV Use is Optional. Use of the IDV is optional. In certain jurisdictions, there are laws and regulations that govern the collection, use, and retention of biometric information, which potentially may apply to Company's use of the IDV. To the extent Company elects to use the IDV, Company agrees to comply with all such laws and regulations. In the event Company is unwilling to comply with laws and regulations relating to the use of Biometric Data, Company shall not use the IDV.

2.2 Requirements for use of IDV. Before Company or any Biometric User is permitted to use the IDV in a jurisdiction where laws and regulations potentially govern such use, Company will comply with the following requirements, in addition to any other requirements imposed by potentially applicable law (to the extent there is a conflict between the requirements below and the requirements of potentially applicable law, Company will comply with potentially applicable law):

2.3 Biometric User Notice and Consent. Company will provide notice and procure and retain appropriate consents or releases from Biometric Users in the manner and to extent the same are required by applicable law, including:

- notifying Biometric Users in writing that Company, its vendors, and/or the licensor of the IDV are collecting, capturing, or otherwise obtaining Biometric Users' Biometric Data, and that Company is providing such Biometric Data to its vendors and the licensor of the IDV; such notice will specify the purpose and length of time for which Biometric User's Biometric Data is being collected, stored, and used;
- obtaining a written release or consent from Biometric Users (or their legally authorized representative) authorizing Company, its vendors, and licensor of the IDV to collect, store, and use the individual's Biometric Data for the specific purpose disclosed by Company, and authorizing Company to provide such Biometric Data to its vendors and the licensor of the IDV; and if requested by Payment Labs, providing to Payment Labs copies of the required consents or releases collected and retained by Company, and/or certifying to Payment Labs that such consents or releases have been obtained.

2.4 Retention and Purging of Biometric Data. Company will work with Payment Labs to ensure that Biometric Data is retained and purged in accordance with applicable law. To the extent necessary for the purging or deletion of such Biometric Data, Company agrees to provide timely notification to Payment Labs of the satisfaction of the purpose for which Biometric Data was collected with respect to any given Biometric User. Payment Labs is not responsible for the Company's failure to provide timely notification of the satisfaction of the purpose for which Biometric Data was collected with respect to any given Biometric User.

2.5 Third Party Beneficiary. Notwithstanding anything to the contrary in the Service Agreement or these IDV Terms, Company agrees that Payment Labs and licensor of the IDV (and their respective successors and assigns) are third party beneficiaries of this Agreement solely as it relates to the IDV.

2.6 Additional Termination Provisions for the IDV. If Payment Labs determines that Company has failed to comply with any potentially applicable laws and regulations applicable to the IDV, Payment Labs may, in its sole discretion and upon notice to Company, immediately suspend or terminate provision of the IDV to Company. In addition, Payment Labs may cease the provision of the IDV at any time at its sole discretion, with or without notice.

### 3. IDV SERVICE AND FEE

3.1 IDV Service. Payment Labs shall provide the IDV to Company subject to the terms of the Service Agreement and these IDV Terms.

3.2 Per Verification Fee. As consideration for Company's use of the IDV, Company shall pay to Payment Labs a fee per identity verification initiated as listed in Order Forms. Said fee shall be paid in accordance with the payment terms described in the Service Agreement. IDV fees are due in addition to fees agreed to in the Service Agreement.

### 4. INDEMNITY

4.1 Indemnity. Without in any way limiting Company's indemnification obligations in the Service Agreement, Company shall defend, indemnify, and hold Payment Labs and its successors, assigns, and licensors harmless from any and all claims, actions, and proceedings, and the resulting losses, damages, costs and expenses (including reasonable attorneys' fees) arising from any claim, action or proceeding based upon or in any way related to Company's breach or alleged breach of any representation, warranty or covenant in these IDV Terms; or any claim, action, or proceeding initiated by any Biometric User.

### 5. WARRANTIES AND DISCLAIMERS

5.1 Disclaimer. THE IDV IS PROVIDED "AS-IS". PAYMENT LABS MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, EXPRESS OR IMPLIED, IN CONNECTION WITH THESE IDV TERMS OR THE IDV. WITHOUT LIMITING THE FOREGOING, PAYMENT LABS DISCLAIMS ANY WARRANTY THAT THE IDV WILL BE ERROR FREE OR UNINTERRUPTED OR THAT ALL ERRORS WILL BE CORRECTED. PAYMENT LABS FURTHER DISCLAIMS ANY AND ALL WARRANTIES WITH RESPECT TO THE IDV AS TO NON-INFRINGEMENT, MERCHANTABILITY, ACCURACY OF ANY INFORMATION PROVIDED, OR FITNESS FOR A PARTICULAR PURPOSE. PAYMENT LABS

FURTHER DISCLAIMS ANY AND ALL WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE. NO ADVICE OR INFORMATION, WHETHER ORAL OR WRITTEN, OBTAINED FROM PAYMENT LABS OR ELSEWHERE SHALL CREATE ANY WARRANTY NOT EXPRESSLY STATED IN THIS AGREEMENT. SOME JURISDICTIONS DO NOT ALLOW THE EXCLUSION OF CERTAIN WARRANTIES IN CERTAIN CIRCUMSTANCES. ACCORDINGLY, SOME OF THE LIMITATIONS SET FORTH ABOVE MAY NOT APPLY.

## 6. LIMITATION OF LIABILITY

6.1 Liability Limits. IN NO EVENT SHALL PAYMENT LABS BE LIABLE TO COMPANY FOR ANY INCIDENTAL, SPECIAL, EXEMPLARY, OR CONSEQUENTIAL DAMAGES, INCLUDING LOSS OF INCOME, DATA, PROFITS, REVENUE OR BUSINESS INTERRUPTION, OR COST OF SUBSTITUTE SERVICES, OR OTHER ECONOMIC LOSS, WHETHER OR NOT PAYMENT LABS HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND WHETHER ANY CLAIM FOR RECOVERY IS BASED ON THEORIES OF CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE AND STRICT LIABILITY) OR OTHERWISE. NOTWITHSTANDING ANY OTHER PROVISIONS OF THESE IDV TERMS, IN NO EVENT SHALL PAYMENT LABS' AGGREGATE LIABILITY TO COMPANY IN CONNECTION WITH THESE IDV TERMS OR COMPANY'S ACCESS TO AND USE OF THE IDV EXCEED THE SUM OF ALL FEES PAID TO PAYMENT LABS BY COMPANY FOR THE USE OF THE IDV IN THE SIX (6) MONTH PERIOD PRECEDING THE CLAIM OR ACTION GIVING RISE TO THE LIABILITY. LIMITATIONS OF LIABILITY CONTAINED IN THESE IDV TERMS ARE IN ADDITION TO, AND NOT IN LIEU OF, ANY LIMITS OUTLINED IN THE SERVICE AGREEMENT.

6.2 Acknowledgment. The Parties acknowledge that the limitations and exclusions contained in this Section 6 and elsewhere in these IDV Terms have been the subject of negotiation between the Parties and represent the Parties' agreement based upon the perceived level of risk associated with their respective obligations under these IDV Terms, and the payments made hereunder. Without limiting the generality of the foregoing, the Parties acknowledge and agree that a.) the provisions hereof that limit liability, disclaim warranties or exclude consequential damages or other damages or remedies shall be severable and independent of any other provisions and shall be enforced as such, regardless of any breach hereunder, and b.) all limitations of liability, disclaimers of warranties, and exclusions of consequential damages or other damages or remedies shall remain fully valid, effective and enforceable in accordance with their respective terms, even under circumstances that cause an exclusive remedy to fail of its essential purpose.

## 7. ADDITIONAL TERMS

7.1 Third-Party Terms. Company acknowledges and agrees that, in addition to the Service Agreement, these IDV Terms, and any other terms agreed to by the Parties, Company's and Biometric Users' use of the IDV is subject to terms and conditions of the third-party licensor of the IDV. Company agrees to such terms and agrees to require Biometric Users' agreement to such terms.

7.2 Ownership. The IDV, its materials, any product and/or service made available to Company or its end users by Payment Labs, and all intellectual property rights therein, are owned by Payment Labs and/or its licensors. All rights not expressly granted by Payment Labs herein are reserved thereby, and no rights are granted by implication, estoppel, or otherwise.

7.3 Biometric Data Privacy Policy. Payment Labs use of Biometric Data of Biometric Users shall comply with its Biometric Data Privacy Policy, which may be found at <https://www.paymentlabs.io/legal/biometric-data-privacy-policy>. The Biometric Data Privacy Policy may be updated from time to time. A current version may be found at the aforementioned URL. The version of the Biometric Data Privacy Policy that shall apply to Company at any given time shall be the then-current version published at the URL above at the time of Company's use of the IDV. Company's continued use of the IDV constitutes acceptance of the then-current Biometric Data Privacy Policy..

7.4 Entire Agreement. These IDV Terms, together with the Service Agreement, constitute the complete and exclusive agreement between the Parties concerning the subject matter of IDV services and supersede all prior or contemporaneous agreements or understandings, written or oral, concerning the subject matter herein. Payment Labs reserves the right to amend or modify these IDV Terms at any time and at its sole discretion. Payment Labs will notify you of any such amendments by email, notices or links to notices on the Services, or other conspicuous manner..

Your continued use of the IDV following the effective date of any amendment or modification constitutes your acceptance and agreement to be bound by the revised terms. If you do not agree to the amended terms, your sole and exclusive remedy is to cease all use of the IDV.

7.5 Term; Survival. These IDV Terms shall be effective as of the Effective Date of the Service Agreement and shall continue in effect until the later of: a.) the expiration or termination of the Service Agreement; and b.) Company's and its Biometric Users' ceasing use of the IDV. The provisions related to Biometric Data protection (Section 2), indemnification (Section 4), warranties and disclaimers (Section 5), limitation of liability (Section 6), and the general provisions of this Section 7 shall survive the termination or expiration of these IDV Terms.

7.6 Counterparts. These IDV Terms may be executed in counterparts, each of which shall constitute an original, and all of which shall constitute one and the same instrument.

7.7 Headings. The headings in these IDV Terms are for the convenience of reference only and have no legal effect.