

TERMS AND CONDITIONS FOR AUB PAYMATE MERCHANT ACCREDITATION

Revised as of 2023-1005

1. **Definitions.** Unless otherwise defined elsewhere in these Terms and Conditions for AUB PayMate Merchant Accreditation (as the same may be updated, revised, supplemented, and/or amended in writing, these "Terms and Conditions"), the following capitalized terms shall mean:

"AUB" shall mean Asia United Bank Corporation, the owner of AUB PayMate;

"AUB PayMate" shall mean the payment acceptance processing product of AUB that allows accredited merchants to accept payments from customers that use Digital Payments, among other functionalities, as such product, as may be updated and/or modified from time to time;

"AUB PayMate Settlement Account" shall mean the deposit account product offered by AUB specifically for Merchants;

"Digital Payment" shall mean the form of payment made through an electronic payment instrument such as eWallet, QR, Bank Transfer, or Cards;

"Merchant" shall mean an AUB PayMate accredited merchant providing products and services;

"Merchant Discount Rate" or "MDR" shall mean the percentage rate agreed between AUB and the Merchant, as indicated in the signed Conforme Sheet. The MDR is used to calculate the Merchant Fee;

"Merchant Fee" shall mean the amount charged by AUB to the Merchant for every Digital Payment processed through AUB PayMate. The Merchant Fee is computed by multiplying the MDR by the amount of the Digital Payment, rounded off to two (2) decimal places;

"Merchant Operating Guide" or "MOG" shall mean the guidelines on the use of AUB PayMate issued by AUB to the Merchant separately from these Terms and Conditions, including subsequent revisions and additions thereto;

"Party" shall mean either AUB or the Merchant, as the case may be, and the term "Parties" shall have the correlative meaning.

2. **Settlement.**

2.01 Unless specified in the Conforme Sheet, AUB shall pay the Merchant the value in Philippine Peso of Digital Payments processed through AUB PayMate, less the Merchant Fee and chargeback amount, and the fees, fines, and penalties applicable to chargebacks (if any), within one banking day from date of Digital Payment, through such nominated AUB PayMate Settlement Account opened and established by the Merchant, details of which shall be provided by the Merchant to AUB in writing as soon as possible and as a condition precedent to the merchant onboarding and training, and implementation of these Terms and Conditions (the "Settlement Account"). For clarity, in case the Merchant is liable to pay chargeback (including any fees, fines and penalties in relation thereto) for any transaction even after the termination hereof, the Merchant agrees to pay such amount inclusive of applicable taxes (if any).

2.02 The Merchant agrees that it shall keep the Settlement Account active and funded at all times during the term of these Terms and Conditions.

2.03 AUB may change the MDR from time to time during the term hereof subject only to prior written notice to the Merchant.

2.04 The Merchant shall solely be responsible for all taxes applicable to Digital Payments processed through AUB PayMate.

2.05 Upon settlement with the Merchant, the Merchant shall cease to have any interest in the settled Digital Payment, except with respect to a deficiency in payment arising from manifest error in computation brought by the Merchant to the attention of AUB within thirty (30) calendar days from Digital Payment transaction date. Otherwise, the amount settled by AUB to the Merchant shall be final, binding and conclusive upon the Merchant, without prejudice to the right of AUB to correct any error or discrepancy in such amount paid. Moreover, any payment made by AUB hereunder shall be made without prejudice to any claims, rights or remedies that AUB may have against the Merchant, and shall not constitute any admission or acknowledgment by AUB that the Merchant has duly performed its obligations under this Agreement or of the correctness of the amount so paid.

2.06 The Merchant hereby agrees that it shall not in any way proceed or claim directly against any Digital Payment Partner participating under the AUB PayMate for any reason or cause of action whatsoever.

3. Representations, Warranties and Covenants.

3.01 The Merchant hereby represents and warrants, from date hereof and throughout the term of these Terms and Conditions, that: (i) in case the Merchant is a juridical person, it is a legal person duly organized and validly existing under the laws of the Republic of the Philippines, (ii) it has full legal capacity, power and authority to agree and adhere with these Terms and Conditions, to undertake and consummate the transactions contemplated hereunder and to engage in the business declared to AUB, (iii) it has taken or obtained all necessary approvals and consents (including corporate and other such actions, in case the Merchant is a juridical person) to authorize the execution and performance of these Terms and Conditions and to engage in the business declared to AUB, (iv) these Terms and Conditions constitutes its legal, valid and binding obligation, enforceable against it in accordance with the terms stated herein, (v) neither its execution of these Terms and Conditions nor the performance of its obligations or the exercise of its rights hereunder will (x) conflict with or result in a breach of any law, rule, regulation, judgment, order, authorization, agreement or obligation applicable to it, or (y) cause any limitation placed upon it or the powers of its directors (in case the Merchant is a juridical person) to be exceeded, or (z) violate or conflict with any provision of its charter documents (in case the Merchant is a juridical person), (vi) all authorizations required from any governmental or other authority or from its shareholders (as applicable) or creditors for or in connection with the execution, validity and performance of these Terms and Conditions have been obtained and are in full force and effect, (vii) it is in compliance with the provisions of anti-money laundering and terrorism financing policies, laws, rules and regulations applicable to it and the transactions contemplated under these Terms and Conditions, as well as the Data Protection Rules, anti-bribery legislation and prevailing laws on unfair competition, (viii) it shall at all times comply with all laws, rules and regulations applicable to its business and the transactions coursed through AUB PayMate, (ix) it is not in default under any law, rule, regulation, order, authorization, agreement or obligation applicable to it or its assets or revenues (and which has not been waived), the consequences of

which default could materially and adversely affect its business or financial condition or its ability to perform its obligations under these Terms and Conditions, and (x) it recognizes and respects the full legal and beneficial ownership of AUB over all Intellectual Property related to AUB PayMate and all marketing collateral and other materials provided to it hereunder.

3.02 In addition to the foregoing, the Merchant hereby warrants and covenants that: (i) the selling price of products and/or services it shall offer to a customer who elects to transact using Digital Payment shall be at the normal/regular selling price or cost of such products and/or services it shall offer to cash-paying customers, without any additional percentage, surcharge, add-on or such similar fee, (ii) it shall deal with all complaints made by a customer transacting using Digital Payment in the same manner as complaints made by a customer transacting using other modes of payment, (iii) it shall ensure and procure that all of its branches/outlets shall at all times comply with the terms of the then effective MOG, (iv) it shall prominently and conspicuously display and maintain at all of its branches/outlets the Digital Payment acceptance signage (including related marketing collateral) provided by AUB for purposes hereof, strictly in accordance with the marketing guidelines provided by AUB, (v) it shall not at any time refund cash for any products and services originally paid by the customer through Digital Payment, (vi) it shall consistently monitor its Digital Payment transactions in order to detect and prevent money laundering, by, among other acts, obtaining documents to properly identify the relevant payors and/or the legitimacy of the underlying payment transaction and source of funds, (vii) it shall institute the appropriate processes and procedures to fully comply with its obligations under prevailing anti-money laundering and terrorism financing laws, rules and regulations, and (viii) it shall not at any time engage in or pursue any of the prohibited transactions stated in Schedule 1, 2, and 3, which AUB may update from time to time in writing.

3.03 The Merchant covenants to promptly inform AUB in writing in case of any of the following events: (i) the Merchant decides to dispose of or discontinue its business, (ii) the Merchant cannot operate its business for periods longer than five (5) calendar days due to reasons such as, but not limited to, renovation or relocation, or (iii) the Merchant cannot operate its business due to revocation of license, or upon order of government or any government instrumentality or agency, or any judicial court order.

4. Chargeback; Refund.

4.01 The Merchant hereby agrees that in the event that (i) AUB receives a chargeback or refund request from any of its Digital Payment Partners, (ii) AUB determines that a failure by the Merchant to comply with these Terms and Conditions and/or the then effective MOG resulted in the acceptance by AUB of a Digital Payment prohibited or otherwise not acceptable hereunder, (iii) an overpayment had been made to the Merchant hereunder, (iv) AUB determines that a Digital Payment is illegal, contrary to law, public order, public policy, public morals, good customs, or a transaction that is inexistent and void from the beginning under Article 1409 of the Civil Code of the Philippines, (v) no authorization and/or authorization code numbers were granted to the Merchant for the Digital Payment, (vi) the credit card used for the Digital Payment is not a valid credit card, (vii) the Digital Payment was processed more than once by the Merchant, (viii) AUB or any of AUB's Digital Payment Partners determines that a fraud or other similar event has occurred, then AUB shall initiate the chargeback procedure.

4.02 The following chargeback procedure will be applied:

(a) AUB shall initiate the chargeback procedure within the chargeback period permitted by the relevant Digital Payment Partner by (i) informing the Merchant in writing of the relevant Digital Payment

transaction amount and the grounds for chargeback and (ii) placing on hold such amount in the Settlement Account equivalent to the relevant Digital Payment transaction amount net of Merchant Fee (the "Chargeback Amount"). In the event that the amount standing to the credit of the Settlement Account shall be insufficient to cover the Chargeback Amount, AUB shall place on hold whatever amount is available in the Settlement Account, as well as (x) all amounts that may subsequently be credited into the Settlement Account for any reason whatsoever and (y) other monies of the Merchant in the possession of AUB, whether under separate deposit accounts or otherwise.

(b) The Merchant shall thereafter provide AUB all required information to settle the dispute, claim for chargeback or refund request as soon as possible but in no case later than ten (10) calendar days from receipt of written request. In the event that AUB fails to receive from the Merchant the requested information and/or any justification to warrant the rejection of the chargeback or requested refund within the said deadline, AUB shall have the right to consider the matter closed, honor the chargeback or requested refund, and accordingly debit the Settlement Account. In case the amount standing to the credit of the Settlement Account shall be insufficient to cover the Chargeback Amount, AUB shall have the option to do any or all of the following, without prejudice to other rights and remedies of AUB hereunder and under applicable laws, rules and regulations:

1. Automatically offset the amount of the shortfall against the current or incoming sales transactions of the Merchant pending settlement with AUB;
2. Bill the Merchant the amount of the shortfall, which shall be payable by the Merchant within five (5) banking days from receipt thereof;
3. Deduct the amount of the shortfall from any other amounts payable by AUB to the Merchant, whether hereunder or under any other arrangement with AUB.

4.03 In the event that a customer returns any product subject of a Digital Payment processed through AUB PayMate, the Merchant hereby agrees not to refund such customer in cash, check, store credit or any other mode other than through AUB PayMate. Rather, the Merchant shall solely undertake the refund by making a cancellation/reversal of transaction using AUB PayMate. If the customer intends to have the product exchanged for another product with a greater value, a refund shall be executed by the Merchant through AUB PayMate and thereafter a new transaction to cover the product of greater value shall be executed using AUB PayMate.

4.04 The Merchant hereby agrees that it shall hold AUB free and harmless from, and shall defend and indemnify AUB against, any and all liabilities, claims, damages, costs and/or losses arising from or connected with the chargeback contemplated hereunder and/or the return or exchange of products subject of a Digital Payment, regardless of whether a refund was executed by the Merchant.

4.05 In order to implement the transactions contemplated under this paragraph 4, the Merchant hereby authorizes AUB to debit the Settlement Account and/or such other accounts of the Merchant with AUB from time to time such amount as may be necessary to cover the Chargeback Amount, without need of any further act or deed on the part of the Merchant, such as but not limited to signing a separate Authority to Debit Form, subject only to reasonable prior notice to the Merchant; provided, that such notice to the Merchant shall in no way be construed to limit the authority of AUB to debit the Settlement Account strictly in accordance with this paragraph 4. Moreover, to the extent necessary to implement the authority granted to AUB under this paragraph 4.05, the Merchant hereby waives its rights

under prevailing bank secrecy laws. The authority granted and the waiver made under this paragraph shall be effective, continuing and binding throughout the term of these Terms and Conditions.

5. Doubtful Transactions. In the event that AUB receives an inquiry from any of its Digital Payment Partners regarding certain Digital Payments coursed through AUB PayMate other than a refund or chargeback request under paragraph 4.01(i) hereunder, or AUB reasonably doubts the legitimacy of a Digital Payment coursed through AUB PayMate involving the Merchant, AUB shall immediately notify the Merchant in writing of such inquiry. During the pendency of such inquiry, AUB shall be entitled to the place on hold such funds standing to the credit of the Settlement Account. In the event that the balance standing to the credit of the Settlement Account shall be insufficient to cover the foregoing holdout amount, AUB is hereby authorized to place on hold such funds and properties of the Merchant in the possession of AUB equivalent to such shortfall until such inquiry shall have been resolved to the satisfaction of AUB. In order to implement the transactions contemplated under this paragraph 5, the Merchant hereby authorizes AUB to debit the Settlement Account and/or such other accounts of the Merchant with AUB from time to time such amount as may be necessary to cover the disputed amount contemplated hereunder, without need of any further act or deed on the part of the Merchant, such as but not limited to signing a separate Authority to Debit Form. Moreover, to the extent necessary to implement the authority granted to AUB under this paragraph 5, the Merchant hereby waives its rights under prevailing bank secrecy laws. The authority granted and the waiver made under this paragraph shall be effective, continuing and binding throughout the term of these Terms and Conditions.

5-A. High Risk Merchant.

5.01-A. AUB has the sole discretion to classify the Merchant as a High Risk Merchant. For purposes hereof, the term "High Risk Merchant" shall mean a merchant who has business activities and/or merchant categories classified as high risk by AUB, Mastercard, Visa, UnionPay, and other Digital Partners of AUB, and by reason thereof, is subjected to the terms of this paragraph 5-A.

5.02-A. Without prejudice to or otherwise affecting the mechanics under paragraphs 4 and 5 hereof, AUB may require as additional protective measure for the High Risk Merchant to provide a security deposit (the "Security Deposit"), which shall be placed on holdout and maintained in the Settlement Account. The Security Deposit shall serve as additional guarantee in respect of all chargebacks, refunds and/or doubtful transactions contemplated under these Terms and Conditions and effected during the term hereof, as well as to assure AUB of the Merchant's strict compliance with the terms hereof. The Security Deposit shall be determined by AUB and shall at least be twenty-five percent (25%) of the Merchant's projected monthly processing volume, chargeback volumes, fraud incidents, reversal to sales ratio, and other risks.

5.03-A. AUB shall have the option to delay the settlement to the High Risk Merchant, depending on the risks inherent to the business of the High Risk Merchant. The hold duration period shall be determined solely by AUB and duly communicated to the High Risk Merchant in writing. Such written communication may be in such form determined by AUB, including but not limited to written email notice or an addendum to these Terms and Conditions.

5.04-A. In case a user of the Digital Payment disputes or denies a Digital Payment transaction with the High Risk Merchant, AUB shall be entitled to, without providing any justification, to refuse payment to the High Risk Merchant of all or a part of such disputed or denied Digital Payment transaction and to accordingly apply the chargeback procedure hereunder.

5.05-A. In order to implement the transactions contemplated under this paragraph 5-A, the Merchant hereby authorizes AUB to debit the Security Deposit from time to time, at the election of AUB, such amount as may be necessary to cover any amount owing to AUB hereunder, without need of any further act or deed on the part of the Merchant, such as but not limited to signing a separate Authority to Debit Form, subject only to reasonable prior notice to the Merchant; provided, that such notice to the Merchant shall in no way be construed to limit the authority of AUB to debit the Security Deposit strictly in accordance with this paragraph 5-A. Moreover, to the extent necessary to implement the authority granted to AUB under this paragraph 5.04-A, the Merchant hereby waives its rights under prevailing bank secrecy laws. The authority granted and the waiver made under this paragraph shall be effective, continuing and binding throughout the term of these Terms and Conditions.

6. Confidential Information.

6.01 A Party shall treat as strictly confidential these Terms and Conditions, the Conforme Sheets, the terms and conditions of its accreditation as AUB PayMate Merchant, and all non-public information, documents, business methods, products, access methods, trade secrets and software information disclosed to, received by, or otherwise coming into the possession of such Party, its officers, affiliates, auditors, advisers, officers, owners, employees, agents, service providers and representatives, by virtue of, pursuant to or incidental to the undertakings covered by these Terms and Conditions, whether pertaining to the other Party or to such other Party's affiliates, owners, employees, personnel, clients, service providers, merchants or related interests (collectively, "Confidential Information"). For this purpose, the receiving Party shall: (i) not copy, reproduce, sell, assign, license, market, transfer, give or use Confidential Information for any purpose whatsoever other than for the purpose of carrying out the transactions contemplated under these Terms and Conditions, (ii) disclose Confidential Information only to such of its affiliates, auditors, advisers, officers, owners, employees, agents, service providers and representatives with a need to know of such Confidential Information, who shall be bound by confidentiality obligations at least as restrictive and not inconsistent with the provisions of these Terms and Conditions and only to the extent absolutely necessary for the purposes contemplated hereunder, and (iii) not disclose Confidential Information to any third party (other than as contemplated under item (ii) of this paragraph 6) without the prior written consent of the disclosing Party unless reasonably required for the receiving Party to comply with applicable laws, rules and regulations and/or orders of courts or tribunals of competent jurisdiction and subject to prompt written notice thereof to the disclosing Party sufficient to permit the disclosing Party to seek injunctive relief or other remedies available to it under applicable laws, rules and regulations. Confidential Information shall not include information which (x) at the time disclosed to or obtained by the receiving Party is already in the public domain, or (y) after being disclosed to or obtained by the receiving Party, becomes part of the public domain without breach of confidentiality obligations in relation thereto. For clarity, AUB shall be entitled, and is hereby authorized, to disclose Confidential Information of or related to the Merchant to the relevant Digital Payment brands/partners/principals under the Digital Payment scheme/s elected by the Merchant in the Conforme Sheet.

6.02 Without limiting the authority conferred upon AUB under paragraph 6.01 above, the Merchant agrees that transaction information and/or company information may be shared by AUB with the relevant Digital Payment brands/partners/principals under the Digital Payment scheme/s which the Merchant is accredited solely for the purpose of processing transactions coursed through such Digital Payment scheme/s and monitoring the same in accordance with applicable anti-money laundering and terrorism financing laws, rules and regulations. As such, the Merchant agrees that such information may

be hosted outside the Republic of the Philippines, which locations shall be disclosed by AUB to the Merchant upon written request.

7. Data Protection.

7.01 Each Party hereby represents and warrants that it is in full compliance with the requirements under applicable laws, rules and regulations with respect to data security, data protection and confidentiality of personal data, including but not limited to the Data Privacy Act of 2012 (Republic Act No. 10173) and its implementing rules and regulations (collectively, the “Data Protection Rules”) and that it has the necessary infrastructure, procedures and policies to fully and sufficiently protect the integrity, accuracy, security and confidentiality of personal data that may be collected, processed, stored, transferred and disposed of by such Party in relation to these Terms and Conditions (such personal data, “Personal Data”). Accordingly, each Party hereby warrants that it has obtained the necessary consents from the owners of Personal Data with respect to the disclosure thereof to the other Party in the performance of the transactions contemplated under these Terms and Conditions. Each Party hereby undertakes that (i) it shall process Personal Data in a manner consistent with documented consents from data subjects and/or the written instructions of the disclosing Party, including with respect to the transfer of personal information to another country or to a foreign entity, unless such transfer is authorized under the laws of the Republic of the Philippines, (ii) it shall ensure that an obligation of confidentiality is imposed on persons authorized to process Personal Data, (iii) subject to prevailing bank secrecy and information security laws, rules and regulations, it shall permit the disclosing Party and/or the disclosing Party’s authorized representatives and/or regulators to conduct the necessary audits to ensure compliance with the requirements of the Data Protection Rules and/or applicable laws, rules and regulations and/or regulations of the Digital Payment brands/partners/principals of AUB, and it shall institute the necessary security measures to address such audit findings and/or to otherwise fully comply with the Data Protection Rules and/or such other laws, rules and regulations, (iv) it shall not outsource or otherwise engage the services of another service provider in the performance of the obligations contemplated hereunder and/or with respect to Personal Data without the prior written consent of the disclosing Party or the relevant data subjects, (v) in case of a data breach involving Personal Data of the other Party, it shall inform such other Party in writing of such fact as soon as possible but in no case later than twenty-four (24) hours from knowledge thereof, together with information as to the steps that it has and/or will undertake to handle such data breach, (vi) it shall render the necessary assistance that may reasonably be requested by data subjects in the exercise of their respective rights with respect to their own Personal Data, (vii) subject to Data Protection Rules, it shall delete and destroy all Personal Data in its possession immediately upon request therefor by the relevant data subjects, and (viii) it shall immediately provide the other Party all information necessary to show compliance with the Data Protection Rules and/or the data protection obligations hereunder. Each Party hereby releases the other Party and agrees to hold such other Party free and harmless from any claims, liabilities, suits, actions or damages that may arise out of the breach of the disclosure, processing, storage, collection and transfer of information under and in compliance with this paragraph 7, except insofar as may be shown to have resulted or arisen from the breach by such other Party of this paragraph 7 and/or the bad faith or gross negligence on the part of such other Party. Should storage of customer information be required by the Merchant for business, legal, and/or regulatory purposes, the Merchant shall only store such specific information as is expressly required and should establish a data retention and disposal policy and procedure. For this purpose, the Merchant shall provide AUB with a copy of such policy, instructions and/or ruling for the storage of customer information. Under no circumstances shall the Merchant store sensitive card authentication data prior to, during, or subsequent to authorization, even if such sensitive card authentication data is encrypted. Sensitive card authentication data shall include (i) any date from

the magnetic stripe or strip, (ii) the card validation code, which is the three (3)-digit code found at the back of the card such as the CVV2 and CVC2, and (iii) the personal identification number or PIN. Moreover, the Merchant shall not sell, purchase, provide, exchange or in any manner disclose card account numbers, card transactions, or personal information of or about a cardholder to anyone other than AUB, the card networks, or in response to a valid government demand. This prohibition applies to card imprints, charge slips, carbon copies, mailing lists, tapes, database files, soft copy of transactions either in printed form or otherwise, and all other media created or obtained as a result of a Digital Payment transaction.

7.02 The Merchant hereby agrees that AUB may provide information to it regarding products and services of AUB (and/or of AUB's partners, affiliates, subsidiaries, and related parties) that AUB reasonably determines to be relevant to the Merchant. Moreover, the Merchant hereby expressly agrees to and consents to the data privacy policy of AUB, as published in <https://www.aub.com.ph/privacyPolicy> from time to time.

7.03 The Merchant hereby agrees and warrants that it shall maintain continuous compliance, in all respects, with Visa International, MasterCard International, UnionPay International, any other card brand to be added in the future and Payment Card Industry Data Security Standard (PCI-DSS) rules and regulations, including but not limited to transaction processing, merchant affiliation and/or e-commerce.

7.04 In case the Merchant is subject to an audit by the regulators of AUB and/or the Digital Payment brands/partners/principals of AUB, the Merchant hereby undertakes and warrants to fully and timely cooperate with such auditors, at the sole cost and expense of the Merchant.

7.05 The Merchant hereby represents and warrants that its Internet website shall contain and clearly state the following information, in accordance with the rules and regulations imposed by the card networks and/or the Digital Payment brands/partners/principals of AUB: (i) complete description of products and services, (ii) customer service contact information, including email addresses, telephone numbers and postal addresses, (iii) country of domicile and applicable transaction currency, (iv) comprehensive return and refund policy, (v) comprehensive cancellation policy, (vi) comprehensive delivery policy, (vii) official registered address of the Merchant, (viii) statement on security controls, (ix) privacy statement, (x) marketing email message policy, and (xi) such other information as may be required by AUB and/or applicable laws, rules and regulations.

7.06 The Merchant shall ensure that the payment page and the Internet website of the Merchant shall comply with the following e-Commerce authentication protocols, as mandated by card brands and/or the Digital Payment brands/partners/principals of AUB: (i) Verified-By-Visa (3D Secure) for all Visa transactions, (ii) MasterCard Secure Code for all MasterCard transactions, (iii) UnionPay Online Payment (UPOP) for all UnionPay transactions, and (iv) such other e-Commerce authentication protocols and standards as may be prescribed by other cards brands and/or other Digital Payment brands/partners/principals of AUB and/or AUB.

8. Intellectual Property. The Parties agree that all trademarks, trade names, service marks, copyrights and other proprietary intellectual property or rights relative to the systems used or otherwise related to the transactions contemplated hereunder (collectively, "Intellectual Property") shall remain the exclusive property of AUB (with respect to AUB PayMate and other marketing collateral and other materials provided to the Merchant). Accordingly, none of the Parties shall assert any claim, right or interest to any such Intellectual Property other than strictly in accordance with these Terms and Conditions. Upon termination hereof, all rights herein granted by a Party to the other Party to use

promotional/marketing materials and Intellectual Property shall automatically be extinguished, and all promotional/marketing materials provided by a Party to the other Party or otherwise bearing the logo or Intellectual Property of the providing Party shall be removed from the receiving Party's premises and/or system and either returned to the providing Party or destroyed, at the written instructions of the providing Party.

9. Promotional/Marketing Programs

9.01 The Merchant shall prominently display the marketing materials provided by AUB, such as but not limited to door decals, tent cards, posters, etc. to inform the public that Digital Payments will be honored and accepted at the Merchant's place of business.

9.02 The Merchant's right to use or display the marketing materials shall continue only so long as these Terms and Conditions are in effect.

9.03 The Merchant hereby allows AUB or its Digital Payment Partners to communicate to the public its business logo and other information (including contact information) about the Merchant and/or its stores in the different communication channels AUB or its Digital Partners may utilize.

9.04 The Merchant hereby agrees to participate in loyalty or promotional programs which may be developed and implemented by AUB or its Digital Payment Partners. The Merchant may develop and implement its own loyalty/promotional program at its own cost and expense, and AUB shall not be liable in case of failure of the Merchant to fulfill its obligations under its own loyalty/promotional program.

9.05 The Merchant may develop and implement its own loyalty or promotional program at its own cost and expense, and AUB or its Digital Payment Partners shall not be liable in case of failure of Merchant to fulfill its obligations under its own loyalty or promotional program and hold AUB and its Digital Payment Partners free and harmless from any liability and claims from its customers.

10. Term.

10.01 These Terms and Conditions shall take effect from date the Merchant is accredited by AUB as an AUB PayMate Merchant and shall continue to be effective for so long as the Merchant is an accredited AUB PayMate Merchant. AUB reserves the right to revoke the accreditation of the Merchant as an AUB PayMate Merchant subject to reasonable notice to the Merchant upon the grounds listed in paragraph 10.03 of these Terms and Conditions.

10.02 The Merchant may request for the termination of these Terms and Conditions upon at least sixty (60) calendar days' prior written notice thereof to AUB.

10.03 AUB may immediately suspend or revoke (at the sole option of AUB) the accreditation of the Merchant as an AUB PayMate Merchant and accordingly immediately terminate these Terms and Conditions on any of the following grounds:

- (a) Upon mutual agreement of the Parties;

(b) Except as may be covered under sub-paragraphs (c), (d), (e) and (f) of this paragraph 10.03, failure by the Merchant to observe or perform any of its obligations under these Terms and Conditions;

(c) The Merchant shall have been adjudicated or declared bankrupt or insolvent, or shall have been subject of any proceedings in bankruptcy or insolvency, under applicable laws, rules and regulations, or shall have ceased or shall threaten to cease to carry on its business, or shall transfer all or a significant part of its business;

(d) Any representation or information provided by the Merchant hereunder is found to be false or misleading at the time of such disclosure;

(e) A change in the Merchant's ownership structure, financial condition or business prospects shall have occurred, or any situation, condition or circumstance shall have existed that would materially and adversely affect the defaulting Party's ability to perform its obligations under these Terms and Conditions;

(f) Without need of prior notice to the Merchant and without need of providing any justification, AUB solely determines that (i) the Merchant has committed acts prejudicial to the interests of AUB, or (ii) any of these Terms and Conditions is violated, or (iii) AUB deems such termination necessary for reasons including but not limited to fraud or counterfeit Digital Payment transaction, excessive Chargeback, or breach by the Merchant of the fraud threshold imposed by AUB, MasterCard, such other applicable card networks, or AUB's Digital Payment brands/partners/principals.

10.04 The confidentiality, data protection and intellectual property obligations of the Parties shall survive the termination of these Terms and Conditions.

10.05 The indemnity obligations of the Merchant shall survive for a period of five (5) years from termination date hereof.

10.06 The termination of these Terms and Conditions for any reason shall be without prejudice to rights and obligations of the Parties vested and existing as of the date of effectivity of such termination.

11. Liability Clause.

11.01 AUB shall not be liable in any way to the Merchant for any claims, liabilities, costs, expenses, loss or damage of whatever nature brought against, suffered or incurred by or caused to the Merchant due to or arising out of or in connection with these Terms and Conditions, including, without prejudice to the generality of the foregoing:

(a) any disruption, defect or breakdown in or failure of any system used to authorize or record Digital Payment transaction and/or the AUB PayMate;

(b) any authorization or authorization code number or other information or instruction requested by the Merchant being inaccurate, incomplete, delayed or not given for any reason;

(c) any direction, instruction, notice or request given to AUB by any of the Merchant's employees or agents and all acts or omission by AUB pursuant thereto, whether or not such direction,

instruction, notice or request was followed and regardless of whether AUB had any notice or knowledge that such direction, instruction, notice or request was lawfully given or given in breach of any part of the Merchant's charter or constitutive documents or was otherwise irregular in any way;

(d) any act, omission or variation of these Terms and Conditions by AUB that is required by any change in law, rule, regulation, or official directive; or

(e) the inability of AUB to perform any of its obligations under these Terms and Conditions due directly or indirectly to the defect, failure or damage of any machine or communications system, industrial dispute, civil disorder, war, act of God, or anything outside the control of AUB or its agents.

11.02 The Merchant shall be held solely liable and shall hold AUB, its officers, employees and agents free and harmless from whatever claims, liabilities and judgments, directly or indirectly, that any cardholder may have against the Merchant due to identity theft, account takeover or other similar machinations in relation to the use of the Merchant's POS terminals, cash registers, systems, websites and other similar appliance, instruments or tools, or perpetuated by the Merchant or its employees, officers or agents.

11.03 In case of unauthorized storage of sensitive credit card information or sensitive card authentication data, or failure by the Merchant to abide by paragraph 7.06 hereof and/or the data protection and/or the confidentiality provisions hereof, resulting in monetary claims or damages or the imposition of fines and/or penalties against AUB, the Merchant shall indemnify AUB in full the corresponding monetary claims or damages or fines and/or penalties imposed.

12. Email Correspondences.

12.01 Unless the original signed copy is required by AUB, AUB and the Merchant agree that notices, advices, requests, letters and/or scanned copies of signed AUB required forms (collectively, "Communications") may be sent by the Merchant to AUB via electronic mail (the "Email Correspondence") using the nominated email address of the Merchant as stated in the Conforme Sheet or such other email address as the Merchant may inform AUB in writing. For this purpose, the Merchant authorizes and entitles AUB to perform the following with respect to the Email Correspondence received through said nominated email address of the Merchant: (i) to rely upon and act in accordance with Communications received through electronic mail, (ii) to consider the Communications as fully authorized by, valid and binding upon the Merchant, (iii) to take such steps in connection with, or in reliance upon, Communications, as AUB may in good faith consider appropriate. The Email Correspondence shall be sent to the email address identified by AUB. AUB may at its option conduct callback confirmation with the Merchant. The Merchant may likewise call AUB to confirm receipt of the Email Correspondence. AUB shall be authorized, at its sole and absolute discretion, without need to state any grounds and give notice thereof, to decline to accept, rely on or honor Communication and/or the Email Correspondence or any part thereof without incurring any liability whatsoever to the Merchant in respect of any delay, failure or refusal to honor Communication and/or the Email Correspondence or any part thereof. The receipt and implementation by AUB of Communication and/or the Email Correspondence shall be subject to AUB's prevailing policies and procedures.

12.02 The submission of the Email Correspondence, in lieu of originally signed Communication, is solely for the convenience of the Merchant. AUB shall not be held liable for any corruption or modification of any Email Correspondence arising from any electronic medium used, the disruption of

such electronic medium, or the effects of any computer viruses and similar programs nor for any hacking or unauthorized use or access of such nominated email address of the Merchant.

12.03 The Merchant warrants the genuineness of the Email Correspondence or Communication submitted via electronic mail from its nominated email address and/or such Communication uploaded to any official portal of AUB, and AUB may fully rely on the same without need of validating the identity of the sender of the same or the authenticity of such Communication. Any such Communication shall be conclusively deemed to be authorized by the Merchant.

12.04 The Merchant absolutely and irrevocably confirms and ratifies all actions of AUB under and by virtue of the Email Correspondence received from the Merchant's nominated email address and/or such Communication uploaded to any official portal of AUB, and hereby absolutely and unconditionally holds AUB, its stockholders, directors, officers and staff, free and harmless from and shall indemnify it against any and all actions, claims, damages, losses or liabilities arising from AUB's performance of such Communication and any transactions implemented pursuant to such Communication, including those arising from fraud due to falsification of documents, hacking, phishing, identity theft, or other related cybercrime, unless such loss or damage is solely and directly caused by AUB's willful misconduct or gross negligence.

13. Assignment. Any of the rights and obligations hereunder may not be assigned, delegated, subcontracted or otherwise transferred by the Merchant without the prior written consent of AUB.

14. Non-Waiver of Rights. No failure or delay on the part of any Party in exercising any power or right hereunder shall operate as a waiver of the same nor shall the knowledge or acquiescence by any Party of a breach of any provision of these Terms and Conditions constitute a waiver of such provision. No waiver of provision hereof, or any breach or violation of the same, shall be valid unless made in writing and signed by or on behalf of AUB.

15. Remedies; Venue; Governing Law.

15.01 The rights and remedies of a Party under these Terms and Conditions shall be cumulative and without prejudice to any other right or remedy available to it under applicable laws, rules and regulations.

15.02 These Terms and Conditions shall be governed by and construed in accordance with the laws of the Republic of the Philippines, without regard to the conflict of laws principles thereof that require the application of laws of other jurisdictions. Any dispute, controversy or claim arising out of or relating hereto, or the breach, termination or invalidity hereof, shall be finally resolved by arbitration in accordance with the rules of the Philippine Dispute Resolution Center then prevailing. The number of arbitrators shall be three (3). Each Party shall appoint one (1) arbitrator within fifteen (15) calendar days from filing of a notice of arbitration. The arbitrators thus appointed shall select a third arbitrator who shall act as the presiding arbitrator of the tribunal or panel. The language of the arbitration shall be English. Venue of arbitration shall exclusively be in Pasig City or Makati City, Metro Manila. The decision of the arbitrators shall be final and binding upon the Parties.

15.03 Notwithstanding the foregoing, interim or injunctive relief may be obtained by any of the Parties exclusively before the proper courts of Pasig City or Makati City, Metro Manila.

15.04 The invalidity, unenforceability or illegality of any provision of these Terms and Conditions shall not affect the validity, enforceability or legality of the remaining provisions hereof.

16. Entire Agreement; Amendments.

16.01 These Terms and Conditions, together with the Conforme Sheet and any supplement hereof as may be needed based on the Digital Payment scheme/s elected by the Merchant in the Conforme Sheet, constitute the entire and final agreement between the Parties with respect to the subject matter hereof, and shall supersede all prior undertakings, arrangements, representations and agreements, whether verbal or written, between the Parties with respect to the subject matter hereof.

16.02 Any modification of, or amendment to, any part of these Terms and Conditions shall take effect upon notice to the Merchant in such manner determined by AUB to be reasonable and warranted based on prevailing financial consumer protection laws, rules and regulations.

17. Nature of Agreement. These Terms and Conditions cover a non-exclusive agreement intended for the acceptance and use of Digital Payments by the Merchant through AUB PayMate for transactions in the Republic of the Philippines only.

18. Notices.

18.01 Unless otherwise agreed between the Parties in writing and without prejudice to paragraph 12, all notices, requests or other communications pursuant to or incidental to these Terms and Conditions shall be in writing, by email or delivered personally or dispatched by registered mail or private overnight courier, to the contact information stated in the Conforme Sheet or any other contact information that a Party may furnish the other Party in writing in accordance with this paragraph 18.

18.02 Such notice shall be deemed to have been received at the time of actual receipt if delivered personally, upon the lapse of fifteen (15) calendar days if dispatched by registered mail, upon the lapse of three (3) calendar days if dispatched by private overnight courier, or upon successful delivery of email if sent by email.

19. Headings. The section headings contained herein are for reference purposes only and shall not affect the meaning or interpretation hereof.

By using the AUB PayMate, the Merchant confirms and affirms that it has read and understood the terms and consequences hereof and its rights and remedies under applicable laws, rules, and regulations. The Merchant's continued use of the AUB PayMate constitutes its continuing unqualified consent and agreement to these Terms and Conditions and the amendments, updates, supplements, revisions and other changes to These Terms and Conditions.

Schedule 1

List of High Risk and Prohibited Merchants by AUB

A. High Risk Merchants

1. eCommerce Merchants
2. Travel and Tour Agencies
3. Airlines
4. Cruise Ships
5. Entities engaged in Gambling/Casino
6. Cigars, Cigarettes, Tobacco, eCigarettes, and Vape
7. Aggregators/Payment Facilitators

B. Prohibited Merchants

1. Merchants selling currency that are classified as crypto, digital, or virtual.
2. Remittance Companies
3. Foreign Exchange/Money Changers
4. Traders of Stock or FOREX
5. Merchants engaging in any form of licensed or unlicensed aggregation of funds owed to third parties, factoring, or other activities intended to hide the origin of funds
6. Sale of followers of social media (e.g. Facebook likes, YouTube views, Twitter/X followers) and other forms of social media activity and online traffic.
7. Mining/Quarrying Businesses
8. Merchants selling illegal drugs, narcotics, and/or substances designed to mimic illegal drugs.
9. Merchants selling tools or equipment related to illegal drugs, narcotics, and/or substances designed to mimic illegal drugs.
10. Merchants selling Pornography and other obscene materials.
11. Merchants selling or offering services to falsify identification.
12. Merchants selling goods with potential issues on copyright, trademark, or patent (e.g. counterfeit goods, music, movies, software, etc.).
13. Merchants selling illegally imported or exported products.
14. Merchants selling products that advocate or incite treason, rebellion, insurrection, sedition against the government of the Philippines, or forcible resistance to law of the Philippines, or written or printed goods containing any threat to take the life of, or inflict bodily harm up on any person in the Philippines.
15. Merchants selling products that are intended or adapted for producing unlawful abortion, as well as other services that provides direct or indirect information on where, how, and by whom unlawful abortion is committed.
16. Merchants engaged in eSabong or online cockfighting game.

Schedule 2

List of Prohibited Transactions by WeChat Pay and Alipay

1. Illegal political audio visual products and publications
2. Illegal political/reactionary cards and program channels, etc.
3. State secret documents and information
4. Other reactionary articles and speeches, etc.
5. Pornographic and vulgar audio visual products/publications
6. Pornographic and vulgar erotic services
7. Pornographic and vulgar cards and program channels
8. Other pornographic and vulgar articles and services
9. Gambling tools
10. Private lottery
11. Gambling / betting
12. Drugs / Narcotics
13. Drug-taking / Narcotic-taking tools
14. Weapons of all types (including military weapons/firearms and accessories), replica weapons, ammunitions, and explosives
15. Military or police equipment
16. Controlled instruments (such as dagger) which would potentially be used as a weapon
17. Crime articles / illegally obtained proceeds or properties as result of crime
18. Poisonous articles and hazardous chemicals
19. Batons and electric batons
20. Lock pick tools
21. Toxic drugs
22. Narcotics / Anesthetic, psychotropic or prescription medicine; illegal
23. Fetal gender determination/diagnosis
24. Aphrodisiac / Adult Drugs
25. Unauthorized payment service provider
26. Matchmaking service between Chinese and foreign citizen
27. Hacking
28. Malware
29. Services jeopardizing Alipay or any of its Affiliates or related party
30. Certificate issuing and stamp carving that violate the law
31. Crowd funding
32. Video chatting services
33. Religion / Religious websites
34. Online cemetery and worshipping
35. ID card information and other privacy information
36. Spy equipment / Spying instruments
37. Computer privacy information monitoring
38. Other privacy invasion articles/material or service
39. Pyramid scheme/selling
40. Lottery/Lottery ticket
41. Gold investment/futures
42. Gold financial products
43. Credit card cashing service
44. Counterfeit currency
45. Sale or purchase of bank account or bank card in contravention with the laws
46. Stock
47. Fund
48. Insurance
49. Insurance platform
50. Bank financial products
51. Cashback/Rebate service
52. Financial information software, financial products trading software
53. Single-purpose prepaid cards
54. Securities / Securities-Brokers and Dealers
55. Illegal fund-raising
56. Foreign exchange services
57. P2P lending
58. POS payment
59. Payment by instalments service
60. Invoice / Receipts
61. Virtual currency in foreign accounts
62. Bitcoin, Litecoin, Ybcoin, and other virtual currency
63. MCard, etc.
64. Satellite antenna, etc.
65. Archaeological and cultural relics
66. Circulating RMB
67. Foreign currency
68. Forged and poor quality/fake food products
69. Labor recruitment
70. Fireworks and firecrackers
71. Crude oil
72. Human organs
73. Surrogacy services
74. Examination services / Impersonation in exams, plagiarism
75. Protected species / National protected animals and plants
76. Smuggled goods
77. Olympic Games or World Expo tickets, or other infringement according to state regulations
78. Seeds
79. Real estates
80. Charity
81. Auction
82. Pawn
83. Lucky draw
84. Any animals, plants, or products which contain dangerous germs, pests, or any other living creature
85. Any products, medicine, or any other article originates from epidemic area or infectious disease which causes threat to health of human beings or animals
86. Public gathering
87. Any other goods or services that violate the law
88. Medical devices
89. Agricultural Co-Operatives
90. Wire Transfer Money Orders
91. Financial Institutions-Merchandise and Services
92. Quasi Cash-Member Financial Institution
93. Non-Financial Institutions – Foreign Currency, Money Orders (Not Wire Transfer), Scrip, and Travelers' Checks
94. Payment Transactions-Member Financial Institution
95. Payment Transactions-Merchant
96. Payment Services Provider-Money Transfer For a Purchase
97. Payment Services Provider-Member Financial Institution
98. Payment Services Provider-Merchant
99. Money Transfer-Member Financial Institution
100. Value Purchase-Member Financial Institution

Schedule 3

List of High Risk and Prohibited Merchants by GCash

A. High Risk Merchants

1. Pseudo pharmaceuticals
2. Government/Public Services and National Defense
3. Lending/Financing
4. Cooperative/Associations
5. Telco
6. Merchants selling regulated products or services (with age restrictions)
7. Merchants selling other dangerous materials
8. Remittance Companies, FX Dealers, and Money Changers
9. Foundations/Non-Governmental Organization/Non-Profit Organization/Charity
10. Multi-Level Marketing
11. Information Technology – Ads Content advertising and crowdsourcing
12. Company Service Providers
13. Pawnshops
14. Stocks Trading & FOREX Trading
15. Cryptocurrency
16. Selling of Adult Toys for recreational purposes
17. Mining/Quarrying
18. eWallets
19. Designated Non-Financial Businesses and Professions (DNFBP) – jewelry dealers, dealers in precious metals and stones, company service providers, lawyers, accountants, and real estate developers and brokers.

B. Prohibited Merchants

1. Payment Facilitators
2. Payment Solutions
3. Entities engaged in Gambling/Online Gaming and Online Casino/Casino
4. Merchants selling substances designed to mimic illegal drugs
5. Merchants selling drug paraphernalia
6. Merchants selling Pornography and other obscene materials
7. Merchants selling illegal products or services
8. Merchants selling military/police supplies
9. Merchants selling or offering services related to fake references or ID-providing services
10. Merchants selling goods in violation of Intellectual Property or property rights infringement
11. Merchants selling or engaged in business of goods in relation to section 118 of Republic Act No. 10863 (Customs Modernization and Tariff Act)
12. Entities offering false propaganda to get rich
13. eSabong