

Merchant Services Agreements

THIS SERVICE AGREEMENT is made the [Date] day of [Month] [Year].

BETWEEN: QFPay Haojin Fintech Limited, iFlare Hong Kong Limited & QFPay Haojin Services Limited, companies incorporated in Hong Kong whose registered office is situated at Unit A, 27/F, West Gate Tower, 7 Wing Hong Street, Lai Chi Kok, Kowloon, Hong Kong (collectively “**QFPay**”);

AND: [Merchant name], a company incorporated in [Place], having its registered office at [Address] (the “**Merchant**”).

Each a “**Party**” and collectively the “**Parties**”.

WHEREAS:

1. QFPay specialize in payment and settlement service platforms, offering QR Code Acquiring Services, Card Acquiring Services and Octopus (collectively the “**Acquiring Services**”).
2. iFlare Hong Kong Limited is a licensed Money Service Operator (License No.:17-01-02054), operating under Section 30, Cap 615 of the laws of Hong Kong which is a wholly owned subsidiary of QFPay Haojin Fintech Limited
3. The Merchant wishes to appoint QFPay to provide Acquiring Services as outlined herein, and QFPay now agree to provide Acquiring Services to the Merchant set forth in this Agreement.

NOW IT IS HEREBY AGREED as follows:

1. DEFINITION(S)

Unless otherwise specific, the following terms herein shall be defined as follows:

- 1.1 **Access Code** means each personal identification number and/or password that is necessary to enable the Merchant to access or use Merchant Management System (MMS) Account, Merchant APP and/or any Service;
- 1.2 **Affiliate** means the type of inter-companies relationship in which one company own less than a majority stake in the other companies’ stock;
- 1.3 **Additional Charges** means the additional charges for excess chargeback, unauthorised usage of the Acquiring Services and Reported Frauds specified in Schedule 8;
- 1.4 **Agreement** means this agreement and includes all schedules and other attachments;
- 1.5 **AML/CFT** means anti money laundering and counter-financing of terrorism;
- 1.6 **AML/CFT Systems** means AML/CFT policies, procedures and controls prescribed under the Anti-Money Laundering and Counter-Terrorist Financing Ordinance, Cap. 615 (the AMLO);
- 1.7 **Anticipated Liabilities** means amounts required to cover any sum due under: (i) the indemnity in clause 14.2 in respect of potential or expected Refunds, Chargebacks, Chargeback Costs, any liability or expected liability relating to a Transaction or

Assessments; or (ii) any liability or potential liability of the Merchant’s under this Agreement;

- 1.8 **APP ID** means the account number of the Merchant APP which can manage the information of payment;
- 1.9 **Application Form** means the official application form issued by QFPay, which, upon being signed by the Merchant, constitutes the Merchant’s acceptance for the purposes of the Merchant onboarding and Payment Service registration.
- 1.10 **Applicable Laws** means all laws or regulations (and including the statutory and regulatory requirements of any Regulatory Authority) applicable to a Party (including a Party’s rights or obligations) or to any Transaction or Refund for the time being in force in any relevant jurisdiction;
- 1.11 **Assessment** means any assessment, fine, liquidated damages, fee, cost, expense or charge of any nature which a Card Scheme, a Wallet ,Other Financial Institution or any other Third party levies on the Merchant or QFPay at any time, directly or indirectly, in relation to a Service, Transaction or any other aspect of QFPay’s or such Third party’s relationship with the Merchant;
- 1.12 **Authorisation** means in the case of the Acquiring Services: the confirmation at the time of a Transaction from the relevant Cardholder or Wallet holder that the Card or Wallet used to pay for the Transaction has not been blocked for any reason or listed as lost or stolen or as having had its security compromised and that there are sufficient funds available for the relevant Transaction;
- 1.13 **Authorisation Request** means a request for Authorisation;
- 1.14 **Authorised User** means an individual authorised by the Merchant to access MMS Account and Merchant APP;
- 1.15 **Business Day** means a day when banks in Hong Kong and the PRC are open for business, other than:
 - (A) a Saturday or Sunday;
 - (B) a public holiday in Hong Kong and the PRC; or
 - (C) a day on which a tropical cyclone warning number 8 or above or a "black" rainstorm warning signal is hoisted in Hong Kong at any time between 9:00 am and 7:00 pm Hong Kong time.
- 1.16 **Buyer** means a Person who or which has ordered goods and/or services from the Merchant and has initiated a Transaction in respect of that order, including a Cardholder and Wallet holder;

- 1.17 **Capture** means, in relation to Card Acquiring Services, the QFPay's transmission of a payment instruction in relation to a Transaction to a Card Scheme for onward transmission to a Card Issuer to enable the earmarking of funds by a Card Issuer in a Cardholder's account for Settlement;
- 1.18 **Capture Request** means, in relation to Gateway Services, the submission by the Merchant to the Card Scheme via the Gateway Service of Data relating to a specific Transaction after receipt of the Authorisation for the purposes of executing a payment instruction in respect of a Transaction;
- 1.19 **Card** means a credit, debit, charge, purchase or other payment card issued by a Card Issuer under a Card Scheme whose payments QFPay are able to process (as notified by QFPay to the Merchant from time to time);
- 1.20 **Card Acquiring Services** means the Authorisation, Capture and Settlement by QFPay of a Card related Transaction, and the processing by QFPay of Chargebacks, Refunds, Representments and/or Retro-Charges in respect of Cards;
- 1.21 **Cardholder** means a Person who or which is the authorised user of a Card;
- 1.22 **Card Issuer** means an institution which issues Cards;
- 1.23 **Card Not Present Transaction** or **CNP** means a Point-of-Sale Transaction in which the Buyer initiates payment using a Card without being physically present at the point of sale, including but not limited to Mail Order/Telephone Order Transaction and internet-based Transaction where the payment instruction is submitted remotely;
- 1.24 **Card Schemes** mean schemes governing the issue and use of Cards listed in Schedule 5, or as may be approved and notified by the QFPay to the Merchant in writing from time to time;
- 1.25 **Chargeback** means either: (i) any circumstances where Cardholder, Wallet holder, Wallets, Card Issuers, Card Schemes and/or Other Financial Institutions either refuse to Settle a Transaction or demand payment from QFPay in respect of a Transaction that has been Settled and/or in respect of which Settlement been made to the Merchant; or (ii) any other circumstance where any Other Financial Institution either refuses to make a payment to QFPay or demands payment from QFPay in respect of a disputed Payment or other payment made to QFPay in respect of a Transaction, or in respect of which Payment or other payment has been made to the Merchant; in each case notwithstanding any Authorisation;
- 1.26 **Chargeback Costs** means the administrative charge for processing a Chargeback and any (i) reasonable costs, expenses, liabilities, and (ii) Assessments that QFPay may incur as a result of or in connection with a Chargeback;
- 1.27 **Claim** means any action, proceeding, claim, demand or assessment (including Assessments), fine or similar charge whether arising in contract, tort (including negligence or breach of statutory duty) or otherwise;
- 1.28 **Commencement Date** means the date on which the Merchant is notified by QFPay (in QFPay's sole and absolute discretion) that the Merchant's application for provision of Services has been accepted;
- 1.29 **Confidential Information** means this Agreement and information relating to it (other than Transaction Data), or provided pursuant to it, that is designated as "confidential" or which by its nature is clearly confidential, howsoever presented, whether in oral, physical or electronic form and which is disclosed by one Party to another hereunder, including (but not limited to) pricing and specifications relating to the Services;
- 1.30 **Contract Year** means each successive 12 month period commencing on the Commencement Date;
- 1.31 **Control** or **Controlled** means the exercise, or ability to exercise or entitlement to acquire, direct or indirect control over any Parties (as applicable), as defined in the Companies Ordinance of Hong Kong and a Change of Control shall be deemed to have occurred if any Person or Persons who control(s) any Parties at the Commencement Date subsequently cease to control any Parties, as the case may be;
- 1.32 **CPC/DCC Services** means the Cardholder Preferred Currency Direct and Dynamic Currency Conversion Services, as described in Schedule 3;
- 1.33 **Merchant Due Diligence** means the measures prescribed by the AML/CFT Systems;
- 1.34 **Merchant Operating Instructions** mean any instructions, guidance or manuals made available by QFPay from time to time that include information and requirements relating to the Services, as from time to time;
- 1.35 **Data** means documents, data and records of any kind relating to Transactions, Chargebacks, Representments, Retro-Charge or Refunds (including, for the avoidance of doubt, data relating to Cards and Buyers) and shall include Transaction Personal Data and Sensitive Authentication Data;
- 1.36 **Data Controller** means any Person who alone or jointly with others determines the purposes for which and the manner in which Personal Data are, or are to be, Processed;
- 1.37 **Data Protection Authority** means any authority which has jurisdiction over any Parties in the area of protection of Personal Data;
- 1.38 **Data Protection Legislation** means all laws applicable to the protection of Personal Data from time to time, including The Personal Data (Privacy) Ordinance, laws of Hong Kong together with other law and regulations made under them;
- 1.39 **Data Subject** means an identified or identifiable individual whose Personal Data is Processed under this Agreement;
- 1.40 **Disclaimer** means see Schedule 2;
- 1.41 **Documentation** means any documents QFPay supply to the Merchant from time to time, whether in physical or electronic form and whether in the form of text, graphics or still or moving images;
- 1.42 **EEA** means the European Economic Area;
- 1.43 **Exchange Rate** means the reference currency exchange rate QFPay may notify the Merchant from time to time. The prevailing standard reference exchange rate is sourced from Wallets or Card Schemes. The reference rate will fluctuate and is therefore indicative only;

- 1.44 **Force Majeure** means an event that is unforeseeable, unavoidable, insurmountable and beyond the reasonable control of the affected Party.
- 1.45 **Fees** means the fees specified in the Application Form or Pricing Schedule;
- 1.46 **Fraud** means any act of deception, misrepresentation, or unauthorised use of payment credentials intended to obtain funds or services unlawfully, including but not limited to stolen card use or unauthorised payment methods, identity theft, synthetic identities, or false representation of goods or services and any fraudulent conduct (intentionally or unintentionally) by the Merchant, including fake transactions, undisclosed business models, or processing for third parties.
- 1.47 **Transaction Limit** means a default monetary threshold applied to the Merchant upon onboarding.;
- 1.48 **Fraud Management Services** has the meaning given to that term in Schedule 3, part 3;
- 1.49 **Gateway Services** means the provision by QFPay of an online portal that (among other things, and pursuant to the provisions of Schedule 3) supports the processing of Authorisation Requests and Capture Requests and the transmission of Data by QFPay between the Merchant and the Buyer and/or between the Merchant and a Card Scheme to enable a Transaction, Representment or Retro-Charge or making a Refund over the internet. QFPay does not enter into the possession of any funds in the course of providing the Gateway Services (or at all where the Gateway Services are provided);
- 1.50 **Group Company** in respect of a Party means: (i) any undertaking which, directly or indirectly, Controls or is Controlled by such Party; and (ii) any other undertaking which, directly or indirectly, Controls or is Controlled by any such undertaking;
- 1.51 **Hosted Payment Pages** means QFPay hosted payment pages which may be utilised by the Merchant as part of the Gateway Service;
- 1.52 **Initial Term** means, unless otherwise stated in the Application Form, a period of twelve (12) months commencing on the Commencement Date;
- 1.53 **Intellectual Property Rights** means any and all intellectual property rights of whatever nature and includes patents, inventions, know-how, proprietary knowledge, trade secrets and other confidential information, copyrights, database rights (including rights of extraction), design rights (registered or unregistered), copyright, trademarks, service marks, logos, internet domain names, business names, trade names, rights protecting goodwill and reputation, moral rights, all registrations or applications to register any of the aforesaid items, and all rights and forms of protection of a similar nature of any of the aforesaid items or having equivalent effect in any country or jurisdiction, rights in the nature of unfair competition rights and rights to sue for passing off;
- 1.54 **Losses** means any liabilities, losses, damages, charges, fines, costs and/or expenses (including reasonable and properly incurred legal fees and/or expenses);
- 1.55 **MCC** means Merchant Category Code;
- 1.56 **Merchant APP** means a mobile application developed and maintained by QFPay for Payment Service;
- 1.57 **Mail Order/Telephone Order Transactions** or **MOTO** mean Transactions, which are Card Not Present Transactions, in which the Buyer pays using a Card concluded by telephone or mail order, other than eCommerce Transactions;
- 1.58 **Merchant Bank Account** means a bank account as listed in Application Form which is in the Merchant's name with a duly authorised credit institution acceptable to QFPay that is maintained by the Merchant for the purposes of receiving Settlement and paying Fees due to QFPay in accordance with clause 4.1;
- 1.59 **MMS Account** means an electronic management information account in QFPay's Merchant Management Systems (the **MMS**) containing Data related to Transactions, Chargebacks, Refunds, Representments and Retro-Charges, and which may be made available to the Merchant from time to time such as the QFPay's Dashboard or any replacement product made available to the Merchant from time to time;
- 1.60 **Merchant Material Adverse Change** means any circumstance, event or series of events that QFPay has reasonable grounds to believe materially adversely affects or may materially adversely affect the Merchant's liabilities or potential liabilities; or the Merchant's ability fully and promptly to perform and comply with any one or more of the Merchant's obligations under this Agreement, including:
- (A) a material change in the nature of the Merchant's business or the goods and/or services supplied by the Merchant;
 - (B) a change of original URL of website where the Merchant sells the goods and/or services;
 - (C) a material positive or negative fluctuation month-on-month in the Merchant's Transaction volumes or the average value of the Merchant's Transactions or the occurrence of such other event as may give rise in QFPay's discretion to a significant increase in QFPay's risk profile;
 - (D) a material increase in the Merchant's Chargeback, Refunds and/or declined Transactions levels relative to expected volume;
 - (E) the occurrence of a material Assessment or multiple Assessments;
 - (F) a Change of Control in respect of the Merchant, or a sale or other disposal of any substantial division or part of the Merchant's business;
 - (G) the withdrawal, removal, termination or unenforceability of any security in relation to the Merchant which QFPay or any Other Financial Institution relies upon;
 - (H) the withdrawal or termination of any licence, permission or authorisation required to operate the Merchant's business;
 - (I) instructions from a Regulatory Authority which the Merchant does not, or is unable or unwilling to, comply with;
 - (J) the Merchant grants to a Third party any security or charge over all or a significant proportion of the Merchant's assets; or
 - (K) a material deterioration in the Merchant's profits or financial or trading position,

PROVIDED THAT, in respect of events set out in sub- paragraphs (B), (C) and (J) only, account shall be taken of historical figures and trends including seasonality of sales and yearly sales growth;

- 1.61 **Mobile Terminals** means a Terminal that enables Transactions to be submitted via a mobile telecommunication network;
- 1.62 **Octopus, or Octopus Wallet** means a network-based stored value account applied for by any person with, and approved by, Octopus Cards Limited (OCL);
- 1.63 **Official Website** means <https://qfpay.global/zh-hant/terms-and-conditions>;
- 1.64 **Other Financial Institution** means any Third-party credit or financial institution (including Card Issuers) which may be involved, or which QFPay in its sole and absolute discretion involves, in the course of the provision of any of the Services;
- 1.65 **Payment Services** means the services provided by QFPay to the Merchant in a variety of payment methods;
- 1.66 **Person** means any individual, companies, body corporate, corporation sole or aggregate, government, state or agency of a state, firm, partnership, association, organisation or trust (in each case, irrespective of the jurisdiction in or under the law of which it was incorporated, formed or otherwise exists);
- 1.67 **Personal Data** means data which relates to a Data Subject who can be identified from such data, or a combination of such data and other information in the possession of, or likely to come into the possession of, the Data Controller;
- 1.68 **Personnel** means employees, agents, consultants, contractors and sub-contractors and their employees, agents, consultants and sub-contractors;
- 1.69 **Point of Sale Transactions** means Transactions in which the Buyer's payment instruction is issued via a Terminal;
- 1.70 **Pricing Schedule** means the document(s) setting out the relevant fees payable by the Merchant in connection with the Services, whether attached to or included within the Application Form, Schedule 7 and/or otherwise provided by QFPay to the Merchant from time to time;
- 1.71 **Privacy Statement** means collectively QFPay's "layered" privacy statement as updated from time to time and which is made available at <https://www.qfpay.global/privacy-policy>;
- 1.72 **Processing** means any operation which is performed upon Personal Data, whether or not by automatic means, and Process shall be construed accordingly;
- 1.73 **Reason Code** means a code or category used by any Card Schemes and Wallets to classify a specific activity, act or omission, including any code in the Visa Merchant Alert Service, Mastercard Member Alert to Control High-Risk Merchants or an equivalent for any other Card Scheme, Wallets, or a Regulatory Authority black list;
- 1.74 **Recurring Transaction** means a repetitive periodic Transaction for which the Merchant charges the Buyer's Card or Wallet accounts (e.g. subscriptions or instalments);
- 1.75 **Recurring Transaction Authority** means a Buyer's prior written authority (taken during the check-out process) for the Merchant to establish a Recurring Transaction, setting out: (i) the amount of the Recurring Transaction and whether this amount is fixed or variable; (ii) the dates on which the Recurring Transaction will be charged to the Buyer's Card or Wallets account and whether the dates are fixed or variable; (iii) the method of communication for all correspondence with the Buyer; and (iv) a statement that the Buyer may cancel the Recurring Transaction Authority at any time;
- 1.76 **Refund** means a Transaction, in respect of an initiating Transaction, made wholly or partially to reverse that initiating Transaction;
- 1.77 **Regulated Terminal Hire Terms** means a hire agreement for Terminals;
- 1.78 **Regulatory Authority** means any governmental or regulatory authority, and/or any self-regulatory authority, governmental department, agency, commission, board, tribunal, crown corporation, or court or other law, rule or regulation making entity having jurisdiction over any of the Parties and/or their businesses or any part or subdivision thereof in any territory in which the Services are made available or any local authority, district or other subdivision thereof (including, in respect of Hong Kong, the Hong Kong Monetary Authority, the Financial Services and the Treasury Bureau, the Office of the Communications Authority) and anybody which succeeds or replaces any of the foregoing;
- 1.79 **Representative** means, in respect of the Parties, any Person that a Party may notify the others from time to time as being authorised to act on that Party's behalf;
- 1.80 **Representment** means a Transaction to reverse a Chargeback by the re-execution of the original Transaction, where the Merchant has successfully challenged the Chargeback;
- 1.81 **Restricted Person** means a person that is (i) listed on, or owned or controlled by a person listed on any Sanctions List; (ii) located in, incorporated under the laws of, or owned or controlled by, or acting on behalf of, a person located in or organised under the laws of a country or territory that is the target of country-wide Sanctions; or (iii) otherwise a target of Sanctions;
- 1.82 **Reported Fraud** means a Transaction that is a) reported as fraudulent by Wallets, Card Schemes, other Financial Institutions or any Regulatory Authority;
- 1.83 **Retro-Charge** means a Transaction initiated by the Merchant to reverse a Refund to which the Buyer was not entitled;
- 1.84 **Sanctions** means any economic sanctions laws, regulations, embargoes or restrictive measures administered, enacted or enforced by: (i) the Hong Kong government; (ii) the People's Republic of China government; or (iii) the respective governmental institutions and agencies of relevant jurisdictions, including without limitation, the Office of Foreign Assets Control of the US Department of Treasury ("OFAC"), the United States Department of State, and Her Majesty's Treasury (together **Sanctions Authorities**);
- 1.85 **Sanctions List** means the Specially Designated Nationals and Blocked Persons list issued or maintained or made public by any of the Sanctions Authorities;

- 1.86 **Schedules** means each of the schedules attached to, and forming part of, this Agreement;
- 1.87 **Sensitive Authentication Data** means security related information used to authenticate Cardholders and authorise Card transactions. Sensitive Authentication Data elements include magnetic stripe data (PAVE, CVV, CVC, CID) PINs, PIN blocks and the three or four digit number security code found either on the front or on the back of a card (e.g. MasterCard CVC2/ Visa CVV2);
- 1.88 **Services** means the QR Code Acquiring Services and/or Card Acquiring Services and/or the Terminal Hire that are provided to the Merchant by the QFPay Group under this Agreement;
- 1.89 **Settlement** means any payment the QFPay Group make to the Merchant under this Agreement in the course of Acquiring Services (and **Settle** and **Settled** shall be construed accordingly);
- 1.90 **Settlement Period** means the Business Day (notified to the Merchant by the QFPay from time to time) on which QFPay initials the Settlement;
- 1.91 **Settlement Threshold** refers to an amount of money or value as listed in the Application Form that must be accumulated before a payment is processed or a transaction is settled;
- 1.92 **Service Fee** means the service fees and other charges related to the Payment Services;
- 1.93 **Suspicious and Potential Fraud** means a Transaction that is a) flagged as suspicious by QFPay, any Wallets, Card Schemes, other Financial Institutions or any Regulatory Authority; or b) under investigation for fraud, misuse, or unusual activity;
- 1.94 **Transaction** means any payment by a Buyer for goods and/or services purchased by a Buyer from and provided by the Merchant, using either: (i) a Card, a Card number or otherwise to debit or credit the applicable Card account; or (ii) an Wallet; in each case in accordance with the terms of this Agreement and in relation to which QFPay supply any of the Services to the Merchant, or a reversal of the same. Unless the context requires otherwise, a reference to Transaction shall include a reference to a Refund, a Representment, a Retro-Charge, a Recurring Transaction and a series of connected Transactions;
- 1.95 **Transaction Data** means Transaction Personal Data and any other data relating to a specific Transaction;
- 1.96 **Transaction Personal Data** means Personal Data which it is necessary to provide or to Process in connection with Transactions, Chargebacks, Refunds, Representments or Retro-Charges in the course of providing the Services;
- 1.97 **Transaction Value** means in respect to each transaction, the amount (including discount) charged by the Merchant to the Buyers in respect of the relevant product and/or services through system interface;
- 1.98 **Tax** means all forms of tax and statutory, governmental, state, federal, provincial, local, government or municipal charges, duties, imposts, contributions, levies, withholdings or liabilities wherever chargeable and any penalty, fine, surcharge, interest, charges or costs relating to it;
- 1.99 **Tax Authority** means any taxing or other authority (in any jurisdiction) competent to impose, administer or collect any Tax;
- 1.100 **Terminal** means an authorised point-of-sale payment order acceptance terminal and associated equipment or device(s);
- 1.101 **Terminal Hire** means arrangements for the hire of Terminals by QFPay to the Merchant under the Terminal Hire Agreements;
- 1.102 **Terminal Hire Agreements** means the Regulated Terminal Hire Terms and the Unregulated Terminal Hire Terms;
- 1.103 **Third party** means a Person who is not a Party to this Agreement;
- 1.104 **Third Party Product** means a product (whether hardware, software or services) supplied to the Merchant by a Third party;
- 1.105 **Trading Limit** means the maximum aggregate value of one or more Transactions that the Merchant may complete in respect of any specified period as notified to the Merchant from time to time;
- 1.106 **Unregulated Terminal Hire Terms** are the terms applicable to unregulated hire arrangements for Terminals, specified in Schedule 4;
- 1.107 **Wallets** means electronic payment wallets that allow a Buyer to make electronic Transactions and use of Wallets listed in Schedule 6;
- 1.108 **Wallet Holder** means a Person who or which is the authorised user of Wallets;
- 1.109 Any reference to: (A) a clause shall be to the relevant clause of this Agreement; and (B) a part or paragraph shall be to the relevant part or paragraph of the relevant Schedule.
- 1.110 The use of the term “including” and inflections thereof, or of the abbreviation “e.g.” mean “including without limitation,” “include without limitation” or “includes without limitation”.
- 1.111 References to a Person include a reference to that Person’s successors or assigns.
- 1.112 Words importing the singular include the plural and vice versa where the context so requires.
- 1.113 Clause, Schedule and paragraph headings shall not affect the interpretation of this Agreement.
- 1.114 Any references to a law or regulation are to the law or regulation from time to time in force.
- 1.115 Any reference to the Financial Conduct Authority includes anybody taking over its functions.
- 1.116 To avoid doubt, as regards (i) the Merchant’s obligations and (ii) QFPay’s rights and remedies (and strictly for QFPay’s benefit only) any reference in the Agreement to a Transaction, Refund, Representment or Retro-Charge shall include activity purporting to constitute a Transaction, Refund, Representment or Retro-Charge and/or which would (save for any breach by the Merchant of this Agreement, or any unauthorised, fraudulent or criminal activity) have constituted a Transaction, Refund, Representment or Retro-Charge
- 2. THE RIGHTS AND OBLIGATIONS OF QFPAY**
- Provision of the Services**
- 2.1 Acquiring Services: In return for the Fees related to Acquiring Services, QFPay shall supply the Merchant with the Acquiring Services in accordance with this

Agreement, with reasonable care and skill, and in compliance with Applicable; and

- 2.2 Terminal Hire: In return for the Fees related to the Terminal Hire, QFPay shall supply the Merchant with, respectively, the Terminal Hire in accordance with this Agreement (including any specific terms and conditions contained in Schedule 4 or the terms and conditions set out in any Application Form and/or the Terminal Hire Agreements, as applicable), with reasonable care and skill, and in compliance with Applicable Laws.

MMS Account and related terms

- 2.3 For the term of this Agreement QFPay shall grant to the Merchant a non-exclusive, non-transferable right to access and use:
- (A) the Data that QFPay make available via MMS Account; and
- (B) the Documentation,
- solely for the purpose of receiving the Services in accordance with the provisions of this Agreement and solely for the Merchant's internal business purposes. The Merchant agrees that the Merchant shall not publish or redistribute any content included in MMS Account to any Third party. The Merchant undertakes not to delete or alter any proprietary or copyright or trademark notices appearing in the MMS Account or related Documentation.

While QFPay may display the Merchant's Transactions in MMS Account (which the Merchant may download, save, print or store as applicable, and should do so securely) and otherwise provide or make available certain information to the Merchant in accordance with Applicable Laws, the Merchant is responsible for maintaining its own records related to the Services, Transactions, Refunds, Representments, Chargebacks and Retro-Charges, and for reconciling these with its own Merchant Bank Account Data and other accounting records. Upon the termination of this Agreement for whatever reason, QFPay shall retain all relevant Data, records, and other information in connection with the Services, including but not limited to Transactions, Refunds, Representments, Chargebacks, and Retro-Charges, in accordance with Applicable Laws, including but not limited to the AML/CFT Systems, which requires such records to be retained for a minimum period of seven (7) years. For the avoidance of doubt, QFPay shall have no obligation to make such records available to the Merchant unless required by law or expressly agreed in writing.

- 2.4 QFPay will show the amount of each Transaction in MMS Account following or conditional upon the receipt of funds.
- 2.5 QFPay shall comply with all Applicable Laws including but not limited to AML/CFT systems and Data Protection Legislation.

QFPay's General Rights

- 2.6 QFPay is responsible for the development, operation and management of Payment Services.
- 2.7 QFPay shall have rights to periodically review the Merchant's business and/or its compliance with the AML/CFT Systems. In accordance with Clause 3.11, the Merchant shall notify QFPay any Merchant Material Adverse Change as practically as possible. QFPay shall retain their absolute discretion to immediately terminate this Agreement and/or withhold its settlement if the Merchant fails to respond to reasonable contact attempts, or such change induces QFPay to reasonably believe that the Merchant can no longer complete his side of bargain, fulfill its contractual obligations prescribed in this Agreement, or comply with Applicable Laws, rules and regulatory requirements of the relevant government department and administration of industry and commerce.
- 2.8 Where the Merchant is found to have an invalid website or/ and has not generated any transaction amount by the Payment Services for a consecutive period of ninety (90) consecutive days, QFPay shall have rights to terminate this Agreement and suspend the provision of any Service with immediate effect, to be notified to the Merchant in writing.
- 2.9 Pursuant to Clause 2.9, upon QFPay's decision to terminate the account with the Merchant, no refunds of any kind shall be issued under any circumstances. All Service Fees paid, including but not limited to application and integration fees, are non-refundable.
- 2.10 The Merchant who uses the Services shall be deemed authorizing QFPay to collect and use in a reasonable manner any information or Data generated during the Merchant's use of Services, including but not limited to identity information, account information and Transaction information. In order to enhance the Service, QFPay shall have rights to apply the abovementioned information or Data to the business development and products improvement.

3. THE RIGHTS AND OBLIGATIONS OF THE MERCHANT

- 3.1 The Merchant shall at all times comply with:
- (A) the provisions of this Agreement;
- (B) any instructions or rules given by a Card Scheme or Wallets, including those reflected in this Agreement, provided or made available to the Merchant from time to time, or made publicly available. This includes, but is not limited to, the following:
- Mastercard Rules and Compliance Programs available at <https://www.mastercard.com/global/en/business/support/rules.html>;
 - Visa Core Rules and Visa Product and Service Rules available at <https://www.visa.com.hk/content/dam/VCOM/download/about-visa/visa-rules->

[public.pdf](#);

- (C) AML/CFT related legislation;
- (D) Data Protection Legislation;
- (E) all Applicable Laws to which the Merchant may be subject and shall comply in all respect with all Sanctions, including those statutory and regulatory requirements which apply to the sale of goods and/or services by the Merchant in connection with the Transactions and the execution and performance by the Merchant of the obligations under this Agreement; and
- (F) the obligations relating to the sale and/or supply of goods and/or services by the Merchant to Buyers.

3.2 By executing the Application Form, each Director and each beneficial owner of the Merchant, as identified therein, hereby unconditionally and irrevocably guarantees, as a principal obligor and not merely as a surety, the full and punctual performance by the Merchant of all obligations under this Agreement. Each such individual shall be jointly and severally liable with the Merchant for all debts, liabilities, and obligations arising from or in connection with the use of the Services, including, without limitation, any unpaid Fees, Chargebacks, Assessments, and other losses, whether or not the Merchant continues to exist as a legal entity.

3.3 The Merchant undertakes that the Merchant is not, and will procure that none of Personnel or persons acting on behalf of the foregoing is, a Restricted Person and does not act directly or indirectly on behalf of a Restricted Person. The Merchant shall to the extent permitted by law promptly upon becoming aware of them supply to QFPay details of any claim, action, suit, proceedings or investigation against the Merchant or its Personnel with respect to Sanctions by any Sanctions Authority.

3.4 The Merchant shall honestly and truthfully provide information on the qualifications of the Merchant to QFPay, including but without limitation to basic information on business and operation, business license (or any identification documentation issued by a competent administrative certifying that the Merchant is legally registered in accordance with the laws of its place of registration), ICP (Internet Content Provider) License, identification of the contact person or Representative, the letter of Merchant Bank Account, corporate e-mail address (other than personal e-mail account), etc. Moreover, if the Merchant is engaged in the business which needs to obtain special license in accordance with the laws or regulations of relevant country or region where the Merchant located, the Merchant should also provide the relevant qualification document.

3.5 The Merchant will comply promptly with all requests for information made by QFPay for the purpose of meeting QFPay's operational and legal requirements to

carry out Merchant Due Diligence in relation to the Merchant (including providing personal information about the Merchant's directors and beneficial owners). Following successful registration, the Merchant shall cooperate with QFPay and promptly provide relevant Transaction information upon request if unusual Transactions occur, including but not limited to the information described in Clause 3.8 and Clause 3.9. Failure by the Merchant to comply with this obligation shall constitute a material breach of this Agreement.

3.6 The Merchant shall refrain from doing anything which QFPay reasonably believe to be disreputable or capable of damaging the reputation or goodwill of QFPay, any Other Financial Institution, Card Schemes or Wallets.

The use of Acquiring Services

3.7 The Merchant shall not provide Payment Services in connection with any Transaction that is prohibited under this Agreement, including but not limited to payments related to Prohibited Goods and Services as listed in Schedule 8, which may be updated by and Card Schemes from time to time, Applicable Laws, or internal policies of Wallets and Card Schemes. Furthermore, the Merchant shall ensure that any such Transaction resulting in payment processing may be deemed a violation of this Agreement, Applicable Laws, internal policies of Wallets and Card Schemes. Wallets and Card Schemes shall retain the right to deny the provision of any Payment Services for any Transaction deemed a Prohibited Transaction. The Merchant agrees to indemnify and hold harmless QFPay against any and all damages, losses, and liabilities incurred by QFPay as a result of or in connection with such Prohibited Transactions.

3.8 The Merchant shall only accept payments from and/or make Refunds to Buyers in connection with goods and/or services which the Merchant has sold and supplied as principal to those Buyers, and only pay such Refunds to the Buyer using the payment method used by the Buyer for the original Transaction. The Merchant shall ensure the legitimacy, authenticity, accuracy and completeness of the order information. When accepting an order from the Buyer, the Merchant shall record, including but not limited to the goods and/or services name, product number, price per unit, total price charged, payment methods, delivery information of the goods and/or services ordered. QFPay reserves the right to require the Merchant to provide such relevant Transaction information for regular inspection.

3.9 The Merchant shall take full responsibility to ensure that goods or/and services are delivered to the Buyer as agreed and described and ensure that the consignee is the Wallet holder, the Cardholder or the person authorized to pick up. The Merchant shall keep all the Transactions records, including but not limited to the details enumerated under Clause 3.8, Buyer/ Cardholder/ Wallet holder verification for good and/or

services provided, shipping and delivery records (for example, verification of Buyer/Cardholder/ Wallet holder identification for the purchase or pick-up when the Merchant considers this is reasonable, a valid shipping and delivery note with receiver sign-off record, a CCTV records for an in-shop purchasing, etc). QFPay reserves the right to investigate and validate any Transactions and any failure to provide such evidence shall constitute conclusive evidence of Fraud.

3.10 The Merchant shall only accept payments and/or make Refunds in respect of goods and/or services which falls within the business scope previously disclosed to and approved by QFPay. The Merchant acknowledges QFPay may, act reasonably, amend the MCC (the Card Schemes' categorisation of merchant businesses) solely to better reflect the Merchant's actual business. QFPay is entitled to suspend the Services according to specific circumstances, including but not limited to selling prohibited goods and/or services as listed in Schedule 8, or in the event of complaint and dispute resulting from the Merchant's failure to provide timely notice. The Merchant shall bear full responsibility for such consequences. The Merchant is solely responsible for declaring the correct MCC. Any misclassification may result in penalties or charges from Card Schemes or Wallets, which the Merchant shall bear. The Companies may recover such amounts or deduct them from any Settlement.

3.11 The Merchant shall notify QFPay in writing before a Merchant Material Adverse Change occurs. Additional Charges may be incurred if the Merchant fails to notify QFPay any Merchant Material Adverse Changes.

3.12 The Merchant shall promptly notify QFPay in writing and obtain QFPay's prior written consent (which may be withheld at its sole discretion) if the Merchant changes registered address or place of business or any URL of any website or suspends its business where the Merchant will accept payments by Cards or Wallets. An additional fee may be incurred or/and QFPay is entitled to suspend the Services if the Transaction is made out of any addresses, place of business or a URL of any website which is not identified by and/or authorized by and/or reported to QFPay accepted payments by Cards or Wallets.

3.13 (where QFPay has agreed in writing that the Merchant may accept Recurring Transactions) in relation to any Recurring Transaction, the Merchant shall:

- (A) obtain a Recurring Transaction Authority from the Buyer for such Recurring Transaction and confirm, within two (2) working days of the date of the Recurring Transaction Authority, to the Buyer via the agreed method of communication that a Recurring Transaction Authority has been established;
- (B) notify the Buyer via the agreed method of communication at least seven (7) working days prior to a Recurring Transaction payment being

charged to the Buyer's Cards and/ or Wallets if:
(i) the payment amount has changed; (ii) the payment date has changed; (iii) more than six (6) months have elapsed since the last Recurring Transaction payment; or (iv) a trial period, introductory offer or promotional activity has expired;

- (C) not effect (or seek to effect) a Transaction under the Recurring Transaction Authority once the Recurring Transaction Authority has expired, or once the Buyer has notified the Merchant that the Buyer wishes to cancel such Recurring Transaction Authority; and
- (D) retain securely the Recurring Transaction Authority or at least a period of eighteen (18) months after the date of final Transaction effected under it, and produce each Recurring Transaction Authority to QFPay on demand.

To avoid doubt, the Merchant may not accept Recurring Transactions unless QFPay has previously agreed with the Merchant in writing that the Merchant may do so.

3.14 The Merchant shall ensure that the Merchant prominently and unequivocally inform Buyers of (i) the identity of the Merchant at all points of interaction with a Buyer (including prominently displaying QFPay's name and any trading name on any website through which the Merchant conduct Transactions), so that the Buyer can readily identify the Merchant as the counterparty to the relevant Transaction; and (ii) (in respect of eCommerce Transactions) location (physical address), which must be clearly identified on the home and payment page of any relevant website to enable the Cardholder to easily determine whether the Transaction will be a domestic transaction or a cross-border Transaction.

3.15 The Merchant shall offer Buyers a documented complaints procedure and customer service contact point accessible by e-mail and/or telephone.

Security Measures of Access Codes and MMS Account

3.16 The Merchant shall take effective measures to properly keep the Access Codes for MMS Account and Merchant APP. The Merchant shall be responsible for managing and maintaining its Access Codes and MMS Account. All actions of the MMS Account and the Merchant APP are deemed as those of the Merchant.

3.17 The Merchant shall ensure that the Access Codes are not made known to any other Person. The Merchant shall use all reasonable endeavours to ensure that there is no unauthorised use of the Access Codes, Terminals or of any other confidential material or information used in the provision or use of MMS Account. However, if the Merchant suspects that there may be or has been or are aware that there has been unauthorised use of the Access Codes or of any other confidential material or information used in the provision or use of MMS Account, the Merchant shall notify QFPay immediately via telephone or/ and email, with confirmation of such notification in writing, using

the relevant contact information (see introduction above). QFPay will use reasonable endeavours to prevent unauthorised use of MMS Account and Merchant APP upon receiving such notification.

- 3.18 The Merchant acknowledges and agrees that the Merchant is solely responsible for establishing and applying adequate security systems and procedures:
- (A) to comply with the provisions of clause 3;
 - (B) for monitoring all use of or access to Access Codes, Terminals, MMS Account and Merchant APP in order to ensure that any Authorised User is using or accessing MMS Account and Merchant APP within the limits of their authority and that no Transactions have been effected which would indicate that unauthorised persons are in possession of Access Codes; and
 - (C) in relation to Data after it has been accessed via, or printed or downloaded from, MMS Account and Merchant APP.
- 3.19 The Merchant is responsible for all costs and losses resulting from any unauthorised activity in connection with MMS Account and Merchant APP (including use of Access Codes and Terminals). The Merchant acknowledges and agrees that without limitation QFPay may suspend the Services, at the Merchant's cost, take such other steps as QFPay considers necessary under below circumstances:
- a. if the Merchant has acted fraudulently;
 - b. if the Merchant has either intentionally or not, and whether or not through negligence, failed to comply with the provisions of this Agreement (including failing to protect Access Codes under clauses 3.16, 3.17 or 3.19);
 - c. if the Merchant has fails to notify QFPay of the unauthorised transaction under clause 4.13); or
 - d. whenever QFPay becomes aware of a high risk of unauthorised payment or fraudulent Transaction, regardless of whether such risks are substantiated or proven as facts.
- 3.20 The Merchant shall, not itself or through a Third party, reverse engineer or copy any technology of a proprietary nature which QFPay makes available to the Merchant. The Merchant shall not reprint, copy, cut out or tamper with the contents on the website of QFPay or produce derivative products in relation to such contents without written authorisation from QFPay. Without the prior written authorisation from QFPay, the Merchant shall not produce derivative products in relation to such contents in the MMS Account and/or the Merchant APP.
- 3.21 The Merchant shall only submit Data to QFPay directly from its own staff or systems, or via a Third Party Product which has been expressly approved by QFPay in writing as one QFPay is entitled to use to submit Data to QFPay, and in respect of which the Merchant shall ensure that appropriate compliance standards, licences and clearances are obtained (and the correct licence fees or royalties paid) for the use of all such Third Party Products used in connection with the Services.
- 3.22 The Merchant shall not leak or transfer the interface technology, security protocol or certificate provided by QFPay to a Third party for any purposes outside the scope of this Agreement or pass off Third party's transaction as its own Transaction to settle account with QFPay.
- 3.23 If any action or proceeding is brought:
- (A) against QFPay by a Third party; or
 - (B) by QFPay against a Third party, in relation to any Transaction or dealing with or for the Merchant, the Merchant shall co-operate with QFPay to the fullest extent possible in the prosecution or defense of such action or proceeding.
- 3.24 The Merchant shall only access and use:
- (A) the Data that QFPay makes available via MMS Account; and
 - (B) the Documentation, solely in accordance with the Services granted to the Merchant by QFPay under clause 2.1 & 2.2.
- 3.25 The Merchant shall notify QFPay as soon as the Merchant terminates the authority of an Authorised User.
- 3.26 Except as expressly permitted under this Agreement, the Merchant must not copy, download, disclose or make available to any Third party any Data from MMS Account or the Documentation in whole or in part for any purpose whatsoever.
- 3.27 Unless otherwise agreed by QFPay in writing, the Merchant acknowledges and agrees that the Merchant shall (at the Merchant's own cost) be solely responsible throughout the duration of this Agreement for the provision of all equipment, software, systems and telecommunications facilities which are required to enable the Merchant to receive the Services (including any adjustments pursuant to clause 22.1). This includes any integration related costs, incurred prior to, on or after the Commencement Date.
- 3.28 The Merchant further agrees to provide QFPay with evidence of compliance with this warranty and undertaking on request by QFPay, including the accounting records relating to the permanent establishment/business registration as the case may be.
- Fraud Responsibility and Operational Control**
- 3.29 The Merchant shall be fully responsible and liable for all Transactions processed through its account, including any Fraud, Reported Frauds, Suspicious and Potential Frauds. The Merchant must cooperate fully with QFPay and relevant authorities in the investigation, resolution, and prevention of such Transactions.
- 3.30 The Merchant shall take full control and responsibility

for i) the entire payment process, including obtaining proper authorisation from Buyers; ii) the sales process, including marketing, pricing, and contractual terms with Buyers; and iii) the delivery of goods or services, ensuring timely and accurate fulfilment in accordance with the Buyer's expectations and applicable laws.

- 3.31 Upon request, the Merchant must promptly provide complete and accurate transaction records, including but not limited to:
- (A) Purchase orders, invoices, or receipts;
 - (B) Proof of delivery or service fulfilment (e.g. tracking numbers, confirmation emails);
 - (C) Buyer communications or email correspondence; and
 - (D) Identity or payment verification records.
- 3.32 The Merchant agrees to implement reasonable measures to detect and prevent fraudulent activity in connection with its use of the Payment Services. Such measures shall include, but are not limited to:
- (E) Verifying Buyer identity and payment credentials;
 - (F) Monitoring for abnormal transaction patterns;
 - (G) Using fraud prevention tools or alerts; and
 - (H) Immediately notifying QFPay of any suspicious or unauthorised activity.
- 3.33 In the event that the Merchant fails to provide requested documentation or refuses to cooperate in good faith during any investigation or review, such failure shall be deemed conclusive evidence of fraudulent activity. QFPay reserves the right, without limitation, to take any or all of the following actions:
- (I) Classify the relevant transaction(s) as fraudulent;
 - (J) Impose or increase Reserve requirements or withhold settlement of funds;
 - (K) Reverse any previously settled funds related to the transaction(s);
 - (L) Terminate this Agreement with immediate effect; and
 - (M) Report the matter to relevant Card Schemes, Wallets, or Regulatory Authorities.

4. FEES, CHARGES, REFUNDS AND OTHER PAYMENTS DUE FROM THE MERCHANT

Fees, charges, and other payments due from the Merchant

- 4.1 All Service Fees, applicable Fees and Additional Charges payable to QFPay under this Agreement are immediately due and payable on provision of the relevant Service to the Merchant. All Service Fees, applicable Fees and Additional Charges will be calculated and rounded up to the nearest ten (10) Hong Kong cents.
- 4.2 The Merchant agrees and undertakes to pay the Service Fees and Settlement Fee (if applicable) for the use of the Payment Services. The Merchant further covenants that it shall not, whether directly or indirectly, transfer or pass on any such Service Fee or Settlement Fee (if applicable) to its Buyers in the ordinary course of business.

- 4.3 Unless stated otherwise, all Fees, Charges and other payments to be made by the Merchant under this Agreement are exclusive of Goods and Services' Tax and any other applicable Taxes under any Applicable Laws or governmental decree, for which the Merchant shall also be liable. Any Tax payable in respect of the Services provided or payments made under this Agreement (other than Tax payable on QFPay's net income, profits or gains) will be payable by the Merchant.

In addition:

4.2.1 Joint liability for Tax: If both Parties are jointly liable for any Tax, such Tax will be payable by the Merchant. QFPay may however (but shall not be obliged to) pay any such Tax to the relevant Tax Authority and, if QFPay pays it, the Merchant will immediately reimburse QFPay for it. QFPay may, at their sole discretion, deduct such sums from any Settlement, Outward Payment or sums held by QFPay and owed to the Merchant.

4.2.2 Tax Deduction: If a deduction or withholding on account of Tax (a **Tax Deduction**) is required by Applicable Laws, QFPay may make such Tax Deduction from any Settlement or Outward Payment and will pay such amounts as are due to the relevant Tax Authority. For the avoidance of doubt, QFPay will not be obliged to increase or gross-up any payment on account of any Tax Deduction. At the Merchant's request, QFPay will provide confirmation that the Tax Deduction has been made and/or that the appropriate payment has been made to the relevant Tax Authority.

4.2.3 Information required by a Tax Authority: If a Tax Authority requires information from QFPay in relation to the Merchant and/or Transactions processed under this Agreement, the Merchant hereby agrees that QFPay may provide such information. The Merchant agrees to provide QFPay with Tax identification details on request.

- 4.3 Where QFPay does not Settle to the Merchant net of amounts owed by the Merchant to QFPay (as referred to in clause 5.6), while all sums are due immediately, they will be payable in accordance with the terms of any invoice issued by QFPay, or such period as applies to any direct debit.
- 4.4 QFPay may from time to time vary the Fees and/or introduce new charges in addition to the Fees, and such variations or new charges shall take effect on the date specified in the relevant email notice.

Refunds

- 4.5 The Merchant shall maintain and disclose to Buyers at the time of purchase a fair policy for the return of goods or cancellation of services. The Merchant shall not give a cash refund to a Buyer for a payment made using a Card, unless required by Applicable Laws, nor accept cash or other compensation for making a refund

to a Card. The Merchant shall ensure that any refund is only effectuated through the system interface provided by QFPay, otherwise the resulting dispute and risk shall be borne by the Merchant accordingly

- 4.6 Refund arising from the Transactions of the Merchant shall be handled in accordance with the following provisions:
- (A) When making a request to QFPay for Refund, the Merchant shall have sufficient deposit for the refund in its account. QFPay shall complete the Refund by way of deducting the Refund amount from the account of the Merchant within a reasonable period;
 - (B) If the Refund cannot be deducted as a result of the insufficient balance of unsettled fund, the Merchant shall make further written refund request to QFPay until the amount of unsettled fund is sufficient to be deducted;
 - (C) Refund period shall be ninety (90) calendar days; and
 - (D) QFPay shall charge for handling fee for Transaction. However, if the designated bank of the Merchant requires QFPay to pay for the relevant fee, QFPay may pay such fee in advance, but it shall solely be borne by the Merchant by way of deduction from its unsettled fund.
- 4.7 The form and procedure for making Refunds is specified in the Merchant Operating Instructions applicable to the type of Refund. A Refund only arises in circumstances where there is an originating Transaction which is being reversed or partially reversed. The Merchant must ensure the amount of any Refund does not exceed the amount of the initiating Transaction. The Merchant is solely liable for any misuse of facility or any Service to process Refunds, including where there is no originating Transaction
- 4.8 Subject to the provisions of this Agreement, where QFPay is providing Acquiring Services the value of any Refund will be credited to the Buyer's payment service provider's account by no later than the end of the Business Day after the Merchant submits the Refund, unless the Merchant submits the Refund after 15:00 Hong Kong Time (HKT), in which case, the Refund will be deemed to have been submitted on the next Business Day. The time periods in this clause 4.8 shall not apply where the Buyer's payment service provider is located outside the EEA.
- 4.9 QFPay may refuse to execute a Refund if it does not meet the conditions in this Agreement or is prohibited by Applicable Laws. If QFPay refuses to execute a Refund, within the time for processing the Refund, QFPay will notify the Merchant (i) (unless prohibited by law) of the refusal, (ii) (if possible) the reasons for such refusal, and (iii) (where it is possible to provide reasons for the refusal and those reasons relate to factual matters) the procedure for correcting any factual mistakes that led to it. Any payment order that QFPay refuses will be deemed not to have been

received for the purposes of execution times and liability for non-execution or defective execution.

- 4.10 Where QFPay executes a Transaction or Refund in accordance with details provided by the Merchant, the Transaction or Refund will be deemed to have been correctly executed by QFPay and any Other Financial Institution involved. Where the details provided by the Merchant are incorrect, QFPay is not liable for the non-execution or defective execution of the Transaction or Refund, but QFPay will make reasonable efforts to recover the funds involved in such a Transaction or Refund and QFPay may charge the Merchant for any such efforts.
- 4.11 Subject to the provisions of clause 4.10 and where QFPay is liable for:
- (A) the correct execution of Refunds unless QFPay can prove to the Buyer and, where relevant, the Buyer's payment service provider that the Buyer's payment service provider received the amount of the Refund in accordance with clause 4.8. Where applicable, on the Merchant's request, QFPay will make immediate efforts to trace a non-executed or defective Refund and notify the Merchant of the outcome and without undue delay refund to the Merchant the amount of the non-executed or defective Refund and, where applicable, restore MMS Account to the state it would have been in had the non-execution or defective execution not taken place; and
 - (B) any: (1) charges for which the Merchant is responsible; and (2) interest the Merchant must pay,
- in each case, as a consequence of the non-execution or defective execution.
- 4.12 Subject to the provisions of clause 4.10, where the Merchant and a Transaction is initiated by the Merchant as a payee (e.g. direct debit) as opposed to through the Merchant (e.g. a Point of Sale Transaction), QFPay is liable for the correct transmission of the payment order in accordance with Applicable Laws. If QFPay becomes aware of the non-execution or defective execution of a Transaction in circumstances where QFPay is liable, QFPay will immediately re-transmit the payment order in question and make immediate efforts to trace the Transaction and notify the Merchant of the outcome. Where QFPay can prove to the Merchant and, where relevant, to the Buyer's payment service provider that QFPay is not liable in respect of a non-executed or defectively executed Transaction, the Buyer's payment service provider is liable to refund to the Merchant the amount of the non-executed or defective Transaction and, where applicable, restore MMS Account to the state it would have been in had the non-execution or defective execution not taken place.
- 4.13 The Merchant must notify QFPay promptly after becoming aware (and in any event within thirteen (13) months of the Transaction) of any Refund which has

not been correctly executed.

4.14 The Merchant shall notify QFPay promptly of any unauthorised Transactions. If the Buyer requests a refund from QFPay for unauthorized payment or other fraudulent Transactions, the Merchant shall implement the following rules:

- (A) QFPay has the right to withhold the Transaction amount with immediate effect;
- (B) the Merchant shall provide the evidence of Transaction within three (3) Working Days upon QFPay's request;
- (C) If QFPay does not receive the Transaction evidence, or deem the Transaction evidence inadequate, QFPay shall set-off the Transaction amount in accordance with Clause 10.2.; and
- (D) After the Merchant provides the Transaction evidence, QFPay shall assess the evidence to determine the effectiveness of the refund request. The Merchant must expressly agree to indemnify and hold QFPay harmless for the amount to be agreed between the Merchant and QFPay refunded to the Buyer.

4.15 If the Merchant fails to pay any amount under this Agreement when due, then in addition to any of our other remedies under this Agreement, QFPay may charge the Merchant any reasonable costs and expenses incurred by QFPay in endeavoring to collect any unpaid and overdue amounts, including any debt collection agency charges and reasonable legal costs which are incurred by QFPay in exercising our rights under this Agreement, including enforcement of it.

5. PAYMENTS TO THE MERCHANT

5.1 Subject to QFPay exercising their rights to withhold, deduct or set off in accordance with this Agreement, QFPay shall transfer to the Merchant an amount equal to the Net Settlement Amount calculated as follows:

Net Settlement Amount = Settlement – Service Fee – any sums specified in clause 5.10 (if any)

5.2 The payment Transaction Data shall be retained for three (3) months on MMS Account and available for free access and download by the Merchant. The Merchant is advised to perform monthly backups of the Transaction Data. Any request for Transaction Data that is no longer available on the MMS Account shall be subject to a retrieval fee of HK\$500 per calendar month of data requested.

5.3 After QFPay shows and values date Transactions to MMS Account in accordance with clauses 5.10 to 5.14 (inclusive), QFPay shall initiate or procure the initiation of each Settlement by bank transfer to Merchant Bank Account on the later of the following:

- (A) the Settlement Date; and
- (B) the expiry of any period of deferment pursuant to clause 5.10 in respect of the relevant Transactions.

5.4 The Merchant acknowledges and agrees that the actual time of receipt of payment time is subject to operation

and settlement period of the intermediary banking system.

5.5 The handling fee for local transfer of Settlement calculated in Hong Kong Dollar from QFPAY's bank account to the Merchant Bank Account shall be borne by QFPay. However, all other charges including those imposed by the receiving bank, intermediary banks, or any other payment service providers involved in processing or receiving Net Settlement Amount on behalf of the Merchant, shall be the sole responsibility of the Merchant. The Companies will only be responsible for bank charges, if any, imposed by the banks from which the transfer of the Net Settlement Amount is initiated.

5.6 The Settlement Threshold and Settlement Period designated to the Merchant by QFPay is listed in the Application Form. If the total amount of balance of all Transaction Value to be transferred by QFPay to the Merchant under Clause 6.1 in any Settlement Period is less than the Settlement Threshold listed in the Application Form, such Settlement payment shall be accrued to the next Settlement Period.

5.7 QFPay shall have rights to adjust the Settlement Period on ground of the Merchant's state of operation, adjustment of business and actual payment status. QFPay shall notify the Merchant via email in advance.

5.8 In respect of any sums specified in clause 5.14 below, QFPay may at our option (which QFPay may exercise in our sole and absolute discretion):

- (A) deduct or withhold such sums from, or set off such sums against, any amount QFPay is otherwise obliged to pay the Merchant; and/or
- (B) provide or make available to the Merchant (including by email or on a portal from which it can be accessed and/or downloaded) an invoice for any or all such sums, which invoice shall be payable in accordance with its terms.

5.9 The sums referred to in clause 5.8 are:

- (A) any Refunds;
- (B) any Chargebacks;
- (C) any Assessments;
- (D) any Chargeback Costs;
- (E) any Additional Charges listed in Schedule 7;
- (F) any Claims;
- (G) any Anticipated Liabilities
- (H) any Reported Frauds,
- (I) any Suspicious and Potential Frauds;
- (J) any Fees;
- (K) any Reserves as described in Clause 11.2; and
- (L) any other charges or amounts due from the Merchant to QFPay under this Agreement or otherwise.

5.10 In addition to QFPay's rights under clauses 5.8 and 5.9, QFPay reserve the rights to defer or suspend all or any Transactions, Representments, Retro-Charges, or amount QFPay is obliged to pay the Merchant:

- (A) if, following any deductions pursuant to clause 5.8, such amount is less than the minimum Settlement Threshold that QFPay reasonably determines in their sole and absolute discretion (of which QFPay will notify the Merchant from time to time), until the total Settlement payable reaches that Payment Threshold;
- (B) where QFPay reasonably believes that a Transaction (including activity which would otherwise have constituted a Transaction) be fraudulent or involve other criminal activity, until the satisfactory completion of our investigation and/or that of any Other Financial Institution, Regulatory Authority, Card Scheme, Wallets or any other Third party;
- (C) in the event that QFPay is required and/ or instructed by any regulatory bodies, court order or Laws;
- (D) if the Merchant fails to maintain or provide the Transaction records and verification of services provided, shipping and delivery records (including those listed in clause 3.9) that is consistent with processed Transaction; and
- (E) without limit in amount or time, if QFPay becomes aware or reasonably believes that the Merchant is in breach of or likely to be in breach of the obligations under this Agreement.

5.11 QFPay may suspend where QFPay reasonably believe that a Transaction, Refund, Representment or Retro-Charge (including activity which would otherwise have constituted a Transaction, Refund, Representment or Retro-Charge) may be fraudulent or involves any criminal activity, until the satisfactory completion of investigation and/or that of any, Other Financial Institution, Regulatory Authority, Card Scheme, Wallets or any other Third party.

5.12 In the event that QFPay exercises the rights under this clause 5, QFPay shall notify the Merchant of any such action and the reasons for it, unless QFPay is prohibited from doing so under the Applicable Laws. Subject to reasonable security measures and Applicable Laws, QFPay will notify the Merchant before any suspension of processing under clause 5.11 if QFPay is able to do so, or otherwise immediately after such suspension.

5.13 Settlement shall be paid in the currency or currencies agreed between the Merchant and QFPay as set out in the Application Form, or as otherwise agreed in writing by both Parties from time to time. Where QFPay applies a currency conversion to Settlement, QFPay uses prevailing Exchange Rate of the day which is applied on: (a) the date of Settlement, in the case of Point-of-Sale Transactions (including Card Not Present Transactions; and (b) the date on which the Transaction is sent to the Wallets or Card Schemes, in the case of eCommerce Transactions.

5.14 In circumstances where QFPay receives Transaction funds, the Merchant hereby unconditionally instructs

and authorizes QFPay or any Other Financial Institution to Settle such funds to one or more MMS Accounts for the purpose of holding the funds received in respect of Transactions the Merchant has processed (net of any amounts due to QFPay) on behalf of the Merchant, prior to making each Settlement to the Merchant. The Merchant shall not be entitled to receive interest, if any, paid by QFPay's bank service provider in connection with funds held in the MMS Accounts and any such interest may be retained by QFPay.

6. CHARGEBACKS AND ASSESSMENTS

6.1 Each Chargeback and each Assessment represent a debt immediately due and payable by the Merchant to QFPay. QFPay reserves the right to withhold any Settlement without any prior notice.

6.2 The Merchant acknowledges and undertakes the responsibility to take initiative and all reasonable endeavors to handle complaints and dissatisfaction from Buyers in order to avoid the occurrence of Chargebacks. If the accumulated Chargeback ratio is 0.5% or above (whether calculated by accumulated numbers of Chargebacks or accumulated Transaction volumes compared to total Transactions by count or volume in a rolling 30-day period), Additional Charges are incurred and immediately due and payable by the Merchants to QFPay until the accumulated Chargeback ratio falls below the threshold (0.5%). The Additional Chargeback Costs may vary with the accumulated Chargeback ratio which is listed in the Schedule 7.

6.3 The Merchant acknowledges and agrees that the Merchant may be required to reimburse QFPay for Chargebacks in circumstances where the Merchant has accepted payment in respect of the relevant Transaction, even if the Merchant is under no legal liability in respect of the supply of the goods or services concerned. To the extent permitted by Applicable Laws, QFPay shall notify the Merchant as soon as reasonably practicable of any applicable Chargebacks, Chargeback Costs and Additional Charges which have occurred or been incurred. Such notification may be given via a link to a URL which QFPay may provide to the Merchant.

6.4 Any Chargebacks for which the Merchant is required to reimburse QFPay shall correspond to the whole or part of the Settlement value in the currency of the original Transaction. With the Merchant's written consent (not to be unreasonably withheld or delayed) the amount may be converted to the Settlement currency from the currency of Chargeback at the Exchange Rate quoted to QFPay.

6.5 In the event that the Merchant wishes to dispute a Chargeback, it is the Merchant's responsibility (i) to prove to QFPay's reasonable satisfaction (which shall, without limitation, be conditional upon the relevant Wallets, Card Scheme, Card Issuer, Other Financial

Institution, as the case may be, confirming it is satisfied) that the debit of the Buyer's account was authorised by such Buyer; and (ii) (additionally) to provide QFPay with such other evidence as QFPay or any Card Issuer, Other Financial Institution or Card Scheme may require the Merchant to provide in support of the Merchant's claim. The evidence required to be provided will depend on, among other things, the nature of the Chargeback, and may vary accordingly.

- 6.6 Neither QFPay nor any Other Financial Institution shall be obliged to investigate the validity of any Chargeback or Assessment. The Merchant acknowledges and agrees that any decision or determination of the relevant Card Scheme and Wallets as to the validity and extent of any Chargeback and/or Assessment shall be final and binding.
- 6.7 As Chargebacks may arise a considerable period of time after the date of the relevant Transaction, the Merchant acknowledges and agrees that, notwithstanding any termination of this Agreement for whatever reason, QFPay shall remain, without prejudice to Clause 8, entitled to recover Chargebacks and Chargeback Costs from the Merchant (and, where relevant, from any Person who has provided QFPay with a guarantee or security relating to the Merchant's obligations under this Agreement) in respect of all Chargebacks that occur in relation to Transactions effected during the term of this Agreement.
- 6.8 If the Merchant wishes to dispute a Chargeback or Assessment, the Merchant will do so in accordance with the applicable procedure set out in the Merchant Operating Instructions. In the case of a disputed Chargeback or Assessment, the Merchant must provide QFPay within any specified timeframe with the evidence required by QFPay, Wallets, Card Scheme or the Card Issuers.
- 6.9 QFPay reserves the right to withhold Settlement of funds and impose the Reserves in the conditions in Clause 11.2 if the Merchant is identified as having an excessive chargeback rate or engages in high-risk transaction behavior. Throughout the holding period, QFPay may conduct a risk assessment and request additional documentation from the Merchant. Release of funds is subject to QFPay's sole discretion, based on its determination that the outcome of its investigation is reasonable and justified as described in Clause 11.2, and that the Merchant's activities are in compliance with QFPay's operational standards, AML/CFT Systems and all Applicable Laws and regulations.

7. TRANSACTION LIMITS

- 7.1 In respect of the Acquiring Services, QFPay shall have no obligation to notify the Merchant of any applicable Transaction Limit. QFPay reserves the right to impose transaction limits at their sole discretion, taking into account the Merchant's business model, historical transaction volume, and the estimated transaction

volume as declared in the Application Form. Such Transaction Limits may be amended from time to time.

- 7.2 The Merchant shall not exceed the Transaction Limit or complete a Transaction in excess of the Transaction Limit without QFPay's prior approval (to be given in its sole and absolute discretion). The Merchant must obtain prior approval from QFPay to be whitelisted for Transactions exceeding this limit. For the purposes of this clause 7.2. QFPay may give such approval without notifying the Merchant that the Merchant may not be able to store. Such Transaction Limit shall continue to apply unless QFPay has granted approval on it.
- 7.3 Unless otherwise agreed by QFPay or notified by QFPay in accordance with clause 7.1 or 7.2, the monetary value of the Floor Limit shall be zero.

8. BANK ACCOUNT AND PAYMENTS

- 8.1 The Merchant shall open and maintain its name in a Merchant Bank Account throughout the term of this Agreement and for such period as may be required thereafter for the purposes of any applicable provisions of this Agreement. The Merchant shall assume full responsibility for any losses incurred as a result of incorrect banking details provided in this Agreement and/or the Application Form.
- 8.2 In addition to, and without prejudice to the exercise of any rights under clauses 5.8 to 5.10, QFPay may debit the Merchant Bank Account, at QFPay option, for all sums that become due and payable by the Merchant to QFPay under or in connection with this Agreement, in accordance with the terms of the direct debit instruction maintained by the Merchant under clause 8.1. Where applicable, QFPay hereby authorises any Group Company of QFPay to collect Fees and other amounts owing to other Group Company of QFPay in relation to the Services provided by the latter, which may be collected directly from the Merchant Bank Account, whether under the direct debit mandate or otherwise, or as otherwise provided in the Agreement. Payment by the Merchant of the Fees for the Services provided by one another Group Company of QFPay will satisfy any corresponding amount due to the former.
- 8.3 The Merchant will ensure that the Merchant Bank Account shall at all times have a credit balance sufficient to meet any sums due and payable to QFPay under or in connection with this Agreement.
- 8.4 QFPay shall, if practicable, notify the Merchant in advance of any sums payable by the Merchant to QFPay which QFPay intends to debit by direct debit.
- 8.5 The Merchant shall notify QFPay in writing in advance of any changes proposed by the Merchant or any Third party in respect of the Merchant Bank Account (including the location of the branch at which such Account is held) and shall not implement such changes without QFPay prior written consent (such consent not

to be unreasonably withheld or delayed). If any changes in the Merchant Bank Account details are imposed on the Merchant, the Merchant shall notify QFPay in writing immediately, giving full details of such changes and the reasons for them.

- 8.6 This clause 8 shall not prejudice the Merchant's rights under Applicable Laws to recover payments made to QFPay by direct debit.
- 8.7 Any Settlement made, at the Merchant's direction, by QFPay to a Merchant Bank Account in the name of a person other than the Merchant will constitute good receipt by the Merchant of the sum due and owing by QFPay to the Merchant in relation to QFPay liability to the Merchant under this Agreement.

9. INTEREST

- 9.1 Subject to the provisions of clauses, 5.14, 11 and 15.3, if any Party (the defaulting party) fails to pay any amount under this Agreement when due, then the other Party shall be entitled to charge the defaulting party interest as penalty at a rate equal to 3% (three) per annum above the prime rate that is published by HSBC (Hong Kong) from time to time.
- 9.2 The Parties agree the provisions of this clause 9 provide a substantial contractual remedy and hence Money Lenders Ordinance of the laws of Hong Kong is excluded herein.

10. SET OFF

- 10.1 The Merchant hereby irrevocably authorises each Group Company of QFPay and any Other Financial Institution, at their sole discretion and without prior notice, to set off or withhold, by whatever means the whole or any part of the Merchant's liabilities to QFPay or any Other Financial Institution (as appropriate) under this Agreement or any other contract (whether such liabilities are present, future, actual or contingent or potential, liquidated or unliquidated and irrespective of the currency of their denomination) against any Settlement due to the Merchant or against any sums (whether or not related to the Transaction that gave rise to the liability) held by QFPay or any Other Financial Institution or owed to the Merchant under this Agreement or any accounts referred to in clause 11. Any credit balance with QFPay and/or any Other Financial Institution will not be repayable, or capable of being disposed of, charged or dealt with by the Merchant until such liabilities of the Merchant to QFPay and any Other Financial Institution have been met. Neither QFPay nor any Other Financial Institution allowing the Merchant to make withdrawals from any account the Merchant holds with QFPay or any Other Financial Institution will waive this restriction or QFPay or such Other Financial Institutions rights under this clause 10. QFPay will notify the Merchant as soon as reasonably practicable upon exercising our rights, and/or upon QFPay or any Other Financial Institution exercising QFPay or their rights, under this clause 10.1.

- 10.2 The Merchant agrees that QFPay shall be entitled, at its sole discretion, to set off, withhold settlement without any prior notice. The circumstances under which QFPay, Card Schemes and Wallets may exercise its rights under Clause 10.1 include, but are not limited to;
- (A) if the Merchant fails to comply with any term of this Agreement;
 - (B) if QFPay believes that the Merchant has or is likely to become subject to bankruptcy, insolvency, reorganization, winding up or similar dissolution procedures;
 - (C) if QFPay reasonably believes that there has been a material deterioration in the financial condition of the Merchant;
 - (D) if QFPay reasonably believes that any transaction is a Prohibited Transaction and believe that the Merchant may participate into any fraud activities or intend to enter any illegal, fraud and fake transactions and activities;
 - (E) if QFPay reasonably believes that the Merchant may provide or intend to provide any misleading or forged documents and information;
 - (F) if the Merchant fails to pay the Service Fees of Payment Services to QFPay as stipulated in this Agreement; and
 - (G) any loss to the Buyer or QFPay as a result of any breach of any other stipulation in this Agreement.

- 10.3 The Merchant is not entitled to any form of set-off in respect of any of QFPay or any Other Financial Institution's liabilities under this Agreement or any other Agreement (whether such liabilities are present, future, actual, contingent or potential) against any amounts due to QFPay or any Other Financial Institution from the Merchant.

- 10.4 Any exercise of QFPay or any Other Financial Institution's rights under this clause 10 shall be without prejudice and in addition to any other rights or remedies available to QFPay or any Other Financial Institution under this Agreement or otherwise.

11. SECURITY, ROLLING RESERVES AND COLLATERAL

Security

- 11.1 QFPay may at any time require that the Merchant procures, within seven (7) days (or such longer period as QFPay may determine is reasonable) after receiving QFPay written request, that a Person or Persons reasonably satisfactory to QFPay provides QFPay with a guarantee, indemnity or other security (including the replacement of any existing security) in such form and over such assets as QFPay may reasonably require (including Merchant Bank Account) to secure to QFPay reasonable satisfaction the performance of the Merchant's obligations (including contingent or potential obligations) from time to time under this Agreement.

Rolling Reserves and Collateral

11.2 QFPay shall have the right, at any time during the term of this Agreement or after its termination, to require the Merchant to provide and maintain a rolling reserve, security deposit, or other form of collateral (collectively, the **Reserve**) as QFPay may reasonably determine necessary to secure the performance of the Merchant's obligations under this Agreement. The Reserve may be used to cover any actual or anticipated liabilities, including but not limited to the sums described in clause 5.9.

11.3 QFPay shall have the right to determine the amount, form, and duration of the Reserve in its sole and absolute discretion, taking into account the Merchant's risk profile, transaction history, industry category, compliance status, and any actual or anticipated liabilities, in accordance with clause 11.5 and 11.6.

11.4 Without limiting the generality of the foregoing, QFPay may impose or increase a Reserve under circumstances including, but not limited to, the following:

- (A) where QFPay reasonably believes that a Merchant Material Adverse Change occurs, that the Merchant is engaged in undeclared or undisclosed business practices, including but not limited to package deals, prepaid services, or multi-level distribution models, or that Use of the Payment Services for Transactions are inconsistent with the Merchant's original Application or declared business nature;
- (B) Where QFPay observes or becomes aware of a significant increase in risk, including but not limited to: (i) Chargeback ratio exceeding 0.5% by count or value; (ii) Suspicious or fraudulent transaction ratio exceeding 0.5%, whether reported by Card Schemes, Wallets, Other Financial Institutions, or Regulatory Authorities;
- (C) Failure to provide adequate supporting documentation or transaction records upon request;
- (D) Unusual or inconsistent transaction patterns, such as spikes in volume, average ticket value, or velocity;
- (E) Unusual and unexplained transaction failure rate, being a failure rate exceeding 10% over any rolling 7-day period, as reasonably determined by QFPay.

11.5 Without prejudice to any other rights under this Agreement, QFPay shall be entitled to i) withhold and designate any unsettled amounts due to the Merchant as part of the Reserve; ii) demand the deposit of additional funds into a bank account, wallet, or escrow designated by QFPay; or iii) apply and set off the Reserve, in whole or in part, against any liabilities of the Merchant, including but not limited to the sums described in clause 5.9.

11.6 QFPay may continue to hold the Reserve for a QFPay – 2026 Apr

reasonable period after termination of this Agreement, not exceeding 540 days after the last Transaction, or longer if necessary for ongoing investigations based on the Merchant's risk exposure until:

- (A) all related reported chargebacks, refunds, fraudulent transactions, and suspicious activities have been fully resolved to QFPay's satisfaction;
- (B) no new claims or liabilities are reasonably anticipated; and
- (C) the exposure to QFPay is, in its reasonable determination, remote.

11.7 No interest is payable in respect of any security arrangements entered into in connection with this Agreement. Any security granted to QFPay in accordance with this clause shall be held on trust to secure the Merchant's obligations under this Agreement to QFPay.

11.8 In connection with this clause 11, QFPay may from time to time request the Merchant's reasonable assistance (at the Merchant's cost) with QFPay credit assessment. This assistance may involve the provision by the Merchant of its financial and trading information.

11.9 QFPay may charge the Merchant for QFPay reasonable external costs (including legal fees) incurred in obtaining the guarantee, indemnity and/or security referred to in this clause 11, and shall not be liable for any of the Merchant's costs.

The Merchant agrees to provide all information, documentation, and cooperation reasonably requested by QFPay in connection with the Reserve, including but not limited to updated financial statements, transaction evidence, and business model declarations. Failure to comply shall constitute a material breach of this Agreement.

11.10 QFPay may review, adjust, and revise the amount or form of the Reserve at any time based on the Merchant's updated risk profile, compliance status, or transaction performance.

12. TERM AND TERMINATION

The term of Agreement

12.1 This Agreement shall come into force on the Commencement Date and, unless otherwise terminated earlier in accordance with any provision of this Agreement, shall continue for an initial term of three (3) years thereafter until:

- (A) it is terminated in accordance with clause 12.2, such notice not to expire prior to the end of the Initial Term; or
- (B) it is terminated in accordance with clause 12.2.

12.2 For the purposes of termination by notice under clause 12.1:

- (A) Except in circumstances where Clause 12.5 applies, QFPay shall give the Merchant three (3)

- months' prior written notice; and
- (B) the Merchant shall give QFPay three (3) month's prior written notice.

12.3 In the event of the Parties' failure to request in writing for termination of this Agreement three (3) months prior to the first and subsequent expiration of this Agreement, this Agreement shall be deemed to be extended for three (3) years automatically subject to no limitation.

12.4 The clauses with respect to the Refund and confidentiality shall survive in the event of automatic renewal of this Agreement, and the Parties shall continue to perform accordingly.

QFPay's other termination and related rights

12.5 QFPay may terminate this Agreement or any Service, or suspend the provision of any Service with immediate effect, to be notified to the Merchant in writing, if the Merchant:

- (A) commits a material breach of this Agreement which: (1) is not, in QFPay's reasonable opinion, capable of remedy; or (2) if capable of remedy, is not remedied to QFPay's reasonable satisfaction within twenty-one (21) days of service of the notice requiring such remedy;
- (B) is insolvent;
- (C) is the subject of a petition, order, or resolution or any step in connection with winding up (whether solvent or insolvent);
- (D) ceases or threatens to cease to carry on all or a material part of the Merchant's business, except for the purpose of a bona-fide solvent reconstruction, amalgamation, re-organisation, merger or consolidation;
- (E) begins negotiations or proceedings, or propose or agree to defer, reschedule or readjust the Merchant's debts;
- (F) proposes or makes a general assignment of any of the Merchant's debts or an arrangement or composition with or for the benefit of some or all of the Merchant's creditors in respect of all or all of a particular type of the debts;
- (G) agrees to a moratorium, or a moratorium is agreed or declared in respect of all or a material part of (or a particular type of) the Merchant's debts or the Merchant otherwise proposes, seeks or agrees to defer, reschedule or readjust any of the debts;
- (H) is the subject of a petition for an winding order or an application for an winding-up order, or an administrator is appointed to the Merchant or notice of intention to appoint an administrator to the Merchant is filed or given, or any other step is taken by any person with a view to the administration of the Merchant under the relevant Bankruptcy and Winding-up laws including the passing of any resolution by the Merchant's directors or shareholders approving the presentation of any such petition, the making of any such application or appointment or the giving

of any such notice;

- (I) is the subject of any step for an execution or other process issued on a judgment, decree or order of any court in favour of a creditor of the Merchant that is returned unsatisfied in whole or in part, or any step to enforce security over, or a distress, execution or other similar process is levied or served against, the whole or a substantial part of the Merchant's assets or undertaking, including the appointment of a receiver, administrative receiver, manager or similar officer to enforce that security;
- (J) suffers or is subject to any equivalent event, circumstance or procedure to those set out above in this clause 12.5(B) to (I) (inclusive) in any other jurisdiction;
- (K) undergoes a Merchant Material Adverse Change;
- (L) breaches any applicable Trading Limit or Floor Limit;
- (M) fails to comply with clauses 17;
- (N) acts in a manner, or if anything happens to the Merchant or comes to QFPay attention in relation to the Merchant or arising from or incidental to the Merchant's business or the conduct of the Merchant's business (including trading practices or any individual's activity), that QFPay in our reasonable discretion consider:
 - (1) to be disreputable or capable of damaging the reputation of QFPay or that of any Card Scheme, Wallets or Other Financial Institution; or
 - (2) to be detrimental to QFPay systems, business or that of any Card Scheme or Other Financial Institution; or
 - (3) may or does give rise to fraud or any other criminal activity or suspicion of fraud or any other criminal activity; or
 - (4) may or does give rise to increased risk of loss or liability to any of QFPay ;
 - (5) may affect the Merchant's ability or willingness to comply with all or any of the Merchant's obligations or liabilities under this Agreement; or
 - (6) to be or to be for a purpose contrary to Applicable Laws and/or any policy of QFPay in relation to Applicable Laws;
- (O) fails to perform any of the Merchant's obligations under clause 11 (strictly in accordance with the timeframe set out therein); or
- (P) includes anything in the Application Form which is untrue, inaccurate or misleading.

12.6 QFPay may terminate this Agreement (or terminate or suspend the provision of all or part of any Service under this Agreement) with immediate effect, giving written notice, if:

- (A) QFPay or any of its Group becomes entitled to terminate any other agreement with the Merchant;
- (B) QFPay or any Other Financial Institution becomes entitled to enforce any guarantee or security from or in relation to the Merchant;
- (C) QFPay is required to do so by any Card Scheme or Regulatory Authority or Applicable Laws or

reasonably believes that a Transaction or Outward Payment or this Agreement or the performance of it may be contrary to Applicable Laws or Sanctions (and the Merchant acknowledges that no Group Company of QFPay is obliged to provide any Service if it reasonably believes such provision would result in a failure to comply with any Applicable Laws or Sanctions);

- (D) a Card Scheme, Other Financial Institution or any other Third party or any ceases to provide QFPay with any Service or service necessary for QFPay to provide a Service to the Merchant;
- (E) the Merchant installs and/or uses the Terminal(s) at a place other than the premises at which the Merchant has previously informed QFPay the Terminals shall be installed and used;
- (F) QFPay reasonably considers that any act or omission of the Merchant falls within a Reason Code;
- (G) the ratio of Chargebacks to Transactions exceeds one per cent (1%) by number or value, or QFPay otherwise consider in our sole and absolute discretion that the total volume or value of Refunds, Chargebacks and/or declined Authorisation Requests is excessive;
- (H) any Regulatory Authority or court of competent jurisdiction (an **Authority**) has taken action or made statements, orders, requests, directives or demands regarding the Merchant's activities or another person operating in the Merchant's industry (the **Actions or Communications**) and QFPay determines in its sole and absolute discretion that the Actions or Communications of any Authority may harm or otherwise adversely affect, directly or indirectly, the reputation or goodwill of QFPay if QFPay continues to process Transactions under this Agreement;
- (I) any of the above provisions of clauses 12.5(B) to (J), 12.4(O) and clauses 12.6(A) to (D) applies to a Person who provides any security under clause 11; or
- (J) any changes to or of Applicable Laws, including Sanctions, (i) prohibit QFPay from exercising any of the rights and/or performing any of obligations under this Agreement, (ii) subject either Party to potential penalties or enforcement actions by any Regulatory Authority or Sanctions Authority under Applicable Laws, or (iii) frustrate in any way the performance of the Agreement by either Party.

12.7 The Merchant shall inform QFPay upon becoming aware of any of the events set out in the following clauses: clauses 12.5(A) to (J) and clauses 12.6(A), (B), (E), (G) and (H).

12.8 Where any additional party specified in Schedule 1 serves the Merchant notice to terminate this Agreement under this clause 12, such termination shall only relate to the Services provided by that additional party. This shall not limit any other Party's right to

terminate this Agreement or any other Services.

12.9 The Merchant acknowledges and agrees that suspension or termination by QFPay in accordance with clauses 12.4 and 12.5 shall in no way create any cause of action, Losses, Claim or any other right (the **Action**) in favour of the Merchant against QFPay whether under Applicable Laws, contract, equity or otherwise. Without prejudice to the foregoing and notwithstanding clause 25, the Merchant hereby waives, and fully releases and discharges QFPay and its Group Companies from, any Action the Merchant may otherwise have arising from QFPay exercising such suspension or termination right, including any challenge in relation to the exercise of QFPay's discretion, and the Merchant agrees that the Merchant shall not apply to any Authority for any form of relief, including (without limitation) injunctive relief, that could constrain or prevent QFPay from exercising any of its rights of suspension or termination.

13. CONSEQUENCES OF TERMINATION

13.1 Upon termination of this Agreement all rights and obligations of any Party shall cease to have effect immediately, save that:

- (A) the clauses which expressly or by implication have effect after termination will continue to be enforceable notwithstanding such termination; and
- (B) termination shall not affect accrued rights and obligations of any Party under this Agreement as at the date of termination.

13.2 Upon termination of this Agreement, the Merchant shall immediately pay to QFPay all amounts owed by the Merchant to QFPay under this Agreement and QFPay shall immediately pay the Merchant all amounts owed to the Merchant by QFPay under this Agreement, subject to the provisions of clauses 5, 6 and 10.

14. INDEMNITY

IMPORTANT NOTE: THIS MERCHANT MUST READ THESE INDEMNITY PROVISIONS CAREFULLY. THEY PROVIDE IMPORTANT PROTECTIONS FOR BOTH PARTIES.

14.1 The indemnities in this clause 14 are in addition to and do not affect any other indemnity under or in connection with this Agreement, including without limitation in connection with clause 11, the Terminal Hire Agreements.

14.2 How Merchant indemnifies QFPay: The Merchant will indemnify QFPay and hold QFPay harmless and indemnified from, against and in respect of all and any Losses in relation to any Claims brought against QFPay by a Buyer, Wallets, Card Schemes, Card Issuer, Other Financial Institution, , Regulatory Authority or any other Third party, to the extent such Claims arise out of or in consequence of or in connection with:

- (A) a Transaction (including the failure to retain or

produce a Recurring Transaction Authority), Refund, Representment, Retro-Charge, Assessment, Chargeback and/or Chargeback Cost (including any activity which would otherwise constitute a Transaction, Refund, Representment, Retro-Charge);

- (B) any breach of the requirements or failure by the Merchant to comply with: (i) the requirements of a Card Scheme and Wallet; (ii) a Regulatory Authority; or (iii) Applicable Laws, and any reasonable steps taken in the protection of QFPay interests in connection with any such breaches;
- (C) any security breach as described in clause 17.10, compromise or theft of Data held by the Merchant or on behalf of the Merchant, or any other security breach or a security breach relating to Data (whether or not the Merchant has complied with PCI SSC Standards as defined in clause 17.8), and any reasonable steps taken in the protection of QFPay's interests in connection with such breach;
- (D) the enforcement or attempted enforcement of this Agreement;
- (E) any reasonable steps taken in the protection of QFPay interests in connection with any allegation of fraud made in relation to the Merchant or its business; and/or
- (F) any breach by the Merchant of the provisions of clause 23;

except if and to the extent such Claim is caused by QFPay's fraud or any breach of this Agreement by QFPay.

14.3 How QFPay indemnifies the Merchant: QFPay shall indemnify and hold the Merchant indemnified from and against any Losses in relation to any Claims brought against the Merchant by a Third party, to the extent such Claims arise out of or in connection with:

- (A) any actual security breach or security breach reported to the Merchant by a Card Scheme, a Wallet, , Card Issuer or QFPay relating to Data which is directly attributable to QFPay's failure to comply with any PCI SSC Standards or to QFPay's negligence (but not including any claims made by a Regulatory Authority), and any reasonable steps taken in the protection of the Merchant's interests in connection with such breach; and/or
- (B) any breach by QFPay of the provisions of clause 23;

except if and to the extent caused by or contributed to by the Merchant's negligence or any breach of this Agreement by the Merchant.

15. EXCLUSION AND LIMITATION OF LIABILITY

IMPORTANT NOTE: THIS CLAUSE 15 CONTAINS IMPORTANT EXCLUSIONS AND LIMITATIONS ON QFPAY'S LIABILITY. THE MERCHANT MUST READ THIS CLAUSE CAREFULLY.

15.1 Matters not excluded or limited by this Agreement: Nothing in this Agreement shall exclude or restrict

liability for:

- (A) losses suffered by a Party arising out of the other Party's fraud, fraudulent misrepresentation or wilful default;
 - (B) death or personal injury resulting from a Party's negligence;
 - (C) any breach of any obligations implied by Sales of Goods Ordinance, laws of Hong Kong;
 - (D) losses suffered by QFPay in respect of any Chargebacks or Assessments recoverable under clause 6 and/or 14;
 - (E) any Fees or other amounts due by the Merchant to QFPay;
 - (F) (except in respect of the types of Losses listed under clause 15.2) for any indemnity provided hereunder; or
 - (G) any other liability to the extent it cannot be lawfully excluded or limited,
- and each of the following provisions of this clause 15 is subject to this clause 15.1.

15.2 Limitations and exclusions of liability for both Parties: Each Party shall only be liable for direct Losses arising out of or in connection with its own breach of this Agreement or negligence EXCEPT THAT neither Party will be liable to the other Party under or in connection with this Agreement or its subject matter for any of the following types of Losses arising under or in connection with this Agreement (whether arising out of breach of contract, misrepresentation (whether tortious or statutory), tort (including but not limited to negligence), breach of statutory duty, liability under indemnities or otherwise):

- (A) loss of profits, revenue or anticipated savings (including those anticipated or forecast);
- (B) loss of goodwill (or any other damage to reputation);
- (C) loss connected with or arising from business interruption;
- (D) loss of opportunity, business or contracts;
- (E) loss of bargain;
- (F) lost or corrupted data (or loss associated with the same); and/or
- (G) any special, incidental, punitive, consequential or indirect: loss, damage, cost and/or expense whatsoever,

in each case whether such losses are direct, indirect or consequential, and even if that Party was aware of the possibility that such losses might be incurred by another Party.

15.3 Interest: Subject to clause 15.2, the Merchant shall not be entitled to any interest or any other compensation whatsoever in respect of any sums held by QFPay in accordance with this Agreement prior to Settlement being made to the Merchant for any period during which payment may be:

- (A) deducted, withheld, deferred or not paid under clause 5;
- (B) set-off under clause 10; or
- (C) not paid due to a suspension of Services (or part thereof) under clause 12,

unless the Merchant demonstrates that such non-payment results from breach of QFPay obligations under this Agreement, in which case interest accrues on a daily basis until the date of payment calculated at the rate specified in clause 9.

15.4 QFPay excluded liability: QFPay shall not be liable for any failure to perform (nor any defective or delayed performance of) any of QFPay obligations under this Agreement if and to the extent that such failure is due to:

- (A) circumstances beyond our reasonable control;
- (B) any cessation or interruption of any part of the Services which are due to any act or omission of a Third party (including, but not limited to, Other Financial Institutions, and is not caused by QFPay breach of this Agreement;
- (C) QFPay taking steps (in reasonable and honest belief or view) to comply with any relevant requirement under Card Schemes, Wallets or any Applicable Laws or the requests of any Regulatory Authority;
- (D) Merchant's failure to provide complete and/or correct Data to QFPay, any Other Financial Institution, Card Scheme or Wallets) and/or Merchant's negligence and/or breach of this Agreement;
- (E) a suspension of Services by us under clause 12;
- (F) Merchant's breach(es) of this Agreement, negligent, wrongful or bad faith acts or omissions; or
- (G) any deferment/withholding of any Settlement otherwise due to the Merchant effected pursuant to the provision of this Agreement.

Additionally, QFPay shall have no liability to the Merchant for any inaccuracy in the information QFPay or any Other Financial Institutions provide to any Third parties pursuant to clause 19.

15.5 Limitation of Liability: The aggregate liability of each Group Company of QFPay and each of the additional parties listed in Schedule 1 to the Merchant in relation to all Claims arising out of, or in connection with the Services or this Agreement during each Contract Year shall be limited to:

- (A) in the first Contract Year, a sum equal to the average monthly Fees paid under this Agreement, less any fees incurred by QFPay in respect of Transactions, in each case in the period between the Commencement Date and the first event giving rise to the first such Claim, multiplied by twelve (12); and
- (B) in each Contract Year thereafter, a sum equal to the Fees paid under this Agreement, less any fees incurred by QFPay in respect of Transactions, in each case in the twelve (12) months immediately preceding the first event giving rise to the first such claim in the relevant Contract Year.

15.6 Additional exclusions and limitations: In addition to any other exclusion or limitation of liability contained in this Agreement, the following additional exclusions and limitations apply in relation to the Services:

- (A) QFPay accepts no responsibility, and shall not be liable for (i) the accuracy or reliability of any Data the Merchant sends to QFPay; (ii) QFPay interpretation of that Data; or (iii) the consequences or accuracy of QFPay's interpretation of that Data or any subsequent interpretation or risk assessment the Merchant undertakes in relation to that Data;
- (B) the Data available via MMS Account is supplied to the Merchant on an "as is" basis for information only and is not intended to be relied upon by the Merchant for any purpose whatsoever;
- (C) QFPay does not warrant that the Data available via MMS Account is accurate, sufficient, up-to-date, reliable or error-free at the time it is accessed;
- (D) QFPay accepts no responsibility, and shall not be liable for any Third Party Product the Merchant uses in connection with the Service, and any reference by QFPay to a Third Party Product (including in any technical specification QFPay provides to the Merchant), or approval by the Merchant in connection with clause 12.5(H), shall not constitute any recommendation or endorsement by QFPay of that Third Party Product, or any warranty or representation that such Third Party Product will be or remain compatible, compliant and/or suitable for the Merchant uses and/or with the Services, or will deliver any specific result;
- (E) the electronic transmission of Data, including but without limitation to transmission via the internet cannot be guaranteed to be secure or error-free. There is always a possibility that Data sent by electronic means could be intercepted by a Third party, corrupted, lost, destroyed, delayed or otherwise adversely affected. As a result, QFPay shall not be liable to any Party in respect of any error or omission arising from or in connection with the electronic transmission of information to the Merchant or its reliance on such Data. This includes but is not limited to acts or omissions of the Merchant's and/or QFPay's internet service providers. This exclusion of liability shall not apply in the event of any proven criminal, dishonest or fraudulent acts on QFPay part.

15.7 Basis of exclusions and limitations: The Merchant acknowledges, represents and agrees that, given the nature of the Services:

- (A) other suitable Acquiring Services for the Buyers are available to the Merchant;
- (B) the Merchant was able to choose other providers of services similar to the Services before entering into this Agreement;
- (C) the Merchant acknowledges and accepts the risk of any Losses which the Merchant may suffer and be unable to claim for because of the exclusions and limitations on QFPay liability under this clause 15, and the importance of insuring against such Losses;

- (D) the Fees have been calculated by QFPay taking into account the exclusions and limitations contained in this Agreement (which would be uneconomical but for such exclusions and limitations); and
- (E) QFPay would not be in a position or willing to enter into this Agreement (or any similar agreement) with the Merchant or other merchants but for these exclusions and limitations of liability.

16. FORCE MAJEURE

- 16.1 The affected Party shall promptly notify any effect caused by Force Majeure to the performance to this Agreement by written notice. According to the Force Majeure's impact on the performance of this Agreement, the Parties shall determine whether to revoke this Agreement, exempt the performance responsibility in part, or delay the performance. In the event of Party's failure to perform this Agreement due to Force Majeure, it shall promptly take measures to prevent further loss, and promptly notify the counterpart by written notice to mitigate the loss that may cause to the counterpart; otherwise, such Party shall indemnify the counterpart further loss incurred.
- 16.2 In addition, considering the special nature of the Internet, the Parties may be exempted from liabilities in any of the following situations that resulted in QFPay failure to perform its obligations under this Agreement, including but not limited to:
- (A) Hacker attacks, and the invasion or outbreak of computer virus;
 - (B) That the computer system is damaged, paralyzed or unable to be used normally and results in the loss of information or records, and that QFPay is unable to provide the services under this Agreement;
 - (C) Significant impact resulted from the telecom department's technology adjustments;
 - (D) Termination of service due to government regulations; and
 - (E) Other reasons that are not attributable to the Parties.

Any Party that encounters the aforementioned Force Majeure events shall promptly notify the counterpart of such event by written notice. The Parties shall then decide whether to continue the performance of this Agreement in accordance with the degree of the impact that such event contributes to the performance of the Agreement

17. DATA

The Parties' roles as independent Data Controllers

- 17.1 The Parties agree that, for the purposes of Data Protection Legislation, it is their mutual understanding that the Parties shall not constitute joint Data Controllers. Each Party acknowledges and agrees that, for the purposes of Data Protection Legislation, it is an independent Data Controller of Transaction Personal Data and that it determines the purposes for which and the manner in which the Transaction Personal Data is,

or is to be, processed.

- 17.2 If the Merchant receives any complaint, notice or communication from a Data Protection Authority which relates directly to:
- (A) QFPay Processing of the Transaction Personal Data; or
 - (B) a potential failure by QFPay to comply with Data Protection Legislation in respect of both Parties' activities under or in connection with this Agreement,
- the Merchant shall, to the extent permitted by Applicable Laws, promptly notify us and provide such information as it shall reasonably request in that regard.
- 17.3 The Merchant acknowledges that QFPay may disclose Transaction Personal Data to any Data Protection Authority, law enforcement authority or regulator.

Fair Processing notices and consents

- 17.4 The Merchant shall ensure that, in respect of all Transaction Personal Data the Merchant provides to QFPay under this Agreement, and in respect of the use of such Transaction Personal Data under this Agreement: (a) all necessary fair processing notices have been provided by the Merchant to the relevant Data Subjects which specify QFPay as a Data Controller in respect of the Data Subject's Personal Data and provide a link to the Privacy Statement or include a statement that the Privacy Statement can be found on QFPay corporate website and that the Merchant has obtained from the relevant Data Subjects all applicable consents, and (b) all necessary steps have been taken to ensure that such Transaction Personal Data has been gathered and Processed in accordance with the principles set out in the Data Protection Legislation, including in particular those relating to (i) lawful, fair and transparent Processing; (ii) specified, legitimate and explicit purposes of Processing; and (iii) adequate, relevant and not excessive Processing.
- 17.5 To the extent that QFPay is Processing the Merchant's personal data, for example the Merchant is a sole trader, please refer to the Privacy Statement for information about how QFPay uses the Personal Data.

QFPay searches

- 17.6 QFPay may conduct periodic research of, and provide information about the Merchant to credit reference, market research, customer feedback and fraud prevention agencies, and Group Companies and agents. Such information as is provided to credit reference agencies may be used by other credit providers to take decisions about the Merchant. Further information about how QFPay uses this information can be found in the Privacy Statement.

Assistance

- 17.7 Whenever QFPay requests it, the Merchant shall give QFPay reasonable assistance to facilitate the successful collection and delivery of all Data. QFPay shall assist the Merchant, upon the Merchant's request,

where QFPay is reasonably able to gain access to the Data, but reserves the right to make reasonable charges for doing so. The Merchant shall promptly pay such reasonable charges to QFPay on demand.

- 17.8 If a Data Subject makes a written request to either Party to exercise any of their rights under Data Protection Legislation in respect of Transaction Personal Data, the receiving Party shall respond to that request in accordance with Data Protection Legislation. To the extent the request concerns processing of Transaction Personal Data undertaken by the other Party, the receiving Party shall promptly and without undue delay forward the request to the other Party; and cooperate and provide reasonable assistance in relation to that request to enable the other Party to respond in accordance with Data Protection Legislation.

Merchant's PCI and other compliance requirements

- 17.9 The Merchant acknowledges and agrees that the Merchant (and agents, sub-contractors or any Third parties used by the Merchant) shall abide by any data security standards of the Payment Card Industry Security Standards Council (or any replacement body notified to the Merchant by QFPay) and the Card Schemes and Wallets, including the PCI SSC Standards. QFPay may charge the Merchant an annual management fee (specified in the Pricing Schedule) for administering the system through which the Merchant reports PCI SSC Standards compliance status to the Card Schemes, and a PCI SSC Standards non-compliance fee (also specified in the Pricing Schedule) for each month in which the Merchant is not compliant with the PCI SSC Standards.

No prior security breaches

- 17.10 The Merchant represents, warrants and undertakes that no security breach relating to Data processed by or on behalf of the Merchant has occurred before the date on which this Agreement was signed by the Parties and/or the Commencement Date. If the Merchant breaches the foregoing representation, warranty and undertaking, the Merchant acknowledges and agrees that QFPay may suspend the Services (including as required by any Card Schemes or Wallets) and/or (if unremedied) take such other steps as QFPay, any Card Scheme, Regulatory Authority or any Other Financial Institution reasonably considers necessary to remedy the breach.

Notification of security breaches

- 17.11 The Merchant shall notify QFPay immediately if the Merchant becomes aware of or suspect any security breach relating to Data (whether or not the Merchant has complied with the PCI SSC Standards). As soon as reasonably practicable, the Merchant shall also (and without prejudice to any other remedy QFPay has in respect thereof) immediately identify and resolve the cause of such security breach and take any steps that QFPay may require of the Merchant to do so, including but not limited to the procurement (at Merchant's cost) of forensic reports from Third parties recommended by

QFPay.

Do not store card details

- 17.12 The Merchant shall not store (as such term is used in the PCI SSC Standards), at any time:
- (A) Card verification value in the magnetic stripe;
 - (B) Card verification value printed on the Card in or next to the signature panel;
 - (C) Card verification value contained in the magnetic stripe image in a chip application;
 - (D) PIN verification value contained in the magnetic stripe;
 - (E) the full contents of any track from the magnetic stripe (on a Card, in a chip or elsewhere); or
 - (F) any other Data that the Card Schemes mandate from time to time as Data that cannot be stored.

18. RETENTION OF RECORDS

- 18.1 In addition to complying with all record retention provisions under Applicable Laws, and subject to the requirements of the PCI SSC Standards and AML/CFT Systems, the Merchant shall retain legible copies of Data including but not limited to all relevant transaction records for a minimum period of seven (7) years from the date of each Transaction, or longer if required by Applicable Laws or QFPay.
- 18.2 Nothing in this Agreement (including this clause 18) affects or limits the Merchant's own requirement to have in place adequate record retention policies and procedures as necessary and appropriate for Merchant's own business purposes, which are and remain responsibility of the Merchant.

19. PROVISION AND DISCLOSURE OF DATA AND INFORMATION

THIS CLAUSE 19 CONTAINS IMPORTANT INFORMATION ABOUT THE PROVISION AND DISCLOSURE OF DATA AND INFORMATION IN CONNECTION WITH THE SERVICES. IT SHOULD ALSO BE READ ALONGSIDE THE PRIVACY STATEMENT.

- 19.1 QFPay may, from time to time, request the Merchant to provide copies of Data, in which event the Merchant shall provide such copies to QFPay, in such format specified by QFPay, within five (5) days of such request being received.
- 19.2 Upon QFPay request, the Merchant shall at all times throughout the term of this Agreement (and for such subsequent period as may be necessary thereafter):
- (A) promptly discloses to QFPay or any Other Financial Institution, Card Scheme or Wallets such accurate, complete and reliable information as QFPay or such Third party reasonably require(s) relating to the performance of the Services or obligations under this Agreement or Applicable Laws;
 - (B) takes all reasonable steps to assist QFPay and/or any Other Financial Institution, Card Scheme or Wallets in handling any Claim or query raised by

a Buyer, a Card Issuer, a Card Scheme or any other third party in relation to the Services or any Transaction, Chargeback, Refund, Representment or Retro-Charge;

- (C) cooperates in providing any Other Financial Institution, Card Scheme or Wallets with all information requested by it in order for the Merchant or its Transactions to be accepted by such Third party or otherwise to enable QFPay to provide the Merchant with any of the Services (or any part thereof);
- (D) to enable QFPay to assess the Merchant's financial position throughout the term of this Agreement, provide QFPay with the Merchant's latest audited accounts and any other accurate, complete and reliable information QFPay may reasonably require (including but not limited to management accounts).

19.3 The Merchant hereby authorises:

- (i) QFPay;
 - (ii) any Other Financial Institution; and
 - (iii) any credit institution at which the Merchant maintains the Merchant Bank Account, to use, share and release Data and any other information relating to the Merchant, including information relating to the Merchant which is held in connection with the provision of the Services and/or by the Card Schemes, Wallets, Other Financial Institutions (or, if instructed by QFPay, the Merchant shall provide such Data or information or procure that such Data or information is provided), to any Person, including the Group Companies of QFPay and their respective officers, Card Issuers, Card Schemes, Wallets, Regulatory Authorities, law enforcement agencies, fraud prevention agencies and credit reference agencies, and Third parties:
- (A) for the purpose of fulfilling QFPay or any Other Financial Institution's obligations under the Agreement or the Ne or otherwise as required by Applicable Laws;
 - (B) to assess financial and insurance risks;
 - (C) in relation to any breach of, or to enforce, this Agreement;
 - (D) to recover debt or in relation to the Merchant's insolvency;
 - (E) to maintain and develop customer relationships, services and systems;
 - (F) to prevent and detect fraud or crime;
 - (G) in the course of any investigation by QFPay, any Other Financial Institution, Regulatory Authority, Card Scheme or any Third party into any suspected criminal activity;
 - (H) regarding information security, the risk of fraud, sector risk and credit risk; and
 - (I) to enable the Card Schemes and Wallets to assign a Reason Code to any undesirable act or omission.

Where the Merchant has been referred to QFPay through a Third party, whether under an Affiliate, partnership marketing or other introducer type arrangement, the Merchant authorises QFPay to release Data to relevant third parties as necessary for the

operation of such arrangement and/or to fulfil our reporting obligations to such Third parties.

19.4 The Merchant shall advise QFPay in writing as soon as the Merchant becomes aware (and in any event within 48 hours) of any:

- (A) other agreement that the Merchant enters into concerning acceptance of Transactions;
- (B) act, omission or error which does or may cause material loss or damage to us or any Other Financial Institution, Card Scheme or Wallets) (including damage to the reputation of QFPay or any such Third party, which for the avoidance of doubt shall be deemed to be material in every instance in which it occurs);
- (C) actual or suspected violation or compromise of the security or integrity of any Data or any other information relating to the Services or the Card Schemes or any of our Confidential Information at any time obtained or held by QFPay .

19.5 If the Merchant contacts QFPay electronically, QFPay may collect the Merchant's electronic identifier (for example, Internet Protocol (IP) address or telephone number) supplied by service provider of the Merchant.

19.6 A link between the Merchant and anyone with whom the Merchant has a joint account or similar financial association will be recorded at credit reference agencies, creating a "financial association". All such associated parties' information will be taken into account in future applications until the Merchant or one of them successfully file a "notice of disassociation" at the credit reference agencies.

19.7 QFPay may make periodic searches of and provide information about the Merchant to credit reference agencies, fraud prevention agencies, Wallets, Card Issuers, Card Schemes and the Group Companies of QFPay to manage and take decisions about their relationship or prospective relationship with the Merchant. Such information may be used by other credit providers to take decisions about the Merchant and its financial associates. QFPay may also review the Merchant and its business activities (including by electronic means) to monitor the Merchant's compliance with the Agreement.

19.8 QFPay may:

- (A) disclose information concerning the Merchant and its Data to Third parties where QFPay aggregates data to facilitate cross-industry analysis and comparisons; and
- (B) (without limitation) use and/or disclose Confidential Information and Transaction Personal Data for preparing and furnishing compilations, analyses, and other reports of aggregated information and anonymised information,

PROVIDED THAT in each case such compilations, analyses or other reports do not identify (i) the Merchant (other than where QFPay prepares the

compilation, analysis or other report either for and to the Merchant or on behalf of the Merchant) or (ii) any Cardholder whose Transactions were the subject of or involved in the preparation of any such compilation, analysis or other report.

- 19.9 In the event that QFPay considers that any act or omission of the Merchant falls within a Reason Code, details of any such act or omission shall be advised to the Merchant and shall also be available on request. In addition, the fact of termination (if any) under clause 12.5(H) and the Reason Code forming the grounds for termination shall be notified to (and may be recorded by) the Card Schemes and thereafter be maintained by them in accordance with their normal practice. The aforementioned database records are available for enquiry by any Card Schemes and Card Issuer. In certain circumstances, they are also made available to crime enforcement authorities.

20. RIGHT OF AUDIT

- 20.1 Subject to the rest of this clause 20, upon QFPay request, the Merchant shall:
- (A) permit or procure QFPay or their duly authorised representatives to have access to all or any of the Merchant's premises where, or systems on which, the business trades or where records or stock are located, during business hours, to examine all or any such premises, systems, records or stock and those of any other business which QFPay considers is or may be connected to the Merchant; and
 - (B) permit or procure QFPay or their duly authorised representatives to take and retain copies of all or any such records; and
 - (C) provide to QFPay or their duly authorised representatives or procure that QFPay or they are provided with honest and comprehensive answers to any enquiries QFPay may make in relation to the Merchant and business,
- for the purpose of ascertaining whether or not the Merchant is performing the obligations in accordance with all the provisions of this Agreement.
- 20.2 QFPay shall give the Merchant a minimum of twenty-eight (28) days written notice of any exercise of the rights under this clause 20, except where the requirements of a Regulatory Authority do not permit such notice or QFPay has immediate data security, compliance or fraud concerns, in which case QFPay may give immediate or shorter notice.
- 20.3 QFPay shall exercise the rights under this clause 20 reasonably and usually no more than once annually during the term of this Agreement unless a Regulatory Authority requires otherwise or there are immediate data security, compliance or fraud concerns, in which case QFPay may give immediate or shorter notice. Additionally, where matters are identified as requiring remediation in a shorter period QFPay may, acting reasonably, exercise the rights more frequently to

ascertain whether such remediation has been made.

21. INTELLECTUAL PROPERTY

- 21.1 The Agreement does not transfer, and is not intended to transfer, to any Party any of the Intellectual Property Rights that any other Party owns at the Commencement Date or any Intellectual Property Rights that are created, acquired or developed during the term of the Agreement.
- 21.2 QFPay shall not acquire any Intellectual Property Rights in any MMS Account, or any Data, that QFPay makes available to the Merchant under this Agreement.
- 21.3 Each Party shall obtain the written consent of the other Parties prior to using or referring to any trademarks, logos, copyrighted materials, business names or other similar Intellectual Property Rights in any promotional materials or literature, agreements or on any website.
- 21.4 On termination of the Agreement, each Party shall remove any reference to the other Parties from any promotional materials or literature, agreements or on any websites.

22. SERVICE ADJUSTMENTS AND AGREEMENT VARIATIONS

- 22.1 From time to time, QFPay may make changes to the Privacy Statement, adjust the content and interfaces of the Services or make changes to the Services which are necessary to comply with any Applicable Laws, Card Schemes, Wallets, or make changes which do not materially affect the nature or quality of the Services. Such adjustments may result in changes to the Merchant Operating Instructions and are not subject to prior written notice or any right of termination under clauses 22.3 & 22.4. If such adjustments or changes lead to a change in software, interfaces or operating procedures, QFPay shall notify the Merchant as soon as reasonably practicable prior to the implementation of such adjustments or changes.
- 22.2 From time to time QFPay may change the way of using the Merchant's information (other than Transaction Personal Data). Where QFPay believes the Merchant may not reasonably expect such a change QFPay shall write to the Merchant. If the Merchant does not object to the change within two (2) months, the Merchant will be deemed to consent to that change.
- 22.3 QFPay shall be entitled to vary the provisions of the Agreement and the content of the Official Website of QFPay from time to time. Such variations shall be notified to the Merchant by email and other means as set out in clause 26.5. Upon receipt of such notification, the Merchant shall have a period of seven (7) days to submit any written objections to the proposed variations. In the absence of any objection within the specified period, the Merchant shall be deemed to have accepted the variations, and QFPay shall proceed to publish the revised terms accordingly.

22.4 If QFPay makes changes to the terms and conditions herein affecting the Merchant's Payment Services, the Merchant shall be entitled to terminate the Agreement immediately by providing written notice to QFPay, PROVIDED THAT such notice is served upon QFPay within two (2) months of the Merchant being notified of the variation. Otherwise, the Merchant will be deemed to have accepted any variation of the provisions of this Agreement two (2) months from being notified of it.

22.5 During the term of this Agreement, the Merchant shall be bound by the most updated version of the terms and conditions applicable to the Payment Services, as amended from time to time in accordance with this Agreement.

22.6 QFPay may from time to time in our sole discretion withdraw or decommission a product, software or a Service that the Merchant is using and will, if practicable, give the Merchant reasonable prior notice of this.

23. CONFIDENTIAL INFORMATION

23.1 Confidential Information includes without limitation, the existence and terms of this Agreement, lists of any information about a Party's Personnel, marketing techniques and information, price lists, pricing policies, business methods, contracts and contractual relations with Buyers and suppliers, computer software programs (including object code and source code), data base technologies, systems, structures and architectures, trade secrets, business acquisition plans and new personnel acquisition plans, including all photocopies thereof. Confidential Information also includes all notes regarding, extracts from, compilations of, and other materials or media containing, based upon, or derived from the foregoing information that are prepared by or on behalf of either Party, including all photocopies thereof.

23.2 Except to the extent set out in this clause 23, each Party shall:

- (A) treat as confidential all Confidential Information obtained from the other Parties under the Agreement;
- (B) use the other Parties' Confidential Information solely for the specific purposes for which it was disclosed;
- (C) not publish or otherwise disclose to any person the other Parties' Confidential Information without the owner's prior written consent; and
- (D) take all action reasonably necessary to secure the other Parties' Confidential Information against theft, loss or unauthorised disclosure.

23.3 Each Party may disclose Confidential Information that would otherwise be subject to clause 23.2 but only if it can demonstrate that the Confidential Information:

- (A) is required to be disclosed by any court of competent jurisdiction, Regulatory Authority, by Applicable Laws, Card Schemes or Wallets;

- (B) was lawfully in its possession prior to disclosure to it by any other Party without an obligation restricting disclosure;
- (C) is already public knowledge or which becomes so at a future date (otherwise than as a result of breach of this clause 23);
- (D) is received from a Third party who is not under an obligation of confidentiality in relation to the information;
- (E) is developed independently without access to, or use or knowledge of, the Confidential Information;
- (F) is to the extent necessary for the performance of its obligation or exercising its right under this Agreement and/or the transaction contemplated under this Agreement; or
- (G) is being disclosed to its employees or legal and accounting advisers who have a need to know such information, are bound by non-disclosure obligations no less restrictive than in this Agreement, and have been informed of the confidential nature of the information.

23.4 Notwithstanding the provisions of clauses 23.2, 23.3 and 23.5, QFPay, and/or any Other Financial Institution, Card Schemes or Wallets, may aggregate and anonymise the Merchant's Confidential Information (including the Data), and disclose it in that form to any Third party. The provisions of clauses 23.2, 23.3 and 23.5 will not restrict the sharing of any Confidential Information by QFPay to its Personnel who needs to know it to provide the Services and/or to manage or enhance the relationship between the Parties, provided that such persons use it solely for such purpose and are under an obligation to us to keep such information confidential.

23.5 Other than as expressly permitted under the Agreement, on termination of the Agreement for whatever reason, each Party shall forthwith cease to use any Confidential Information of the other Parties and shall return on demand, or at the request of the other, destroy or permanently erase all copies of that Confidential Information in its possession or control, save that a Party will be permitted to retain such part of the Confidential Information for the purposes of and for so long as required by any Applicable Laws or its legitimate internal compliance requirements. Any obligation to destroy or permanently erase Confidential Information shall not be applicable to Confidential Information that forms part of an electronic back-up system which is not immediately retrievable as part of day-to-day business.

24. ASSIGNMENT, SUB-CONTRACTING AND NOVATION

24.1 The Agreement is personal to the Merchant and the Merchant may not assign, novate or transfer it or any of the rights or obligations under it.

24.2 The Merchant may only use an agent or subcontractor in relation to the performance of the obligations under

the Agreement with QFPay prior written consent. QFPay may reasonably withdraw that consent at any time.

24.3 The Merchant shall be liable to QFPay for the acts or omissions of:

- (A) any of Personnel, whether or not used with the consent that QFPay may give pursuant to clause 24.2;
- (B) any of Group Companies of the Merchant; and
- (C) any Personnel of any of the foregoing, in the course of or relating to the performance of the Merchant's obligations under the Agreement or arising out of or in connection with any Transaction, Refund, Representment, Chargeback or Retro-Charge.

24.4 Subject to Applicable Laws, QFPay shall be entitled at any time to assign or transfer the Agreement or the benefit of any or all of the rights under the Agreement and/or to sub-contract our obligations under the Agreement without the Merchant's consent. Without prejudice to clause 29.4, upon request, QFPay shall execute any documents required to effect any such assignment, transfer or subcontract.

24.5 QFPay shall be entitled to novate any or all of rights and obligations (as appropriate) under the Agreement to a Third party at any time on giving the Merchant at least three (3) months' notice. If QFPay does this the Merchant shall be entitled to terminate the Agreement within three (3) months' of the Merchant receiving the notice of the novation. The Merchant will be deemed to have accepted the novation of the Agreement two (2) months from receipt of the notice.

24.6 With effect from the date that QFPay novates the obligations under the Agreement to a Third party (the **Novation Date**), the Merchant shall release and discharge QFPay from further performance of the obligations under the Agreement and from all claims and demands against QFPay, whatsoever arising out of or in respect of the Agreement, whether prior to, on or subsequent to the Novation Date and the Third party shall perform, or procure the performance of, all such obligations under the Agreement, and shall accept all liabilities arising out of or in respect of the Agreement, from the Novation Date.

25. WAIVER

25.1 No failure or delay by a Party in exercising any of its rights or remedies provided under the Agreement or under Applicable Laws shall be construed as a waiver or release of that right or any other right or remedy, nor shall it preclude or restrict the further exercise of that or any other right or remedy. The Parties agree and acknowledge that the doctrine of affirmation, by which a Party is deemed to have affirmed a decision to proceed with a contract notwithstanding the enlivening of a right to terminate, shall have no application to the Agreement.

25.2 No single or partial exercise of any of a Party's rights

or remedies under the Agreement or under Applicable Laws shall preclude or restrict the further exercise of such right or remedy. A waiver of any breach of any provisions of the Agreement shall not constitute a waiver of any other breach, and shall not affect the other provisions, of the Agreement.

25.3 Subject to clause 27.3, the rights and remedies of a Party under the Agreement are cumulative and not exclusive of each other or of any rights or remedies provided by Applicable Laws.

26. NOTICES & OTHER COMMUNICATIONS

26.1 Subject to clause 26.2, any notice to be given under or in connection with the Agreement shall be in writing and signed by or on behalf of the Party giving it and shall be served by (i) delivering it personally (including by commercial courier); or (ii) sending it by post (including by airmail or other international or local mail service in the case of an address for service outside Hong Kong); or (iii) sending it by email, to the email address of the other Party as set out in this Agreement or otherwise as notified by such Party from time to time. For the avoidance of doubt, any notice delivered by email shall not need to be signed.

26.2

- (A) Where the Merchant provides an email address, QFPay may send notices to and rely on the authenticity of communications QFPay receives from that email address as being from and binding on the Merchant. The Merchant must ensure only the Merchant and persons with authority to act on the Merchant's behalf have access to email addresses, that they are kept secure and that the Merchant contacts QFPay immediately if the Merchant becomes aware or suspect any relevant unauthorised use or security compromise.
- (B) Unless otherwise agreed by QFPay in writing, notice from the Merchant to QFPay to terminate the Agreement must be delivered to QFPay by email.
- (C) Either Party may, as an alternative to any other method of notice, give notice to the other's registered office address (where it has one). Where the registered office address is not the postal address provided by a party in accordance with clause 26.1, deemed receipt shall be calculated by adding two (2) Business Days to the period for deemed receipt under clauses 26.3(B)-(E) below.

26.3 Any notice given in accordance with this Agreement shall be deemed to have been received:

- (A) if sent by email, on the day on which the communication is sent and no report of non-delivery is received by the sender, PROVIDED THAT (i) any notice dispatched after 17:00 hours on any Business Day or at any time on a day which is not a Business Day shall be deemed to have been given at 09:00 on the next Business

- Day;
- (B) if delivered personally, at the time of delivery;
- (C) if sent by post within Hong Kong, seven (7) Business Days from the date of posting; and
- (D) if the Merchant is outside of Hong Kong, then if sent by post, within fourteen (14) Business Days from the date of posting.

26.4 Notices given by QFPay to the Merchant in hard or electronic format may refer to documents or materials made available on QFPay Official Website. The full contents of these documents and materials will be deemed to be communicated and notified to the Merchant as if set out in full in the notice.

26.5 In addition to formal notices given in accordance with this clause 26, QFPay may communicate with the Merchant from time to time in relation to the Merchant's use and QFPay provision of the Services by means of emails, and terms and conditions on QFPay's Official Website. QFPay may also communicate with the Merchant through products such as MMS Account. Such communications may include notification of changes to the Merchant Operating Instructions, or new or replacement products or services in connection with the Services.

27. ENTIRE AGREEMENT

27.1 The Agreement constitutes the entire agreement and understanding between the Merchant and QFPay in respect of its subject matter and supersedes and invalidates all other prior representations, arrangements, understandings and agreements relating to the same subject matter, (whether oral or in writing, express or implied), other than any securities or written pledges, undertakings or assurances which the Merchant may previously have given to QFPay as a condition precedent or in anticipation of the Agreement. Each party acknowledges that in entering into this Agreement it does not rely on any statement, representation, warranty or understanding other than those expressly set out in this Agreement, save that, notwithstanding the foregoing, QFPay has entered into this Agreement in reliance on the representations of the Merchant set out in the Application Form.

27.2 Save to the extent expressly set out in this Agreement, QFPay hereby excludes all warranties, conditions, terms, obligations, undertakings and representations (whether in each case express or implied by statute, common law, custom, trade usage, course of dealing or otherwise, (including but not limited to implied undertakings of satisfactory quality and reasonable fitness for purpose)) to the fullest extent permissible by Applicable Laws, and the Merchant hereby waives irrevocably any rights or remedies the Merchant may otherwise have had in respect of any of the same.

27.3 Nothing in this clause 27, or elsewhere in this Agreement, shall operate to exclude any liability for fraud.

27.4 At any time after the Commencement Date, the Merchant shall, at our request, execute or procure the execution of such documents and do or procure the doing of such acts and things as the Party so requesting may reasonably require, for the purpose of giving effect to all the provisions of the Agreement.

27.5 Except as provided herein, each Party shall pay its own costs in relation to the negotiation, preparation, execution and carrying into effect of this Agreement and in carrying out any related due diligence.

27.6 The Schedules hereto shall form an integral part of the Agreement and shall have same legal effect as the text of the Agreement. In the event of any inconsistency between the Agreement and the schedules, the Schedules shall prevail.

27.7 This Agreement is in the English language. QFPay is only obliged to communicate with the Merchant in English. QFPay may provide to the Merchant a foreign language translation of this Agreement or any other communication, PROVIDED THAT such translation shall be for information purposes only and in the event of any inconsistency between the English version and the foreign language version, the English version shall prevail.

28. SEVERABILITY

28.1 Each clause and sub-clause of the Agreement is severable. If any provision of the Agreement or any part of it is or becomes invalid under or contravenes Applicable Laws, or is held to be unreasonable in the circumstances, or is held by any court or administrative body of competent jurisdiction to be illegal, invalid or unenforceable:

- (A) the remaining provisions shall not be affected and shall remain in full force;
- (B) the legality, validity, enforceability and reasonableness of the remainder of the Agreement shall not be affected; and
- (C) if such provision ceases to be illegal, invalid, unenforceable or unreasonable if some parts of that provision were modified or deleted, the provision in question shall apply with the least such modification or deletion as may be necessary to make the provision legal, valid, enforceable and/or reasonable.

29. STATUS OF THE PARTIES

29.1 Nothing in the Agreement shall be construed as constituting a partnership, joint venture or agency (except to the extent specified in Schedule 1) between or among the Parties.

29.2 The Merchant agrees, represents and warrants that each of Group Companies of QFPay providing the Services (the **Service Providers**):

- (A) is providing its element of the Services as an independent contractor, and not as a partner or joint venturer with the other Parties;
- (B) shall be only severally liable in respect of its own

- obligations under this Agreement;
- (C) shall not be liable in connection with the Services provided by the other Service Providers, whether jointly, jointly and severally or at all; and
 - (D) does not have any specific knowledge of the nature of business of the Merchant, or knowledge of any special circumstances relating to the business, and in any event shall not be deemed to have knowledge of the business beyond the disclosure and description of the same in Application Form.
- 29.3 Each Party (including each Service Provider) will be deemed to represent the others, and warrant and agree that:
- (A) each Service Provider provides its element of the Services as an independent contractor, and not as a partner or agent of or joint venturer with the other Parties;
 - (B) each Service Provider shall be only severally liable in respect of its own obligations under this Agreement;
 - (C) each Service Provider shall not be liable in connection with the Services provided by the other Parties, whether jointly, jointly and severally or at all;
 - (D) it is not relying on any communication (written or oral) of any other Party as advice, or on any such communication as an assurance or guarantee;
 - (E) each other Party is not acting as a fiduciary or adviser to it in respect of the subject matter of this Agreement;
 - (F) the relationship between each other Party and it is not that of employee or employer, franchisee or franchisor, and/or principal or agent, and contains no similar duty; and
 - (G) it is acting wholly in the course of business and not as a consumer.
- 29.4 The Services are offered to and accepted by the Merchant solely for business purposes. The Merchant represents, warrants and agrees that the Merchant shall not use the Services or any part of them outside of the Merchant's business.
- 29.5 Where another one of Group Companies of the Merchant receives Services from QFPay, the Merchant agrees to be jointly and severally liable with such Group Companies. If the Merchant is a partnership, each partner will be jointly and severally liable under this Agreement.
- 29.6 Save as expressly provided, this Agreement is not intended to confer any benefit on any Third party, and a Person who is not party to the Agreement shall have no right under the Contracts (Rights of Third Parties) Ordinance to enforce any provision of the Agreement. Any Group Companies involved in providing any of the Services or otherwise to the extent expressly provided shall be entitled under the Contracts (Rights of Third Parties) Ordinance to enforce any term of this Agreement.

30. EXCLUSIVITY

- 30.1 Unless otherwise stated in the Application Form, the provision of the Services under this Agreement is not exclusive.
- 30.2 QFPay may process payment transactions for any other Person acting in any capacity, including merchant, seller, wholesaler, retailer, payment service provider, credit institution or financial institution.

31. DISPUTE RESOLUTION PROCEDURE

- 31.1 Subject to the provisions of clause 31, if any dispute between QFPay and the Merchant (each a **Disputing Party**) arises out of or in connection with this Agreement or its subject matter, formation, validity or enforceability (including non-contractual claims) (each a **Dispute**) then, except as expressly provided in this Agreement, the Disputing Parties shall follow the dispute resolution procedure set out in this clause.
- 31.2 Either Disputing Party shall give to the other written notice of the Dispute, setting out its nature and full particulars (**Dispute Notice**), together with any relevant supporting documentation. Following service of the Dispute Notice, the Representatives of each of the Disputing Parties shall attempt in good faith to resolve the Dispute.
- 31.3 If the Representatives of the Disputing Parties are for any reason unable to resolve the Dispute with fourteen (14) Business Days of service of the Dispute Notice, either Disputing Party shall be entitled to commence proceedings under clause 32.2.
- 31.4 If the Dispute is resolved by the Representatives within fourteen (14) Business Days of service of the Dispute Notice in accordance with clause 31.2, the settlement shall be recorded in writing and signed by each of the Disputing Parties within seven (7) Business Days of the end of the period referred to in clause 31.2.
- 31.5 Nothing in this clause 31 shall prevent either Disputing Party making any application for injunctive relief that it considers necessary to protect its position.

32. GOVERNING LAW AND JURISDICTION

- 32.1 This Agreement and any Dispute shall be governed by and construed in accordance with Hong Kong law.
- 32.2 Subject to the provisions of clause 31, the Parties irrevocably agree, for QFPay sole benefit that, subject as provided below, the Hong Kong Courts shall have exclusive jurisdiction over any Dispute. Nothing in this clause shall limit QFPay right to take proceedings against the Merchant in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings by QFPay in any other jurisdiction, whether concurrently or not, to the extent permitted by the law of such other jurisdiction. The Merchant waives any objection to any proceedings in such courts

pursuant to this clause 32.2 on the grounds of venue or on the grounds that proceedings have been brought in an inappropriate forum. Any proceedings brought by the Merchant against QFPay in respect of a Dispute

must be brought in the Hong Kong Courts.

QFPay: QFPay Haojin Fintech Limited & QFPay Haojin Services Limited & iFlare Hong Kong Limited
Address: Unit A, 27/F, West Gate Tower, 7 Wing Hong Street, Lai Chi Kok, Kowloon, Hong Kong
Telephone: +852 2613 9299
Facsimile: +852 2771 5195
Email: hk@qfpay.com
Attention: compliance team

The Merchant: [Please insert]
Address: [Please insert]
Telephone: [Please insert]
Facsimile: [Please insert]
Email: [Please insert]
Attention: [Please insert]

This Agreement has been executed the day and year first above written.

For and on behalf of
QFPay Haojin Fintech Limited &
QFPay Haojin Services Limited &
iFare Hong Kong Limited

For and on behalf of
[Please insert]

Authorized Signature & Chop
Name:
Title:
Date:

Authorized Signature & Chop
Name:
Title:
Date:

SCHEDULE 1: QFPAY’S GROUP COMPANIES AND ADDITIONAL PARTIES

QFPay Haojin Fintech Limited
QFPay Haojin Services Limited
iFlare Hong Kong Limited

SCHEDULE 2: TECHNICAL SERVICES

Where QFPay agrees to provide the Merchant with the Technical Services, the following terms will apply in addition to the other terms of the Agreement.

Part 1: Gateway Services

Where QFPay provides Gateway Services to the Merchant in accordance with the terms of this Agreement, the following additional provisions in this Part 1 apply:

- 1.1 QFPay does not guarantee any minimum response times in connection with online authorisations or availability of a specific payment method.
- 1.2 QFPay may adjust the content and interfaces of the Gateway Services (including the Hosted Payment Pages, if applicable) to keep the Gateway Services up to date with market requirements. If such adjustments require the Merchant to make necessary changes in the Merchant's software, interfaces or operating procedures, QFPay will inform the Merchant as soon as reasonably practicable prior to the execution of such adjustments. The Merchant shall be responsible for the Merchant's own costs with respect to such changes to the Merchant's software, interfaces or operating procedures.
- 1.3 INDEMNITY: Where the Merchant uses the Hosted Payment Pages to process Transactions, the Merchant acknowledges and agrees that: (a) the Merchant remains responsible for the Merchant's own compliance with PCI SSC rules, regulations and/or standards as required of the Merchant respectively, directly or indirectly, by Card Schemes or Wallets; and (b) where the Merchant has customised the Hosted Payment Pages (or QFPay has done so at the Merchant's request), the Merchant is responsible for the content of the Hosted Payment Pages and indemnify and holds QFPay harmless from any Claims regarding such content including infringement claims from Third parties.
- 1.4 Upon receipt of an Authorisation Request or Capture Request, QFPay will forward such request to the relevant Card Scheme.
- 1.5 If a Card Scheme requires the Merchant to be accepted by it before QFPay can process payment instructions from Buyers, the Merchant is solely responsible for obtaining such acceptance and will cooperate in providing such Third party with all requested information. Where the Card Scheme requires the Merchant to have its own contract and/or connection number with it, the Merchant will apply for this. If the Merchant is not accepted by the Card Scheme, QFPay will not provide the Merchant with the specific payment method offered by such Third party. QFPay is not responsible for the above decision of the Third party, and has no obligation under the Gateway Services also to provide Acquiring Services to the Merchant.
- 1.6 QFPay may disconnect the Merchant from any payment method that ceases to be provided by the relevant Card Scheme. QFPay will promptly notify the Merchant if the Payment Service is disconnected.
- 1.7 QFPay will not be liable for any failure of a Card Scheme to effect payment in respect of a Transaction including the Settlement of any proceeds.
- 1.8 Without prejudice to clause 23, the Merchant will retain legible copies of all Data relating to Transactions for a minimum period of eighteen (18) months from the date of the relevant Transaction or disputed Transaction to which it relates. The Merchant will provide QFPay with copies of such Data relating to any Transaction or disputed Transaction as QFPay may request, in each case in such format as specified by QFPay and within ten (10) days of such request.
- 1.9 The Merchant will:
 - 1.9.1 provide to QFPay complete, accurate and timely information relating to the Gateway Services;
 - 1.9.2 ensure that all Third Party Products arranged by the Merchant in connection with the Gateway Services are delivered in a timely manner and comply with any requirements of which QFPay notifies the Merchant; and
 - 1.9.3 ensure that appropriate licences and clearances are obtained (and the correct licence fees or royalties paid) for the use of all Third Party Products used in connection with the Gateway Services.

Part 2: CPC/DCC

Where QFPay enables the Merchant to offer CPC/DCC to the Buyers, the following additional provisions in this part 2 apply:

- 2.1 In addition to terms defined elsewhere in this Agreement or unless the context requires otherwise, in this Part the following capitalised terms and expressions will have the following meanings:

Card Currency means the currency in which the Eligible Cardholder receives Card statements from the Card Issuer;

Cardholder Preferred Currency Direct (also **CPC**) and **Dynamic Currency Conversion** (also **DCC**) mean the dynamic currency conversion feature that enables an Eligible Cardholder to undertake a Transaction in the currency of that Cardholder's Card rather than the Local Currency;

CPC/DCC Transaction means a Transaction by an Eligible Cardholder where that Cardholder has opted to pay in the Card Currency via CPC/DCC, rather than the Local Currency;

Eligible Cardholder means a Cardholder who has been issued a Qualifying Card in a Qualifying Currency;

Exchange Rate means the foreign exchange rate provided to us by our foreign exchange rate service provider for use in connection with CPC/DCC Transactions;

Local Currency means, with respect to any Transaction (including a potential Transaction), the currency in which QFPay generally quotes the prices of the goods or services the Merchant offers to Buyers;

Qualifying Card means a Card issued in a Qualifying Currency under either the MasterCard or Visa Card Schemes, or such other relevant Card Schemes from time to time, of which QFPay shall inform the Merchant;

Qualifying Currencies means Sterling, Australian Dollar, Euro, Yen, US Dollar and Canadian Dollar until otherwise specified, or any other currency specified, by a relevant Card Scheme from time to time, of which the Company shall inform the Merchant.

- 2.2 QFPay will provide the CPC/DCC Services and enable the Merchant to offer CPC/DCC to Buyers in accordance with the terms of this Agreement.
- 2.3 Where an Eligible Cardholder opts to use CPC/DCC to pay in the Card Currency rather than the Local Currency, for each CPC/DCC Transaction:
- (A) the price of the applicable goods or services will be converted into the applicable Card Currency of the Eligible Cardholder's Card at the time when the relevant Transaction occurs, at the Exchange Rate provided to us by our foreign exchange service provider for the day on which the Transaction occurs plus any margin agreed with the Merchant;
 - (B) the same Exchange Rate applicable to each Transaction will be used for any Chargeback in relation to that Transaction or any Representment or Retro-Charge in relation to that Chargeback; and
 - (C) the Exchange Rate used for a Refund will be the Exchange Rate provided to QFPay by foreign exchange service provider from QFPay for the day on which the Refund occurs.
- 2.4 The Merchant shall:
- (A) provide staff with all necessary training in relation to Eligible Cardholders' use of CPC/DCC and keep staff informed of any changes to CPC/DCC;
 - (B) not knowingly misrepresent any aspect or feature of CPC/DCC; and
 - (C) comply with the provisions of the Merchant Operating Instructions that apply to the provision of CPC/DCC.
- 2.5 Where QFPay provides the CPC/DCC Services hereunder, but do not provide either any related Acquiring Service or Technical Service in respect of the CPC/DCC Transaction, then:
- (A) the QFPay agrees that QFPay may not be able to ascertain whether there are any errors in the transmission of data in connection with such Transactions;
 - (B) the Merchant will be responsible for notifying QFPay if there is any discrepancy between the amount of any payment the Merchant actually receives or is debited in connection with any CPC/DCC Transaction, Representment or, Retro-Charge, Refund or Chargeback and the amount the Merchant expected to receive, and the Merchant will notify QFPay of any such discrepancy, in writing and within thirty (30) days following the date of the relevant CPC/DCC Transaction, Representment or, Retro-Charge, Refund or Chargeback;
 - (C) QFPay will not be responsible for authorising and settling Transactions and paying to the Merchant any sums due in respect of CPC/DCC Transactions, Representments and Retro-Charges; and
 - (D) QFPay will have no liability for any CPC/DCC Transaction, Representment or Retro-Charge, and the Merchant unconditionally and irrevocably waive any Claims, rights and remedies which the Merchant might otherwise have had against QFPay in relation thereto.

Part 3: Fraud Management Service (Risk Management Module and Risk Guardian)

Where QFPay provides Fraud Management Service to the Merchant, the following additional provisions in this part 3 apply:

- 3.1 In addition to terms defined elsewhere in this Agreement or unless the context requires otherwise, in this Part the following capitalised terms and expressions will have the following meanings:

Fraud Management Service means the electronic scrutiny and undertaking by QFPay of various risk management tests on the Transaction Data the Merchant sends to QFPay.

- 3.2 QFPay will provide the Fraud Management Service in accordance with the terms of this Agreement.
- 3.3 The Merchant will:
- (A) provide to QFPay complete, accurate and timely information relating to the applicable Fraud Management Service;
 - (B) ensure that all Third Party Products arranged by the Merchant in connection with the applicable Fraud Management Service are delivered in a timely manner and comply with any requirements of which QFPay notifies the Merchant; and
 - (C) ensure that appropriate licences and clearances are obtained (and the correct licence fees, royalties and other sums are paid) for the use of all Third Party Products used in connection with the Fraud Management Services.
- 3.4 The Merchant acknowledges and agrees that in relation to the Fraud Management Service, QFPay electronically scrutinises and undertakes various risk management tests on the Transaction Data the Merchant sends to QFPay. The Data is provided or made available by QFPay to the Merchant for the purposes of making the Merchant's own risk assessment. The Merchant acknowledges and agrees that such risk assessment shall be entirely the Merchant's own responsibility.
- 3.5 Only the Merchant may contact QFPay directly if the Merchant is experiencing any problems with the Services. Under no circumstances must the Merchant encourage any Buyers to contact QFPay directly, and QFPay will not be responsible for accepting any such contacts.

Part 4: Account Updater Services

Where QFPay provides the Account Updater Service to the Merchant in accordance with the terms of this Agreement, the following additional provisions in this part apply:

- 4.1 In this part, the following capitalised terms and expressions will have the following meanings (unless the context otherwise requires).
- Account Updater Service** means the provision of a service which supports the Merchant with Search Requests via QFPay to the relevant Card Scheme in order for the Card Scheme to search the relevant Card Scheme Database, validate Cardholder data and confirm whether there are any Matches;
- Card Scheme Database** means data held on the databases of the relevant Card Scheme relating to Cardholders as amended by the Card Scheme from time to time;
- Match** means the provision of updated the Cardholder data from the relevant Card Scheme if the Cardholder data is no longer valid;
- Search Request** means an enquiry by the Merchant in respect of the Cardholder data;
- Updated Data** means Cardholder data that is received by the relevant Card Scheme and updated.

Provision of service

- 4.2 Without prejudice to any other term of this Agreement, on thirty (30) days' written notice to the Merchant (unless a Card Scheme mandates a shorter timeframe for the relevant change, in which case QFPay will give the Merchant as much notice as reasonably practicable having regard to the mandated timeframe), QFPay may alter or terminate the Account Updater Service, including, but not limited to, changing the Fees or the feature functionality set(s). Upon receiving a notice of variation from QFPay, the Merchant will be entitled to opt-out of the use of the Account Updater Service immediately by providing written notice to us. A decision to opt-out of the Account Updater Service shall be the Merchant's exclusive remedy with regard to a change in the Account Updater Service.
- 4.3 Without prejudice to any other term of this Agreement, if QFPay determines, in their sole discretion that the Merchant is in breach of this Part 4, QFPay shall have the option to immediately cease providing the Account Updater Service.

The obligations of the Merchant

- 4.4 The Merchant agrees that the Merchant shall only request a Search for internal business purpose of automatically updating Cardholder data and that the Merchant shall not request a Search or otherwise use the Account Updater

Service for any other purpose whatsoever.

- 4.5 The Merchant shall not reproduce, adopt, translate, arrange, sell, transfer, distribute or otherwise make any part of the Account Updater Service or Matches (or any other data provided or made available to the Merchant in relation to the Account Updater Service) available to, or use either of the foregoing on behalf of, any Third party.
- 4.6 The Merchant shall ensure that, in respect of all Cardholder data provided to QFPay by the Merchant for the purposes of the Account Updater Service, and in respect of the use of such data under this Part 4, all necessary fair Processing notices have been provided to and consents obtained from Data Subjects by the Merchant and all necessary steps have been taken to ensure that such data has been gathered and Processed in accordance with the principles set out in applicable Data Protection Legislation, including in particular those relating to (i) lawful, fair and transparent Processing; (ii) specified, legitimate and explicit purposes; and (iii) adequate, relevant and not excessive Processing.
- 4.7 Without limiting the scope of paragraph 4.7, the Merchant warrants to QFPay that the Merchant has complied with the requirements of paragraph 4.7 in relation to providing sufficient information in fair Processing notices to Data Subjects about QFPay's use of the Cardholder data (including to provide a link to our Privacy Statement) and a valid consent for use of such data for such purpose.

Limitation of liability

- 4.8 Without prejudice to any of the limitations on liability set out in clause 15 of this Agreement, the Merchant acknowledges and agrees that the Account Updater Service is reliant upon data and services provided by Third parties ("**Updater Data**"). Accordingly, the Account Updater Services are provided "as is" without warranties or representations of any kind, either express or implied, including, without limitation, any warranties or representations of merchantability, fitness for a particular purpose, non-infringement or capability of correctly or completely processing Matches, or that the Updater Data are complete, accurate or free from error. QFPay do not assume, and expressly disclaim, any liability to any Person or entity for loss or damage caused by errors or omissions in the Account Updater Service and/or Updater Data, whether such errors or omissions result from negligence, accident or other cause.

Part 5: Pre-Authorisation Service

Where QFPay provides the Pre-Authorisation Service to the Merchant in accordance with the terms of this Agreement, the following additional provisions in this part apply:

- 5.1 In this part, the following capitalised terms and expressions will have the following meanings (unless the context otherwise requires):

Pre-Authorisation / Pre-Authorisation Service means the provision of a service which allows the Merchant to place a temporary hold on a Pre-Authorised Amount on a Cardholder's Card. This hold serves as a guarantee of payment, verifying the Card's validity and ensuring sufficient funds are available, without immediately capturing the payment; and

Pre-Authorised Amount means the specific sum of money temporarily reserved on a Cardholder's Card by the Merchant through the Pre-Authorisation Service, solely for the purpose of securing a future transaction;

- 5.2 QFPay shall provide the Pre-Authorisation Service to the Merchant in accordance with the terms of this Agreement. Notwithstanding the foregoing, QFPay reserves the right, at its sole discretion, to decline or reject the Merchant's application for such Service based on the nature of the Merchant's business operations.

Pre-Authorised Amount

- 5.3 The Pre-Authorised Amount shall constitute a provisional estimate only and shall not be deemed a completed payment or transferred to the Merchant unless and until the Transaction has been duly Captured and Settled within the applicable Authorisation Hold Period.
- 5.4 The Pre-Authorised Amount shall be subject to the applicable Transaction Limit, as defined under Clause 7, and shall in no event exceed such threshold assigned to the Merchant upon onboarding.
- 5.5 The hold on the Pre-Authorised Amount shall remain valid for a specified number of calendar days from the date of authorisation, as designated by QFPAY upon onboarding ("**Authorisation Hold Period**"). The hold shall automatically expire at 22:00 (HKT) on the final day of the Authorisation Hold Period. Upon expiration

of the Authorisation Hold Period, any funds held under the Pre-Authorisation shall be automatically released to the Cardholder.

5.6 The Merchant shall:

- (A) clearly disclose to the Cardholder that a Pre-Authorisation will be requested to temporarily hold a Pre-Authorisation Amount for the purpose of securing a reservation or service. This disclosure must be made prior to processing the Pre-Authorisation;
- (B) expressly disclose to the Cardholder, prior to initiating the Pre-Authorisation, whether the Pre-Authorisation Amount will be charged in the event of a cancellation, no-show, or any other modification to the reservation or service, and whether such charge will be applied in full or in part; and
- (C) be solely responsible for Capturing the final Transaction amount within the applicable Authorisation Hold Period. In the event that the Merchant fails to Capture the Transaction amount within the Authorisation Hold Period, the authorisation hold shall automatically expire, and the Pre-Authorisation Amount shall be released back to the Cardholder's account.

5.7 Upon completion of the Transaction, the Pre-Authorised Amount shall be fully Captured and charged to the Cardholder's account. The final charged amount may vary to reflect the actual value of goods or services rendered, including any additional services requested by the Cardholder, applicable fees, or adjustments due to cancellations or modifications. All such charges shall remain within the scope of the original Transaction and comply with Applicable Laws, regulations, Card Schemes and Wallets.

5.8 Subject to paragraph 5.6(B), the partial or full Pre-Authorised Amount may be released to the Cardholder in circumstances where the Cardholder cancels or modifies the reservation.

5.9 QFPay shall not be held liable for any failure by the Merchant to Capture the transaction prior to the expiration of the hold period. Any unclaimed funds shall be automatically released to the Buyer.

5.10 QFPay shall not be liable for any claims, losses, damages, or disputes arising from the Merchant's failure to properly disclose, manage, or process the Pre-Authorisation Amount, including but not limited to charges applied in the event of a cancellation, no-show, or modification of the reservation.

5.11 Settlement of captured transactions shall be processed in accordance with the standard settlement timelines applicable to the Merchant's account.

Part 6: Recurring Payment Service

Where QFPay provides the Recurring Payment Service to the Merchant in accordance with the terms of this Agreement, the following additional provisions in this part apply:

6.1 In this part, the following capitalised terms and expressions will have the following meanings (unless the context otherwise requires):

Recurring Payment Service means a series of scheduled payments initiated by the Merchant to charge a Buyer periodically for goods/services (e.g., subscriptions, memberships, or instalments); and

Recurring Transaction Authorisation means prior consent obtained by the Merchant from the Buyer authorising the Merchant to initiate a **Recurring Transaction**, an automatic payment transaction processed by charging the Buyer's payment method on a recurring basis, while specifying the terms of payment, including the payment amount (fixed or variable), frequency, and duration.

6.2 QFPay shall provide the Recurring Payment Service to the Merchant in accordance with the terms of this Agreement. Notwithstanding the foregoing, QFPay reserves the right, at its sole discretion, to decline or reject the Merchant's application for such Service based on the nature of the Merchant's business operations.

6.3 The Merchant shall obtain a valid and legally enforceable Recurring Transaction Authorisation from the Buyer prior to initiating any recurring payments. Such Authorisation must include but not limit to:

- (i) the specific payment amount(s), or details if the amount varies;
- (ii) the payment frequency and scheduled charge dates;
- (iii) the duration of the recurring payment arrangement, or, where no fixed duration applies, an express statement that the arrangement will continue until cancelled by the Buyer;
- (iv) an explanation of the Buyer's right to cancel or terminate the recurring arrangement at any time, including the applicable cancellation procedure and the effective date of cancellation;

- (v) accurate and up-to-date contact information for Merchant support services;
- 6.4 The Merchant shall notify the Buyer of any changes to the terms of the recurring payment with prior written notice, covering any adjustments to payment amounts, payment dates; or material changes to the Merchant's terms of service;
- 6.5 The Merchant agrees and acknowledges that the Merchant shall not initiate any payment under a Recurring Transaction without valid Recurring Transaction Authorisation. The Merchant is prohibited from charging a Buyer after the expiration or cancellation of a Recurring Transaction Authorisation.
- 6.6 QFPay shall not be held liable for any Losses, Assessments, Chargebacks or Claims arising from failure to comply with the provisions of this clause, the cancellation of Recurring Transaction Authorisation, or Buyer disputes related to inaccurate or non-disclosed terms of a Recurring Transaction.
- 6.7 The Merchant irrevocably agrees to indemnify and hold harmless QFPay and its affiliates from and against any and all Claims, Losses, Assessments, Chargebacks, or liabilities arising out of or in connection with the Merchant's failure to obtain, secure, or validate Recurring Transaction Authorisation, any violation by the Merchant of the provisions of this Clause 6.7, or disputes, complaints, or claims made by Buyers arising from or related to unauthorised or misrepresented recurring payments.

SCHEDULE 3: UNREGULATED TERMINAL HIRE TERMS

Part 1: General Hire Terms

1. The following terms and conditions apply whenever the Merchant hires Terminals from QFPay , except where the Merchant qualifies for Regulated Terminal Hire Terms and is in addition to the terms and conditions set out in the Agreement.
2. The agreement between QFPay relating to the Merchant's hire of the Terminals from QFPay consists of:
 - (A) the provisions relating to the Terminals as set out in the Application Form (including without limitation the minimum hire period and pricing) accepted by QFPay or as otherwise agreed in writing from time to time; and
 - (B) the following hire terms and conditions (together the **Unregulated Terminal Hire Terms**).
3. For the purposes of these Unregulated Terminal Hire Terms:

Installation Support means either:

- (A) where the Terminal is supplied via a courier, remote support via web and/or telephone communication as applicable in the circumstances; or
- (B) where so communicated by QFPay to the Merchant and in accordance with the additional costs, terms and conditions as notified by QFPay to the Merchant.

Part 2: The Hired Terminals

- 4. Minimum Hire Period: QFPay shall provide Terminals and/or Mobile Terminals (together **Hired Terminals**) and Installation Support, for the minimum period of hire shown in the Application Form (or if no minimum period is shown then thirty-six (36) months) (the **Minimum Hire Period**) and continuing thereafter for successive eighteen (18) month periods (each a **Renewal Hire Period**) upon the terms and conditions set out herein unless terminated earlier in accordance with paragraphs 21 or 23 below, or clause 12 of the Agreement.
- 5. Commencement and delivery: The Minimum Hire Period commences on the date of delivery of the Hired Terminals. QFPay agrees to accept delivery of the Hired Terminals within twenty-eight (28) days of QFPay notifying the Merchant (which may be by email) that these are ready for delivery. If for any reason the Merchant fails to accept delivery within this timeframe then an administration fee of HK\$5,000 will be charged and be payable by the Merchant in accordance with paragraph 27(g) below.
- 6. The Merchant will provide all necessary power and telecommunication links for the Hired Terminals and QFPay shall not be under any obligation to install any Hired Terminal if such links are not in place.
- 7. The Merchant shall install and operate the Hired Terminals only in legitimate business premises that have been previously informed and approved in writing by QFPay (**Approved Place of Business**). Without QFPay's written consent, the Merchant shall not transfer the Terminals arbitrarily or move it to the other place of business or exchange between different cashiers, and any change in the business location requires QFPay's prior written authorisation. Otherwise, the Merchant shall take responsibility for any direct loss incurred by the Buyers and QFPay. The Merchant will permit QFPay, its Personnel or any other person authorised by QFPay (each an **Authorised Person**) to enter the Merchant's premises (and where relevant the Merchant shall obtain permission for QFPay and any Authorised Person to enter the premises of any Third party) at all reasonable times for the purpose of inspecting, repairing and/or maintaining the Hired Terminals and the Merchant will give such persons all reasonable assistance.
- 8. INDEMNITY: Until returned and received, or collected by QFPay, each Hire Terminal shall be at the Merchant's sole risk and the Merchant indemnifies QFPay against any loss or damage to each Hire Terminal howsoever caused (other than fair wear and tear in the ordinary course of usage of each Hire Terminal). The Merchant will take reasonable care of each Hire Terminal, keep it in good working order and not alter, amend or interfere with it or any sign or label affixed to it, PROVIDED THAT QFPay may, where a sign or label becomes worn, replace such sign or label with an identical one QFPay provides the Merchant. The Merchant will report to QFPay any damage to a Hire Terminal.

Part 3: Payment

- 9. In return for QFPay supplying the Merchant with the Hired Terminals, the Merchant will punctually pay any set-up fee and the initial and subsequent monthly rentals (including during any Renewal Hire Period) as set out in the Application Form or which otherwise apply from time to time, together with any additional service charges of which the Merchant is notified from time to time. The monthly rental payments are payable monthly in arrears by direct debit on the 18th of each month (or the next business day) from a bank account acceptable to QFPay. The Merchant will maintain with its bank an instruction to effect such direct debits. The charges payable under this schedule form part of the Fees, are payable in accordance with the provisions of clauses 4 and 8 of the Agreement, and are in addition to any other Fees, charges or other amounts payable under the Agreement.
- 10. In addition to QFPay's right to debit the Merchant Bank Account arising elsewhere in the Agreement, QFPay shall be entitled to debit the Merchant Bank Account with the following items: (a) any other sums payable by the Merchant under this schedule; and (b) interest as provided for in clause 9 of the Agreement.

Part 4: Failure to Pay

- 11. If the Merchant fails to pay any amount under or in connection with this Schedule when due then in addition to any other rights herein (including our right to terminate) QFPay may:
 - (A) switch off the Hired Terminals until payment is made;

- (B) re-possess the Hired Terminals;
- (C) exercise QFPay's rights of withholding, deduction or set-off as described in clause 5.8 of the Agreement above;
- (D) charge the Merchant interest on a daily basis on the overdue amount at a rate of 5% per annum over the prime rate published by HSBC from time to time whether before or after judgment has been given;
- (E) in addition to the fee referred to in paragraph 27(B) below, charge the Merchant any reasonable costs and expenses incurred by QFPay in endeavouring to collect any unpaid and overdue instalments, including any debt collection agency charges and reasonable legal costs which are incurred by QFPay in exercising QFPay's rights under this Agreement, including enforcement of it; and
- (F) register the default with a credit reference agency, which may impact the Merchant's ability to obtain credit in the future.

Part 5: Insuring the Terminals

12. The Hired Terminals will remain QFPay's property. The Merchant shall not sell, lend, mortgage, pledge, charge, encumber, part with possession or otherwise dispose of the Hired Terminals. The Merchant will insure against loss or damage to the Hired Terminals including without limitation for the full replacement value in the sum of HK\$5,000 for each of the Hired Terminals supplied to the Merchant. If the Merchant receives any insurance monies the Merchant must hold these on trust for QFPay.

Part 6: Care and use of the Hired Terminals

13. The Merchant shall be responsible for keeping the Terminals in good condition. The Merchant shall be responsible for the safe use of the Terminals, bearing the resulting equipment cost and communication cost. The Merchant shall ensure the confidentiality of the information transmitted in the Data transmission process and that the Terminals are not used for any purpose other than the uses specified in this Agreement. The requirements for installation of the Terminals include:
 - (A) Terminal position should be stable, safe and easy to operate;
 - (B) Terminal should not be exposed to direct sunlight, high temperature, dampness or be positioned near strong magnetic field, and power supply as well as communication lines should be consistent with Terminal application; and
 - (C) Other conditions required for normal use of Terminals.

If the installation conditions do not meet the above requirements, which result in Merchant's inability to provide the Payment Services to Buyers, it shall be the Merchant's responsibility and QFPay shall not be held responsible for the result.

14. The Merchant shall prominently display and maintain the relevant logos provided by QFPay Group, identifying the Terminals in its Approved Place of Business or Official Website. Such logos shall clearly indicate the Merchant's acceptance of Cards or Wallets as a valid form of payment, including the respective Card and Card Scheme identification or Wallets identification:
 - (A) as required by any Card Schemes or Wallets;
 - (B) as notified to the Merchant from time to time;
 - (C) the Merchant shall only use related business logo and trademark for the purpose in accordance with this Agreement; and
 - (D) if the Merchant uses merchant static QR Code solution, the Merchant shall ensure that the electronic payment QR Code stickers are completely and safely placed at the right place and it cannot be overlaid by any item and materials for avoiding QR Code is torn off, altered or replaced, otherwise the Merchant shall be solely responsible for any negligence damages and QFPay's losses.
15. The Merchant shall operate the Hired Terminals in accordance with the provisions of any operating manuals or instructions in existence from time to time together with any instructions issued or made available by QFPay from time to time. The Merchant shall only use the Terminal and the acquiring bank settlement account for the purpose in accordance with this Agreement and shall not engage in or assist others in committing any commercial fraud or illegal activities. QFPay may require the Merchant to accept updated software or a replacement Terminal from time to time (including due to industry changes or requirements) and the Merchant agrees to provide reasonable co-operation in making such changes.
16. The Merchant will only use such equipment and materials in connection with the Hired Terminals as have previously been approved by QFPay in writing. Damage to, or malfunction of, the Hired Terminals or any equipment or materials resulting from the use of non-approved equipment and materials will be the Merchant's responsibility.
17. Mobile interference: The wireless nature of the Mobile Terminals means that their use is subject to the availability

of wireless connectivity. No warranty or representation is, has or will be given or made by QFPay that Mobile Terminals will be capable of use free of any interruptions. Without prejudice to paragraph 32, QFPay shall not be responsible for any inability to use the Mobile Terminals if and to the extent caused by electrical interference, problems with telecommunications or satellite links or any other similar circumstances beyond QFPay's control.

18. The Merchant agrees that any liability QFPay's may have to the Merchant in relation to all Claims arising in respect of QFPa's provision of the Hired Terminals under these Unregulated Terminal Hire Terms during each Contract Year shall in each case be limited to (a) in the first Contract Year, a sum equal to the average monthly Terminal Hire Fees paid under these Unregulated Terminal Hire Terms, in the period between the Commencement Date and the first event giving rise to the first such claim, multiplied by twelve (12); and (b) in each Contract Year thereafter, a sum equal to the Terminal Hire Fees paid under these Unregulated Terminal Hire Terms in the twelve (12) months immediately preceding the first event giving rise to the first such claim in the relevant Contract Year.
19. Save for Mobile Terminals, the Merchant will give QFPay three months' notice in writing of any proposed change to any electrical power supplied or to the telecommunication links in or to the premises where the Hired Terminals are located. QFPay reserves the right to terminate these Unregulated Terminal Hire Terms upon three months' written notice if QFPay considers the aforementioned changes would or could affect the operation of the Hired Terminals.
20. INDEMNITY: The Merchant will indemnify QFPay against all claims and all losses, costs, expenses, damages and liabilities whatsoever incurred by QFPay (including the cost of repairing, replacing or removing the Hired Terminals) by reason of, or in any way attributable to, the Merchant's use (including use by the Merchant's Personnel) of the Hired Terminals.

Part 7: Merchant's right to terminate these Unregulated Terminal Hire Terms

21. The Merchant has the right to terminate these Unregulated Terminal Hire Terms:
 - (A) by giving QFPay at least three (3) month's written notice expiring at the end of the Minimum Hire Period, or the end of the then applicable Renewal Hire Period as the case may be; or
 - (B) by one month's written notice in accordance with the provisions of paragraph 28 if a variation of these Unregulated Terminal Hire Terms gives rise to a right of termination.
22. If the Merchant gives notice to terminate these Unregulated Terminal Hire Terms relating to the Hired Terminals, this shall not automatically terminate the other provisions of the Agreement or the Services other than the Terminal Hire. The Agreement shall remain in place unless otherwise agreed between the Parties.

Part 8: QFPay's right to terminate these Unregulated Terminal Hire Terms

23. In addition to the provisions of paragraph 19 of this Schedule and clause 12 of the Agreement QFPay has the right to terminate these Unregulated Terminal Hire Terms:
 - (A) by giving three (3) month's written notice expiring on or at any time after the expiry of the Minimum Hire Period;
 - (B) at any time with immediate effect by notice to the Merchant if the Merchant fails to pay any amount due on the due payment date or if the Merchant is otherwise in default and is deemed to have repudiated these terms by breaching thereof;
 - (C) by three (3) month's written notice if paragraph 19 applies;
24. The Merchant agrees that termination of the Agreement will automatically terminate these Unregulated Terminal Hire Terms at the same time, unless QFPay otherwise agrees (at their sole discretion).

Part 9: What the Merchant must pay if these Unregulated Terminal Hire Terms are terminated

25. Upon termination of these Unregulated Terminal Hire Terms:
 - (A) the Merchant will immediately return the Hired Terminals to QFPay at such place within Hong Kong as QFPay reasonably requires, in good order, repair and condition (fair wear and tear only excepted) or to an Authorised Person or allow QFPay or an Authorised Person to enter the Merchant's premises (and where relevant the Merchant shall obtain permission for QFPay and any Authorised Person to enter the premises where the Hired Terminals are or where QFPay believes them to be) to remove the Hired Terminals; and
 - (B) the Merchant will immediately pay QFPay all amounts owed by the Merchant under these Unregulated Terminal Hire Terms.
26. Where these Unregulated Terminal Hire Terms have terminated (for whatever reason) prior to the expiry of the Minimum Hire Period or any subsequent Renewal Hire Period (as the case may be), then in addition to the

provisions of paragraphs 8 and 9 above, the Merchant will pay to QFPay:

- (A) all arrears of rental payments outstanding at the date of termination;
- (B) a sum equal to the aggregate of all rental payments which would, but for the termination of the Agreement, have become due and payable under the Unregulated Terminal Hire Terms from the date of termination to the expiry of the Minimum Hire Period (or to the expiry of the applicable Renewal Hire Period as the case may be) less a discount of 5% of each rental. The Merchant agrees that the liability under this paragraph (B) shall accrue prior to termination of the Unregulated Terminal Hire Terms.
- (C) damages for any breach of the Unregulated Terminal Hire Terms and all costs, expenses and fees incurred by QFPay in recovering possession of the Hired Terminals and/or enforcing QFPay's rights under the Unregulated Terminal Hire Terms;
- (D) if the Hired Terminals are not recovered by us within one (1) week after termination of the Unregulated Terminal Hire Terms, an amount of HK\$500 in respect of each of the Hired Terminals for each week or part thereof that the Merchant retains possession of the Hired Terminals beyond such termination (such amount being the sum that QFPay ordinarily charges where Hired Terminals are hired from us on a weekly basis); and
- (E) if the Hired Terminals are not recovered by QFPay within one month after termination of the Unregulated Terminal Hire Terms, an amount equal to our reasonable estimate of the market value of the Hired Terminals at the date of termination.

Part 10: Other charges under the Unregulated Terminal Hire Terms

- 27. On notification to the Merchant, QFPay may from time to time vary the rental charges, other charges or payments and/or the terms and conditions of these Unregulated Terminal Hire Terms. Any such variation shall become effective upon QFPay giving the Merchant at least one (1) month's written notice in accordance with clause 25. In circumstances where the variation constitutes a material variation to these hire terms and conditions, the Merchant shall be entitled to terminate these Unregulated Terminal Hire Terms upon one month's written notice PROVIDED THAT such notice is served upon QFPay within one (1) month of the Merchant receiving the notice of variation.

Part 11: General Provisions

- 28. The Merchant agrees that QFPay may assign, novate, transfer or subcontract any or all of the rights and obligations under this Schedule and/or ownership of the Hired Terminals to a Third party at any time without the Merchant's consent. The Merchant shall execute any document reasonably required by QFPay to give effect to any such assignment, novation or subcontracting.
- 29. Such other clauses as by their nature are intended to survive termination, will continue to apply in respect of the Hired Terminals following termination of these Unregulated Terminal Hire Terms for whatever reason.
- 30. If the Merchant is a partnership, each partner will be jointly and severally liable under the Unregulated Terminal Hire Terms.
- 31. QFPay shall not be liable for any delay or failure to carry out any of the obligations under the Unregulated Terminal Hire Terms if such failure is due to circumstances beyond direct control.
- 32. These Unregulated Terminal Hire Terms are personal to the Merchant and the Merchant may not assign or transfer them. If the Merchant is an individual, the Unregulated Terminal Hire Terms will be binding upon its personal representatives.

SCHEDULE 4: CARD SCHEMES

Visa Inc
MasterCard Worldwide
International Maestro
American Express
China UnionPay / UnionPay International

SCHEDULE 5: WALLETS

- Alipay
- WeChat Pay
- UnionPay
- Payme
- Payment via Faster Payment System (FPS)
- Octopus

SCHEDULE 6: PRICING SCHEDULE

Please refer to the Pricing Schedule in the Application Form as amended or replaced from time to time.

SCHEDULE 7: ADDITIONAL CHARGES

Additional Charges vary based on the accumulated Chargeback ratio, the ratio of unauthorised usage of the all Acquiring Services and the ratio of Reported Frauds (**Accumulated Ratio**) and which is the sum of Additional Charge per chargeback, unauthorised usage and Reported Frauds, percentage of the volume of chargeback, unauthorised usage and Reported Frauds and monthly handling fee.

Accumulated Ratio	Additional charge per chargeback, unauthorised usage and Reported Frauds	Additional charge on percentage of the Total volume of chargeback, unauthorised usage and Reported Frauds
2% to 4.99%	USD150	5%
5% to 9.99%	USD200	7%
10% or above	USD300	10%

Accumulation Ratio =

Total number of Chargeback + unauthorised usage + Reported Fraud divided by Total No. of Transaction made in the pasted 12 months period

Or

Total volume of Chargeback + Total volume of unauthorised usage + Total volume of Reported Fraud divided by the total volume in the pasted 12 months period

SCHEDULE 8: Prohibited Goods and Services

I. Prohibited List (HK Wallet)

1.	Pornography 色情
2.	Illegal drugs 毒品
3.	Narcotic-taking tools 吸毒工具
4.	Weapons, including accessories, replica weapons, ammunitions and explosives 軍火武器/槍械及配件，含模擬槍、爆炸物
5.	Military or police equipment

	軍用、警用物品
6.	Poisonous articles and hazardous chemicals 劇毒物品和危險化學品
7.	Hacking, malware 駭客攻擊、惡意軟體
8.	Certificate issuing and stamp carving that violate the law 違法辦證刻章
9.	Counterfeit currency 假幣
10.	Sale or purchase of bank account or bank card in contravention with the Laws 買賣銀行帳戶（銀行卡）
11.	Archaeological and cultural relics 考古文物
12.	Forged and fake products 假冒產品
13.	Human organs 人體器官
14.	Surrogacy services 代孕服務
15.	Protected species 保護動植物
16.	Smuggled goods 走私物品
17.	Any animals, plants or products which contain dangerous germs, pests or any other living creature 帶有危險性病菌，害蟲及其他有害生物的動物、植物及其產品
18.	Any products, medicine or any other article originates from epidemic area of infectious disease which causes threat to health of human beings or animals 有礙人畜健康的，來自疫區其他能傳播疾病的製品，藥品或其他物品
19.	Any other goods or services that violate the law 其他違法產品或服務

II. Prohibited List (CN Wallet)

1	Illegal political products and publications 非法政治產品及出版物
2	Illegal political program channels 非法政治節目台
3	State secret documents and information 國家機密檔資料等
4	Pornographic and vulgar audio-visual products, channels, and publications 黃色低俗音像產品/出版物
5	Pornographic and vulgar erotic services 黃色低俗色情服務
6	Gambling 賭博
7	Gambling devices and accessories 賭博設備及配件
8	Lottery 抽獎
9	Narcotics and related accessories 毒品及相關配件
10	Weapons of all types (including daggers, firearms and accessories, replica weapons, ammunition and explosives)

	軍火武器/槍械及配件，含模擬槍、爆炸物
11	Military or police equipment 軍用或警用物品
12	Illegally obtained proceeds or properties as result of crime 犯罪物品
13	Poisonous or hazardous chemicals 劇毒和危險化學品
14	Batons and electric batons 甩棍、電棍、電擊棍等其他物品
15	Lock picking tools and accessories 開鎖工具及相關配件
16	Anesthetic, psychotropic or prescription medicine; illegal unregistered medicine 麻醉藥品、精神類藥品、處方藥、無批號藥品
17	Fetal gender determination 胎兒性別鑒定
18	Aphrodisiac 成人藥品
19	Online sale of medical services, including medical consulting, hypnotherapy, plastic surgery 線上醫療服務，包括醫療諮詢、催眠、整容整形
20	Hacking services or accessories 駭客攻擊服務或相關配件
21	Malwares 惡意軟體

22	Illegal publication of certificates or carving of stamps 非法辦證刻章
23	Crowd funding 眾籌
24	Video chatting services 視頻聊天服務
25	All religious websites, publication or accessories 所有宗教網站, 刊物或相關配件
26	Online cemeteries and ancestor worshipping 網上公墓、網上祭祀等服務
27	Sales of personal information (e.g. identity card information) 販賣個人資料 (例如: 身份證資訊)
28	Espionage equipment and accessories 間諜設備及配件
29	Services or products that infringe on personal privacy (e.g. online activity monitoring) 侵犯個人隱私的服務或產品 (例如: 在線活動監控)
30	Pyramid schemes and multi-level marketing 傳銷及多層次營銷
31	Gold investment 黃金投資
32	Cashback from Alipay account 通過支付寶賬戶返現
33	Counterfeit currency 假幣
34	Illegal sale of financial information (e.g. bank accounts, bank cards) 非法出售財務信息 (例如: 銀行帳戶, 銀行卡)
35	Stock and securities 股票及證券
36	Mutual Funds 共同基金

37	Insurance products and platforms 保險產品及平台
38	Financial products and services 金融產品和服務
39	Rebate or cashback services 返利或返現服務
40	Software or products related to trading of financial products and information 與金融產品和信息交易有關的軟件或產品
41	Single-purpose prepaid cards (including gift cards and other stored value cards) 單用途預付卡 (包括禮品卡和其他儲值卡)
42	Illegal or un-registered fund-raising activities 非法或未註冊的籌款活動
43	Foreign exchange services 外匯服務
44	Peer to peer (P2P) lending services 點對點 (P2P) 借貸服務
45	Payment by instalments service 分期付款服務
46	Trading in invoices issued within the Peoples' Republic of China 在中華人民共和國境內開具的發票交易
47	Trading or sale of virtual currencies (e.g. Bitcoin, Litecoin) 交易或出售虛擬貨幣 (例如比特幣, 萊特幣)
48	Satellites antennas 衛星天線
49	Archaeological and cultural relics 考古文物
50	Trading or distribution of currency (both RMB and foreign currencies) 貨幣 (人民幣和外幣) 的交易或分配
51	Counterfeit or replica food products 假冒或仿製食品
52	Online sale of tobaccos and cigarettes 線上銷售菸草和香煙
53	Fireworks and firecrackers 煙花爆竹
54	Crude oil 原油
55	Human organs 人體器官
56	Surrogacy services 代孕服務
57	Services to facilitate plagiarism and examination fraud 促進竊和考試欺詐的服務
58	Protected species 受保護物種
59	Smuggled goods 走私貨物
60	Sales or distribution of event tickets without license (e.g. Olympic Games or World Expo tickets) 無證銷售活動門票 (例如: 奧運會或世博會門票)
61	Seeds 種子
62	Real estate 不動產買賣
63	Charitable Organizations 慈善組織

64	Auction sites and services 拍賣場和服務
65	Pawn services 典當服務
66	Lucky draws 抽獎
67	Sale of animals, plants or products with contagious and hazardous diseases 出售具有傳染性和危險性疾病的動植物或產品
68	Sale of animals, plants or products originating from areas declared with an epidemic outbreak of contagious diseases 出售源自被宣布具有傳染性疾病流行病的地區的動植物
69	Services or products facilitating unlawful public gathering 有助於非法集會的服務或產品