

Preamble

- (1) LaterPay Inc. ("LaterPay") is a payment service provider. Client ("Client") is a consumer of payments services. The LaterPay Service, comprised of a LaterPay Application and API, enables Clients to process payments over the internet. LaterPay provides this service by following Users' LaterPay-related activities across Devices and aggregating any Payment Claims (as defined below) that Users initiate, permitting Users to delay registration and/or payment until such individual User has reached a Threshold Amount of payments to Client and/or other LaterPay clients.
- (2) For LaterPay "Regular," the Threshold Amount will initially be five dollars (\$5.00) for each Device and User registered with LaterPay within the United States. For LaterPay Pro, available only for Content-For-Purchase Clients (as defined below), the Threshold Amount will initially be two hundred fifty dollars (\$250.00) for each Device and User registered with LaterPay within the United States. For other currencies, LaterPay determines thresholds approximately equivalent to the applicable Threshold Amount including any foreign transaction fee payable to LaterPay. LaterPay, in its sole and exclusive discretion, may define a different Threshold Amount for any Device and registered User to avoid payment defaults and encourage the generation of User charges, depending on the specific risk situation and the requirements of integrated payment methods.
- (3) The LaterPay Service is available to Clients in three modes:

Content-For-Purchase: Content-For-Purchase Clients make Materials available for purchase by Users via the internet. Users pay "User Fees" in exchange for access to Materials.

Contributions: Contributions Clients make Materials available on a gratuitous basis and accept voluntary monetary contributions ("Contributions") via the internet from Users to support their publicly stated mission.

Donations: Donations Clients are tax-exempt charitable organizations qualified under Section 501(c)(3) of the Internal Revenue Code. Donations Clients collect charitable donations ("Donations") via the internet.

Transactions facilitated by LaterPay, whether for User Fees, Contributions, or Donations, are known as "Payment Claims." In LaterPay's discretion, Clients may participate as a Content-For-Purchase Client and Contributions Client at the same time; however, as noted below, certain terms and conditions apply only to Client's activities within a given mode.
- (4) Client understands that, in executing this Agreement, Client makes an offer to LaterPay to enter into a contractual relationship. Client affirms that Client has

submitted all requested Know Your Customer information to LaterPay, and understands that LaterPay may accept or decline Client's offer in LaterPay's sole discretion. LaterPay will communicate acceptance by sending the Client a confirmation via e-mail that Client's live account can now be used to enter into transactions via LaterPay. This Agreement enters into force at the time the Client receives an e-mail confirming Client's account is live.

- (5) Capitalized terms used herein and not defined in the section in which first used will have the meaning ascribed to them in Section 13 of this Agreement.

§ 1 The Service

- (1) This Agreement sets forth the terms and conditions for the provision of the LaterPay Service to the Client in accordance with the Documentation. To facilitate the LaterPay Service, the Client's website will include a LaterPay Section marked with the LaterPay logo. Within the LaterPay Section, Users may request LaterPay to arrange a payment transaction initiated by the Client. LaterPay is solely responsible for the LaterPay Section and its content, design, functionality and completeness. The Client is responsible for terms of use for its website, sale, access or use of any Materials, and the Materials themselves.
- (2) The LaterPay Service supports the collection of Payment Claims. A third-party Payment Service Provider provides payment services in connection with the LaterPay Service. LaterPay reserves the right in its sole and exclusive discretion to change the Payment Service Provider or add additional Payment Service Providers for any payment transaction initiated by Client using the LaterPay Service. The Client has certain obligations to the Payment Service Provider including, but not limited to, the obligations set out in Section 6 herein and Exhibit A hereof.
- (3) The Client is solely responsible for connecting its data processing systems to the internet and to the LaterPay API at its own expense and liability. LaterPay is entitled to modify the LaterPay Service at any time. LaterPay will use reasonable efforts to inform the Client about material planned changes and upgrades section by electronic mail at least fourteen (14) days in advance.
- (4) The Client is the sole contractual partner of the User with regard to any offered Materials. LaterPay will endeavor to enter into a relationship with the User concerning the use of the LaterPay Service. However, LaterPay will have no responsibility to Users with regard to any and all claims related to Materials, the Client's activities, 501(c)(3) status or the tax deductibility of Donations (if applicable). The Client will defend, indemnify and hold LaterPay, its owners and representatives harmless against any allegation, action, suit or proceeding, including attorney's fees and costs ("Loss") to the extent such Loss is based upon an allegation concerning the Materials, the Client's activities,

501(c)(3) status or the tax deductibility of Donations (if applicable).

- (5) LaterPay will endeavor not to enter into any relationship with attempted Users who are individuals on the Denied Persons List and/or who are located in the Embargoed Countries. Nevertheless, Client is solely and exclusively responsible for imposing geographic restrictions for its offerings to individuals in any country. Client will not offer transactions via the LaterPay Service to individuals on the Denied Persons List and/or located in Embargoed Countries, and represents that it employs software and services that prevent the LaterPay Service from being offered by Client in such areas. The Client will defend, indemnify and hold LaterPay, its owners and representatives harmless against any Loss to the extent such Loss is based upon an allegation concerning LaterPay transactions offered by Client to any individual on the Denied Persons List and/or located in Embargoed Countries.
- (6) In addition to these General Terms and Conditions of LaterPay for Clients, Special Terms and Conditions apply to Clients' use of [LaterPay "Pay Later"](#), [LaterPay "Pay Now"](#), [LaterPay "Subscriptions"](#), [LaterPay "Time Pass."](#) and ["LaterPay Mobile"](#) Services, as applicable (the "Special Services"). Such Special Terms and Conditions are incorporated into this Agreement by reference where applicable, and may be accessed by clicking on the above respective hyperlinks. In the event of a conflict between the Special Terms and Conditions and this Agreement, the Special Terms and Conditions take precedence, but only to the extent of the conflict.
- (7) To select a Special Service after execution of this Agreement, the Client may send an email to LaterPay at sales-usa@laterpay.net. LaterPay will accept such request only under the condition that no subsidiary agreements are demanded or other changes or additions relating to this Agreement or the Special Terms are made. If LaterPay accepts the request, LaterPay will activate the corresponding Special Service.

§ 2 Collection of Payment Claims

- (1) The Fees payable by Client for Client's use of the LaterPay Services are set forth in Appendix A attached hereto. LaterPay reserves the right to revise Appendix A and the fees listed therein at any time with sixty (60) days' notice to Client.
- (2) Client will provide LaterPay with a record of Users' Payment Claims incurred through the LaterPay Service upon request. LaterPay will communicate the amounts set forth in Client's invoices to the Payment Service Provider, and the Payment Service Provider will forward corresponding payment to the Client, subject to the terms of this Agreement including, but not limited to, Section 2(5) below.

- (3) If payments are made in currencies other than the currency in which Client makes Payment Claims available on its website (the "Currency"), LaterPay will use the currency conversion rate determined by an associated financial institution of LaterPay. All conversion rates will appear in the LaterPay credit note for Client's informational purposes only. In addition to the currency conversion into the Currency for such transactions, LaterPay may impose on Users a surcharge of two and one-half percent (2.5%) ("Foreign Transaction Fee") of the transaction value for such Payment Claims. The Client will have no obligation to pay this Foreign Transaction Fee. LaterPay reserves the right to change the Foreign Transaction Fee by providing notice on its website and/or by providing written notice to Users.
- (4) When available, LaterPay may provide notification to Client of the option to accept more than one currency. The Client may take advantage of such option by responding to LaterPay's notification identifying the respective currencies that it wishes to accept as payment. LaterPay will confirm acceptance of Client's response by (a) setting up the acceptance of payment for Client in the respective currencies through the LaterPay Service, or (b) written confirmation that it will set up the acceptance of payment for Client in the respective currencies. Client understands and agrees that to the extent that LaterPay does not confirm acceptance of Client's response, LaterPay will not make available to Users the option of payment in multiple currencies.
- (5) The Client is aware that it may be possible for a variety of reasons that the Payment Service Provider does not receive or does not fully receive payment from a respective User. This is, for example, the case if the User refuses the necessary registration under the LaterPay Service, if the User makes use of a return right regarding Materials offered by the Client, or if Payment Service Provider does not receive payment from the User for any other reason. The Client is aware of the associated risk of non-payment, and understands and agrees that it may not receive payment in such cases from the User, Payment Service Provider or LaterPay.

§ 3 Right of Use

- (1) During the term of this Agreement, LaterPay grants to Client a non-exclusive, non-assignable and non-transferable right to access the internet-accessible LaterPay Application through the API in the United States and to use the features connected with the LaterPay Service as specified in this Agreement. The Client has and receives no other rights in and to the LaterPay Service or the LaterPay Software.
- (2) In accordance with Section 3(1) above, the Client has no right to and will not use the LaterPay Service beyond the use permitted in accordance with these terms and conditions, or allow third parties to use it or to make the

LaterPay Service available to third parties. Client has no right to reverse engineer, revise, decompile, reproduce, to sell, to permit the temporary use or to let or to lend the LaterPay Service or parts of it to third parties. During the term of this Agreement and for two (2) years thereafter, the Client will not develop or offer any service in the United States that provides a payment process similar to the LaterPay Service.

- (3) To the extent that Client uses the LaterPay Service in an unauthorized manner or negligently enables a third party to do so, the Client agrees to pay LaterPay liquidated damages of at least the amount that would have been payable in the event of the execution of a contract for the relevant Payment Claim, including use of the associated Materials, if applicable, for a contract duration of twelve (12) months, and any attorney's fees incurred by LaterPay in its efforts to procure such payment.
- (4) The Client will keep access data confidential (including username and password) and will not enable or permit an unauthorized third party to use the LaterPay Service. To the extent that the Client breaches this obligation, and upon request by LaterPay, the Client, at its own expense, will promptly supply LaterPay with all information necessary and assist LaterPay with any claim, action, suit or proceeding against such unauthorized third party(ies) at Client's expense.

§ 4 Client Obligations

- (1) The Client, at its own expense, will provide the necessary technical platform as described in the LaterPay Documentation, including access to the LaterPay Application through the API from its own computer system. The Client is responsible for resolving any errors that occur in its computer systems. The current version of the Documentation is available at docs.laterpay.net.
- (2) The Client will:
 - (i.) establish a data link to the LaterPay data center;
 - (ii.) use the LaterPay-provided API key to convey its intent to use the LaterPay Service;
 - (iii.) for Content-For-Purchase Clients, provide LaterPay with Client's Federal Tax Identification Number (as known as the Employer Identification Number);
 - (iv.) transmit to LaterPay the names of all designated administrators for Client for communication with regard to the LaterPay Service;
 - (v.) use the LaterPay Service exclusively for the intended use and for its own purposes; and
 - (vi.) inform LaterPay without undue delay about any defects or damages that could affect the safety or operation of the LaterPay Service. The Client agrees to cooperate with LaterPay and take all reasonable measures to enable LaterPay to diagnose such defect or damage. In the event of an

incorrect error report or notice of defect, the Client will pay LaterPay an inspection fee specified by LaterPay.

- (3) The Client will promptly provide LaterPay with all information necessary for the performance of this Agreement. The Client will promptly inform LaterPay about any changes of its company name, address or bank information. All information provided to LaterPay under this contract will be accurate and complete.
- (4) The Client represents and warrants that (i) Materials are provided in accordance with any contracts entered into Users; and (ii) any Materials comply with all requirements of applicable federal and state laws. The Client acknowledges sole and exclusive responsibility for such compliance.
- (5) For Contributions Clients Only: Client will (a) not offer access to Materials in exchange for, or in consideration of, Contributions; (b) clearly communicate to its users that Contributions are voluntary and are under no circumstances required in exchange for, or in consideration of, access to Materials; and (c) use Contributions in a manner compliant with applicable law and consistent with Client's publicly stated mission. The Client will defend, indemnify and hold LaterPay, its owners and representatives harmless against any Loss to the extent such Loss is based upon Client's breach of this Section 4(5).
- (6) For Donations Clients Only: Client represent and warrant that, as of its execution of this Agreement and at all times this Agreement is in force, Client qualifies as a tax-exempt charitable entity under Internal Revenue Code Section 501(c)(3). Upon request, Client shall furnish LaterPay with a copy of its tax-exempt determination letter from the Internal Revenue Service. Client shall notify LaterPay immediately in the event it is no longer qualified under Section 501(c)(3), and will be responsible for any refunds to Users who may have made Donations after such qualification was no longer valid. Client is in compliance with the laws of the United States and all applicable states therein. Client shall not provide any goods or services in exchange for Donations. Client will use all Donations for a purpose that is directly related to Client's exempt charitable purpose. The Client shall clearly communicate to its users that Donations are strictly voluntary and are not in exchange for any goods or services. Client will defend, indemnify and hold LaterPay, its owners and representatives harmless against any Loss to the extent such Loss is based upon Client's breach of this Section 4(6). The Donations Client shall be solely responsible for providing Users with Donation receipts as appropriate in its discretion.
- (7) The Client will review all payments issued to it by the Payment Service Provider without undue delay and will raise any objections without undue delay, but no later than four (4) weeks after the respective day of payment of an

invoiced amount. Any objections to settlements not raised within such four-week period are waived by Client.

- (8) The Client will promptly respond to any requests or complaints of Users in connection with the any Materials or other services offered in connection with LaterPay. Upon request by a User, the Client will inform the User that its invoicing is carried out by the LaterPay Service using the specific Payment Service Provider for such invoice.
- (9) By way of a separate agreement or guidelines, if requested by LaterPay or Client, the Client will grant (or, to the extent that the Client does not request such a separate agreement or instrument, hereby grants) LaterPay a non-exclusive right to use during the term of this Agreement, trademarks owned and/or controlled by Client (hereinafter, "Client's Trademarks"). LaterPay may use the Client's Trademarks for the LaterPay Service in unmodified form in accordance with the agreed conditions in the applicable separate agreement, guidelines or this Agreement.

§ 5 Intellectual Property Rights

- (1) Absent other express arrangements in this Agreement, LaterPay or its licensors exclusively own the LaterPay Intellectual Property in the LaterPay Service and Documentation. Client is only granted a right to use such LaterPay Intellectual Property as explicitly provided by this Agreement or other agreements with LaterPay. LaterPay reserves all rights in and to the LaterPay Intellectual Property.
- (2) Client owns or has rights to distribute any Materials, and has the right to use its associated other intellectual property including, but not limited to its trademarks.

§ 6 Client Obligations to Payment Service Provider

The Payment Service Provider requires in its separate agreement(s) with LaterPay that LaterPay include in its agreement with Clients, i.e., this Agreement, certain obligations that the Client will have to Payment Service Provider with respect to processing and providing payment to Client for invoiced amounts. Client will comply with all requirements of the Payment Service Provider, including those set forth in Exhibit A, Client Obligations to Payment Service Provider, attached hereto.

§ 7 Reimbursement of Expenses

- (1) The Client will reimburse any expenses or payments made by LaterPay to third parties including, but not limited to, all Losses of third parties against LaterPay in connection with the Materials offered or distributed by the Client including, but not limited to, in regard to illegal or counterfeit Materials.
- (2) For certain optional LaterPay services that may involve recurring fees paid by Client to LaterPay, LaterPay will

include all such payment obligations in monthly invoices. Invoiced amounts are due for payment by Client immediately upon receipt of the monthly invoice. LaterPay is entitled to collect any invoiced amount from a Client-provided bank, or other financial institution, account by direct debit after ten (10) business days following the issuance of the monthly invoice, unless the Client has given LaterPay a direct debit authorization.

§ 8 Liability

- (1) LaterPay's sole obligation to Client is to provide Client's payment claims to the Payment Service Provider. LaterPay's sole liability to the Client will be in cases of willful misconduct and gross negligence in connection with this obligation. LaterPay will have no other liability to the Client including, but not limited to, satisfaction of any invoiced amount by Client. Further, LaterPay uses a third-party vendor for the determination of sales, use or other tax owed by Client to respective state tax authorities. LaterPay hereby disclaims any liability that may arise for Client from a state tax authority or otherwise, based on the determination, collection and payment of any applicable sales or other taxes. Client will defend, at its expense, a third-party action, suit or proceeding against LaterPay ("Tax Claim") to the extent such Tax Claim is based upon an allegation that tax collection arranged by LaterPay on behalf of Client is erroneous or deficient in any manner.
- (2) LaterPay is not liable for any damages that the Client may incur due to interruptions of internet access, force majeure or other events for which LaterPay is not responsible.
- (3) LaterPay makes no warranties express or implied with respect to the LaterPay Service, LaterPay Application, API or Documentation. Specifically, all implied warranties are disclaimed, including any warranties of merchantability, fitness for a particular purpose, use, or non-infringement. No one is authorized to make any warranty on LaterPay's behalf, and Client may not rely on any statement of warranty.
- (4) NEITHER THE CLIENT NOR LATERPAY SHALL BE LIABLE TO THE OTHER FOR ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR IN CONNECTION WITH THE PERFORMANCE OF ITS OBLIGATIONS UNDER THIS AGREEMENT, OR DAMAGES RELATED TO THE LOSS OF DATA, PROFIT OR REVENUE OR THE INTERRUPTION OF ACTIVITIES OR ANY OTHER FINANCIAL LOSS.
- (5) In no event will LaterPay's liability to Client for any claim arising under this Agreement exceed the fees actually received for transactions conducted for Client via LaterPay over the prior twelve (12) months from the date of notice of any claim or claims by Client to LaterPay.

§ 9 Infringement Indemnification

Client will defend, at its expense, indemnify and hold harmless LaterPay and its owners, directors, employees, contractors and representatives from losses arising out of a third-party allegation, action, suit or proceeding (“Infringement Claim”) claiming that Materials sold to a User or otherwise made available by Client infringe any patent, trademark or copyright or any other intellectual property right of a third party.

§ 10 Term; Termination

- (1) This Agreement will remain in force until otherwise agreed between the parties or terminated in accordance with this Section 10. Each of the Client and LaterPay will have the right to terminate this Agreement for material breach by the other party immediately after a fourteen-day cure period. Either party may terminate this Agreement for convenience with two (2) months’ written notice to the other party. LaterPay may also terminate this Agreement if the Client does not completely fulfill its payment obligations for two (2) or more consecutive months.
- (2) In order to terminate this Agreement, a party will provide written notice of such termination to the other party. Neither party may terminate this Agreement by electronic mail.
- (3) Upon termination, LaterPay will terminate Client’s access to the LaterPay Service and its data stored by LaterPay. Client’s obligation to pay previously-agreed fees in accordance with this Agreement, will survive such termination by LaterPay.
- (4) Notwithstanding the foregoing, terms and notice periods may vary for the Special Services, as specified in the Special Terms and Conditions. Where applicable, such terms take precedence over this Section 10.
- (5) Subject to the applicable provisions of the Special Terms and Conditions, if Client terminates one of the Special Services, this Agreement will otherwise continue to remain in force. If a Special Service depends on other Special Services, such Special Services may only be terminated together. In this case, the respective longer minimum term or the termination date specified in the termination notice applies.
- (6) LaterPay reserves all of its claims and rights against Client in addition to termination or deletion of relevant data.

§ 11 Confidentiality, Data Protection

- (1) The parties mutually commit to maintain complete confidentiality regarding all business processes and other confidential information of the other party that become known to such party in the performance of this Agreement. The parties will obtain corresponding confidentiality commitments from their employees and representatives, and each party will be responsible for any breach of this

Section 11(1) caused by its employees and representatives.

- (2) Client will comply with all applicable data protection laws and regulations in relation to Users.
- (3) The scope of the data transmitted will, in each case, depend upon the scope of statutory permission or the User’s consent.
- (4) LaterPay will obtain consent from Users at its own discretion with regard to User information that may be disclosed to Client. LaterPay may request updated consents and/or update its privacy policy in its own discretion. The Client has no right to require LaterPay to revise any terms or conditions, or other content of LaterPay’s privacy policy.
- (5) Client understands that LaterPay will generally not share any User information (including, but not limited to, User’s identity or billing address), but for the state of the User’s billing address and any Materials purchased or accessed for the sole purpose of determining state sales tax, if any (“Sales Tax Information”). Client is strictly prohibited from using such Sales Tax Information for any other purpose. Notwithstanding the foregoing, LaterPay, in addition to the Sales Tax Information, may provide Client with certain User information (i) as required by federal or state law or regulation, and (ii) in LaterPay’s sole and exclusive discretion and to the extent that consent is provided by the Users. LaterPay will provide Donations Clients with certain User information for the sole purpose of enabling Client to provide Donations receipts to Users. The Client will be liable for any and all damages in the event that it breaches its obligations under this Agreement with regard to Users’ PII, or when otherwise using PII originating from LaterPay.
- (6) LaterPay may supply all or a portion of the LaterPay Service from within the United States or elsewhere as applicable law permits using its own or third party computer systems.
- (7) The contents and terms of this Agreement are confidential to the parties. Neither party may publish or disclose to any third party any terms or conditions of this Agreement without prior written consent of the other party.

§ 12 Miscellaneous

- (1) Any amendments to the terms and conditions of this Agreement by LaterPay will become effective no sooner than fourteen (14) days after posting. The Client may terminate this Agreement by written notice to LaterPay to the extent that Client has objected to all or part of an amendment to this Agreement for which resolution cannot be reached by the parties and prior to the proposed effective date of such amendment.
- (2) Any communication between the parties in connection with the performance of this contract will be sent to the designated contact person of the other party.

- (3) This Agreement will be construed, and the rights and obligations of the parties determined, exclusively in accordance with the substantive law of the state of New York, excluding its choice-of-law provisions. The exclusive place of jurisdiction for all disputes arising out of or in connection with this contract will be in the courts of New York, New York.
- (4) Amendments or addendums to this Agreement, including the appendices, will be in writing, excluding means of telecommunication. This also applies to a waiver of this requirement.
- (5) In the event that any sections of this Agreement, including the appendices, are determined to be unenforceable, such determination will not affect the remaining sections of the Agreement. The parties hereby agree that to the extent possible, if any section of this Agreement is determined to be unenforceable, such section will be canceled and replaced with terms and conditions that are enforceable and which come as close as possible to the economic intent of the parties.
- (6) Any failure by any party to this Agreement to enforce at any time any term or condition under this Agreement will not be considered a waiver of that party's right thereafter to enforce each and every term and condition of this Agreement.
- (7) This Agreement constitutes the entire agreement and understanding between the parties with respect to the subject matter hereof and supersedes all prior agreements, oral and written, made with respect to the subject matter hereof.

§ 13 Definitions

In this Agreement, the following terms will have the following meanings.

"Agreement" means these General Terms and Conditions of LaterPay for Clients.

"API" means, collectively, the LaterPay application programming interfaces described in the Documentation.

"Card Association" means Visa U.S.A., Inc., Visa International, Inc., MasterCard International, Inc., Discover, or any other card issuers that provide Cards accepted by agreement with the Payment Service Provider.

"Client" has the meaning ascribed to it in Preamble (1).

"Client's Trademarks" has the meaning ascribed to it in Section 4(9) of this Agreement.

"Content-For-Purchase" has the meaning ascribed to it in Preamble (3) of this Agreement.

"Contributions" has the meaning ascribed to it in Preamble (3) of this Agreement.

"Damages" has the meaning as ascribed to it in Clause 2 of the Client Obligations to the Payment Service Provider of Exhibit A to this Agreement.

"Denied Persons List" means the U.S. Department of Commerce, Bureau of Industry and Security's Denied Persons List.

"Device" means the data processing unit used by a User to initiate Payment Claim via LaterPay. The Device may be, for example, a mobile phone, tablet or other mobile internet connected device, laptop or computer.

"Digital Content" means information stored digitally, including, for example, files, illustrations, videos or sheet music, that can either be downloaded over the internet or accessed and viewed directly through a web browser by the User.

"Documentation" means the written instructions and specifications regarding the LaterPay Service available at docs.laterpay.net.

"Donations" has the meaning ascribed to it in Preamble (3) of this Agreement.

"Embargoed Countries" means the U.S. Department of Commerce, Bureau of Industry and Security's specified Embargoed Countries.

"Foreign Transaction Fee" has the meaning ascribed to it in Section 2(3).

"Infringement Claim" has the meaning ascribed to it in Section 9 of this Agreement.

"LaterPay" has the meaning ascribed to it in Preamble (1) of this Agreement.

"LaterPay Application" means the software application developed by LaterPay for the purposes described in this Agreement.

"LaterPay Intellectual Property" means all intellectual property rights including, but not limited to, patents, trademarks, copyrights, and trade secrets, in and to the LaterPay Service, LaterPay Application, API and Documentation.

"LaterPay Mobile" means the LaterPay service described in the Special Additional Terms and Conditions for LaterPay Mobile.

"LaterPay Pay Later" means the LaterPay service described in the Special Additional Terms and Conditions for LaterPay Pay Later.

"LaterPay Pay Now" means the LaterPay service described in the Special Additional Terms and Conditions for LaterPay Pay Now.

"LaterPay Pro" means the version of the LaterPay Service, as elected by the Client, that allows Users to aggregate up to a larger Threshold Amount as appropriate for higher value content and services.

"LaterPay "Regular"™" means the version of the LaterPay Service, as elected by the Client, that allows Users to aggregate

up to a smaller Threshold Amount as appropriate for lower value content and services.

“**LaterPay Section**” means the visually separated area on a Client’s webpage bearing the LaterPay logo.

“**LaterPay Service**” means collectively and individually, the LaterPay Application and the API.

“**LaterPay Subscriptions**” means the LaterPay service described in the Special Additional Terms and Conditions for LaterPay Subscriptions.

“**LaterPay Time Pass**” means the LaterPay service described in the Special Additional Terms and Conditions for LaterPay Time Pass.

“**Loss**” has the meaning ascribed to it in Section 1(4) of this Agreement.

“**Material(s)**” means materials offered by Client including, but not limited to, Digital Content, products and/or services offered by Client for which payment may be received using the LaterPay Service.

“**Party**” or “**Parties**” means LaterPay and the Client, individually or collectively, as the case may be.

“**Payment Claim**” has the meaning ascribed to it in Preamble (3) of this Agreement.

“**Payment Service Provider**” means a payment processor, such as a bank or credit card processor contracted by the Client.

“**PII**” means the personal identifying information of User(s), including zip or postal code information.

“**Sales Tax Information**” has the meaning ascribed to it in Section 11(5) of this Agreement.

“**Special Services**” has the meaning ascribed to it in Section 1(6) of this Agreement.

“**Special Terms and Conditions**” means the terms and conditions applicable to each of the Special Services.

“**Tax Claim**” has the meaning ascribed to it in Section 8(1) of this Agreement.

“**Threshold Amount**” means the cumulative amount of User LaterPay activity, in dollars, after which LaterPay will invoice User as set forth in the Preamble to this Agreement.

“**User(s)**” means internet user(s) who initiate Payment Claims using the LaterPay Service.

“**User Fee**” means the fee payable by a User to LaterPay and the Content-For-Purchase Client for the purchase or access to Materials.

Exhibit A: Client Obligations to Payment Service Provider

(1) The Client understands and hereby agrees that as a condition to using the LaterPay Service and in addition to its rights and obligations under the General Terms and

Conditions of LaterPay for Clients, it has all of the obligations to Payment Service Provider required by such Payment Service Provider pursuant to contractual obligations flowed down via LaterPay, including the following obligations:

- (i.) Adhering to all applicable Card Association regulations.
- (ii.) If applicable, establishing and posting Client’s policy for the exchange or return of Materials and the adjustment for services rendered in accordance with operating regulations of the applicable Card Association’s regulations. Client must disclose, if applicable, to a User before a sale is made, that if Materials are returned: (i) no refund, or less than a full refund, will be given, (ii) returned Materials will only be exchanged for similar Materials of comparable value, (iii) only a credit toward purchases will be given, or (iv) special conditions or circumstances apply to the sale (e.g., late delivery, delivery charges, or other non-credit terms). If Client does not make these disclosures, a full refund in the form of a credit to the User must be given.
- (iii.) Submitting or depositing no transaction to LaterPay or Payment Service Provider for the purpose of obtaining or providing a cash advance either for User or any other party.
- (iv.) Preparing and submitting no invoice to LaterPay or Payment Service Provider for duplicate transactions.
- (v.) Accepting or submitting no fraudulent transaction to LaterPay or Payment Service Provider; and not under any circumstances presenting for processing or credit, directly or indirectly, a transaction which originated with any other merchant or any other source other than transactions arising from bona fide transactions from Client relating to the Materials or activities for which Client has been approved under this Agreement. If Client breaches its obligations under this Section, LaterPay may: (a) immediately terminate this Agreement, (b) have Payment Service Provider withhold funds and demand an escrow, or (c) report Client to Visa, MasterCard, AMEX and Discover (Client’s employees’ actions are chargeable to Client under this Agreement).
- (vi.) Preparing and submitting no transaction representing the refinancing of an existing User obligation including, but not limited to, obligations: (a) previously owed to Client; (b) relating to a chargeback; or (c) representing the collection of any other pre-existing indebtedness (other than prior transactions by Client not previously included), including collection of delinquent accounts on behalf of third parties.
- (vii.) Imposing no requirement on Users to provide any PII or personal information as a condition for the transaction unless such information is required to

- provide delivery of Materials or the provision of receipts, or Client has reason to believe the identity of the User is different from the party attempting to enter a transaction with the Client. Client will not, under any circumstances, release, sell or otherwise disclose any User PII or other personal information to any person, except as expressly authorized in writing by the User, or as required or permitted by law.
- (viii.) Maintaining appropriate administrative, technical and physical safeguards for all User PII to which Client has access or that is in its possession. Client will maintain all such safeguards applicable to Client in accordance with applicable federal and state laws, rules, regulations and guidance.
 - (ix.) Making no claim against Payment Service Provider nor holding Payment Service Provider liable for the acts or omissions of other merchants, service providers, Card Associations, financial institutions or others that do not have a written contractual relationship with Payment Service Provider or over which Payment Service Provider has no control. These provisions supplement, augment and are in addition to obligations of indemnification, audit, confidentiality and other similar provisions contained in this Agreement. This Exhibit A and each of its subsections will survive this Agreement's termination.
 - (x.) Complying with and conducting its activities in accordance with all applicable Card Association rules and regulations.
 - (xi.) Representing and warranting that Client: (a) holds all licenses, if any, required to conduct its business and is qualified to do business in every jurisdiction where it is required to do so; (b) there is no action, suit or proceeding at law or in equity now pending or to Client's knowledge, threatened by or against or affecting Client which would substantially impair its right to carry on its business as now conducted or adversely affect its financial condition or operations; (c) each invoice presented by Client to LaterPay for collection is genuine and is not the result of any fraudulent or prohibited transaction, or is not being submitted on behalf of any business other than Client as authorized by this Agreement; (d) each invoice submitted by Client is the result of a bona fide transaction between the Client and the User in the total amount stated on the invoice.
 - (xii.) Accepting for chargeback any transaction for which a User disputes the validity of the transaction according to prevailing Card Association regulations, or LaterPay or Payment Service Provider determines that Client has in any way failed to comply with Card Association regulations or LaterPay's or Payment Service Provider's procedures.
 - (xiii.) Responding and complying with Payment Service Provider's or LaterPay's credit inquiries which it may consider necessary to accept or review acceptance of this Agreement or investigate Client's invoice activities subsequent to acceptance of this Agreement. Such inquiries may include, but are not limited to, a credit and/or criminal check of the business including its proprietor, partners, principal owners or shareholders or officers.
- (2) Client will defend, indemnify and hold LaterPay and Payment Service Provider and their officers, directors, members, shareholders, partners, employees, agents, subcontractors and representatives harmless from and against any and all fines, penalties, claims, damages, expenses, liabilities or fees of any nature whatsoever, including attorneys' fees and costs ("**Damages**"), asserted against or incurred by LaterPay and Payment Service Provider arising out of, relating to or resulting from, either directly or indirectly: (i) the negligence, gross negligence or willful misconduct of Client in the performance of its obligations under this Agreement, including, but not limited to, the data security provisions; (ii) any violation of applicable federal and state laws, rules, regulations and guidance and Card Association rules by Client; and (iii) all third party claims arising from the foregoing.
 - (3) Notwithstanding the preceding, Client is not liable to LaterPay and Payment Service Provider if Damages are caused by, related to or arise out of LaterPay's and Payment Service Provider's gross negligence or willful misconduct, or LaterPay's and Payment Service Provider's breach of this Agreement or agreements between LaterPay and Payment Service Provider. Client will promptly reimburse LaterPay and Payment Service Provider for any assessments, fines, fees or penalties imposed by the Card Association in connection with this Agreement and authorizes LaterPay or Payment Service Provider to deduct any such sums from amounts to be cleared and settled with Client.
 - (4) The Client understands and hereby agrees that as a condition to using the LaterPay Service, it will have additional responsibilities to the Payment Service Provider as required by the Payment Service Provider pursuant to contractual obligations imposed on LaterPay in separate agreement(s) between LaterPay and Payment Service Provider, including that Client hereby names Payment Service Provider as a third party beneficiary under this Agreement and accepts and agrees that Payment Service Provider is entitled to enforce all of the rights of LaterPay under this Agreement against Client arising from transactions by Payment Service Provider.
 - (5) Client agrees that: PAYMENT SERVICE PROVIDER, ITS AFFILIATES, ITS OWN SUPPLIERS AND ITS SUBCONTRACTORS OR THEIR MANAGERS, EMPLOYEES AND SUBSIDIARIES CANNOT UNDER ANY CIRCUMSTANCE BE HELD LIABLE TO CLIENT

PURSUANT TO THIS AGREEMENT FOR: (I) SPECIAL, INDIRECT OR PUNITIVE DAMAGES, CONTRACTUAL OR TORTIOUS IN NATURE, (II) DAMAGES RELATED TO THE LOSS OF DATA, PROFIT OR REVENUE OR THE INTERRUPTION OF ACTIVITIES OR ANY OTHER FINANCIAL LOSS, EVEN IF PAYMENT SERVICE PROVIDER HAS BEEN NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES; AND (III) ANY DAMAGE OR ANY LOSS OR INJURY TO CLIENT, REGARDLESS OF THE CAUSE AND REGARDLESS OF THE FORM OF THE ACTION UNDERTAKEN, THIS AGREEMENT, AND OR ANY AGREEMENT BETWEEN LATERPAY AND PAYMENT SERVICE PROVIDER, AND THAT WILL HOLD PAYMENT SERVICE PROVIDER LIABLE FOR A TOTAL AMOUNT EXCEEDING THE VALUE OF THE FEES PAID UNDER THE AGREEMENT DURING THE THREE (3) MONTHS PRECEDING THE CLAIM.

- (6) Neither Payment Service Provider, nor its affiliates, suppliers and its subcontractors will be held liable for the

Client's or Users' actions that might cause damages or losses. More precisely and without in any way limiting the scope of the foregoing but subject to a fault attributable to Payment Service Provider or its suppliers, Client assumes all liability related to the Client's services, the Client, and releases Payment Service Provider from any liability. Client will defend and indemnify Payment Service Provider and LaterPay, their affiliates, respective directors, officers, employees, and agents harmless from any and all actions, proceedings, claims, demands, losses, debts, costs and expenses (including reasonable legal fees and expenses) that may be brought against or suffered by Payment Service Provider or LaterPay or that such entities may sustain, pay or incur, that are attributable to: (i) Client's misuse of the services; and (ii) any liability claim by Client and/or a User or any third party claim related in any way to Client's services or this Agreement.

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Appendix A

1. Fees – LaterPay "Regular"

The following fees are payable by the Client to LaterPay for the specified LaterPay services:

- 1.1. 15 % of the total revenue generated by Merchant in a calendar month through the LaterPay Service (exclusive of any sales tax).
- 1.2. No LaterPay Service setup fees are charged.
- 1.3. For 'LaterPay Pay Later' and 'LaterPay Pay Now' the minimum and maximum transaction volumes stated in the [Special Additional Terms and Conditions for 'LaterPay Pay Later'](#) and the [Special Additional Terms and Conditions for 'LaterPay Pay Now'](#) shall apply.
- 1.4. Custom pricing may apply.

2. Fees – LaterPay "Pro"

- 2.1. Pro fees are as-negotiated.