

SOW Philippines Fulfillment Inc. (“Payo”)

Terms and Conditions

By using the Services, you hereby agree and conform to the following Terms of Use, the Privacy Policy accessible at <https://payo.asia/privacy-policy/> and other supplemental agreements which Payo may provide in writing from time to time (the “**Terms**”).

You also agree and understand that Payo, at its discretion, may modify the Terms from time to time. By continuously accessing and using the Platform or Account, you agree with all the modifications to the Terms.

1. Definitions

1.1 “Account” means the account created by the Merchant on the Platform to use the Services.

1.2 “Cash on delivery” or “COD” means payment of cash by the Customer upon receipt of the products ordered from the Merchant.

1.3 “Customer” means any natural or juridical person who is the buyer of the Merchant’s Products.

1.4 “Last-Mile Partner” means any natural or juridical person who provides the courier and logistic services to the Merchant through the Payo Platform.

1.5 “Merchant” means any natural or juridical person who registers in the Payo Platform and/or uses the Platform to avail of the logistics and payment solutions offered by Payo.

1.6 “Order” means the request of the Customer to purchase Products from the Merchant.

1.7 “Payo” means SOW Philippines Fulfillment Inc., a company organized and existing under the laws of the Republic of the Philippines, having its business address at 3rd Floor Molave Building 2232 Don Chino Roces Ave. Makati City, 1220, Philippines.

1.8 “Payo Platform,” “Platform” means the web-based application owned by Payo that the Merchant may access to avail of the Service.

1.9 “Shipment” means the products shipped by the Merchant to the Customer.

1.10 “Service” means the services performed by Payo to the Merchant through its technology solutions, including the Platform, where Payo provides a system where the Merchant may avail of COD gateway services and delivery services through Last-Mile Partners.

2. Permitted Use of the Services

2.1 The Merchant shall be permitted to use and access the Service or any portion of the same according to the Terms. No other right, not expressly given, is granted to the Merchant. Moreover, the Merchant shall not:

- a. Modify, reverse engineer, copy, or alter the Service;
- b. Create any Platform or software similar to the Service;
- c. Rent, lease, sell, dispose, or transfer, in any other way, the Service, its system, and concept;
- d. Use the Service for or in connection with any of the following activities:
 - (i) transmitting or relaying spam, spoofing or otherwise impersonating any person or entity, or falsely stating otherwise misrepresenting your identity or affiliation in any way;
 - (ii) using the site for any fraudulent or illegal purpose;
 - (iii) e-mailing, uploading, or otherwise transmitting or using the site in furtherance of the use, distribution or transmission of any unlawful, harassing, defamatory, tortious, libelous, sexually explicit, obscene, hateful, racially, ethnically, or otherwise, objectionable material of any kind;
 - (iv) disparaging or criticizing Payo or its affiliates, or their respective businesses, management, directors, business practices, or equity holders (the "Company Entities") and that you will not otherwise do or say anything that could disrupt the good morale, or otherwise harm the interests or reputations, of the Company Entities at any time. In case of breach of this clause, you agree to pay at least Five Hundred Thousand Pesos (PHP 500,000.00) as damages;
 - (v) transmitting material that contains viruses, Trojan horses, worms, time bombs, or other computer programming routines or engines that are intended to damage, destroy, disrupt, or otherwise impair a computer's functionality or the operation of the site; and
 - (vi) using the platform or its proprietary marks or information for personal advertisements not consented to by Payo; and
- e. Do any act that may interrupt or destroy the normal operations of the Service.

2.2 Payo does not warrant the compatibility and optimal performance of the Platform in all systems and will not be liable for errors in operating the Platform.

2.3 Payo reserves the right to investigate misconducts and violations of this Terms and to impose appropriate penalties for the same in its sole and reasonable discretion.

2.4 Payo reserves its right to cancel, suspend, terminate, or limit any and all access to the Service if the same is in violation of the Terms, or any law, regulation, or issuance from a competent legal authority, or is found to pose a risk to Payo's reputation and business, without the need of any prior notice and any recourse to Payo.

2.5 The Merchant may voluntarily cancel his, her, or its Account or discontinue use of the Service at any time. However, the Merchant grants Payo the right to retain any or all of your information and transactional records, without prejudice to the Privacy Policy and your rights under the Data Privacy Act of 2012, and other rules and regulations issued by the National Privacy Commission (collectively, the "Privacy Laws"). For any issues regarding the closing of an Account, please email us at support@payo.asia

2.6 In the case of application errors, Payo may collect anonymous data and information on your device called Log Data. Log Data may include information such as your device Internet Protocol ('IP') address, device name, operating system version, the configuration of the application when utilizing our service, time and date of usage of the application/Service, and other related statistics.

3. Confidentiality and Protection of Business Interests

3.1 The phrase "Confidential Information" shall include and mean any and all technical and business information, which are hereafter disclosed by the Disclosing Party to the Receiving Party verbally, visually, electronically, or in writing. All information, specifications, or documentation such as but not limited to software license or planned software license, processes, and/or procedures, technological achievements, and interests, customers and potential customers, marketing information, business prospects, financial statements and information, financial situation and corporate plans, internal activities, plans of both parties and other information deemed proprietary or confidential by the Disclosing Party and imparted in relation to this Terms, whether or not covered by any intellectual property right, shall be treated with the utmost confidentiality and not be divulged or shared by the Receiving Party with any third party, during or after the termination or expiration of this Terms without the Disclosing Party's prior written consent.

3.2 The Disclosing Party shall endeavor to mark or otherwise identify Confidential Information which is disclosed to the Receiving Party in written or electronic form as being "CONFIDENTIAL" (or with a substantially equivalent legend) and to

confirm with the Receiving Party in writing within a reasonable period of time the substance of such Confidential Information is first disclosed to the Receiving Party verbally or visually. However, any failure by the Disclosing Party to mark or identify the Confidential Information shall not relieve the Receiving Party of its obligations under this Terms with respect to Confidential Information, which is not so marked or identified.

3.3 The Receiving Party agrees that it shall:

- a. Use the Confidential Information solely to undertake its responsibilities under this Terms;
- b. Not disclose, during the term, and after the termination of this Terms, any such Confidential Information gained in confidence, directly or indirectly, to any third party save as it is necessary to comply with its responsibilities under this Terms and only upon the prior written consent of the Disclosing Party;
- c. Disclose Confidential Information only to its stockholders, directors, officers, personnel, and employees who need to have access to it for the purpose set out above, and ensure that they adhere and abide by this Terms; and
- d. Not copy or reproduce in whatever form any part of the Confidential Information except what may be reasonably necessary for the purpose set out above, in which event any copies or reproductions in writing so made shall be the property of the Disclosing Party.

3.4 The above requirements shall not apply to any part of the information supplied by the Disclosing Party, which:

- a. Is in or comes into the public knowledge without breach of this Terms;
- b. Is lawfully received by the Receiving Party from a third party without breach of this Terms; or
- c. It can be proven to have been in the Receiving Party's lawful possession prior to the disclosure of the Disclosing Party.

3.5 Confidential Information may also be disclosed by the Receiving Party pursuant to any applicable statute, law, rule, or regulation of any Government authority or pursuant to an order of any court or tribunal of competent jurisdiction; provided, however, that the Receiving Party shall promptly advise the Disclosing Party of such order to enable the Disclosing Party to apply for such legal protection as may be available concerning the Confidential Information.

3.6 The Receiving Party shall immediately notify the Disclosing Party of any unauthorized use or disclosure of Confidential Information or any other breach of the confidentiality provision and shall cooperate with the Disclosing Party in every reasonable way to help the Disclosing Party regain possession of the Confidential Information and prevent its further unauthorized use or disclosure.

3.7 The Receiving Party agrees that in case of any unauthorized use or disclosure of Confidential Information and it is established that the Disclosing Party has a clear and legal right that has been violated and the violation is material and substantial and such will cause the Disclosing Party irreparable injury for which it would have no adequate remedy at law and for which there is an urgent and permanent necessity to prevent severe damage, the Disclosing Party shall be entitled to immediately seek an injunctive relief prohibiting any violation of this Terms, in addition to any other rights and remedies available to it.

3.8 Prior to the publication or use by a party hereto of any advertising, promotion, press releases or other publicity matters relating to this Terms in which the names or logo of the other party is mentioned or can be reasonably inferred, the party shall obtain the written consent of the other party.

3.9 Notwithstanding the foregoing, Payo expects the Merchant, in using the Payo Platform, to act in good faith in dealing with its Customer. In this regard, the Merchant voluntarily and expressly authorizes Payo to disclose its contact information as well as the names and contact information of its responsible officers to the Customer and regulatory agencies, upon request, for purposes of facilitating the resolution of any of the Customer complaints or government proceedings or investigation.

4. Intellectual Property Rights

The Merchant acknowledges and agrees that the materials on the Service, including without limitation, the text, software, scripts, graphics, photos, sounds, music, videos, interactive features and the like ("Materials") and the trademarks, service marks and logos contained therein ("Marks"), are owned by or licensed to Payo, and are subject to copyright and other intellectual property rights under Philippine laws, foreign laws and international treaties and conventions.

The Service may display certain trademarks belonging to third parties. The use of these trademarks may be subject to the license granted to us by third parties. The Merchant shall not reverse engineer, decompile, or disassemble such trademarks and nothing herein shall be construed to grant the Merchant any right in relation to such trademarks. Materials on the Service are provided to the Merchant "as is" for its information and personal use only. They may not be used, copied, reproduced, distributed, transmitted, broadcasted, displayed, sold, licensed, or otherwise exploited for any other purposes whatsoever without the prior written consent of the respective owners.

Payo reserve all rights not expressly granted herein to the Service and the Materials. The Merchant agrees not to engage in the use, copying, or distribution of any of the Materials other than as expressly permitted herein, including any use, copying, or distribution of Materials of third parties obtained through the Service for any commercial purposes. If the Merchant downloads or prints a

copy of the Materials for personal use, he must retain all copyright and other proprietary notices contained therein. The Merchant agrees not to circumvent, disable or otherwise interfere with security-related features of the Service or features that prevent or restrict use or copying of any Materials or enforce limitations on use of the Service or the Materials therein.

The Service is protected to the maximum extent permitted by copyright laws, other laws, and international treaties and conventions. The content displayed on or through the Service is protected by copyright as a collective work or compilation. Any reproduction, modification, creation of derivative works from or redistribution of the Service, the Materials, or the collective work or compilation is expressly prohibited. Copying or reproducing the Service, the Materials, or any portion thereof to any other server or location for further reproduction or redistribution is expressly prohibited.

The Merchant further agrees not to reproduce, duplicate, or copy content the Materials from the Service, and agree to abide by all copyright notices and other notices displayed in the Service. The Merchant may not decompile or disassemble, reverse engineer or otherwise attempt to discover any source code contained in the Service. Without limiting the foregoing, the Merchant agrees not to reproduce, duplicate, copy, sell, resell, or exploit for any commercial purposes, any aspect of the Service.

Payo's intellectual property rights to the resources in any of its forms, including the Payo's logo, belong to Payo and may not be used without Payo's express written consent.

5. Privacy Policy and Cookie Policy

5.1 By accessing this Service, the Merchant permits Payo to obtain, collect, examine, process, store copies of and disclose my personal information, including sensitive personal information, and privileged information and the Merchant gives his full consent to the Privacy Notice accessible at <https://payo.asia/privacy-policy/>

5.2 The Merchant authorizes Payo to share and process its personal identifying information to its Last-Mile Partners, other partners, and the Customer to fulfill the Orders and Shipments. Processing shall only be made in accordance with these Terms or supplemental agreements related thereto, or as required by law.

5.3 Payo shall delete or return all data transferred into their possession when it deems necessary or at the termination of this Terms; this includes deletion of existing copies.

5.4 The Merchant acknowledges and agrees that as to the personal information of the Customer, the Merchant is acting as the personal information controller. At no moment shall Payo have access to or process personal information belonging to the Customer.

5.5 The Merchant shall indemnify Payo against all losses and expenses arising out of any proceeding brought by a third party in violation of the latter's rights under the Privacy Laws directly or indirectly attributable to the willful misconduct or negligence of the Merchant.

5.6 The Platform may use third party code and libraries that may use cookies to collect information and improve their services. The Merchant has the option to either accept or refuse these cookies and know when a cookie is being sent to your device. If the Merchant chooses to refuse the cookies, some functions of the Platform may not work.

6. Merchant's Obligations, Warranties, and Undertakings

6.1 The Merchant is responsible for maintaining the confidentiality of the Account's email accounts or passwords, credit card information, other personal identifying information and for restricting access to the Merchant's computer and devices, and agree to accept responsibility for all activities and all the content posted or submitted under his account or password.

6.2 The Merchant warrants and undertakes that at the time of execution of this Terms and during the term that the Merchant uses and accesses the Service, the following statements are true:

- a. Any information or material posted or provided to Payo by means of the Platform, including, without limitation, as part of any registration or to gain access to or use any services offered on the site, is truthful, accurate, not misleading, not confidential property of others, not in violation of any other third party's rights (including data privacy rights), and offered in good faith.
- b. The Merchant has the legal capacity to enter into and form contracts under the Philippine laws.
- c. The Merchant has ownership or authority to transmit ownership of the Shipment to the Customer.
- d. The Merchant has complied with related laws and regulations on the packaging, shipping, storage, and characteristics of the Shipment.
- e. The Merchant conducts its business and operations in a manner that is compliant with the Privacy Laws and the Merchant processes the personal information of the Customer pursuant to the Privacy Laws and the Privacy Policy.
- f. The Merchant agrees and warrants to obtain the consent of the Customer to disclose and process the latter's Personal Information for purposes of delivery of the item and collection of the payment. Payo has the right to require the Merchant to prove that the above mentioned consent was obtained.
- g. The Merchant agrees and warrants to obtain the consent of its employees and representatives to disclose and process the latter's

Personal Information for purposes of fulfilling its obligations to the Customer and other third parties.

h. The Merchant agrees that, upon the termination of these Terms or the relationship between Payo and the Merchant, Payo shall retain 30% of the value of the last transaction with the Merchant for at least sixty (60) days. Upon settlement and accounting by Payo of the fees and other amounts due to the Last-Mile Partner and Payo, Payo shall remit the remaining amount to the Merchant, if any.

i. The Merchant is responsible for ensuring the proper return of undelivered Shipments to his designated return point. If it was not returned on the designated return point, then the Merchant is responsible for notifying Payo of such concern. Once notified, Payo will coordinate with the Last-Mile Partner for the return of the said Shipment, but Payo will in no way be liable for the loss or damage on the Shipment.

6.3 The Merchant confirms that Payo is not a party to the Merchant's transactions with its Customer. The Merchant shall hold Payo free and harmless from any liability arising from such transactions, as well as the Merchant's obligations, representations, and warranties to the Customer or third parties. The Merchant shall also hold Payo free and harmless from any liability arising from (i) Payo's disclosure of contact information to the Customer and government agencies under these Terms; and (ii) the Merchant's misuse of personal information or related information of the Customer or third parties, whether through the Merchant's own, or that of its employees, representatives, or agents' fault, negligence or willful misconduct.

7. Ownership of the Product Shipments, Proprietary Rights and Responsibility

Payo, shall not at any time, take title or be granted rights over the Shipment whether as an owner, depositary, bailee, consignee, or in any other capacity. The Merchant shall remain the sole owner of the Shipment until they are delivered to the Customer. Hence, the Merchant bears the full responsibility for the quality of the Shipment, and any issue raised by the Customer will be directed back to the Merchant as the latter's sole responsibility.

The Merchant understands and agrees that Payo is merely a technology provider that allows the Merchant and Last-Mile Partners to participate in a system that provides solutions for their respective businesses. As such, Payo is not a party to the sale agreement between the Merchant and the Customer, and the delivery/service agreement between the Merchant and the Last-Mile Partner.

8. Payment Terms- COD Service

8.1 Invoicing. Payo will invoice the Merchant for its services monthly on the dates set with the account manager. Payo will attach to the invoice a monthly report showing the remittances, fees, collections, and those amounts still to be collected. The Merchant shall review and approve the invoice within five (5)

days from receipt; otherwise, the invoice is deemed accurate, final, and accepted.

8.2 Standard Remittance. Upon approval of the invoice, Payo will transfer to the Merchant the earnings of the Merchant, consisting of payments already collected and/or received by Payo from courier partners less: (i) the service fee of Payo including fees for its COD services and (ii) the LMP Fees for the Last-Mile Partner (the “Net Earnings”). The Net Earnings shall be released on the 25th day of the month.

8.3 LMP Fees. The Merchant shall be obligated and liable to pay the Last-Mile Partner fees for the services provided by the latter (the “LMP Fees”). Thus, to hasten the billing process, Payo shall estimate the LMP fees and automatically charge the Merchant estimated LMP fees on behalf of the Last-Mile Partner subject to reconciliation and adjustment. Any adjustment due shall be credited or debited to the Merchant on the following month after receiving and reconciling the actual cost of the LMP Fees.

8.4 Early Remittance. In case the Merchant requests for early remittance of its Net Earnings from delivered Shipments (even if Payo has not yet collected or received the payments from courier partners), the Net Earnings will be released on the set dates decided with the account manager. Payo is entitled to charge an additional amount equivalent to 2% of the total amount to be remitted to the Merchant for this service.

9. Payment Terms – Delivery Services Only

9.1 In case the Merchant engages Payo to deliver the Merchant’s Shipment to its Customer without availing the COD arrangement, the Merchant shall pay the listed fees in Annex “A.”

9.2 Additionally, the Merchant shall be obligated and liable for the LMP Fees, and Section 8.3 (LMP Fees) shall apply.

10. Shipment of goods/ items labeled as ‘Restricted Items’ or ‘Dangerous Goods’

All goods/items that are considered ‘Restricted Items’ or included in the list of ‘Dangerous Goods’ must be labeled as ‘VIA SEA.’ Goods/Items marked as ‘VIA SEA’ are not permitted to onboard a plane; instead, it will be directly transported via sea option to avoid delays. Payo has the right to inspect each and every goods/items to be delivered for proper labeling. Further, mislabelled and unlabelled goods/items will not be transported on-time and are subject to appropriate labeling by Payo. Payo has the right to classify or label goods/items that are not adequately labeled or not labeled at all whether to go via plane or sea. Mislabelled and unlabelled goods/items will cause delays in the delivery. Payo shall not be liable for the delays in the delivery of goods/items that are classified as mislabelled or unlabelled.

11. Liability

11.1 Payo shall not be held liable independently or solidarily with the Last-Mile Partner when the Shipment is lost. Any claim that Payo may be liable to the Merchant shall be limited to the Last-Mile Partner's violations of certain warranties (the "LMP Credits") according to the process below:

- a. Payo shall file the claim with the Last-Mile Partner for the lost items. The Last-Mile Partner will resolve the matter internally.
- b. Should the resolution yield a finding that the Last-Mile Partner is liable, Last-Mile Partner shall forward the LMP credits to Payo. Upon receipt of actual payment from the Last-Mile Partner (which constitutes the LMP Credits), Payo shall thereafter credit the LMP Credits to the Merchant.
- c. The amount of the LMP Credits shall be determined using the following guidelines:

- For shipments with NO DECLARED VALUE, liability shall be limited to the refund of freight charged;
- For shipments with DECLARED VALUE, liability shall be limited to the value declared in this waybill, No Declared, No Valuation Charge, No Refund.

11.2 Neither Payo nor the Last-Mile Partner shall be liable for loss or damage arising from acts of God or force majeure, or for any other consequential, moral or exemplary damages regardless of the basis for the same.

11.3 Payo storage facility, if to be used by the Merchant, shall be insured during the term of this agreement with adequate protection of the site (including inventory and infrastructure), against loss or damage caused by fire, burglary and theft, storm, water, and other basic risks typically covered by property insurance.

11.4 In case of damages, for any loss or damage, while out for delivery – Payo will open a claim with the Last-Mile Partner and will coordinate with the Merchant to receive compensation.

11.5 Payo is a software company. Payo is not engaged in a Private Carrier Services business, and neither does it engage in a common carrier or public utility activities. The courier, delivery, and fulfillment services are exclusively performed by independent carrier or logistics companies as the Last-Mile Partners. As a consequence, Payo does not warrant the availability and consistent satisfactory performance of the Last-Mile Partner, including the accuracy of information provided by the latter to Payo relating to the Shipment and Order fulfillment.

11.6 Payo shall not be liable for any consequential, indirect, and incidental damages or any loss, including loss of profits, to the Merchant devices or system as a result of the use of the Platform or availing of the Services of Payo or its partners.

11.7 The Services and their content are otherwise provided on an “as is” basis, and Payo makes no representations or warranties of any kind concerning them, including as to the accuracy, completeness, or currency of the Services or their content. Payo assumes no liability or responsibility for any errors or omissions in the content of the Services or any failures, delays, or interruptions in the provision of the Services. Payo disclaims and excludes any express or implied warranties or representations, including any warranties as to merchantability or fitness for a particular purpose of the Services to the broadest extent permitted by law. Payo makes no warranties or representations, express or implied, as to the timeliness, accuracy, quality, completeness, or existence of the content and information posted on the Services. Payo makes no warranties or representations, express or implied, for technical accessibility, fitness, or flawlessness of the Services. Payo makes no warranties or representations that your use of content and information posted on the Services will not infringe the rights of third parties.

11.8 The Merchant accepts the risks associated with the use of a website or software which is not limited to:

- i. Failure of software;
- ii. Hacking of servers;
- iii. Failure or interruption of internet connection;
- iv. The introduction of malicious software;
- v. Exchange Rate fluctuations;
- vi. Failure of communication; and
- vii. Service disruptions.

To mitigate these risks, Payo will exert reasonable efforts to secure its system and to verify the accuracy of the information on its Services.

12. Determination of Fees and Charges

12.1 The Merchant shall be charged the LMP Fees, which will depend on the actual weight, size, and quantity of the Shipment based on the prevailing rates of the Last-Mile Partner, which will be indicated before the Merchant avails of the delivery of the product.

12.2 If the Shipment was not accepted by the Customer, the Merchant should shoulder the cost for the return of the Shipment to its place of origin, if any.

12.3 The Merchant shall be liable for any other fees incurred due to its or of the Customer's negligence or fault.

12.4 The Merchant agrees and understands that there are instances (e.g., system downtime, force majeure, dispute resolution) when the Last-Mile Partner will charge fees several weeks after Service is rendered. In such cases, the Merchant agrees that it shall be solely liable for all LMP fees, including those which are billed several months after the Service is rendered.

12.5 The list and rates of Payo Services are attached in Annex "A."

13. Miscellaneous

13.1 Successors. This Terms shall be binding upon and shall inure to the benefit of the Parties hereto and their respective successors and permitted assignees.

13.2 Electronic Communication. The Merchant agrees to this electronic means of communication and acknowledges that all contracts, notices, information, and other communications that Payo provides to the Merchant electronically comply with any legal requirement that such communications be in writing. Payo reserves the right, in its sole discretion, to discontinue the provision of the Merchant's electronic communications, or to terminate or change the terms and conditions on which we provide electronic communications.

13.3 Force Majeure. Payo will not be liable for any lack of performance, the unavailability, failure of the services, or for any failure or delay by Payo to comply with these Terms, where such lack, unavailability, or failure arises from any cause beyond Payo's reasonable control.

13.4 Severability. In case any provision of this contract is adjudged unlawful or unconstitutional by a final judgment of a competent court, the remaining provisions shall remain valid and effective. In addition, the Parties hereby agree to cooperate to replace the invalid or unenforceable provision with a valid and enforceable provision that will achieve the same result or goal (to the maximum legal extent) as the provision determined to be invalid or unenforceable.

13.5 Non-Exclusivity. No remedy referred to in this Terms is intended to be exclusive, but each shall be cumulative and in addition to any other remedy referred to herein or otherwise available at law, in equity, or otherwise.

13.6 Assignment. Each Party shall not assign or subcontract any of its obligations under this Terms in whole or in part to any third party or any other entity without the prior written consent of the other Party.

13.7 Independent Contractors. It is expressly understood that Payo and the Merchant are contractors independent of one another and that neither has the authority to bind the other to any third person nor otherwise to act in any way as the representative of the other, unless otherwise expressly agreed to in writing, signed by both parties hereto

13.8 Governing Law. This Terms shall be governed, in all respects, including validity, construction, interpretation, and effect, by the laws of the Republic of the Philippines, without regard to its conflict of laws principles.

Any disputes arising out of or relating to this Terms or any agreements arising thereof that cannot be resolved informally will be resolved through arbitration through the Philippine Dispute Resolution Center, Inc. The seat of arbitration shall be in Makati City, Philippines.