

**AFTERPAY / CLEARPAY NETWORK RULES****Statement of Work No. 4 (Australia)**

1 [Reserved].

2 **Afterpay Services**

- (a) **“Services”** under this SOW means (i) marketing and promotional services as contemplated under the Network Rules and SOW; (ii) your access to and use of the Services; and (iii) APM Provider’s provision of the Extended Repayment Feature to your Customers in Australia. The provision of Services under this SOW is limited to Goods that are purchased by and delivered to Customers’ addresses located in Australia.
- (b) The Services allow Customers to pay for Goods offered by you using installment payment financing options provided by APM Provider (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 us with 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 Afterpay Purchase and in relation to the Goods. You must assist us to comply with our obligations under any Applicable Laws as reasonably directed by us.

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 Australia 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.
- (b) **BNPL Code.** Under the BNPL Code, APM Provider is required to ensure that its merchants meet certain minimum standards. Without limiting any other obligations in the Network Rules, You must: (i) act lawfully, fairly and ethically in your dealings with Customers; (ii) communicate clearly when dealing with Customers and in marketing and advertising material that relates to APM Provider or the Services; (iii) have appropriate process and controls in place to safeguard the confidentiality of Customer information; (iv) respond to Customer complaints in a timely manner; and (v) provide Customers with clear and up front information about the Services, fees and charges in a format that is accessible to Customers. You must also ensure that your employees and agents are aware of and are trained to meet these minimum standards. Under this clause, **“BNPL Code”** means the Code of Practice for Buy Now Pay Later Providers that is available at <https://afia.asn.au/AFIA-Buy-Now-Pay-Later-Code-of-Practice>.

5 **Fees and Payments**

- (a) APM Provider will pay the Purchase Amounts to You by paying Partner, netting the aggregate Purchase Amounts for all Afterpay 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 Afterpay 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 Afterpay's Services to a location in Australia.
  - (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 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 Afterpay Purchases that are Accepted for Refund (in whole or in part) must, subject to Section 6(c), be refunded via the Services, and APM Provider reserves 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 yet, 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 Services under 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 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 Afterpay Purchase prior to APM Provider paying the Purchase Amount for that Afterpay Purchase, APM Provider may withhold payment of any disputed amounts (or in the absence of a liquidated figure, such amount as APM Provider reasonably considers to be disputed) until the dispute is resolved. APM Provider may request additional documentation from

you to assist it in resolving any complaints or disputes and you must provide all reasonable assistance to facilitate APM Provider in resolving any complaints or disputes.

## 7 GST

- (a) All amounts specified in this SOW and/or Agreement are exclusive of GST.
- (b) If GST is payable as a consequence of any supply made (or deemed to be made) by one party to the other in connection with this Agreement, the party receiving the supply must pay to the party making the supply an amount equal to the GST payable in respect of the supply ("**GST Amount**") in addition to the Fees or other due consideration (if any) required to be paid under any other provision of the Network Rules.
- (c) Notwithstanding any other provision of the Network Rules, 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 GST group).
- (d) Each party must ensure that each invoice it presents to the other party under the Network Rules in respect of any GST 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 clause 7 in respect of that invoice.
- (e) Terms used in this clause 7 (including "**supply**", "**consideration**", "**representative member**", "**tax invoice**" and "**GST group**") have the same meaning as defined in the GST Law. "**GST**" means the goods and services tax as defined in the GST Law, or any other like tax imposed in Australia. "**GST Law**" means the *A New Tax System (Goods and Services Tax) Act 1999*, *A New Tax System (Goods and Services Administration) Act 1999*, *A New Tax System (Goods and Services Tax Transition) Act 1999*, *Taxation Administration Act 1953* and any regulations made pursuant to any of these Acts, or if any one of these Acts does not exist for any reason, any act imposing or relating to a GST and any regulation made pursuant to any such Act.

## 8 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 Intellectual Property

- (a) In addition to Section 7.4 of the Network Rules, the following provisions apply:
  - (i) You permit APM Provider to use Your name, logo and details of Your Website in any of APM Provider's marketing materials, including via posts on social media (including but not limited to Facebook, Twitter, LinkedIn and Instagram), any public announcements or press releases, and in directory listings of APM Provider's merchants. You also agree that APM Provider may use one image from Your Website in its directory listings of its merchants. You agree to obtain on APM Provider's behalf any third party consents or licences required to enable it to use such image as contemplated by this SOW and/or Agreement, without attribution, and without charge. If You notify APM Provider that You would like Your name, logo and/or details of your Website removed from this marketing material, or would prefer APM Provider to use a different image in its directory listings, APM Provider will do so as soon as reasonably possible.
  - (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 remove or alter such image or content at your written request.

## **10 Governing Law**

- (a) The arrangements for the sale and purchase of any Goods is a separate consumer contract between You and the relevant Customer and that the Customer's rights and remedies as a consumer in respect of that sale and purchase (including any Return of those Goods or Discount You may offer) are as between You and the Customer, to the exclusion of Afterpay (to the maximum extent permitted by law).

## **11 Third Party Beneficiary**

- 11.1** The Parties expressly acknowledge and agree that APM Provider is a third party beneficiary of the Network Rules and this SOW and that APM Provider shall have the full right to enforce the Network Rules and/or this SOW in accordance with their terms as if it were a Party hereto.

SOW 4: Schedule 1

### **Restricted Goods or Services**

1. goods or services that infringe third party Intellectual Property, including (without limitation) counterfeit goods and pirated content;
2. dangerous goods, being goods that cause damage, harm or injury, including (without limitation), recreational drugs (chemical or herbal), psychoactive substances, equipment to facilitate drug use, weapons, ammunition, explosive materials and fireworks, instructions for making explosives or other harmful products, tobacco products;
3. adult merchandise, including (without limitation) sex toys, adult magazines and books, sexual enhancement products and pornographic materials and items;
4. alcoholic beverages;
5. gambling-related content;
6. medicines and dietary supplements;
7. products that enable dishonest behaviour, including (without limitation) hacking software or instructions, fake documents and academic cheating products;
8. services (including without limitation beauty treatment, tattoo art, "experiences", ticketing, education, software, health services and other personal services);
9. consumer electronics, including (without limitation) mobile phones, computers/laptops, tablets, drones and televisions;
10. without limiting the above, any goods or services which are required by law to be sold to Customers over 18 years of age; and
11. any other goods or services which Afterpay considers, in its reasonable discretion, to be dangerous, inappropriate or high risk.