

AFTERPAY / CLEARPAY NETWORK RULES**Statement of Work No. 3 (United Kingdom)**

1 [Reserved].

2 **Clearpay Services**

- (a) **“Services”** under this SOW means (i) marketing and promotional services as contemplated under the Agreement and SOW; (ii) your access to and use of the Clearpay Gateway; and (iii) APM Provider’s provision of the Extended Repayment Feature to your Customers in the United Kingdom. The provision of Services under this SOW is limited to Goods that are purchased by and delivered to Customers’ addresses located in the United Kingdom.
- (b) The Services allow Customers to pay for Goods offered by you using installment payment financing options (the **“Extended Repayment Feature”**). APM Provider shall provide Extended Repayment Feature financing transactions to qualified Customers to facilitate the sale of Goods by you on Your Website.
- (c) You will not provide any information in connection with this SOW that is false, inaccurate or misleading. In the event of a conflict between any provision of this SOW and any provision of the General Terms, the provisions of this SOW shall take precedence.
- (d) You must comply with all Applicable Laws in fulfilling your obligations under the Network Rules and/or SOW in relation to each Clearpay Purchase and in relation to the Goods. You must assist APM Provider to comply with its obligations under any Applicable Laws as reasonably directed.
- (e) You shall (i) on not less than seven days written notice from APM Provider, provide APM Provider with such records and documents of your business relating to the Services as APM Provider shall reasonably request; (ii) comply with all Applicable Laws relating to anti-bribery and anti-corruption including but not limited to the Bribery Act 2010 (**“Relevant Requirements”**); and (iii) have and shall maintain in place throughout the term of the SOW its own policies and procedures including but not limited to adequate procedures under the Bribery Act 2010 to ensure compliance with the Relevant Requirements and will enforce them where appropriate.
- (f) You will, when performing under this SOW (i) comply with all applicable Data Protection Laws; and (ii) adhere to the obligations set out in the Data Sharing Terms (<https://www.afterpay.com/attachment/303/show>), as amended from time to time by Clearpay. . **“Data Protection Laws”** means any applicable laws and regulations in any relevant jurisdiction relating to the use or processing of personal data including without limitation (a) in the UK, the UK GDPR as defined in The Data Protection, Privacy and Electronic Communications (Amendments etc) (EU Exit) Regulations 2019, the Data Protection Act 2018 and the Privacy and Electronic Communications (EC Directive) Regulations 2003 (SI 2003/2426); and (b) in the European Economic Area, the General Data Protection Regulation EU 2016/679 (**“GDPR”**) any laws and regulations implanting or made pursuant to EU Directive 2002/58/EC (as amended by 2009/136/EC); in each case, as updated, amended or replaced from time to time.
- (g) If you provide APM Provider with a written notice in relation to a Clearpay Purchase that you have cancelled prior to delivering Goods to a Customer (**“Cancellation Notice”**), then within 2 Business Days of APM Provider receiving the Cancellation Notice, you must refund any Purchase Amount paid you and reimburse any chargeback fees incurred in connection with the relevant Clearpay Purchase. APM Provider may elect to be paid such amounts in accordance with Section 5, and APM Provider may refund to the Customer any amounts paid by the Customer to APM Provider in connection with the Clearpay Purchase.

3 [Reserved].

4 **Merchant Obligations**

- (a) **Restricted Goods.** You must not, without prior written permission from APM Provider specific to any SOW, allow the Services to be used to purchase designated Restricted Goods or Services in the United Kingdom as outlined in Schedule 1 (including, for the avoidance of doubt, gift cards, cash or cash equivalents), via your Website using the Services. If you are allowing the Services to be used to purchase any goods or services which APM Provider considers, in its reasonable discretion, to be dangerous,

inappropriate or high risk, APM Provider reserves the right to prohibit the use of the Services to purchase such goods.

5 Fees and Payments

- (a) APM Provider will pay the Purchase Amounts to You by paying Partner, netting the aggregate Purchase Amounts for all Clearpay Purchases due against all amounts then due under this SOW, as described in this Section. Partner shall be solely responsible for the settlement of funds to Merchant and APM Provider shall have no liability to Merchant for such settlement responsibilities.
 - (i) **Purchase Amount** means, in respect of each Clearpay Purchase, the relevant Sale Price plus any Shipping Costs, where Sale Price means the purchase price (including all applicable taxes) of the Goods supplied by you, and Shipping Costs means any fees, costs or expenses charged by you to a Customer for the delivery of Goods purchased through Clearpay's Services to a location in the United Kingdom.
 - (ii) **Refund Amount** means the amount that you agree to Refund to a Customer for Goods Accepted for Refund according to your policies or other amount that you agree to refund to a Customer.
- (b) APM Provider may (i) set off against any amounts APM Provider owes you under this SOW all amounts you owe under this SOW or (ii) cause Partner to debit your account for the amounts owed under this SOW.

6 Obligations in Respect of Returns, Refunds and Chargebacks

- (a) Subject to Section 6(c), if you accept Goods for Refund ("**Accepted for Refund**"), then any Refund Amount due in relation to the Return is owed by you to APM Provider via Partner and not the Customer. You must promptly upon receipt of the returned Goods, as you define receipt under your internal policies (and, at the latest, within 3 Business Days of such receipt), inform APM Provider of the Return and the Refund Amount. All Clearpay Purchases that are Accepted for Refund (in whole or in part) must, subject to Section 6(c), be refunded via the Clearpay payment method, and we reserve the right to hold you liable for the Purchase Amount associated with the Goods Accepted for Refund if they are refunded via another tender type.
- (b) When you agree to provide a Customer with a Refund, you will be liable to APM Provider for the Refund Amount, and APM Provider may recover those sums in accordance with Section 5(b) (or, where the Purchase Amount has not been paid, by deducting the Refund Amount from the Purchase Amount relating to those Goods). APM Provider will then cancel any future payments due by the Customer to APM Provider and/or refund to the Customer any amounts paid to APM Provider.
- (c) For Returns processed more than 120 days after the date on which Approval Confirmation was provided or for Returns processed more than 60 days after the termination of this SOW (to the extent APM Provider, in its sole discretion, permits any Returns after the termination of Services under this SOW), the terms of this Section 6 shall not apply, and APM Provider shall have no liability to you with respect to such Returns. You must deal directly with the Customer with respect to such returns and the associated refund and process such refund via another tender type. Without limiting this Section 6(c), any assistance APM Provider may provide to you to effect payments to Customers for any Refunds for such Goods shall be at its sole and absolute discretion.
- (d) **Refunds Processed Following Termination.** APM Provider, in its sole discretion, may permit or require Returns processed within 60 days following the termination of this SOW to be processed via the Services in accordance with Section 6(a). For the avoidance of doubt, APM Provider's rights under Section 5(b) continue in relation to Customer Payments received by You, and all Refunds approved by You, after termination.
- (e) Any dispute between you and Clearpay in relation to the Acceptance for Refund of any returned Goods and the payment of the unaccepted Refund Amount will be resolved in accordance with Section 11.3(a) of the Network Rules. If a Customer raises a dispute with you in relation to a Clearpay Purchase prior to us paying the Purchase Amount for that Clearpay Purchase to you, we may withhold payment of any disputed amounts (or in the absence of a liquidated figure, such amount as Clearpay reasonably considers to be disputed) until the dispute is resolved. We may request additional documentation from you to assist us in resolving any complaints or disputes and you must provide all reasonable assistance to facilitate us in resolving any complaints or disputes.

7 VAT

- (a) All amounts specified in this SOW are exclusive of VAT.
- (b) If VAT is payable as a consequence of any supply made (or deemed to be made) by one Party to the other in connection with this SOW, the Party receiving the supply must pay to the Party making the supply an amount equal to the VAT payable in respect of the supply ("**VAT Amount**") in addition to the Fees or other due consideration (if any) required to be paid under any other provision of this SOW.
- (c) Notwithstanding any other provision of this Agreement and/or SOW, if either Party is required to reimburse or indemnify the other Party for any costs, expenses or other amounts, the amount to be reimbursed or indemnified must be reduced by any part which is recoverable as an input tax credit by the Party which incurred it (or a representative member of that Party's VAT group).
- (d) Each Party must ensure that each invoice it presents to the other Party under this Agreement and/or SOW in respect of any VAT Amount is a valid tax invoice. Notwithstanding any other provision of this Agreement, each Party's obligation to pay an invoice presented under this Agreement is conditional upon the other Party's compliance with this Section 7 in respect of that invoice.

8 Additional Representations and Warranties

- (a) In addition to the representations and warranties in Section 10.2 of the Network Rules, you further represent and warrant that all information you provide in connection with the SOW is complete, current and correct.

9 Additional Intellectual Property and Financial Promotions

- (a) In addition to Section 7.4 of the Network Rules, the following provisions apply
 - i. APM Provider may (but we are not obligated to) use your name, logo and details of your Website for the purpose of promoting your brand and/or Goods and to refer individuals to your Website. APM Provider may from time to time provide: (A) Merchant brand and/or Goods advertising in the APM Provider shop directory hyperlinking to your Website; (B) social media advertising and messages with hyperlinks to your Website; (C) push marketing emails promoting sales or discounts by you or your Goods and/or services; and (D) any other agreed marketing or promotional activities. For this purpose, you therefore grant APM Provider and its Affiliates a non-revocable, sub-licensable, royalty free right to use your name, logo and details of your Website for so long as you receive Services.
 - ii. You further agree that APM Provider may share, re-post and otherwise use any images and other content you include on your social media accounts or pages on its websites, social media accounts and pages without your consent, and without any payment to you provided APM Provider (A) credits you as the source of such image or content or include any other statement of attribution that you reasonably require; and (B) promptly removes or alters such image or content at your written request.
- (b) In addition to Section 7 of the Network Rules, you acknowledge and agree that the use of the trademark "Afterpay" shall not be used in the United Kingdom or European Union and you shall only make reference to the trademark "Clearpay".
- (c) To the extent any content, materials, documentation and/or information you (or those acting on your behalf) produce in connection with the activities anticipated under the Network Rules and/or SOW would constitute a financial promotion under section 21 of the UK's Financial Services and Markets Act 2000 ("**FSMA**") ("**Regulated Materials**"), you will (and will procure that any persons acting on your behalf will):
 - (i) prior to any use by or disclosure to your Customers of any Regulated Materials, provide such Regulated Materials to APM Provider so as to enable APM Provider to procure any relevant approvals that may be required from a financial promotions perspective under FSMA from an appropriately authorised entity; and
 - (ii) not use or disclose such Regulated Materials unless and until APM Provider has notified you in writing that the relevant Regulated Materials have been so approved for publication as required from a financial promotions perspective under FSMA.

- (d) You will (and will procure that any persons acting on your behalf will) comply with APM Provider's instructions and directions in respect of any amendments that need to be made to any Regulated Materials so as to ensure that such Regulated Materials are compliant with FSMA and the UK Financial Conduct Authority's rules in relation to the publication of financial promotions.
- (e) You acknowledge that your provision of any Regulated Materials to APM Provider for the purposes of Section 9(c), and our procurement of any approvals that may be required, is not (and should not be taken to be) an indication of review and approval by APM Provider of such Regulated Materials from a financial promotions perspective under FSMA. APM Provider is only responsible for procuring that an appropriately authorised entity reviews and (as applicable) provides approval for the Regulated Materials.

10 Additional Termination

- (a) In Section 9.2(iii) of the Network Rules, the reference to 4% shall be replaced with 3.5%.