

MERCHANT PAYMENT PROCESSING SERVICES AGREEMENT

This Merchant Payment Processing Services Agreement is a legal agreement between Rexial Payment Systems Limited trading in Uganda (herein referred to as Rexial, “us”, or “we” or “our”) and [_____] (“you”, “your”, or “Merchant”) who signed up as a Merchant to utilize our payment processing platform/services as may be offered by us or our affiliates. This Agreement describes the terms and conditions that apply to your use of the Services.

You may not access our service or use our platform unless you agree to abide by all the terms and conditions in this Agreement.

SECTION A: GENERAL TERMS, DEFINITIONS, THE AGREEMENT & YOUR ACCOUNT

1. Overview of this Agreement

Rexial is a company duly incorporated in Uganda under registration number 80034573580295. We are located at 13B Nyangweso Road, Kampala, Uganda. Rexial is approved and regulated by the Bank of Uganda under the National Payment Systems (Sandbox) Regulations and Framework.

Among others, we provide payment processing services which automate direct debit transfers via the Automated Clearing House (ACH) based on the Uganda Clearing House Rules and Procedures and other relevant laws and regulations; and other direct debit transfers; to enable merchants to collect one-off and recurring payments directly from bank accounts without cards.

Our platform; which may be web- or mobile-based application;

1. Enables the Merchant to give customers the ability to initiate and set up a Direct Debit Mandate (or Direct Debit Authority using digital channels for one-off or recurring payment of goods or services supplied by the Merchant in varied frequencies; and
2. Enables the Merchant to generate direct debit instruction files to settle the transactions either internally in the Merchant’s bank or through Automated Clearing House.

Rexial provides the Merchant and their customers with the ability to monitor transactions received via the Services through a Dashboard set up in the Merchant's Rexial Account or third-party or affiliate's web or mobile application.

We provide you with a more detailed description of the Services through published software libraries and application programming interfaces that may be used to access the Services (the "API") and we make available to you, additional resources on our website. Our services may be accessed through the Merchant, third-party, or our affiliate's web and/or mobile application.

In the instances where the Merchant does not have a website or mobile application to integrate with our services, we may provide a web or mobile application for the Merchant and require that the Merchant directs its customer(s) to utilise our application to initiate and set up direct debit authority/mandate for the benefit of the Merchant.

Before using the Services, you must register/create an account with us at www.rexial.com.

2. Definitions

Acceptable currencies: means the currencies accepted to be cleared under the Uganda Clearing House (UCH) Rules and Procedures. These include, Uganda Shillings (UGX), United States Dollars (USD), Euro (EUR) Pound Sterling (GBP) and Kenyan Shillings (KES)

Account Details: means the passwords, email addresses and other details used by the Merchant to access its Rexial Account and/or the API.

Account Information: means the information required by Rexial from time to time to verify the identity (including for anti-money laundering checks) of the Merchant, as notified to the Merchant.

Additional Costs: means (a) any costs or charges incurred by Rexial in respect of any Unauthorized or Incorrectly Executed Payment Mandates; and (b) any costs or fees incurred by Rexial in relation to the cancellation or failure of any Payment Mandates, in each case other than as a result of fault or failure of Rexial.

Affiliate: means any entity that directly or indirectly controls, is controlled by, or is under common control with another entity.

Agreement: has the meaning given to it in Section A of this Payment Processing Agreement.

Aggregated Service: means the payment processing service for direct debit transfers facilitated by Rexial that allows the Merchant to be identified under the Rexial Payment Processing Scheme Identifier, such that Rexial appears as the transacting party on a relevant Customer's bank statements, and where all relevant Direct Debit Authority/Mandate will result in funds flowing to and from the Customer's Account.

API: means the application programming interface via which the Service may be integrated into the Merchant Website(s).

Authorised Users: means such of the Merchant's employees, officers, consultants and other personnel who use the Merchant's Rexial Account on the Merchant's behalf.

Automated Clearing House (ACH): means the electronic clearing system that provides clearing services which enable files of payment instructions (Direct Credits, Direct Debits and Cheques) to be exchanged among participants. It facilitates the settlement of these payment instructions through the calculation of multilateral net positions and submissions of a Net Settlement Instruction (NSI) to Real-Time Gross Settlement (RTGS).

Business Day: means a day other than Saturday, Sunday or a day on which banks are authorised to close in Uganda for general banking business.

Cash: means money credited to an account in any currency or a similar claim for the repayment of money market deposits.

Central bank: means the Bank of Uganda (BOU) established under Section 2 of the Bank of Uganda Act, Cap 51

Clearing: means the process of transmitting, reconciling and confirming transfer orders prior to settlement and establishment of final positions for settlement.

Clearing Bank: means a bank represented at the Clearing House for purposes of clearing payment instruments.

Clearing Cycle: means the timetable for processing inter-bank payments from the day of presentation in the Clearing House to the day a bank is paid.

Clearing House (CH): This is the central location where the exchange of instruments and tabulation of settlement figures take place.

Clearing System: means a set of rules and procedures that participants must comply with in presenting and exchanging data or documents relating to transfer of funds or securities to other participants at a single location and includes a mechanism for calculating participants' mutual positions, potentially on a net basis, with a view to facilitating the settlement of their obligations in a settlement system.

Close-out netting provisions: means a provision of a financial collateral arrangement or of an arrangement of which a financial collateral arrangement forms part, by which on, the occurrence of an enforcement event, whether through the operation of netting or setting off or otherwise -

- (a) The obligation of the parties are accelerated so as to be immediately due, and expressed as an obligation to pay an amount representing their estimated current value, or are terminated and replaced by an obligation to pay such an amount; or
- (b) An account is taken of what is due from each party to the other in respect of obligations to pay an amount representing their estimated current value, and a net sum equal to the balance of the amount is payable by the party from whom the larger amount is due to the other party.

Consumer banker: means your customer's bank (also referred to as the Paying Bank).

Control: means the beneficial ownership of more than 50% of the issued share capital of a company or the legal power to direct or cause the direction of the management of the company, and the expression "change of Control" shall be construed accordingly.

Customer: means a customer of the Merchant.

Customer due diligence: means the process of obtaining customer information and verifying or assessing the authenticity of the information from independent and reliable sources to identify the customer upfront, as well as to detect, monitor and report suspicious activity.

Data Protection Law: means the Data Protection and Privacy Act, 2019 and its Regulations including any amendment now or in the future.

Default: means any act, event, omission or negligent act or statement which results in the relevant defaulting Party, its employees, agents or subcontractors incurring a liability to the other Party under or in connection with this Agreement, including liability for breach of contract, misrepresentation (whether tortious or statutory), tort (including negligence) or breach of statutory duty.

Direct Debit Authority (DDA also referred to as Direct Debit Mandate (DDM) where the context so permits): means a written authority given by a Payer to the Payer's bank to make payments from an identified bank account at the request of, and to the account of, an Originator (may also be referred to as Payment Scheme Mandate in the text).

Direct Debit Transfer: means an electronic funds transfer instruction to debit a customer's account.

Dispute: means an instruction initiated by a Customer for the return of funds for an existing DDA/DDM, this includes a Chargeback.

Documentation: means, in relation to the API/App, Rexial's integration and user guides and software development kit.

Early Access Program: means a product or functionality that Rexial has not made generally available to Merchants for production use, or that Rexial otherwise makes available for the limited purpose of beta, pilot, trial or evaluation use.

Facilities Management Service: means a direct debit service facilitated by Rexial that allows the Merchant to be identified via a unique Payment Scheme Identifier that is managed by Rexial on the Merchant's behalf, such that the Merchant is identified to a Customer on that Customer's bank statements, but where all relevant Payment Mandates will result in funds flowing to and from the Customer's Account.

Failures: means any collections attempted from Customers.

Financial institution: means a company licenced by the central bank to carry on or conduct financial institutions business in Uganda and includes a commercial bank, merchant bank, mortgage bank, post office savings bank, credit

institution, a building society, an acceptance house, a discount house, a finance house, an islamic financial institution or any institution which is classified as a financial institution by the central bank.

Fine: means any fines, levies, or other charges imposed by us, a Payment Method Service Provider/Operator or Financial Institution, caused by your violation of Laws or this Agreement, or as permitted by the applicable laws/regulations.

Fixed Direct Debit Authority: means authority that allows fixed amounts to be debited from a Payer's bank account at fixed dates (used for recurring payments).

Good Industry Practice: means, in relation to the Service, the standards and practices which a reasonably prudent and experienced supplier of similar services would reasonably be expected to adopt.

Incorrectly Executed Mandate: means any mandate made or attempted via (or requested via) the Merchant's Rexial Account which has not been executed or has not been correctly executed.

Merchant (also referred to as Originator where the context so permits): means you - the business or entity that provides goods or services and accepts payment from your customers through direct debits from the customer's bank account.

Merchant Bank: (also refers to Originator Bank where the context so permits): means your bank through which collection for the goods or services you offer is made subject to verified authorized direct debit mandates from your customer.

Merchant Data: means information that describes your business and its operations, your products or services, and orders placed by customers.

Merchant Website: means the website operated by the Merchant from time to time.

Multilateral Netting: means an arrangement among three or more parties to off-set their obligations for settlement purposes.

Originator (also referred to as Merchant where the context so permits): means an organization, company or individual that has been authorized by a Payer to make a Direct Debit Transfer.

Originator's Bank: means a bank which is a member of the Uganda Bankers' Association's Clearing House, and in which the Originator maintains a bank account.

Payer: means as the Originator's (Merchant's) customer and/or debtor who has authorized the debiting of his or her bank account as instructed in the Direct Debit Authority. The Payer can be an organisation, company or individual.

Paying Bank (or Consumer Bank where the context so permits): this is where the Payer's bank account is held. It is the bank that has been ordered to effect a payment instruction.

Payment Data: means Payment Account Details, information communicated to or by Payment Service Provider/Operator or financial information and any other information used with the Payment Processing Services to complete a Transaction.

Payment instrument: means any device or set of procedures by which a payment instruction is issued for purposes of making payments or transferring money and includes cheques, bills of exchange, promissory notes, electronic money, credit transfers, direct debits, credit cards and debit cards or any other instrument through which a person may make payments, with the exception of bank notes and coins.

Payment Mandate/Order: means a request made by the Merchant's customer via its Rexial Account for direct debit transfer in a specified amount and, where relevant, on a specified date and frequency; **AND/OR** means an instruction sent by a payer or payee directing the execution of a payment transaction.

Payment Notifications: means the notifications to be sent to a customer prior to or following a Payment Order or the establishment of a Payment Scheme Mandate or other action, as required by the relevant Payment Scheme.

Payment Processing Services (also referred to as "Service(s))": include Services that you may use to accept payments from your customers for transactions, perform other financial transactions, manage subscriptions, perform transaction reporting, and any other add-on services that Rexial may provide from time to time.

Payment Order: means an instruction or request by the originator to a clearing bank/ financial institution or payment service provider to execute a payment transaction.

Payment Pages: means the web pages (or the mobile application) used for the collection from a customer of the information that is required to complete a Payment Scheme Mandate or Payment Order, as the context requires.

Payment service: has the same meaning ascribed to it under the National Payment Systems Act but for the purpose of this Agreement - means the execution of direct debit transfer or other payment transactions.

Payment Scheme means, in relation to a particular Payment Scheme Mandate, Payment Order or Transaction, the underlying payment system, being one of those identified on the clearing cycle, and Payment Schemes means all of them.

Payment Scheme Identifier: means a unique identifier provided by a bank, clearing system, or other authorised third party, used to identify a company or other entity receiving funds under the relevant Payment Scheme, including a “Sort Code” “Transaction or Voucher Codes (Transaction codes are codes that indicate the nature of a transaction)”, “Processing and Record Type Codes”

Payment Scheme Mandate: means with respect to any relevant part of the Service, the authority provided by the Customer which authorises the Merchant to take payment from the Customer's bank account and pursuant to which the Merchant will make Payment Orders, in accordance with the rules of the relevant Payment Scheme such as the UCH.

Payment schedule: specifies the frequency and amount for direct debit transfers or other payment transactions.

Payment System Operator: means an entity, alone or with other entities which is in charge of the operation of a payment system and may include a participant to the system, a settlement agent, a central counterparty or a clearing house.

Payment system: means a system used to effect a transaction through the transfer of monetary value, and includes the institutions, payment instruments, person, rules, procedures, standards and technologies that make such a transfer possible.

Personal Data: means information about a person from which the person can be identified, that is recorded in any form and includes data that relates to the nationality, age or marital status of the person, the educational level, or occupation of the person, an identification number, symbol or other particulars assigned to a person; identity data or other information which is in the

possession of the data controller and includes and expression of opinion about the individual.

Refund: Means an instruction initiated by You to return funds to a customer for an existing DDA/DDM.

Related Party Transaction: means an arrangement between two or more parties that have a pre-existing business relationship or common interest.

Reasonable Use Policy: means the Merchant's obligation to not use the Service in an abusive or unduly burdensome manner as determined by Rexial, acting reasonably. For the avoidance of doubt, a Failure rate of 10% (or greater) of the total number of Transactions that the Merchant has attempted to have processed, for a period exceeding 3 months, will be in breach of the Reasonable Use Policy.

Return: means an instruction initiated by You, or Your customer, or a Merchant Bank, or a Consumer Bank to return funds unrelated to an existing DDA/DDM.

Reversal: Means an instruction initiated by a Consumer Bank or Merchant Bank or Us to return funds for an existing DDA/DDM. Reversals may result from;

- (a) invalidation of a charge by a Consumer Bank or Merchant Bank
- (b) funds settled to you in error or without authorization; and
- (c) submission of a DDA/DDM in violation of the applicable Uganda Clearing House Rules and Procedures or where submission of the DDA/DDM or your use of the payment processing services violates this Agreement.

Rexial Account: means the online account or accounts provided by Rexial to the Merchant, from which direct debit transfers and other payment transactions may be executed. Where Rexial provides the Merchant with more than one Rexial Account, references to "Rexial Account" in this Agreement will be deemed to be a reference to all "Rexial Accounts" provided by Rexial to the Merchant, unless expressly stated otherwise.

Rexial App: means the mobile based application/platform; or such replacement application as may be notified to the Merchant from time to time; that Rexial may make available to the Merchant, and or its customers, for use of the services offered.

Rexial Data: means details of the API transactions over Rexial infrastructure, information used in fraud detection and analysis, aggregated or anonymized information generated from Data, and any other information created by or originating from Rexial or the Services.

Rexial Site: means Rexial's website at www.rexial.com or such replacement website as may be notified to the Merchant from time to time.

Settlement: refers to the final and irrevocable discharge of an obligation of one bank favour of another bank.

Systemic risk: means the risk that the inability of one or more participants to perform as expected shall cause the other participants to be unable to meet their obligations when they become due.

Transaction: means a single direct debit transfer or such other payment transaction initiated by the Merchant or its customer.

Transfer order: has the meaning ascribed to it under the National Payment Systems Act but for purposes of this Agreement - means an instruction which results in the assumption or discharge of a payment obligation as defined by the rules of that payment system.

Unauthorised Payment Order: means any Payment Order made or attempted in relation to a payment via (or requested via) the Merchant's Rexial Account which was not authorised by the Merchant (or, if applicable, the Customer).

Uganda Clearing House (UCH) Rules and Procedures: means the rules Rules and Procedures for facilitating automated clearing of interbank payment instruments.

Variable Direct Debit Authority: means authority that allows variable amounts and/or at fixed or variable dates to be debited from a Payer's bank account (used for regular payments that cannot be forecast in advance and for amounts that change annually).

3. **The Agreement**

- (a) This Agreement sets out the terms agreed between Rexial and the Merchant for the provision of the Services. This Merchant Payment Processing Services Agreement is available on the Rexial Site and in the

Rexial App, and the Merchant may ask for a copy of it at any time whilst it has a Rexial Account.

- (b) The Merchant agrees and acknowledges that although it has entered into this Agreement with Rexial, Rexial may nominate one of Rexial's Affiliates or a third party to supply the Service (or any part thereof) to the Merchant.
- (c) Subject to the terms of this Agreement, Rexial will provide the Merchant with a Rexial Account.
- (d) The Merchant acknowledges and agrees that it has set up an Account with Rexial. Before permitting or processing any transactions, the Merchant must satisfy Rexial's know-your-customer (KYC) and anti-money laundering checks and requirements (verification).
- (e) The Merchant (Originator) confirms that it maintains a bank account with its Originator Bank and can, through that account(s) initiate Direct Debit Transfers through the Clearing House or perform any such related action with regard to any other services that Rexial may provide.
- (f) In instances where the Merchant does not have a website to integrate with our services, the Merchant shall direct its customers to download and use the Rexial App to initiate and set up DDA/DDM for the benefit of the Merchant.
- (g) Rexial may monitor the Merchant's presence and reputation in the press and media. Where Rexial reasonably determines that the findings of such screening and check are adverse, Rexial may work with the Merchant in good faith in order to determine if such adverse media coverage is legitimate. In the event of legitimate adverse press or media coverage, Rexial may require that the Merchant completes Rexial's verification process again (where this happens, the Merchant shall request for its customer(s)' DDA/DDM again).
- (h) The Merchant must not utilise any refund capability of the Service for anything other than bona fide refunds requested by or appropriate to a particular Customer in relation to a specific Transaction, and the Merchant must not refund an amount greater than that paid by any Customer.
- (i) By setting up a Rexial Account, the Merchant consents to Rexial providing the Services and processing Payment Orders, and cancellations in relation to Customer DDA/DDM.
- (j) If the Merchant is contacted directly by Rexial to participate in any Early Access Programs, the corresponding early access terms and conditions found on the Rexial website or the terms and conditions emailed to the Merchant directly by Rexial shall apply; Early Access Program means a product or functionality that Rexial has not made generally available to

Merchants for production use, or that Rexial otherwise makes available for the limited purpose of beta, pilot, trial or evaluation use.

- (k) Rexial may, from time to time, undertake experiments with respect to the Services in order to test the effectiveness of new products or features. The Merchant therefore acknowledges and agrees that Rexial may perform such experiments and that Rexial will not inform the Merchant if it does perform such experiments.
- (l) Rexial's determination as to whether or not to provide the Merchant with the services and a Rexial Account is final and Rexial is not obligated to provide the Merchant with the Service or a Rexial Account.

4. Your Account

(a) Registration and permitted activities

Only registered businesses, bona fide charitable organisations, and other entities or persons are eligible to apply for a Rexial Account to use the services described in this Agreement. Rexial and its affiliates may provide services to you and your affiliates in other countries or regions under separate agreements.

To complete verification, the Merchant (or your representative) must apply and provide us with your business or trade name, certificate of incorporation or business name registration, address, email, registered phone number, tax identification number, URL, the nature of your business or activities, VAT registration, trade licence, national identification card, acceptable passport photo, passport (for foreigners), refugee identification card and personal information about your Directors and Shareholders, and certain other information about you that we require. Unless waived, You shall not have access to your Rexial Account until you have submitted, and we have reviewed and approved, all required information, your Rexial Account will be available to you on a preliminary basis only, and we may terminate it at any time and for any reason.

If you use Payment Processing Services, your name (or the name used to identify you) and URL may appear on your customers' bank or other statements. To minimize confusion and avoid potential disputes, these descriptors must be recognizable to your customers and must accurately describe your business or activities. You may only use Payment Processing

Services to facilitate Transactions with your Customers. You may not use Payment Processing Services to send money to others, to conduct any personal transactions or for any other purposes prohibited by this Agreement.

(b) Business Representatives

You and your Representative individually affirm to Rexial that your Representative is authorized to provide the information described on your behalf and to bind you to this Agreement. We may require you or your Representative to provide additional information or documentation demonstrating your Representative's authority. Without the express written consent of Rexial, neither you nor your Representative may register or attempt to register for a Rexial Account on behalf of a Merchant that Rexial previously terminated from use of the Services.

If you are a sole proprietor, you and your Representative also affirm that your Representatives are personally responsible and liable for your use of the Services and your obligations to Customers, including payment of any amounts owed under this Agreement.

(c) Validation and Underwriting

At any time during the term of this Agreement and your use of the Services, we may require additional information from you to verify beneficial ownership or control of the business, validate information you provided, verify you or your Representative's identity, and assess the risk associated with your business. This additional information may include business invoices, copies of government-issued identification, business licenses, or other information related to your business, its beneficial owners or principals. We may also request that you provide copies of financial statements or records pertaining to your compliance with this Agreement. Your failure to provide this information may result in suspension or termination of your Rexial Account.

You authorize us to retrieve information about you from our service providers and other third parties, including financial institutions and you authorize and direct such third parties to compile and provide such information to us. You acknowledge that this may include your name, address, financial information, and other data about you or your Representative. You acknowledge that we may use your information to verify any other information you provide to us, and that any information we collect may affect our assessment of your overall risk to our business.

You acknowledge that in some cases, such information may lead to suspension or termination of your Rexial Account. Rexial may periodically update this information as part of our underwriting criteria and risk analysis procedures.

(d) Changes to Your Business, keeping your Rexial Account

Current: You agree to keep the information in your Rexial Account current and accurate. You must promptly update your Rexial Account with any changes affecting you, the nature of your business activities, your Representatives, beneficial owners, principals, or any other pertinent information. We may suspend your Rexial Account or terminate this Agreement if you fail to keep this information current. You also agree to promptly notify us in writing no more than seven (7) business days after any of the following occur: you are the subject of any voluntary or involuntary bankruptcy or insolvency application, petition or proceeding, receivership, or similar action (any of the foregoing, a "Bankruptcy Proceeding"); there is an adverse change in your financial condition; there is a planned or anticipated liquidation or substantial change in the basic nature of your business; you transfer or sell 25% or more of your total assets, or there is any change in the control or ownership of your business or parent entity; or you receive a judgment, writ or warrant of attachment or execution, lien or levy against 25% or more of your total assets; one of your director(s) have been convicted of a crime of corruption under the Anti-Corruption Act, 2009 by a court of competent jurisdiction.

5. Your relationship with your customers

You may only use the Services for legitimate Transactions with your Customers. You know your customers better than we do, and you are responsible for your relationship with them. Rexial is not responsible for the products or services you publicize or sell, or that your customers purchase using the Services. You affirm that you are solely responsible for the nature and quality of the products or services you provide, and for delivery, support, refunds, returns, and for any other ancillary goods or services you provide to your customers.

Rexial provides Services to you but we have no way of knowing if any particular purchase, sale, order, or other transaction is accurate or complete, or typical for your business. You are responsible for knowing whether a Transaction initiated by your Customer is erroneous (such as a Customer paying for one service when they meant to pay for another) or suspicious (such as unusual or large

purchases/payments). If you are unsure if a Transaction is erroneous or suspicious, you agree to research the Transaction and, if necessary, contact your Customer before fulfilling or completing the Transaction. You are solely responsible for any losses you incur due to erroneous or fraudulent Transactions in connection with your use of the Services.

6. Fees and Fines

Rexial will provide the Services to you at the rates and for the fees outlined in Appendix A of this Agreement. The Fees include charges for Transactions (such as processing a payment) and for other events connected with your Rexial Account (such as handling a disputed charge). We may revise the Fees at any time. However, we will provide you with at least 30 days' advance notice before revisions become applicable to you (or a longer period of notice if this is required by applicable Law).

In addition to the Fees, you are also responsible for any penalties or fines imposed in relation to your Rexial Account on you or other Payment Service Provider/Operator or Financial Institution, or the Automated Clearing House Rules resulting from your use of Payment Processing Services in a manner not permitted by this Agreement or UCH Rules.

You are also obligated to pay all taxes, fees and other charges imposed by any governmental authority, including any value-added tax, goods and services tax, on the Services provided under this Agreement. If you are tax-exempt, you will provide us with an appropriate certificate or other evidence of tax exemption that is satisfactory to us. If you are a withholding agent, you shall provide proof of the same from the Uganda Revenue Authority.

7. Services and Rexial Account support

We will provide you with support to resolve general issues relating to your Rexial Account and your use of the Services. This support includes resources and documentation that we make available to you through the current versions of Rexial's documentation. The most efficient way to get answers to your questions is to review our Documentation or contact our Support Team.

You are solely responsible for providing support to your Customers regarding Transaction receipts, product or service delivery, support, returns, refunds, and any other issues related to your products and services and business activities. We are not responsible for providing support for the services you provide to your customers.

8. Taxes and Other Expenses

Our fees are exclusive of any applicable Taxes, except as expressly stated to the contrary. You have sole responsibility and liability for: (i) determining what, if any, Taxes apply to the sale of your products and services, acceptance of donations, or payments you receive in connection with your use of the Services; and (ii) assessing, collecting, reporting, and remitting Taxes for your business to the appropriate tax and revenue authorities. If we are required to withhold any Taxes, or we are unable to validate any tax-related identification information you provide to us, we may deduct such Taxes from amounts otherwise owed and pay them to the appropriate taxing authority. If you are exempt from payment of such Taxes, you must provide us with an original certificate that satisfies applicable legal requirements attesting to your tax-exempt status. Upon our reasonable request, you must provide us with information regarding your tax affairs.

9. Service Requirements, Limitations and Restrictions

(a) Compliance with applicable laws

You must use the Services in a lawful manner, and must obey all laws, rules, and regulations applicable to your use of the Services and to Transactions. As applicable, this may include compliance with domestic and international laws related to the use or provision of financial services, notification and consumer protection, unfair competition, privacy, and false advertising, and any other laws relevant to Transactions.

(b) Prohibited Businesses and Activities

You may not use the Services to enable any person (including you) to benefit from any activities that the Uganda Clearing House Rules and Procedures or any other relevant laws have identified as a prohibited business or activity, (herein referred to as "Prohibited Businesses"). Prohibited Businesses include the use of the Services in or for the benefit

of a country, organization, entity, or person embargoed or blocked by any government or government authority.

(c) Other Restricted Activities

You may not use the Services to facilitate illegal Transactions. In addition, you may not allow, and may not allow others to: (i) access or attempt to access non-public Rexial systems, programs, data, or services; (ii) copy, reproduce, republish, upload, post, transmit, resell, or distribute in any way, any data, content, or any part of the Services, Documentation, or our website except as expressly permitted by applicable Laws; (iii) transfer any rights granted to you under this Agreement; (iv) work around any of the technical limitations of the Services or enable functionality that is disabled or prohibited; (v) reverse engineer or attempt to reverse engineer the Services except as expressly permitted by laws and Rexial; (vi) perform or attempt to perform any actions that would interfere with the normal operation of the Services or affect use of the Services by our other Merchants; or (vii) impose an unreasonable or disproportionately large load on the Service.

(d) Suspicion of Unauthorized or Illegal Use

We may refuse, condition, or suspend any Transactions that we believe: (i) may violate this Agreement or other agreements you may have with Rexial; (ii) are unauthorized, fraudulent or illegal; or (iii) expose you, Rexial, or others to risks unacceptable to Rexial. If we suspect or know that you are using or have used the Services for unauthorized, fraudulent, or illegal purposes, we may share any information related to such activity with the appropriate financial institution, regulatory authority, or law enforcement agency consistent with our legal obligations. This information may include information about you, your Rexial Account, your customers, and Transactions made through your use of the Services.

10. Disclosures and Notices; Electronic Signature Consent

(a) Consent to Electronic Disclosures and Notices

By registering for a Rexial Account, you agree that such registration constitutes your electronic signature, and you consent to electronic provision of all disclosures/notices and notices from Rexial, including those required by law. You also agree that your electronic consent will have the same legal effect as a physical signature.

(b) Methods of Delivery

You agree that Rexial can provide Notices regarding the Services to you through our website, mobile application or by mailing Notices to the email or physical addresses identified in your Rexial Account. Notices may include notifications about your Rexial Account, changes to the Services, or other information we are required to provide to you. You also agree that electronic delivery of a Notice has the same legal effect as if we provided you with a physical copy. We will consider a Notice to have been received by you within 24 hours of the time a Notice is either posted to the dashboard website or emailed to you.

(c) Withdrawing Consent

Due to the nature of the Services, you will not be able to begin using the Services without agreeing to electronic delivery of Notices. However, you may choose to withdraw your consent to receive Notices electronically by terminating your Rexial Account.

11. Termination

(a) Term and Termination

This Agreement is effective upon the date you first access or use the Services and continues until terminated by you or Rexial. You may terminate this Agreement by sending us notice of the same. We may terminate this Agreement or close your Rexial Account at any time for any reason by providing you notice. We may suspend your Rexial Account and, or terminate this Agreement, if (i) we determine in our sole discretion that you are ineligible for the Services because of significant fraud or, or any other risks associated with your Rexial Account; (ii) you use the Services in a prohibited manner or otherwise do not comply with any of the provisions of this Agreement; (iii) any law or authority, Payment Service Provider or Operator or issuer of a Payment Instrument requires us to do so; (iv) we are otherwise entitled to do so under this Agreement, or (v) your Chargeback ratio constantly exceeds the maximum threshold established by the UCH Rules and Procedures (if applicable).

(b) Effects of Termination

Termination does not immediately relieve you of obligations incurred by you under this Agreement. Upon termination, you agree to (i) complete all pending Transactions, (ii) stop accepting new Transactions, and (iii) immediately remove all Rexial network logos from your website (unless permitted under a separate license. Your continued or renewed use of the

Services after all pending Transactions have been processed serves to renew your consent to the terms of this Agreement.

In addition, upon termination you understand and agree that (i) all licenses granted to you by Rexial under this Agreement will end/terminate; (ii) We reserve the right (subject to the Data Protection and Privacy Act, 2019) to delete all of your information and account data stored on our servers; (iii) we will not be liable to you for compensation, reimbursement, or damages related to your use of the Services, or any termination or suspension of the Services or deletion of your information or account data; and (iv) you are still liable to us for any fees or fines, or other financial obligation incurred by you or through your use of the Services prior to termination.

SECTION B: Rexial Technology

1. API, Mobile Application (App) and Dashboard

Rexial has developed and provides access to the API, Mobile Application and the Documentation that may be used to access the Services. You may use the API and or the App solely as described in the Documentation to use the Services on websites and through the applications identified in your Rexial Account.

You may not use the API and or App for any purpose, function, or feature not described in the Documentation or otherwise communicated to you by us. Due to the nature of the Services, we will update the API/App and Documentation from time to time, and may add or remove functionality. We will provide you notice in the event of material changes, deprecations, or removal of functionality from the API/App so that you may continue using the Services with minimal interruption.

We will make publishable and secret API keys for live and test Transactions available to you through the Dashboard. Publishable keys identify Transactions with your Customers, and secret keys permit any API call to your Rexial Account. You are responsible for securing your secret keys - do not publish or share them with any unauthorized persons. Failure to secure your secret keys will increase the likelihood of fraud on your Rexial Account and potential losses to you or your customers. You should contact us immediately if you become aware of any unauthorized use of your secret key or any other breach of security regarding the Services. We provide more details on proper use of publishable and secret API keys in the Documentation. Information on securing your Rexial Account is available in Section D.

2. Ownership of Rexial IP

Rexial and its licensors exclusively own all rights, title, and interest in the patents, copyrights (including rights in derivative works), moral rights, rights of publicity, trademarks or service marks, logos and designs, trade secrets, and other intellectual property embodied by, or contained in the API/App, Services, Dashboard, and Documentation (collectively, "Rexial IP") or any copies thereof registered or pending registration anywhere in the world. Rexial IP is protected by copyright, trade secret, trademarks, patent, and other intellectual property laws, and all rights in Rexial IP not expressly granted to you in this Agreement are reserved. This clause shall survive the termination of this agreement.

You may choose to or we may invite you to submit comments or ideas about improvements to the Service, our API, our platform, or any other component of our products or services ("Ideas"). If you submit an idea to us, we will presume that your submission was voluntary, unsolicited by us, and delivered to us without any restrictions on our use of the Idea. You also agree that Rexial has no fiduciary or any other obligation to you in connection with any idea you submit to us and that we are free to use your Ideas Without any attribution or compensation to you.

The Merchant agrees that after it has passed Rexial's verification process, Rexial may publicly refer to the Merchant (in either written or verbal form) as being a customer of Rexial

3. Rexial marks/references to our relationship

We may make certain Rexial logos or marks ("Rexial Marks") available for use by you and other Merchants to allow you to identify Rexial as a service provider. Rexial may limit or revoke your ability to use Rexial Marks at any time. You may never use any Rexial Marks or Rexial IP consisting of trademarks or service marks without our express permission, or in a manner that may lead people to confuse the origin of your products or services with ours.

SECTION C: PAYMENT PROCESSING SERVICES

1. Payment Processing Services Overview

Rexial provides a platform that enables your customers to set up direct debit mandates through digital channels and for you to collect one-off and recurring payments directly from bank accounts by generating direct debit instruction files based on the above mandates that may be processed through the ACH.

For avoidance of doubt, Rexial does not collect or receive payments on behalf of the merchant and does not maintain any bank accounts with either the Merchant banks or Consumer banks for this purpose.

2. Registering for Use of Payment Processing Services

When you register for a Rexial Account, you may be asked for financial information, or information we use to identify you, your Representatives, principals, beneficial owners, and other individuals associated with your Rexial Account. Throughout the term of this Agreement, we may share information about your Rexial Account with Payment Service Providers/Operators, or Financial Institutions in order to verify your eligibility to use the Payment Processing Services, establish any necessary accounts or credit with Payment Service Providers or Financial Institutions, monitor Charges and other activity, and conduct risk management and compliance reviews. We will review and may conduct further intermittent reviews of your Rexial Account information to determine that you are eligible to use the Payment Processing Services. Rexial's use of the information you provide to us under this Agreement is described in more detail in Section D. Any personal identifying information shall be dealt with in the manner provided for under the Data Protection and Privacy Act, 2019 and our privacy policy.

Rexial is not a bank and we do not accept deposits, provide loans or extend credit.

Upon receipt of a DDA/DDM, Rexial will transmit it to the relevant bank in accordance with the UCH Rules and Procedures.

In order for Rexial to process payments, certain information is required:

- a) For the purposes of automating the direct debits transfers from your customers, the Merchant must obtain the required mandate (DDA/DDM) from its customer and other information such as a name and where necessary in order to facilitate Rexial sending Payment Notifications on behalf of the Merchant, an email address, and or

telephone number for each Customer. The Merchant has the option to stipulate a payment reference for each payment. Where the Merchant is initiating a refund, it must ensure that this is to the correct Customer;

- b) The Merchant (Originator) confirms that it maintains an account with its Originator Bank and can, through that account(s) initiate Direct Debit Transfers; based on the DDA/DDM obtained from its customers; through the Clearing House.
- c) For the purposes of processing the direct debit transfers, provide the relevant bank details including the payment instrument (instruction) codes as identified in the UCH Rules and Procedures.
- d) It is the Merchant's responsibility to ensure that the information set out above and provided to Rexial is accurate and up to date. The Merchant must notify Rexial of any changes as soon as is reasonably possible.

3. Authorization

- a) The Merchant is responsible for obtaining proper authorization/mandates (DDA/DDM) from customers for direct debit transactions.
- b) The Merchant will maintain records of customer authorizations/mandates and make them available to the Merchant Bank upon request.
- c) The Merchant accepts to use the Rexial platform to process direct debits transactions based on the debit mandates created through digital channels in accordance to the procedure laid out in the UCH Rules and Procedures.

4. Payment Terms

- a) The Merchant will provide the Merchant Bank (Originator bank) with a Payment Schedule which includes the frequency, amount, and currency of direct debit payments as set up and authorized by their customer.
- b) The Merchant Bank will process direct debit transactions in accordance with the clearing cycle under the UCH Rules and Procedures.
- c) Any fees or charges associated with direct debit processing will be outlined in a separate fee schedule/appendix.

5. Payment Processing

- a) The Merchant will submit transaction details to the Merchant Bank in the agreed format and within the agreed timelines.
- b) The Merchant Bank/Consumer Bank (Paying Bank) will process and clear direct debit transactions as per the UCH Rules and Procedures.

6. Processing Transactions; Disputes, Refunds, Reversals

- a) You may only submit DDA/DDM that are authorized by your customers to automate direct debit transfers from their banks (Consumer/Paying Bank) to your Merchant/Originator Bank. You may not, other than as required by the terms herein contained or other terms that facilitate your use of the service, grant or assign any interest in payment processing proceeds to any third party until such time as the payment processing proceeds are deposited into your bank account maintained with/in your Merchant Bank for this purpose.
- b) Except where Rexial and a Customer have otherwise agreed, you maintain the direct relationship with your customers and are responsible for: (i) acquiring appropriate consent to submit DDA/DDM through the Payment Processing Services on their behalf; (ii) providing confirmation or receipts to Customers for each direct debit transfer; (iii) verifying Customers' identities; and (iv) determining a customer's eligibility and authority to complete Transactions.
- c) Authorized Transactions may be subject to a Dispute. Rexial is not responsible for or liable to you for authorized and completed direct debit transfers that are later the subject of a Dispute, Refund, or Reversal, are submitted without authorization or in error, or violate any laws.
- d) You are immediately responsible to us for all Disputes, Refunds, Reversals, Returns, or Fines regardless of the reason or timing.
- e) In many but not all cases, you may have the ability to challenge a Dispute by submitting evidence through the API/App or the Dashboard. We may request additional information to provide to the Merchant Bank or Consumer Bank to assist you in contesting the Dispute, but we cannot guarantee that your challenge will be successful. The Merchant Bank or Consumer Bank may deny your challenge for any reason they deem appropriate. You may not submit a new mandate which duplicates a Transaction that is subject to a Dispute.

- f) You are liable for all losses you incur when lost or stolen payment credentials or mandates or accounts are used to purchase products or services from you. Rexial does not and will not insure you against losses caused by fraud under any circumstances.

7. Responsibilities and Disclosures to Your Customers

- a) It is very important to us that your customers understand the purpose, amount, frequency and conditions of the DDA/DDM you submit through our system. With that in mind, when using the Payment Processing Services you agree to: (i) accurately communicate, and not misrepresent, the nature of the Transaction, and the amount of the Charge in the appropriate currency prior to submitting it to the API/App; (ii) provide a receipt that accurately describes each Transaction to Customers; (iii) provide Customers a meaningful way to contact you in the event that the product or service is not provided as described; (iv) not use Services to sell products or services in a manner that is unfair or deceptive, exposes Customers to unreasonable risks, or does not disclose material terms of a purchase in advance; and (v) inform Customers that Rexial and its affiliates automate direct debit transfers for your benefit. You also agree to maintain and make available to your customers a fair and neutral return, refund, cancellation, or adjustment policy, and clearly explain the process by which Customers can receive a Refund.
- b) You may use our platform to receive recurring or subscription payments from your customers. If you use the platform to submit these recurring or subscription Charges, you agree to comply with applicable Laws, including clearly informing Customers in advance of submitting the initial Charge that they will be charged on an ongoing basis and explaining the method for unsubscribing or cancelling their recurring billing or subscription.
- c) If you engage in Transactions with Customers who are individuals (i.e., consumers), you specifically agree to provide consumers disclosures required by Law, and to not engage in unfair, deceptive, or abusive acts or practices ("UDAAP").

8. Payment Terms and Financial Services Terms

- a) Your use of the Payment Processing Services is subject to additional terms that apply between you and the Merchant Bank or Consumer Bank. When these additional terms relate to a specific Payment Method they are "Payment Terms", and when they relate to specific

Payment Processing Services they are "Financial Services Terms". Additionally, a Merchant Bank or Consumer Bank may enforce the terms of this Agreement directly against you.

- b) We may add or remove Payment Service Providers/Operators or Financial Institutions at any time. The Payment Terms and Financial Services Terms may also be amended from time to time. Your continued use of the Payment Processing Services constitutes your consent and agreement to such additions, removals and amendments.

9. Specific Payment Methods

- a) Direct debit transfers must comply with the UCH Rules and Procedures and all other applicable laws.
- b) The Central Bank may amend the UCH Rules and Procedures at any time without notice to you, and Rexial reserves the right to change the payment processing services at any time to comply with the UCH Rules and Procedures.
- c) It is your responsibility to read, understand and abide by the UCH Rules and Procedures. You will be liable for fines and penalties in the event that you violate UCH Rules and Procedures.
- d) If you misuse the Payment Processing Services or engage in activities prohibited by the UCH Rules and Procedures or another applicable laws or restrictions imposed by the Central Bank, or if we are required to do so by the UCH Rules and Procedures, we may submit information about you, Representatives, your beneficial owners and principals, and other individuals associated with your Rexial Account, to the Clearing House. You understand and consent to our sharing this information and you will fully indemnify us for any losses we incur from third-party claims, and you waive your rights to bring any direct claims against us that result from such reporting. Our reporting of information under this paragraph is separate from any other right that we may exercise under this Agreement, and we may separately terminate this Agreement or suspend your Rexial Account due to the misuse or damaging activity that caused us to make the report.

10. Settlement and Payout Schedule

a) Settlement to Your Bank Account

Rexial strictly provides a platform which among others; facilitates the automation of direct debit transfers via the ACH based on verified mandates (DDA/DDM) from your customers.

- b) Through your Rexial Account, in your Dashboard, you will be able to monitor in real-time, the direct debit transaction and receive the relevant notification from your Merchant/Originator Bank regarding

the settlement in your Bank Account in the Merchant Bank maintained for that purpose.

- c) **The clearing cycle or period:** All direct debits transfers shall follow the clearing cycle as set out in the UCH Rules and Procedures and settlement shall be determined in accordance with the rules of the relevant payment scheme as provided for by law/regulation. Rexial has no control of the clearing cycle or period and shall not be responsible for any delays or action with regard to the finality of the settlement of the direct debit transfer.

- d) **Incorrect/incomplete mandates:** You are responsible for ensuring that you obtain accurate and complete DDA/DDM (mandates) from your customers to facilitate the payment processing and that you provide Rexial with the accurate and complete information regarding your business to facilitate payment processing with your Merchant Bank. If you do not provide us with the accurate and complete information or details or DDA/DDM (mandates) from your customers; or for yourself (regarding your Merchant Bank), you understand that the direct debit transfer transaction may be declined or funds settled on the wrong account and that Rexial has no authority to recover the funds arising from such incorrect or incomplete transactions. You undertake to fully indemnify and reimburse us for any losses we may incur as a result of inaccurate or incomplete mandates.

11. **Security Interests, Collection, and Reconciliation and Error Notification**

- a) **Security Interests:** You grant us a lien and security interest in all funds for Transactions that we process for you. This means that if you have not paid for our services, we have a right superior to the rights of any of your other creditors to seize or withhold funds owed to you for Transactions that we process through the Services. Upon our request, you will execute and deliver any documents and pay any associated fees we consider necessary to create, perfect, and maintain a security interest in such funds

- b) **Collection:** You agree to pay all amounts owed to us and to our affiliates on demand. Your failure to pay amounts owed to us or to our affiliates under this Agreement is a breach and you will be liable for any costs we incur during collection in addition to the amount you owe. Collection costs may include attorneys' fees and expenses, costs of any arbitration or court proceeding, collection agency fees, any applicable interest, and any other related cost.

- c) **Reconciliation and Error Notification:** The Dashboard contains details of DDA/DDM (mandates), approved transaction, transaction history, and other activity on your Rexial Account. Except as required by law, you are solely responsible for reconciling the information in the Dashboard generated by your use of Payment Processing Services with your records of Customer Transactions, and for identifying any Transaction errors. You agree to review your Rexial Account and immediately notify us of any errors. We will investigate any reported errors, including any errors made by Rexial or a Payment Service Provider/Operator or Financial Institution, and, when appropriate, attempt to rectify them by making the necessary updates in your Dashboard. Subject to the relevant laws, if you fail to communicate a Transaction error to us for our review without undue delay and, in any event, within 60 days after you discovered it and flagged it in the Dashboard, you waive your right to make any claim against us for any amounts associated with the Transaction error.

SECTION D: DATA USAGE, PRIVACY AND SECURITY

1. Data Usage Overview

Protecting, securing, and maintaining the information processed and handled through the Services is one of our top priorities, and it should be yours too. This section describes our respective obligations when collecting, handling and storing information connected with the Services.

The term "Data" used without a modifier (in this Section) means all Personal Data, Merchant Data, Payment Data, and Rexial Data.

Rexial processes, analyzes, and manages Data to: (a) provide Services to you, and to you customers (where applicable); (b) mitigate fraud, financial loss, or other harm to Merchants, Merchant's customers and Rexial; and (c) analyze, develop and improve our products, systems, and tools. Rexial may provide Data to third-party service providers, including Payment Service Providers/Operators or Financial Institutions, and their respective affiliates, as well as to Rexial's affiliates, to allow us to provide Services to you and other Merchants. We do not provide Personal Data to unaffiliated parties for marketing their products to you. You understand and consent to Rexial's collection and use of Data for the purposes and in a manner consistent with this Section and the Data Protection and Privacy Act, 2019.

2. Data Protection and Privacy

Confidentiality: Rexial will only use Merchant Data as permitted by this Agreement, by other agreements between you and us, or as otherwise directed or authorized by you. You will protect all Data you receive through the Services, and you may not disclose or distribute any such Data, and you will only use such Data in conjunction with the Services and as permitted by this Agreement or by other agreements between you and us. Neither party may use any Personal Data to market to customers unless it has received the express consent from a specific customer to do so. You may not disclose Payment Data to others except in connection with processing Transactions requested by customers and consistent with applicable laws and UCH Rules and Procedures.

You affirm that you are now and will continue to be compliant with all applicable laws governing the privacy, protection, and your use of Data that you provide to us or access through your use of the Services. You also affirm that you have obtained all necessary rights and consents under applicable laws to disclose to Rexial - or allow Rexial to collect, use, retain, and disclose - any Personal Data that you provide to us or authorize us to collect, including Data that we may collect directly from customers using cookies or other similar means. As may be required by law and in connection with this Agreement, you are solely responsible for disclosing to customers that Rexial processes Transactions (including payment Transactions) for you and may receive Personal Data from you. Additionally, where required by law or UCH Rules and Procedures, we may delete or disconnect a customer's Personal Data from your Rexial Account when requested to do so by the customer.

If we become aware of an unauthorized acquisition, disclosure or loss of Personal Data (in relation to you or your customers) on our systems, we will notify you consistent with our obligations under applicable Law. We will also notify you and provide you with sufficient information regarding the unauthorized acquisition, disclosure or loss to help you mitigate any negative impact.

Other confidential information: Confidential Information includes Rexial's pricing information, technical information and any other information disclosed, or being disclosed in the future, by one Party ("Discloser") to the other ("Recipient") related to the provision or use of the Services that is designated as confidential or that reasonably should be understood to be confidential given the nature of the information and the circumstances of disclosure. Recipient may use Discloser's Confidential Information solely to perform Recipient's obligations or exercise its rights under this Agreement. Recipient will not disclose, or permit to be disclosed, Discloser's Confidential Information to any third party without Discloser's prior written consent, except that Recipient may disclose Discloser's Confidential Information solely to Recipient's employees, Affiliates, agents or

professional advisers who have a need to know and who are bound to keep that information confidential under confidentiality requirements consistent with this Agreement. Recipient agrees to exercise due care in protecting Discloser's Confidential Information from unauthorised use and disclosure, and at a minimum will use at least the degree of care a reasonable person would use. The foregoing will not apply to any information that: (a) was in the public domain at the time it was communicated to the Recipient by the Discloser; (b) entered the public domain after the time it was communicated to the Recipient by the Discloser through no fault of the Recipient; (c) was in the Recipient's possession free of any obligation of confidence at the time it was communicated to the Recipient by the Discloser; (d) was rightfully communicated to the Recipient free of any obligation of confidence after the time it was communicated to the Recipient by the Discloser; (e) was developed by employees or agents of the Recipient independently of and without reference to any information communicated to the Recipient by the Discloser; or (f) is expressly permitted to be disclosed under the terms of this Agreement. A Party may disclose Confidential Information to the extent such Confidential Information is required to be disclosed by law, by any governmental or other regulatory authority or by a court or other authority of competent jurisdiction, provided that, to the extent it is legally permitted to do so, it gives the other Party as much notice of such disclosure as possible and, where notice of disclosure is not prohibited and is given in accordance with this section, it takes into account the reasonable requests of the other Party in relation to the content of such disclosure.

3. **Security and Fraud Control**

Rexial's Security: Rexial is responsible for protecting the security of Data in our possession. We will maintain commercially reasonable administrative, technical, and physical procedures to protect Merchant Data and Personal Data stored in our servers from unauthorized access, accidental loss, modification, or breach, and we will comply with applicable laws when we handle Merchant and Personal Data. However, no security system is impenetrable and we cannot guarantee that unauthorized parties will never be able to defeat our security measures or misuse any Data in our possession. You provide Merchant Data and Personal Data to Rexial with the understanding that any security measures we provide may not be appropriate or adequate for your business, and you agree to implement Security Controls (as defined below) and any additional controls that meet your specific requirements. In our sole discretion, we may take any action, including suspension of your Rexial Account, to maintain the integrity and security of the Services or Data, or to prevent harm to you, us, Customers, or

others. You waive any right to make a claim against us for losses you incur that may result from such actions we may take to prevent such harm.

Your Security: You are solely responsible for the security of any Data on your website, your servers, in your possession, or that you are otherwise authorized to access or handle. You will comply with applicable laws when handling or maintaining Merchant Data and Personal Data, and will provide evidence of your compliance to us upon our request. If you do not provide evidence of such compliance to our satisfaction, we may suspend your Rexial Account or terminate this Agreement.

Security Controls: You are responsible for assessing the security requirements of your business, and selecting and implementing security procedures and controls ("Security Controls") appropriate to mitigate your exposure to security incidents. We may provide Security Controls as part of the Services, or suggest that you implement specific Security Controls. However, your responsibility for securing your business is not diminished by any Security Controls that we provide or suggest, and if you believe that the Security Controls we provide are insufficient, then you must separately implement additional controls that meet your requirements.

Fraud Risk: While we may provide or suggest Security Controls, we cannot guarantee that you or customers will never become victims of fraud. Any Security Controls we provide or suggest may include processes or applications developed by Rexial, its affiliates, or other companies. You agree to review all the Security Controls we suggest and choose those that are appropriate for your business to protect against unauthorized Transactions and, if appropriate for your business, independently implement other security procedures and controls not provided by us. If you disable or fail to properly use Security Controls, you will increase the likelihood of unauthorized Transactions, Disputes, fraud, losses, and other similar occurrences. Keep in mind that you are solely responsible for losses you incur from the use of lost or stolen payment credentials or mandates or accounts by fraudsters who engage in fraudulent Transactions with you, and your failure to implement Security Controls will only increase the risk of fraud. We may assist you with recovering lost funds, but you are solely responsible for losses due to lost or stolen credentials or forged mandates or accounts, compromise of your Merchant name or password, changes to the settlement account (the account in your Merchant/Originator Bank for settlement of funds), and any other unauthorized use or modification of your Rexial Account. Rexial is not liable or responsible to you and you waive any right to bring a claim against us for any losses that result from the use of lost or stolen credentials or unauthorized use or modification of your Rexial Account, unless such losses result from Rexial's wilful

or intentional actions. Further, you will fully indemnify and reimburse us for any losses we incur that result from the use of lost or stolen credentials or accounts.

We may also provide you with Data regarding the possibility or likelihood that a Transaction may be fraudulent. We may incorporate any subsequent action or inaction by you into our fraud model, for the purpose of identifying future potential fraud. You understand that we provide this Data to you for your consideration, but that you are ultimately responsible for any actions you choose to take or not take in relation to such Data.

SECTION E: ADDITIONAL LEGAL TERMS

1. Right to amend

We have the right to change or add to the terms of this Agreement at any time, and to change, delete, discontinue, or impose conditions on use of the Services by posting such changes on our website/App. We may provide you with Notice of any changes through the Dashboard, via email, or through other means. Your use of the Services, API/App, or Data after we publish any such changes on our website/App, constitutes your acceptance of the terms of the modified Agreement. You can access a copy of the current terms of this Agreement on our website/App at any time. You can find out when this Agreement was last changed by checking the "Last Updated" date at the top of the Agreement.

2. Assignment

You may not assign this Agreement, any rights or licenses granted in this Agreement, or operation of your Rexial Account to others without our prior written consent. If we consent to the assignment, the assignee must agree to assume all of your rights and obligations owed by you related to the assignment, and must agree to comply with the terms of this Agreement. Rexial may assign this Agreement without your consent or any other restriction. If we make an assignment, we will provide reasonable notice to you.

3. Right to Audit

If we believe that a security breach, leak, loss, or compromise of Data has occurred on your systems, website/App, or app affecting your compliance with this Agreement, we may require you to permit a third-party auditor approved by us to conduct a security audit of your systems and facilities, and you must fully cooperate with any requests for information or assistance that the auditor makes

to you as part of the security audit. The auditor will issue a report to us which we may share with the relevant Payment Service Providers/Operators or Financial Institutions.

4. No Agency; Third-Party Services

Except as expressly stated in this Agreement, nothing in this Agreement serves to establish a partnership, joint venture, or other agency relationship between you and us, or with any Payment Service Provider/Operator or Financial Institution. Each party to this Agreement, and each Payment Service Provider/Operator or Financial Institution, is an independent contractor. Unless a Payment Service Provider/Operator or Financial Institution expressly agrees, neither you nor we have the ability to bind a Payment Service Provider/Operator or Financial Institution to any contract or obligation, and neither party will represent that you or we have such an ability.

We may reference or provide access to third-party services, products, and promotions that utilize, integrate, or provide ancillary services to the Services ("Third-Party Services"). These Third-Party Services are provided for your convenience only and do not constitute our approval, endorsement, or recommendation of any such Third-Party Services for you. You access and use any Third-Party Service based on your own evaluation and at your own risk. You understand that your use of any Third- Party Service is not governed by this Agreement. If you decide to use a Third-Party Service, you will be responsible for reviewing, understanding and accepting the terms and conditions associated with its use. We expressly disclaim all responsibility and liability for your use of any Third-Party Service. Please also remember that when you use a Third-Party Service, our Privacy Policy is no longer in effect. Your use of a Third-Party Service, including those that have a link on our website, is subject to that Third-Party Service's own terms of use and privacy policies.

5. Force Majeure

Neither party will be liable for any delays in processing or other nonperformance caused by telecommunications, utility, failures, or equipment failures; labor strife, riots, war, acts of God, government restrictions, pandemic, epidemic or terrorist attacks; nonperformance of our vendors or suppliers, fires or acts of nature; or any other event over which the respective party has no reasonable control. However, nothing in this section will affect or excuse your liabilities or

your obligation to pay Fees, Fines, Disputes, Refunds, Reversals, or Returns under this Agreement.

6. Your Liability For Third-Party Claims Against Us

Without limiting, and in addition to, any other obligation that you may owe under this Agreement, you are at all times responsible for the acts and omissions of your employees, contractors and agents, to the extent such persons are acting within the scope of their relationship with you.

You agree to defend Rexial, our affiliates, and their respective employees, agents, and service providers (each a "Rexial Entity") against any claim, suit, demand, loss, liability, damage, action, or proceeding (each, a "Claim") brought by a third party against a Rexial Entity, and you agree to fully reimburse the Rexial Entities for any claims that results from: (i) your breach of any provision of this Agreement; (ii) any Fees, Fines, Disputes, Refunds, Reversals, Returns, or any other liability we incur that results from your use of the Payment Processing Services; (iii) negligent or wilful misconduct of your employees, contractors, or agents; or (iv) contractual or other relationships between you and Customers.

7. Representations and Warranties

By accepting the terms of this Agreement, you represent and warrant that: (a) you are eligible to register and use the Services and have the authority to execute and perform the obligations required by this Agreement; (b) any information you provide us about your business, products, or services is accurate and complete; (c) any DDA/DDM represent a Transaction for permitted products, services, or donations, and any related information accurately describes the Transaction; (d) you will fulfill all of your obligations to your customers and will resolve all Disputes with them; (e) you will comply with all laws applicable to your business and use of the Services; (f) your employees, contractors and agents will at all times act consistently with the terms of this Agreement; and (g) you will not use the Services, directly or indirectly, for any fraudulent or illegal undertaking, or in any manner that interferes with the normal operation of the Services.

8. No Warranties

WE PROVIDE THE SERVICES AND REXIAL IP "AS IS" AND "AS AVAILABLE", WITHOUT ANY EXPRESS, IMPLIED, OR STATUTORY WARRANTIES OF TITLE, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NONINFRINGEMENT, OR ANY OTHER TYPE OF WARRANTY OR GUARANTEE. NO DATA, DOCUMENTATION OR ANY OTHER INFORMATION PROVIDED BY REXIAL OR OBTAINED BY YOU FROM OR THROUGH THE SERVICES - WHETHER FROM REXIAL OR ANOTHER REXIAL ENTITY, AND WHETHER ORAL OR WRITTEN - CREATES OR IMPLIES ANY WARRANTY FROM A REXIAL ENTITY TO YOU.

YOU AFFIRM THAT NO REXIAL ENTITY CONTROLS THE PRODUCTS OR SERVICES THAT YOU OFFER OR SELL OR THAT YOUR CUSTOMERS PURCHASE USING THE PAYMENT PROCESSING SERVICES. YOU UNDERSTAND THAT WE CANNOT GUARANTEE AND WE DISCLAIM ANY KNOWLEDGE THAT YOUR CUSTOMERS POSSESS THE AUTHORITY TO MAKE, OR WILL COMPLETE, ANY TRANSACTION.

TO THE FULLEST EXTENT PERMISSIBLE BY LAW, THE REXIAL ENTITIES DISCLAIM ANY KNOWLEDGE OF, AND DO NOT GUARANTEE: (a) THE ACCURACY, RELIABILITY, OR CORRECTNESS OF ANY DATA PROVIDED THROUGH THE SERVICES; (b) THAT THE SERVICES WILL MEET YOUR SPECIFIC BUSINESS NEEDS OR REQUIREMENTS; (c) THAT THE SERVICES WILL BE AVAILABLE AT ANY PARTICULAR TIME OR LOCATION, OR WILL FUNCTION IN AN UNINTERRUPTED MANNER OR BE SECURE; (d) THAT REXIAL WILL CORRECT ANY DEFECTS OR ERRORS IN THE SERVICE, API, APP, DOCUMENTATION, OR DATA; OR (e) THAT THE SERVICES ARE FREE OF VIRUSES OR OTHER HARMFUL CODE. USE OF DATA YOU ACCESS OR DOWNLOAD THROUGH THE SERVICES IS DONE AT YOUR OWN RISK - YOU ARE SOLELY RESPONSIBLE FOR ANY DAMAGE TO YOUR PROPERTY, LOSS OF DATA, OR ANY OTHER LOSS THAT RESULTS FROM SUCH ACCESS OR DOWNLOAD. YOU UNDERSTAND THAT THE REXIAL ENTITIES MAKE NO GUARANTEES TO YOU REGARDING CLEARING CYCLE AND SETTLEMENT RULES.

TO THE FULLEST EXTENT PERMISSIBLE BY LAW, NOTHING IN THIS AGREEMENT OPERATES TO EXCLUDE, RESTRICT OR MODIFY THE APPLICATION OF ANY IMPLIED CONDITION, WARRANTY OR GUARANTEE, OR THE EXERCISE OF ANY RIGHT OR REMEDY, OR THE IMPOSITION OF ANY LIABILITY UNDER LAW WHERE TO DO SO WOULD: (A) CONTRAVENE THAT LAW; OR (B) CAUSE ANY TERM OF THIS AGREEMENT TO BE VOID.

9. **Limitation of Liability**

To the fullest extent permissible by law, under no circumstances will any Rexial Entity be responsible or liable to you for any indirect, punitive, incidental, special, consequential, or exemplary damages resulting from your use or inability to use the Services or for the unavailability of the Services, for lost profits, personal injury, or property damage, or for any other damages arising out of, in connection with, or relating to this Agreement or your use of the Services, even if such damages are foreseeable, and whether or not you or the Rexial Entities have been advised of the possibility of such damages. The Rexial Entities are not liable, and deny responsibility for, any damages, harm, or losses to you arising from or relating to hacking, tampering, or other unauthorized access or use of the Services, your Rexial Account, or Data, or your failure to use or implement anti-fraud measures, Security Controls, or any other data security measure. The Rexial Entities further deny responsibility for all liability and damages to you or others caused by (a) your access or use of the Services inconsistent with the Documentation; (b) any unauthorized access of servers, infrastructure, or Data used in connection with the Services; (c) interruptions to or cessation of the Services; (d) any bugs, viruses, or other harmful code that may be transmitted to or through the Services; (e) any errors, inaccuracies, omissions, or losses in or to any Data provided to us; (f) third-party content provided by you; or (g) the defamatory, offensive, or illegal conduct of others.

You agree to limit any additional liability not disclaimed or denied by the Rexial Entities under this Agreement to your direct and documented damages; and you further agree that under no circumstances will any such liability exceed in the aggregate the amount of Fees paid by you to Rexial during the three-month period immediately preceding the event that gave rise to your claim for damages.

These limitations on our liability to you will apply regardless of the legal theory on which your claim is based, including contract, tort (including negligence), strict liability, or any other theory or basis.

We provide the Services from facilities in Uganda. We do not claim, and we cannot guarantee that Services we provide from Uganda are or will be appropriate or available for any other location or jurisdiction, comply with the laws of any other location or jurisdiction.

10. **Responding to Legal Process**

Rexial may respond to and comply with any writ of attachment, lien, levy, summon, warrant, or other legal order ("Legal Process") that we believe to be valid. We or any Payment Service Provider/Operator or Financial Institution may deliver or hold any DDA/DDM, subject to the terms of our Privacy Policy, any Data as required under such legal Process, even if you are receiving funds or Data on behalf of other parties. Where permitted by law, we will make reasonable efforts to provide you notice of such Legal Process by sending a copy to the email address we have on file for you. Rexial is not responsible for any losses, whether direct or indirect, that you may incur as a result of our response or compliance with a Legal Process.

11. **Dispute Resolution; Agreement to Arbitrate**

Binding Arbitration: In the event that there is a dispute, claim or controversy arising out of or relating to statutory or common law claims, the breach, termination, enforcement, interpretation or validity of any provision of this Agreement, and the determination of the scope or applicability of your agreement to arbitrate any dispute, claim or controversy originating from this Agreement, but specifically excluding any dispute principally related to either party's intellectual property will be determined by arbitration in English, in, Uganda before a single arbitrator, and shall be subject to the rules and standards of the International Centre for Arbitration and Mediation in Kampala (ICAMEK) in effect on the day the matter is submitted to ICAMEK.

Service of Process: Each party hereby irrevocably and unconditionally consents to service of process through personal service at their corporate

headquarters, registered address, or primary address (for individuals or sole proprietors). Nothing in this Agreement will affect the right of any party to serve process in any other manner permitted by law.

Class Waiver: To the fullest extent permitted by law, each of the parties agrees that any dispute arising out of or in connection with this Agreement, whether in arbitration or in court, will be conducted only on an individual basis and not in a class, consolidated or representative action.

Provision of an Award: Subject to the limitations of liability identified in this Agreement, the appointed arbitrator may award monetary damages and any other remedies allowed by the laws of the Republic of Uganda. In making a determination, the arbitrator will not have the authority to modify any term or provision of this Agreement. The arbitrator will deliver a reasoned written decision with respect to the dispute (the "Award") to each party, who will promptly act in accordance with the Award. Any Award (including interim or final remedies) may be confirmed in or enforced by a court of competent jurisdiction in Uganda. The decision of the arbitrator will be final and binding on the parties, and will not; subject to the relevant laws; be subject to appeal or review.

Fees: Unless the decision of the arbitrator shall direct otherwise, each Party shall be responsible for its own legal fees and expenses, and each Party shall be responsible for one-half of the fees and expenses of the arbitration. The final decision of the arbitration may be registered and enforced in any court in Uganda having jurisdiction over the matter.

Confidentiality: The parties will maintain the confidential nature of the arbitration proceeding, the hearing and the Award, except (i) as may be necessary to prepare for or conduct the arbitration hearing on the merits, (ii) in connection with a court application as contemplated above for a preliminary remedy, or confirmation of an Award or its enforcement, (iii) our disclosure of the Award in confidential settlement negotiations, or (iv) as otherwise required by applicable laws. The parties, witnesses, and arbitrator will treat as confidential and will not disclose to any third person (other than witnesses or experts) any documentary or other evidence produced in any arbitration hereunder, except as required by law or except if such evidence was obtained from the public domain or was otherwise obtained independently from the arbitration.

12. Entire Agreement

This Agreement and all policies and procedures that are incorporated by reference constitute the entire agreement between you and Rexial for provision and use of the Services. Except where expressly stated otherwise in a writing executed between you and Rexial, this Agreement will prevail over any conflicting policy or agreement for the provision or use of the Services. This Agreement sets forth your exclusive remedies with respect to the Services. If any provision or portion of this Agreement is held to be invalid or unenforceable under law, then it will be reformed and interpreted to accomplish the objectives of such provision to the greatest extent possible, and all remaining provisions will continue in full force and effect.

13. Cumulative Rights, Construction, Waiver

The rights and remedies of the parties under this Agreement are cumulative, and either party may enforce any of its rights or remedies under this Agreement, along with all other rights and remedies available to it at law, in equity or under the UCH Rules and Procedures. No provision of this Agreement will be construed against any party on the basis of that party being the drafter. Unless expressly stated otherwise, the use of the term "including" or "such as" is not to be interpreted as limiting the generality of the text preceding the term. The failure of either party to enforce any provision of this Agreement will not constitute a waiver of that party's rights to subsequently enforce the provision.

14. Applicable law

This Agreement shall be governed by the laws of the Republic of Uganda and the parties hereby submit to the jurisdiction of the courts of law in Uganda.

15. Maintenance and downtime

Rexial will use reasonable commercial endeavours to undertake maintenance of the Services so as not to cause disruption to the Services. The Merchant shall receive notification of any scheduled maintenance prior. All notifications for emergency maintenance shall be issued as soon as is practicable.

16. Non-Reliance

Each party acknowledges that it has not entered into this Agreement in reliance on, and shall have no remedies in respect of, any representation or warranty that

is not expressly set out in this Agreement, except in the case of fraudulent misrepresentation. No Party shall have any claim for innocent or negligent misrepresentation on the basis of any statement in this Agreement.

17. Waiver

A waiver of any right under this Agreement is only effective if it is in writing and shall not be deemed to be a waiver of any subsequent breach or default. No failure or delay by a Party in exercising any right or remedy under this Agreement or by law shall constitute a waiver of that or any other right or remedy, nor preclude or restrict its further exercise. No single or partial exercise of such right or remedy shall preclude or restrict the further exercise of that or any other right or remedy. Unless specifically provided otherwise, rights arising under this Agreement are cumulative and do not exclude rights provided by law.

18. Waiver of claims

If the Merchant does not notify Rexial of a claim for damages arising out of or related to this Agreement within one (1) year of the damage having arisen, such claim shall be waived and invalidated.

Appendix A: Fees

A NOTE ON PRICING

Rexial Payment Systems Limited is a payment systems operator that enables merchants to collect one-off and recurring revenue from their clients' bank accounts without the need for cards. Rexial anticipates two types of direct debit transactions based on whether the transaction value transferred is revenue to the merchant or still the property of the consumer.

- a. Transaction Value is revenue to the merchant.

A direct debit where transaction value received is revenue to the merchant. A monthly cable TV subscription is an example of such a transaction since the transaction value is revenue to the merchant for consuming the TV service within a defined period. The applicable fee structure is the Merchant Discount Rate (MDR). A Merchant Discount Rate is a rate charged to a merchant for the payment processing of direct debit transactions.

- b. Transaction Value still belongs to the consumer.

A direct debit where the transaction value is still the property of the consumer. A movement from a bank account to an e-wallet (e.g., Mobile Money wallet) is an example since the consumer still maintains control of the amount even if it has moved from one pocket to another. The applicable fee structure is the Surcharge (SUR). A Surcharge is an additional fee that a merchant adds to a transaction when a consumer uses direct debit for payment.

- c. Structure of Fees

Merchant Discount Rate [MDR]: is a rate charged to a merchant for the payment processing of direct debit transactions. The MDR is typically set by the consumer's bank (e.g., UGX 2,000). The merchant will take delivery of the revenue minus the MDR. For example, if a TV provider has a monthly TV package of UGX 100,000 which they collect using the Rexial, the consumer will see UGX 100,000 deducted from their bank account every month, however, the merchant will receive transaction value less the MDR i.e., UGX 98,000.

Surcharge [SUR]: A surcharge is an additional fee that a merchant adds to a transaction when a consumer uses a direct debit for payment. For example, if an e-wallet provider allows the client to top up a recurring UGX 100,000 every month to their wallet from their bank using the Rexial platform, the consumer will see UGX 102,000 deducted from their bank account every month, however, the merchant will receive transaction value less the SUR i.e., UGX 100,000.

For every transaction, either an MDR or a SUR is applied but not both. The MDR is paid by the client and the SUR is paid by the consumer. The Fee Structure is assigned at merchant sign-up MDR and can only be changed to SUR based on a review assessment of the nature of the transaction to determine whether it is revenue to the merchant.

d. Bank Fees

The Current mandate and transaction fee charges by bank are listed below:

Bank	Mandate Fee (one-off)	Transaction Fee
Stanbic Bank Uganda Limited	UGX 3,000	UGX 2,000
Standard Chartered Bank Uganda Limited		
Equity Bank Uganda Limited		
ABSA		