

## Appendix No. 2 Payment service rules

### to the Merchant electronic money account maintenance and payment service provision agreement



#### PAYMENT SERVICE RULES

##### 1. Terms used in these rules

- 1.1. **Price list** – Agreement section, in which have got specified commission for the payment service and its calculation order.
- 1.2. **Latvijas Banka** – supervisory authority, Latvijas Banka, address: K. Valdemara iela 2A, Riga; tel. +371 67022300, e-mail: info@bank.lv.
- 1.3. **Customer** - legal entity, which uses Mobilly services, to purchase goods or services from the Merchant.
- 1.4. **Agreement** – Merchant electronic money account maintenance and payment service provision agreement.
- 1.5. **Party** – Mobilly or Merchant or both together Parties.
- 1.6. **Mobilly** – limited liability company "Mobilly", registration number: 40003654405, legal address: Riga, Dzirnau iela 91 k-3 - 20, e-mail: [info@mobilly.lv](mailto:info@mobilly.lv). Mobilly is a licensed electronic money institution with the right to provide payment services, registered in Latvijas Banka License Register with No. 06.12.04.415\_528, whose activity is monitored by Latvijas Banka.
- 1.7. **Rules** – These payment service rules for the Merchant, which set out the procedure in which Mobilly on its own, but on behalf of the Merchant's interests, provides Customer the information about Merchant and its provided services or goods, ensures accounting of the services or purchased goods, preparation of invoices and ensures receipt of payments due to Merchant from the Customers.
- 1.8. **Reclamation** – Customer submitted complaint about transaction or payment or its contestation.
- 1.9. **Merchant** – Party, who uses Mobilly payment services within its commercial activity. Within the framework of the Agreement, the Merchant is a legal entity whose data is indicated in the Agreement.
- 1.10. **Accounting system** – a payment service accounting and control system maintained by Mobilly, in which the Merchant and Customer mutual transactions are registered.
- 1.11. **Website** – <http://www.mobilly.lv> or <http://mans.mobilly.lv>.

##### 2. Payment services

- 2.1. Merchant sells and Mobilly buys services or goods provided by the Merchant with a goal to sell them further in on its own on behalf, but on behalf of the Merchant's interests, to Customers using Accounting system.
- 2.2. Mobilly provides to the Merchant the following services:
  - 2.2.1. Provides Customers an opportunity to buy Merchant's services or goods using Accounting system;
  - 2.2.2. On behalf of the Merchant accounts the goods and services purchased by the Customers, prepares reports and summaries on purchased goods or service type and quantity;
  - 2.2.3. Prepares invoices from Mobilly on behalf of interests of the Merchant for the Customers, which purchased Merchant goods or services, and receives the funds due to the Merchant from the Customers in accordance with the prepared invoices.
- 2.3. For the services provided by Mobilly the Merchant pays commission defined in the Agreement Clause 6 Price list.
- 2.4. Within the scope of the Mobilly payment services the Merchant's goods or services are offered to Customers and their employees.
- 2.5. Settlements for payment services are not electronic money payments and they are not indicated in Merchant electronic money account statement, if electronic money account is opened for the Merchant.
- 2.6. The relationships between the Parties within the scope of this Agreement are defined in accordance with the regulations of the Civil Law of the Republic of Latvia, corresponding to the substitute deputy (Merchant) and the silent deputy (Mobilly) relationships, that is Mobilly on behalf of the Merchant interests, but on its own gets involved in providing services or selling goods.

##### 3. The territory for providing the payment services

- 3.1. Merchant authorizes Mobilly to provide the opportunity for Customers to purchase the Merchant's goods and services in Latvia and outside it within the discretion of Mobilly.
- 3.2. In those in cases where the provision of the selling of goods or providing of the services outside the territory of Latvia requires additional funds from the Merchant (shipment costs, service provisioning costs), the Merchant has the right to restrict the territory of provision of the payment services.

##### 4. Mobilly rights and duties

- 4.1. Merchant authorizes Mobilly to provide to the Customers goods or services, which are determined in Clause 5.1 of the Agreement.
- 4.2. Mobilly has the right to enter into transactions with Customers for the supply of services or goods on behalf of the Merchant.
- 4.3. Mobilly is obliged to independently record the provision of services or sales of goods in the Accounting system.
- 4.4. Mobilly has an obligation to summarize the transactions for the sale of goods or services in the Accounting system at least once per month and inform Merchant about it by preparing Revenue summary (mutual account act) and invoices. Revenue summary for the previous month is provided to the Merchant no later than the 5. (fifth) date of each month. Minimum information, which is shown in Revenue summary is as follows:
  - 4.4.1. Mobilly and Merchant registration data and payment details;
  - 4.4.2. Type, duration or quantity of the services or products, as well as other relevant data;
  - 4.4.3. The amount payable for the services or products;
  - 4.4.4. Commission due to Mobilly for the payment services.
- 4.5. Mobilly has the right once a month until the 10<sup>th</sup> date on behalf of Mobilly and in the interests of the Merchant to prepare summary and invoice of the provided services or goods in the previous month to the Customer. Mobilly independently submits the prepared report and invoice to the Customer.
- 4.6. For the services or goods purchased by the Customer from the Merchant using Mobilly services, the Customer shall pay directly to Mobilly, based on the prepared invoices.
- 4.7. Mobilly is obliged to transfer the received Customers funds due to the Merchant to the Merchant's bank account, after deducting the specified commission for the payment service, within the term specified in Clause 7 of the Rules.
- 4.8. The Merchant authorizes Mobilly, and Mobilly has the right to independently organize the collection of debt from Customers who have missed the payment deadline.
- 4.9. If Mobilly pays the Merchant instead of the Customer, in that case all rights of claim against the Customer, including late fees, interest and liquidated damages, are transferred (assigned) to Mobilly at the time of payment. In such a case, the moment of payment is considered the moment when funds are debited from Mobilly's bank account in favor of the Merchant.
- 4.10. When distributing services or goods on behalf of the Merchant, Mobilly is obliged to respect the interests of the Merchant and to perform its duties with the care of a good merchant.
- 4.11. Mobilly is obliged to notify the Merchant of circumstances that limit or make impossible the provision of payment services, including accounting of transactions

made or payment of prepared invoices, as far as these circumstances are known to Mobilly or depend on Mobilly. Mobilly is not liable to the Customers, if the service or goods transaction is not possible due to the Merchant's fault.

- 4.12. Mobilly has the right to interrupt the distribution of services or goods or the conclusion of transactions or accounting for a period not exceeding 6 (six) hours per month in order to make technical improvements to the Accounting system. Mobilly informs the Merchant about this at least 24 (twenty-four) hours in advance. In emergency situations, Mobilly will notify the Merchant as soon as possible.
- 4.13. Mobilly has the right to request from the Merchant and the Merchant is obliged to provide Mobilly with the information necessary for concluding transactions, if this information is necessary for the Customers to ensure the sale of services or goods. Information is provided no later than within 5 (five) working days. The information provided by the Merchant online is made available to Mobilly immediately.
- 4.14. Mobilly has the right to transfer to the Merchant Customer Reclamations about service or goods, the validity of these transactions, inspection procedures etc., and Merchant independently evaluates and solves Customer Reclamations. Mobilly has an obligation cooperate with the Merchant and provide the Merchant information available to Mobilly and necessary in order to evaluate the Reclamation about the service or purchase of goods.
- 4.15. Mobilly has a right to review the Reclamation of the Customer and return funds to the Customer, if: (i) Mobilly or Merchant is unable to prove that the Customer has received services or goods; (ii) Merchant does not provide appropriate services or goods; (iii) Customer has used refusal rights defined in applicable laws, such as refusal rights arising out of distance agreement.

## **5. Rights and obligations of the Merchant**

- 5.1. The Merchant has an obligation to provide services or good in accordance with the transaction ensured by Mobilly. The Merchant is not entitled to unilaterally withdraw from the transaction.
- 5.2. The Merchant is obliged to immediately notify Mobilly of changes in his VAT (value added tax) registration status.
- 5.3. The Merchant is obliged to immediately notify Mobilly of the refusal to provide the services or goods to the Customer, if the transaction has been concluded through Mobilly.
- 5.4. The Merchant has the right to dispute the Revenue summary transactions within 5 (five) working days from the moment of preparation of the Revenue summary by submitting a written claim to Mobilly.
- 5.5. The Merchant is obliged to provide Mobilly with the information and documents necessary for the provision of services or sale of the goods (transaction terms, price lists, advertising materials, etc.) if requested by Mobilly or if it is necessary due to the nature of the transaction.
- 5.6. The Merchant is obliged to pay the commission specified in the Price List for the payment services.
- 5.7. The Merchant is obliged to consider and resolve Customer Reclamations regarding services or goods transactions. The Merchant has the right to receive from Mobilly the necessary information about the purchase, accounting and settlement of services or goods.
- 5.8. During the term of the Agreement, the Merchant has the right to receive information on the Rules, as well as the Rules in paper form or using another permanent information medium, upon request.
- 5.9. The Merchant has the right to provide only the services specified in Clause 5.1 of the Agreement. In the event that the Merchant violates this clause and provides services that are not specified in Article 5.1 of the Agreement, the Merchant undertakes to compensate Mobilly and/or any Mobilly Customer for losses incurred.

## **6. Information for Merchants providing catering services**

- 6.1. If the Merchant provides employer paid catering services to Customer employees using Mobilly services, the Customers as employers are allowed to not apply the wage tax for such transactions in accordance with the law "On personal income tax" Article 8 Clause 15, based on Mobilly personified transaction accounting statement. The right to use this advantage is sole discretion of the Customer.

## **7. Payment and settlement order**

- 7.1. The Merchant pays the Mobilly commission for payment services in accordance with the Price List specified in Clause 6 of the Agreement. Price list defines fees for payment services and other Mobilly services, if the Merchant and Mobilly has agreed on it.
- 7.2. The Revenue summary prepared by Mobilly shows the Customer's transactions for the previous month (from the first date of the previous month at 0.00 a.m. to the last date of the month at 11.59 p.m.) and the amounts due to the Merchant. The Revenue summary shows the calculated Mobilly commission according to the Price List.
- 7.3. Mobilly transfers the total amount indicated in the Revenue summary, minus the amount of Reclamations (if any) and the commission for the payment service, to the Merchant's bank account by the 15<sup>th</sup> of the current month.

## **8. Copyright and related rights**

- 8.1. The copyright to the Mobilly Accounting System and the computer programs used in it belong to Mobilly.
- 8.2. The right to use the Mobilly Accounting System or software is transferred to the Merchant only for the purposes specified in this Agreement. After the termination of the Agreement, the Merchant has no right to use the Accounting System or any part of it or the computer programs used in the system. After the termination of the Agreement, the Merchant is obliged to delete all computer programs related to the Accounting System, which are located on the Merchant's computers or other information systems.
- 8.3. The Merchant has no right to make any kind of changes to the Accounting System, its software, nor to copy, reproduce, transfer to third parties or otherwise distribute the Accounting System or its software without Mobilly's written consent.
- 8.4. During the term of the Agreement and five years after its termination, the Merchant or its related persons have no right to create a similar Accounting system and its software or to use the patents or know-how used by Mobilly without the written consent or license agreement of Mobilly.
- 8.5. Parties are independently responsible for licensing their software or other computer programs in accordance with the requirements of their developers.

## **9. Marketing and advertising**

- 9.1. Mobilly, by receiving prior agreement from the Merchant, has the right to inform Customers and cooperation partners, place public advertisements, information or informative materials about the possibility of purchasing the Merchant's goods or services through Mobilly. If it is necessary to use the Merchant's logo, trademarks or other registered identification elements to provide the mentioned information, Mobilly coordinates their use with the Merchant. If the Merchant wishes to limit or establish special procedures for publishing the logo, trademark or other registered identification elements, Mobilly and the Merchant shall enter into an additional agreement on this.
- 9.2. The Merchant cannot set discriminatory rules for different payment methods and limit the acceptance of any payment method. The Merchant undertakes to inform existing and potential Customers and business partners about the possibility of purchasing the Merchant's services or goods using Mobilly services, by posting information at the place of service provision or the sale/delivery of goods (or at the place where the Merchant's representatives or agents offer the Merchant's goods or services) or on social networks. The Merchant has the right to use the Mobilly logo, product and trade marks and Mobilly's identity data

(address, registration data, etc.) for these purposes, upon prior agreement with Mobilly. If Mobilly or the Merchant wants to agree on special terms of information distribution, the Parties shall conclude an additional agreement on this.

- 9.3. Mobilly or the Merchant has the right to demand the termination of posting or provision of information if it misleads existing or potential Customers or creates a wrong idea about the nature of the service, or infringes the rights or reputation of the other Party.
- 9.4. The Parties undertake to use the other Party's logo and other data only within the framework of this Agreement and to ensure that the logo and other data are not used in an offensive, illegal or compromising manner.
- 9.5. Each Party is independently responsible about to their own marketing and advertisement expenses.

## **10. Confidentiality**

- 10.1. The Parties undertake to protect, not distribute and, without prior written agreement, not to transfer to third parties all or part of the documents related to the execution of this Agreement, their content; not to disclose information containing technical, commercial and any other information about the activity of the other Party or the content of this Agreement, as well as any other information that has become available to them during the execution of the Agreement or that can be considered a trade secret, except for the cases provided for in the laws and regulations of the Republic of Latvia .
- 10.2. Mobilly is entitled to provide information and documents related to the Customers and Merchants and the execution of this Agreement to Latvijas Banka at its request.
- 10.3. The privacy of Customers and their transactions is protected by the norms of the "Payment Services and Electronic Money Law", therefore Mobilly is entitled to provide Customer data only in accordance with the procedures specified in the regulatory acts. Merchant does not have right to transfer Customer data, which Mobilly transfers or presents to the Merchant within the framework of this Agreement, to related parties or third parties or to use it in any other way, except for internal accounting of the services provided or goods sold. If accounting is provided to the Merchant by an external service provider, Mobilly's written consent must be obtained for the transfer of data to the Merchant's external service provider. The Customer data confidentiality requirements apply to any information related to the Customer.
- 10.4. The Parties are mutually financially responsible and indemnify the direct losses incurred by the other Party due to violations of confidentiality rules, and also confirm that they have been introduced to administrative or criminal liability for unjustified disclosure of Customer data.
- 10.5. The provisions of this chapter are in force for unlimited time, even after the termination of this Agreement.

## **11. Entry into force and validity**

- 11.1. Agreement comes into force, when it is signed by both Parties, and it is in force for unlimited time.
- 11.2. The order in which the Agreement comes into force:
  - 11.2.1. The Merchant familiarizes itself with the Agreement, Rules and the technical requirements necessary for the integration of Electronic money payments in the Merchant's systems;
  - 11.2.2. The Merchant signs the Agreement, thereby assuming the obligation to provide the necessary documents and information for the research of the Merchant;
  - 11.2.3. Mobilly evaluates the submitted documents and information, determining their compliance with the research requirements specified in the regulatory acts;
  - 11.2.4. Mobilly makes a decision about establishing a contractual relationship with the Merchant and signs the Agreement; in case of refusal Merchant is informed about it.
- 11.3. Each Party has the right to unilaterally terminate the Agreement by notifying the other Party in writing at least 60 (sixty) calendar days in advance. In accordance with the procedures specified in this paragraph, the Parties have the right to stop receiving/providing payment services, leaving the Agreement in force and continuing to receive/provide services related to opening and servicing an electronic money account, if such service is agreed.
- 11.4. The Parties have an obligation to make mutual settlements upon termination of the Agreement. Mobilly has to transfer funds due to Merchant to the Merchants bank account, whereas the Merchant has to pay the commission for payment services. Mobilly has the right to withhold the funds due to the Merchant in the amount that is equal to the debt Merchant has against Mobilly until the Merchant fully settles with Mobilly for the services provided.
- 11.5. The Agreement can be unilaterally terminated by sending respective notice to the other Party in accordance with the terms of this Agreement, if:
  - 11.5.1. Mobilly has received an order from the state authorities forbidding cooperation with the Merchant in the distribution of services and goods;
  - 11.5.2. Due to the fault of the Merchant or its representatives, the delivery of the goods or the provision of the service is not ensured within the time period normally required for the delivery of the goods or the provision of the services, or the delay is more than 5 (five) working days from the day of the transaction;
  - 11.5.3. Mobilly is more than 45 (forty-five) days late for the deadline specified in Clause 7.3 of the Regulations for the transfer of the Merchant's funds;
  - 11.5.4. Mobilly has stopped the operation of the Accounting System and does not renew it for more than 45 (forty-five) days from the interruption of the operation of the Accounting System;
  - 11.5.5. The Merchant does not provide or update the essential information necessary for the sale of services or goods information for longer than 45 (forty five) days.
- 11.6. By terminating the Agreement access to the Accounting System, equipment and its software is terminated.

## **12. Data protection**

- 12.1. Mobilly does not transfer to the Merchant data about Customers who have purchased the Merchant's goods/services using Mobilly.
- 12.2. Mobilly processes and stores the transaction data necessary to fulfill the requirements of the Agreement and the regulatory acts of the Republic of Latvia.
- 12.3. The principles of data processing, as well as Mobilly's contact information for communication on personal data protection issues, are set out in Mobilly's Privacy Policy, which is available on the Website.

## **13. Applicable law and dispute resolution procedure**

- 13.1. In all matters not stipulated in this Agreement, the Parties shall act in accordance with the laws and regulations of the Republic of Latvia.
- 13.2. Any claims and requirements regarding electronic money account transactions or mutual relations between the Parties during the performance of this Agreement shall be settled by the Parties through negotiations. If the Parties fail achieve mutually acceptable solution, dispute is settled in accordance with the applicable laws of Republic of Latvia.

## **14. Liability**

- 14.1. Mobilly is not liable for the Merchant's actions if he has refused to provide the service or sell the product to the Customer. All claims that may arise from Customers or third parties in such cases, and which are submitted to Mobilly in this regard, are transferred by Mobilly to the Merchant for resolution.

- 14.2. It is the Merchant's duty to examine these claims and provide a substantive response within 30 (thirty) days. Mobilly has the right to receive information about the progress of the claim review and the prepared answers.
- 14.3. Mobilly is responsible for unsuccessful sale of a service or product only if the sale of a service or product was not possible due to Mobilly's fault. Mobilly's liability in this case is limited to directly provable damages incurred by the Merchant due to Mobilly's fault.
- 14.4. Mobilly is responsible for the correct accounting of transactions in the Merchant's account.
- 14.5. The Merchant is responsible for refunding the funds to the Customer if the Reclamation submitted by the Customer is correct and the Merchant cannot prove the sale of the service or product. This provision is valid for at least 1 (one) year from the moment of the transaction, including if the Agreement is terminated during this year.
- 14.6. The Parties are not responsible for possible losses if the Merchant provides services or sells goods using electronic means of communication and their use was not possible due to a communication interruption or absence, or for other reasons beyond the control of the Parties.
- 14.7. Mobilly is not responsible for losses incurred by the Merchant if information provided to the Merchant regarding access to Mobilly systems is acquired by third persons due to the negligence or carelessness of the Merchant.

#### **15. Force majeure**

- 15.1. None of the Parties shall be liable for damages resulting from force majeure or similar circumstances or in the event of an unexpected interruption of the services provided by Mobilly.
- 15.2. Circumstances of force majeure include decisions or measures of state authorities, acts of war or terrorism, rebellion or unrest; interruptions in postal operations, automatic data processing, data transmission and other electronic means of communication, or power supply interruptions beyond Mobilly's influence or control; automatic data processing errors or interruption or delay of services provided by Mobilly due to fire or other natural disasters ; industrial action such as strikes, lockouts, pandemics, boycotts and blockades, whether or not the Parties participate in them.
- 15.3. Force majeure or any of the aforementioned circumstances gives Mobilly the right to stop providing its services to the Merchant and Customers until further notice, as well as gives the Merchant the right to stop selling services or goods to Customers.
- 15.4. Each Party shall notify the other Party of the occurrence of force majeure circumstances as soon as possible.
- 15.5. If the Parties determine that the circumstances of force majeure will last more than 30 (thirty) days, they agree for an alternative Agreement execution or about its termination.

#### **16. Other rules**

- 16.1. Parties have right to transfer the rights and obligations arising out of this Agreement only by acquiring agreement from the other Party beforehand.
- 16.2. Each Party is obliged to immediately notify the other Party of changes in the addresses, means of communication and payment details specified in the Agreement as well as changes in other relevant information that may affect the proper execution of the Agreement.
- 16.3. Parties independently calculate and pay taxes, including value added tax.
- 16.4. Mobilly is entitled to unilaterally make changes to the Agreement, including these Rules, by announcing the respective changes on the Website and publishing the new version of the relevant document at least 2 (two) weeks in advance. In the event that the Merchant does not agree with the amendments proposed by Mobilly, it has the right to terminate the Agreement within these 2 (two) weeks, observing the deadlines set in Chapter 7 " Entry into force and validity". If the Merchant does not announce his desire to terminate the Agreement within these 2 (two) weeks, the published amendments are considered accepted and they further regulate the mutual relations between the Parties.
- 16.5. Other changes to the Agreement must be made in writing as amendments to the Agreement, and they enter into force as soon as they are signed by the Parties.
- 16.6. All amendments, additions and annexes are integral parts of the Agreement.

In force by: February 1, 2023

In force to: Current version.