

Cooperation Agreement Europe

This Agreement and all related documents have been drafted in the English language at the express request of the Parties. **Greek:** *Το παρόν συμφωνητικό και όλα τα σχετικά έγγραφα έχουν συνταχθεί στην αγγλική γλώσσα κατά ρητή εντολή των εδώ συμβαλλόμενων μερών.* **French:** *La présente convention ainsi que tous documents s'y rattachant ont été rédigés en langue anglaise à la demande expresse des Parties.*

This Agreement together with the online order form, including all appendices, guidelines and other documents contained in or incorporated by reference are collectively referred to as the “**Cooperation Agreement**” or “**Agreement**”. The Agreement is entered into by and between:

(1) Klarna Bank AB (publ), Corp. ID No. 556737-0431, with its principal place of business at Sveavägen 46, 111 34 Stockholm, Sweden (**Klarna**);

and

(2) the Party set out in the online order form (Merchant Details) (**Merchant**).

Klarna and the Merchant may in this Agreement be individually referred to as a **Party** and jointly as the **Parties**.

1. Background and scope of the cooperation

Klarna was founded in 2005 and its main entity, Klarna Bank AB (publ) (Klarna Bank), is and has been for several years a fully licensed bank in the EU and is regulated by the Swedish Financial Supervisory Authority. Klarna Bank offers all its services throughout the entire EU and EEA area.

Klarna is a provider of solutions for checkouts (**Shopping Solution(s)**). These Shopping Solutions include:

- integration with Klarna’s systems, such as its transaction platform and merchant portal;
- credit assessments and assumption of credit risk;
- the ability to enable customers to pay their purchase via Klarna;
- post-purchase customer experience, such as the ability to manage orders; and
- administrative services such as customer service to both customers and merchants.

The Merchant operates an online store(s) and/or physical store(s) outlined by the Merchant in the online order form (each a **Store**) for which it wishes to use the Shopping Solutions. The Merchant commits to integrate the Shopping Solution in the markets outlined in its online order form into its Store, and any other purchase channels that may have been agreed between the Parties, which will enable the Merchant’s shoppers to pay with Klarna.

Klarna may delegate all or part of the provision of the Shopping Solution or assign certain rights in relation to the Shopping Solution to a Klarna group company or procure that a Klarna group company performs certain aspects of the Shopping Solution at any time without notice. To the extent that Klarna so delegates, assigns rights or procures the performance of all or part of the Shopping Solution to a Klarna group company it shall ensure that such Klarna group company has in place all necessary licenses and consents. The Merchant accepts that Klarna is entitled to recover all losses sustained by any Klarna Affiliate, arising out of or in connection with this Agreement, as if the same were incurred by Klarna.

2. Payments and Service Charges

The service charges, consisting of a variable fee which is charged as a percentage of the transaction amount and/or a fixed transactional fee which is charged as a fixed fee per Claim, applicable towards the Merchant are the service charges displayed and accepted by the Merchant through the online order form (**Service Charges**). Klarna pays to the Merchant net - after deduction of the Service Charges and any other claims or agreed upon fees that Klarna may be entitled to - the amount of the Claims (as defined in Section 1 in the GTCs) in accordance with the

below settlement schedule. Payments are made to the bank account(s) provided by the Merchant in the online order form. Each Party bears its own bank transfer costs (if any). To the extent Klarna has partnered with third party operators of payment networks (**Third Party Payment Option Providers**) to provide the Shopping Solutions, the Merchant will not be charged any additional fees by such Third Party Payment Option Providers. Any Service Charges and other claims Klarna may have under this Agreement are quoted excluding Sales Tax where Sales Tax is applied (and calculated on the transaction amount including Sales Tax). Sales Tax shall be read to include GST/VAT or equivalent value added sales tax under applicable law.

Settlement schedule: Klarna will schedule payment to the Merchant on a weekly basis with a 3 week delay from Activation (as defined in Section 1 of the GTCs). The receipt of settlements as cleared funds in the Merchant's bank account(s) may be delayed because of interbank systems over which Klarna has no control.

Each Party is responsible for determining if any taxes apply to the payments each Party makes or receives under the Agreement, and to collect, report and remit the correct tax to the appropriate tax authority.

APPENDIX 1

General Terms & Conditions (GTCs)

1. Reservation and Activation

In order to provide the Shopping Solutions Klarna grants the Merchant access to Klarna's business transaction system (**Merchant Portal**). Provided that a shopper uses the Shopping Solutions in connection with a purchase in the Store, a credit query for the shopper is sent to Klarna. Klarna will then perform an assessment of the transaction and the shopper, e.g. in relation to the Customer's creditworthiness. If the assessment of the transaction is acceptable to Klarna, Klarna agrees to allow the shopper (hereinafter referred to as **Customer**) to pay its purchases via the Shopping Solutions. A reservation for the respective amount is then made in the Merchant Portal. The Merchant acknowledges that where the Customer makes a purchase from the Merchant and uses a Shopping Solution to pay for the purchase (**Claim**), Klarna as the owner of the Claim, or the applicable Third Party Payment Option Provider, has the sole right to receive payment from the Customer and thereby fully assumes all credit risk related to Customer non-payment in relation to that purchase. To the extent the Merchant retains any right to receive payment in respect of a Claim, the Merchant acknowledges and agrees that such right shall be exclusively exercised by Klarna subject to the terms and conditions set out in this Agreement. The Merchant has the right to receive payment from Klarna for a Claim in accordance with Section 2 of the main body of this Agreement as of the time of dispatch/shipment of goods or performance of services by the Merchant (**Activation**). The dispatch of the goods/performance of the services is to be made as close to the date of the order as possible and within the timeframe communicated to the Customer during the order. Activation cannot be made by the Merchant after the order has expired in the Merchant Portal. Unless otherwise agreed, when using the Shopping Solutions, the Merchant is not entitled to offer delivery to a recipient or an address other than as pre-approved by Klarna. Upon Activation of the Claim, Klarna pays to the Merchant a settlement, in accordance with Section 2 of the main body of this Agreement, which equals the total value of the Claim less the Service Charges and any returned Claims. The relation between the Customer and Klarna is regulated between Klarna and the Customer.

2. Klarna's General Responsibilities

2.1 Klarna is responsible for all credit decisions, financing, administration and customer service in respect of the Shopping Solutions. Unless otherwise agreed, payments of goods/services via the Shopping Solutions are only available to consumers (not businesses). The Merchant understands and agrees that if it does not provide Klarna with detailed and up-to-date information on goods purchased, fees charged and/or goods returned/cancelled, Klarna may refer such Customer questions to the Merchant. In relation to Claims, Klarna will handle the payment collection and any related administration.

2.2 Klarna assumes the credit risk for the Claim. Additionally, Klarna's Merchant Protection Program, available at https://x.klarnacdn.net/cdn-klarna-com/1.0/shared/content/policy/shipping/en_us/MerchantProtectionTerms.pdf, offers protection against certain Customer complaints..

2.3 Klarna provides to the Merchant the applicable customer terms and conditions, privacy notice and information regarding Klarna's Shopping Solutions in relation to Customers (**Customer Terms and Information**). Klarna may, at its own discretion, change the Customer Terms and Information and any other Customer related material (such as contracts, forms or information regarding the Shopping Solutions). Klarna ensures that the Customer Terms and Information are in conformity with any applicable laws and regulations.

2.4 Klarna will, after having received an electronic notification thereof from the Merchant, send payment instructions and other payment related notices to the Customers.

2.5 Klarna ensures that it will maintain and uphold any necessary licenses and permits required to provide the Shopping Solutions.

3. Merchant's General Responsibilities

3.1 The Shopping Solutions shall be presented and marketed by the Merchant as agreed between the Parties, and the Merchant accepts it is not entitled to market any Klarna services (either in its own or third party media) without prior approval from Klarna. It is however understood that any marketing activity conducted in respect of the Shopping Solutions shall be limited to the use of the Shopping Solutions for the purposes of purchasing the products or services of the Merchant. When marketing and using the Shopping Solutions, the Merchant warrants that it will observe and comply with all applicable laws and regulations and other provisions and guidelines issued by any public authority. Unless otherwise instructed by Klarna, the Merchant agrees that it will only advertise the Shopping Solutions in the UK by either integrating Klarna's OSM or using Klarna's pre-approved marketing assets, available at <https://docs.klarna.com/>. Klarna reserves the right to terminate this Agreement immediately if the Merchant fails to comply with requirements outlined in this section.

3.2 The Merchant warrants that it at all times will comply with Klarna's integration guidelines set out at <https://docs.klarna.com> (**Integration Guidelines**). Each Party shall ensure that it at all times maintains the technical requirements needed on its part to enable the use of the Shopping Solutions.

3.3 The Merchant shall provide Klarna with information that Klarna needs to allow Customers to use the Shopping

Solutions to pay for their purchases e.g. information needed by Klarna to identify the Customer.

3.4 The Merchant is obliged to display the address of its permanent establishment, its privacy policy in the Store and an active customer service email address and a customer service telephone number in the Store, as well as any other information required to be provided under applicable laws. Further, the Merchant acknowledges that (a) Klarna's On-Site Messaging platform and (b) express checkout functionalities which enable the Merchant to (i) advertise Klarna products or ancillary checkout services and (ii) give shoppers the ability to pay for their purchase in an expedited manner, are both provided in a Klarna controlled component in the Store (**OSM and Express Checkout Services**).

3.5 The Parties acknowledge and agree that it is the Merchant's sole responsibility to ensure that all Sales Tax laws and regulations are complied with and that, if specific information has to be provided by the Merchant to Customers under local applicable laws, or if a Customer requests certain information to be provided by the Merchant (e.g. specific Sales Tax or other tax information), it is the Merchant's responsibility to provide a document containing such information. Such aforementioned documents shall not contain any bank details of the Merchant. Should the content of the document sent out by the Merchant lead to an increased number of complaints (e.g. due to Customers paying to the Merchant's bank account or using incorrect reference numbers), the Merchant will, in cooperation with Klarna, adjust the content of such documentation to mitigate such problems.

3.6 In relation to the Merchant's unique log-in details to the Merchant Portal, the Merchant will ensure compliance with the applicable Access Management Requirements (available under https://x.klarnacdn.net/cdn-klarna-com/1.0/shared/content/policy/access_management/en_gb/requirements.pdf). The Merchant is responsible for any actions taken when the log-in details to the Merchant Portal are used. The Merchant is not entitled to use the reservation option in the Merchant Portal solely for credit checks without having the intention of accepting payment from the shopper by means of a Shopping Solution.

3.7 The Merchant warrants that Klarna has the sole right to receive payment in respect of a Claim, and warrants that it will not carry out any action which may limit or impair such right in accordance with any applicable laws. The Merchant warrants that it has and at all times shall maintain and uphold all necessary permits, insurances and licenses required for its business, its business operations and business activities. If Klarna so requests, the Merchant shall, without undue delay, provide Klarna with any documentation or other information verifying that the Merchant upholds valid permits and licenses. Further, the Merchant warrants that all Claims are connected to purchases which are permitted under and in compliance with all applicable laws. Klarna has the right to suspend the provision of the Shopping Solutions at any time if there is reason to assume the provision of the Shopping Solutions, the Shopping Solutions as such, or the Merchant's activities, could be deemed illegal, unethical or in any other way

non-compliant with any applicable rule or regulation, or result in negative publicity for Klarna.

3.8 To the extent the Merchant engages sub-merchants that will deliver the goods to the Customers, the Merchant is fully liable for all sub-merchants and for the sub-merchants' fulfilment of its obligations in relation to Customers. The Parties acknowledge and agree that Klarna may itself, or may require the Merchant to, at any time (e.g. due to a sub-merchant's non-compliance with applicable laws or Klarna's instructions) block or in any other way terminate the provision of the Shopping Solutions in relation to purchases via a specific sub-merchant. The Merchant may not grant any sub-merchant access to the Merchant Portal.

3.9 In the event Klarna discovers fraud or suspicious circumstances relating to a transaction, Klarna may instruct the Merchant to stop the order process and/or shipping. The Merchant agrees to follow Klarna's instructions immediately upon receipt, so long as such instructions are provided within twenty-four (24) hours of Activation of the applicable Claim.

3.10 By entering into this Agreement, the Merchant agrees to enroll in the Klarna Search and Compare service(s), and agrees to the following Klarna Search and Compare (service(s) terms and conditions, found at <https://docs.klarna.com/marketing/solutions/klarna-search/terms-and-conditions/>

4. Claim Returns

4.1 In certain situations, Klarna has the right to require the Merchant to re-pay Claims. Klarna may require the Merchant to re-pay Claims in the following situations:

- (a) if there is a dispute or contestation between the Merchant and the Customer regarding the Claim, or the Customer's obligation to settle the Claim, and such dispute or contestation is not based on a mere unwillingness or inability to pay (a dispute may be e.g. when the goods or services are alleged to be faulty or not delivered in full);
- (b) if it concerns Claims which have been created in connection with a transaction made by a natural or legal person who may reasonably be considered to share a financial interest with the Merchant, including but not limited to, a company affiliated to the Merchant, owners or an employee of the Merchant and/or such affiliated company. This Section 4(b) does not apply if the Merchant has more than thirty (30) employees;
- (c) if it concerns Claims in relation to which a Customer acquires cash (e.g. currency exchange), checks or money orders;
- (d) if it concerns Claims where the Merchant or the Customer in connection with the placement of the order has not provided Klarna with the Customer's, complete goods list, telephone number and email address.
- (e) if it concerns Claims where the Customer claims not to have received the goods or services, except where the Merchant is protected under the Merchant Protection Program;

- (f) if it concerns Claims where the Merchant does not meet the requirements under Sections 3.9, 5 and 6 below, or where the Merchant in connection with invoicing, Activation or otherwise breaches the Agreement;
- (g) if it concerns Claims where the Customer has used its lawful right to withdraw from/cancel its purchase and/or its agreement with Klarna, or where the Merchant has extended to the Customer a right to return the goods or services in excess of what applies under applicable mandatory laws;
- (h) if it concerns Claims where the Merchant has not provided Klarna with the data points deemed as mandatory by the Integration Guidelines; and/or
- (i) if it concerns Claims in relation to which the Merchant is imposing terms and conditions in relation to Customers which deviate from the terms and conditions provided by Klarna or if the Merchant has agreed terms with the Customer that deviate from what has been communicated with Klarna.

4.2 In the event Klarna requires the Merchant to re-pay a Claim in accordance with this Section 4, loss of interest or other costs may arise, for which Klarna has the right to compensation. The amount charged by Klarna will correspond to Klarna's actual costs/losses and depend on whether the returned Claim is in reminder status, in debt collection status or in bailiff status. Klarna may also be entitled to compensation under other provisions of this Agreement. In the event Klarna requires the Merchant to re-pay a Claim, Klarna retains the Service Charges. If Klarna at the time of the return already has received payment for the Claim from the Customer or a third party, Klarna is entitled to repay those amounts to them.

5. Responsibilities of the Parties in relation to Claims

5.1 The Merchant may not without Klarna's written consent enter into an agreement or arrangement with any third party regarding the purchase, pledging or payment of Claims, nor any other arrangement which restricts Klarna's ability to obtain payment from a customer in respect of a Claim. The Merchant may not enter into agreements with Customers in other countries than those contractually agreed or in other currencies than those that apply to the respective countries.

5.2 If payment for a Claim is made by the Customer or a third party to the Merchant, this shall immediately be registered in the Merchant Portal or be communicated to Klarna in any other appropriate way. The Merchant has to immediately transfer the amount to Klarna and specify what the payment refers to.

5.3 After Activation of a Claim, the Merchant may in relation to the Claim and the underlying purchase only agree to such arrangements with the Customer which can be registered in the Merchant Portal or through the agreed upon integration set-up used by the Merchant. The Merchant has to inform Klarna immediately if the Merchant has agreed with the Customer on a return of goods/service or a reduction of the purchase price, or if the Customer has used its return/revocation rights under applicable laws. A reservation shall be cancelled immediately if the goods or services are unavailable.

5.4 The Merchant shall answer Klarna's questions and requests for information or documentation regarding Claims without undue delay and in any event within such a reasonable time frame prescribed by Klarna when making the request. Additionally, the Parties agree to promptly inform each other if a Customer disputes the obligation to settle the Claim. The Parties further undertake to handle Customer complaints and disputes promptly and correctly. In any case, the Merchant agrees to inform Klarna if a Customer dispute has not been resolved within one (1) month after the Merchant becomes aware of such a dispute. Klarna reserves the right to charge a dispute fee when a Customer files a dispute with Klarna (**Dispute Fee**). Applicable Dispute Fees are specified at <https://docs.klarna.com/disputes/merchant-disputes-fee/>.

5.5 Klarna reserves the right to charge the Merchant a reasonable fee related to any card transaction processing fees that may arise under this Agreement (**Chargeback Fee**).

5.6 In relation to the Shopping Solutions, the Merchant is not entitled to impose any fees or otherwise a higher price for goods or services on the basis that the purchase is made through the Shopping Solutions, or to act discriminatory towards Klarna in any other way.

5.7 The Merchant is solely responsible for the performance of its obligations (and those of its employees, agents, sub-merchants and representatives) under this Agreement in relation to the Customers, whether under any contract with the Customers or under any applicable laws. The Merchant is not entitled to use the Shopping Solutions in relation to transactions which are deemed illegal under any applicable law or which violate Klarna's from time to time applicable ethical instructions (https://cdn.klarna.com/1.0/shared/content/policy/ethic/en_gb/merchant.pdf, the **Ethical Instructions**), or to the extent applicable, any Third Party Payment Option Providers' Instructions.

5.8 The Parties agree that when the Claim is created Klarna shall be exclusively entitled to all security interests related to the Claim, such as for example any retention of title in the goods delivered. For clarity, if a Claim is retransferred from Klarna to the Merchant under Section 4, all security interest relating to such Claim will also be retransferred.

6. Specific conditions concerning purchases and handout of goods in physical stores

6.1 Unless the Parties have agreed to include and integrate In-store under this Agreement, the Merchant is not entitled to use the Shopping Solutions for the sale of goods in physical stores. Unless Section 6.2 applies, the Merchant is not entitled to accept the return of goods in its physical store(s). Subject to Section 4.1 (e), goods purchased via the Shopping Solutions may always be handed out to Customers in the Merchant's physical stores.

6.2 If the Merchant has integrated Klarna In-store or has otherwise been permitted by Klarna to accept returns in physical store(s), the Merchant may accept return of goods in its physical store(s) subject to the following conditions: (i)

all returns shall immediately be registered in the Merchant Portal, (ii) all refunds to the Customer are handled by Klarna (i.e. the Merchant may not refund the Customer in connection with a return), and (iii) the Merchant shall adhere to any other reasonable instruction Klarna may provide from time to time specifically relating to return of goods in physical stores. The Merchant shall indemnify and hold Klarna harmless against any costs, losses, claims or other damages that Klarna suffers due to the Merchant not fulfilling its obligations under sub-points (i)-(iii) above.

7. Credit assessment and underwriting

Klarna will perform credit assessments of each respective Customer and the Merchant. As between Klarna and the Merchant, Klarna will control, in its sole discretion, all decisions concerning Customer transaction approvals and underwriting of Customer's use of the Shopping Solutions, including decisions on applicable credit limits for Customers.

8. Module Support

Klarna aims to support all modules and API's that the Merchant uses to connect to the Shopping Solution. However, as technology progresses, Klarna reserves the right to decide in its sole discretion which modules and API's to support. If Klarna at some point decides to cancel support of a certain module or API, Klarna will provide the Merchant with a reasonable notice thereof. Information on which modules and APIs Klarna supports can be found at <https://docs.klarna.com>.

9. Duty to inform

Upon request, or as otherwise required, the Merchant has to provide Klarna with information that Klarna needs for the fulfillment of its regulatory duties (e.g. anti-money laundering information) or financial risk assessment. The Merchant shall immediately notify Klarna (i) regarding circumstances concerning the Merchant and its owner, which may be of significant importance for assessment of the Merchant's financial status; (ii) about changes relating to the Merchants address, its management, its board or AML relevant changes to the ownership structure; (iii) if there are any material changes with regard to the type of products or services offered by the Merchant or if the name under which the Merchant conducts its business is changed; or (iv) if there are any other material changes relating to the Merchant or its activities.

10. Term and termination

10.1 This Agreement is effective as of the day when the following three conditions are fulfilled (**Effective Date**): 1) the Agreement has been signed or otherwise consented to by the Merchant; 2) Klarna's risk department has consented to the Agreement (Klarna reserves the right to perform financial and other controls on the Merchant, including its owners and other key individuals, applying for or having access to use the Shopping Solutions); and 3) the information that Klarna has requested for the fulfillment of its regulatory duties (e.g. anti-money laundering information) has been provided by the Merchant. The

Agreement shall remain in force until terminated by either Party with one month written notice.

10.2 Each Party has the right to terminate the Agreement with immediate effect if:

- (a) the other Party materially breaches any provision of the Agreement;
- (b) the other Party repeatedly or continuously fails to meet its obligations under the Agreement and does not upon the non-breaching Party's request remedy such failure within the reasonable time frame given by such other Party;
- (c) the other Party has provided incorrect or misleading information, or has concealed circumstances of importance; or
- (d) the other Party's financial situation is significantly deteriorated, including but not limited to, becoming or is declared insolvent or bankrupt, or makes an assignment for the benefit of its creditors (**Insolvency Event**).

10.3 In addition, Klarna has the right to terminate the Agreement if:

- (a) the Merchant offers services or goods that violate Klarna's from time to time applicable Ethical Instructions; or
- (b) Klarna suspects a breach of the Agreement, and the Merchant does not, without undue delay, provide such reasonably requested information that is of importance to determine whether the Merchant has breached the Agreement.

10.4 In case Klarna terminates this Agreement under this Section 10, Klarna has the right to, after deduction of the Service Charges or any other charges Klarna is entitled to claim under the Agreement, require the Merchant to re-pay the aggregate amount of all outstanding Claims to Klarna and Klarna will transfer the rights it has against Customers in respect of the outstanding Claims paid by the Merchant. The Merchant is responsible for determining whether it is required to notify Customers of such transfer under applicable law. Klarna will only exercise this right if there are legitimate reasons not to administer any outstanding Claims, e.g. due to legal/ethical constraints or to avoid reputational harm.

10.5 The Parties agree that the payment options included in the Shopping Solutions or in an iframe may change from time to time. The Merchant acknowledges and agrees that Klarna continuously develops and updates the Shopping Solutions in order to improve the shopper experience and thus Klarna reserves the right to make such changes in its hosted environment.

11. Right to retain payments/Set-off

11.1 If this Agreement terminates for any reason, Klarna may retain further payments to the Merchant for the purpose of covering Klarna's financial risks. Klarna will then undertake a final account and pay out the amount owing to the Merchant. The amount Klarna retains will not exceed its financial risk exposure, such as anticipated refunds. Klarna

will notify the Merchant if Klarna retains payments under this Section 11.1, and the reason(s) for the retention.

11.2 Klarna may temporarily retain payments corresponding to its financial risk exposure if:

- (a) the Merchant materially breaches this Agreement;
- (b) the Merchant repeatedly breaches this Agreement, and fail to cure the breaches after receiving notice from Klarna;
- (c) Klarna reasonably suspects that the Merchant is engaging in or has engaged in fraud; or
- (d) the Merchant's financial standing or ability to fulfil orders or satisfy refunds to Customers materially reduces.

Prior to Klarna retaining payments in accordance with this Section 11.2, Klarna undertakes to inform the Merchant as to the reason why payments will be retained. Klarna will release any retained payments under this section once the underlying reason for retaining them has been cured.

11.3 Klarna may temporarily retain payments corresponding to its financial risk exposure due to the Merchant suffering an Insolvency Event. Klarna may only retain payments under this Section 11.3 until:

- (a) the Parties reach an agreement to mitigate the relevant financial concerns; or
- (b) the Merchant provides Klarna adequate proof of solvency to Klarna's reasonable satisfaction.

Klarna will notify the Merchant if it retains payments under this section, and the reason(s) for the retention.

11.4 Klarna may retain payments to the Merchant if there is a risk that Klarna, due to the Merchant's breach of this Agreement or breach of applicable law, may incur fines, penalties or other claims from third parties (each a **Fine**). Klarna may only retain payments in an amount that corresponds to its reasonable estimate of the Fine that may be imposed on it and must release such payments to the Merchant without delay following the cessation of the relevant risk.

11.5 Klarna may, in its own discretion, offset any amounts owed to the Merchant against any claims Klarna may have against the Merchant.

11.6 Klarna may increase or decrease the pay-out period set out under Section 2 in the main body of this Agreement as a security for Service Charges and any other amounts that are or will become due to it under this Agreement. Klarna will only maintain an increase to the pay-out period under this Section 11.6 for a period and at a level it deems necessary to mitigate its financial risk exposure.

12. Liability

12.1 If a Party does not fulfill its obligations under this Agreement, the other Party shall be entitled to claim damages. Each Party's annual liability to pay any compensation or similar under this Agreement shall be limited to an amount corresponding to the Service Charges

paid or payable by the Merchant to Klarna in the twelve (12) months immediately preceding any claim.

12.2 The limitation of liability set out under Section 12.1 shall not apply to (i) any explicit warranties or indemnifications given under this Agreement, (ii) Klarna's obligation to pay to the Merchant any amounts due under Section 2 of the main body of this Agreement for the acquisition of Claims, and (iii) Klarna's right to request compensation in relation to any amounts or claims under Sections 4 and 10.4.

12.3 Neither Party is liable whether in contract or tort (including negligence) for breach of statutory duty, or otherwise arising under or in connection with this Agreement for loss of profits, loss of sales, or business, loss of agreements or contracts, loss of anticipated savings, loss of or damages to goodwill, loss of use or corruption of software, data or information or any indirect, special or consequential loss. Further, neither Party shall be liable for unforeseeable damages or damages atypical for the Agreement, and particularly not for indirect, punitive or consequential damages.

13. Data protection and PCI compliance

13.1 The Parties agree to handle personal data as set out Sections 28 to 32 below (Data Protection Terms).

13.2 In respect of Shopping Solutions for which Klarna has partnered with Third Party Payment Option Providers, a Customer may choose to use its regular debit or credit card to (i) pay directly in the checkout, or (ii) settle the debt to Klarna at a later stage. The Merchant hereby agrees to and authorizes such Third Party Payment Option Providers to store, use, share and release cardholder data, provided or generated pursuant to this Agreement to any person (i) for the purpose of processing the transaction; (ii) as required by applicable rules of Third Party Payment Option Providers or by applicable law; (iii) in aggregated (anonymous and generalised) format to facilitate analysis and comparisons; (iv) to investigate, prevent and/or detect fraud or crime; or (v) to mitigate information security risk, sector risk or credit risk. Klarna undertakes at all times to be Payment Card Industry Data Security Standard (**PCI DSS**) validated. The Merchant undertakes at all times to be compliant with the rules of PCI DSS applicable from time to time. As long as the Merchant uses the Shopping Solutions in a compliant way, Klarna will be responsible for the security of cardholder data that Klarna possesses or otherwise stores, processes, or transmits when providing the Shopping Solutions.

14. Exclusivity

14.1 In relation to all Shopping Solutions:

The Merchant warrants that during the term of the Agreement, in the Store or any other agreed Sales Channels, Klarna shall be the Merchant's sole provider of deferred payments and installment solutions in the countries covered by this Agreement. For the avoidance of doubt, this means the Merchant agrees that it will not integrate nor directly or indirectly offer, promote or otherwise facilitate any third party services nor any own services (neither solely by itself nor in cooperation with any third party) that offer Customers the ability to defer their

payments or split their payments into installments in any country where the Merchant has agreed to integrate the Shopping Solutions. Notwithstanding the foregoing, the Merchant is allowed to keep backup/failover solutions. For clarity, the Merchant is permitted to continue offering services that (i) allow customers to make an upfront payment in full as well as major credit cards (e.g. Visa, MasterCard, American Express) or (ii) allow customers, after their purchases have been completed with the Merchant, to convert the payment into credit installments within a provider's own environment.

14.2 Specific terms in relation to Klarna Checkout:

The Merchant warrants that at all times during the term of the Agreement all sales in the Store or in any other purchase channel agreed between the Parties will be made through Klarna Checkout and that no other own or third-party payment services will be offered in the Store nor any other purchase channel. Notwithstanding the foregoing, the Merchant is allowed to carry backup/ failover solutions.

15. Force majeure

Should the Parties be prevented from fulfilling their obligations under this Agreement due to circumstances which the Parties have no control over - e.g. lightning, fire, sabotage, earthquake, tornado, flood, explosion, embargo, war, terrorism, riot, act of God, act of public enemy, changed legal provisions or regulations provided by authorities, intervention by authorities, strike, communication or transport disruptions, changes in exchange rates or natural disasters - the Parties shall be released from its liabilities until the circumstances giving rise to the Parties' inability to fulfill their respective obligations no longer exist. This Section 15 shall be viewed in light of Klarna having a redundant system with geographically dispersed server sites. If a Party is prevented from fulfilling its obligations for a longer period than thirty (30) days due to any such above mentioned circumstances, each Party shall have the right, without being liable to pay any compensation, to terminate the Agreement with immediate effect.

16. Communication

Notice of termination or any other correspondence under this Agreement shall be made in writing by letter or email to the contact details provided by the Merchant in the online order form or in writing accessible to the Merchant through the Merchant Portal or as otherwise agreed between the Parties. Klarna shall be contacted via its merchant support channels found at klarna.com.

17. Amendments to the Agreement

Amendments to this Agreement require written form (email shall suffice). Klarna may amend any provision of the Agreement or these GTCs by giving the Merchant at least 30 days' notice prior the the amendment(s) taking effect. Should any amendment to the Agreement or these GTCs not be acceptable to the Merchant, the Merchant may terminate the Agreement by giving written notice to Klarna no later than sixty (60) days after receipt of Klarna's notification of amendment.

18. Transfers

Neither Party may transfer its rights nor obligations under the Agreement without the other Party's prior written consent. Notwithstanding the foregoing, Klarna may assign or transfer the Agreement to any Klarna group company. Further, Klarna has the right to transfer, pledge or in any other way dispose over the Claims. Klarna is entitled to engage subcontractors in order to provide the Shopping Solutions, provided that Klarna takes full responsibility for such subcontractors.

19. Confidentiality

18.1 The Parties undertake, during the term of this Agreement and for a period of two (2) years thereafter, not to disclose Confidential Information to any third party without the other Party's written consent. Any Confidential Information obtained shall only be used for the fulfillment of the Agreement. **Confidential Information** means any information, in whatever form, disclosed or provided by one Party to the other party (**Receiving Party**) in the context of this Agreement. Non-confidential information means any information which;

- (a) is or becomes generally available to the public other than as the result of a disclosure by the Receiving Party;
- (b) the Receiving Party can show that it already had in its possession before it was received;
- (c) information which the Receiving Party is obliged to provide in accordance with any applicable laws, investment exchange rules, court order or decision by a governmental authority; or
- (d) information which the Receiving Party has received from a third party without being bound by confidentiality in relation to it.

18.2 For the avoidance of doubt, Confidential Information also refers to third party information of technical, commercial or other nature unless there are objective and reasonable grounds to assume that such information is non-confidential. This provision applies to any information relating to third parties, including Customer information, that the Merchant obtains when using the Merchant Portal or when communicating with Klarna, and where it is clear that the dissemination of the above-mentioned information is not desired by third parties. To the extent permissible by applicable laws, Klarna is entitled to share Confidential Information with subcontractors, external advisors and other companies within the Klarna group provided that such parties are subject to confidentiality obligations corresponding to those under this Agreement.

20. IP rights and know-how

Klarna retains all ownership and intellectual property rights to anything developed by Klarna and provided to or accessed by the Merchant under this Agreement. The Merchant warrants that it will not directly or indirectly reverse engineer, decompile, disassemble or otherwise attempt to derive source code or other trade secrets from the Shopping Solutions. The Merchant's use of Third Party

Payment Option Providers' trademarks, whether registered or not, does not entail any transfer of ownership, rights or copyrights. After termination of the Agreement or the removal of the Shopping Solutions (in whole or in part), the Merchant undertakes to immediately remove all respective logotypes and similar of Klarna and/or of any Third Party Payment Option Provider specifically relating to such removed Shopping Solutions. This does not apply if the Third Party Payment Option Provider entitles the Merchant to continue the use of its logotypes. Klarna is entitled to refer to the Merchant as a user of the Shopping Solutions in sales or similar material provided that such material is not directed at the general public.

21. Governing Law

21.1 This Agreement is governed by and will be construed in accordance with Swedish law. Any dispute, controversy or claim arising out of or in connection with this Agreement, or the breach, termination or invalidity thereof, shall be finally settled by arbitration administered by the Arbitration Institute of the Stockholm Chamber of Commerce (the SCC Institute). The rules for Expedited Arbitrations of the Arbitration Institute of the Stockholm Chamber of Commerce shall apply, unless the SCC Institute, taking into account the complexity of the case, the amount in dispute and other circumstances, determines, in its discretion, that the Arbitration Rules of the Arbitration Institute of the Stockholm Chamber of Commerce shall apply. In the latter case, the SCC Institute shall also decide whether the arbitral tribunal shall be composed of one or three arbitrators. The place of the arbitration shall be in Stockholm, Sweden. The language to be used in the arbitral proceedings shall be English. The Parties undertake and agree that all arbitral proceedings conducted with reference to this arbitration section will be kept strictly confidential, as well as any decision or award that is made or declared during the proceedings. Information covered by this confidentiality undertaking may not, in any form, be disclosed to a third party without the written consent of the other party.

21.2 Notwithstanding the foregoing, nothing herein shall be construed to prohibit either Party from seeking preliminary or permanent injunctive relief, restraining orders, decrees of specific performance, or other equitable remedies, in any court of competent jurisdiction.

22. Severability

Should a provision of this Agreement become invalid or unenforceable, this will not affect the other provisions and the validity of this Agreement. Instead of the invalid or unenforceable provision, the Parties shall decide on a wording that comes as close as possible to the commercial meaning and purpose of such provision.

23. Independent contractors

The Merchant and Klarna are independent contractors and shall have no power or authority to assume or create any obligation or responsibility on behalf of each other. The Agreement shall not be construed to create or imply any partnership, agency or joint venture.

24. No third party beneficiary

The Agreement is intended for the sole and exclusive benefit of the signatories and is not intended to benefit any third party.

25. No warranty

Access to Klarna's systems or databases and participation in and use of the Shopping Solutions are provided under this Agreement on an "as is" basis, without warranty of any kind, except as expressly stated herein or implied by law. Klarna disclaims all representations, warranties, and conditions, express, implied, or statutorily, to the fullest extent permitted by law.

26. Entire agreement

The Agreement constitutes the entire agreement between the Parties in relation to the Shopping Solutions and supersedes and replaces all prior oral or written representations or agreements between the Parties on the subject matter or parts hereof.

27. Survival

Termination or expiration of this Agreement will not affect either Party's obligations in regard to fees payable hereunder, indemnities or any other term which by its nature and context is intended to survive termination or expiration of this Agreement.

Data Protection Terms

28. Definitions

28.1 **Data Protection Legislation** means any and all laws, statutes and regulations relating to the Processing under this Agreement and applicable to the respective Party at each point in time. This may include, but is not limited to; (i) EU Regulation 2016/679 (**GDPR**), Directive 2002/58/EC on privacy and electronic communications, (ii) the United Kingdom's Data Protection Act 2018, (iii) Australian Privacy Act 1988 (Cth) and the Spam Act 2003 (Cth), (iv) the New Zealand Privacy Act 1993 and the Unsolicited Electronic Messages Act 2007, (v) the California Consumer Privacy Acts (**CCPA**) and the Gramm-Leach Bliley Act (**GLBA**), (vi) the Canadian Personal Information Protection and Electronic Documents Act (**PIPEDA**), and (vii) the Federal Law on Protection of Personal Data Held by Individuals (**LGPDPSSO**), in each case as updated, amended or replaced from time to time.

28.2 **Data Subject** means an identified or identifiable natural person. An identifiable natural person is one who can be identified, directly or indirectly, taking into consideration all Personal Data reasonably accessible to a Party. This term also encompasses any analogous or similar term in applicable Data Protection Legislation.

28.3 **Personal Data** means any information or data, including personal information, relating to a Data Subject.

This term also encompasses any analogous or similar term in applicable Data Protection Legislation.

28.4 **Processing** means any operation performed on Personal Data, including but not limited to collection, sharing, use, erasure or destruction of such data. This term also encompasses any analogous or similar term in applicable Data Protection Legislation.

29. Data Protection Obligations

29.1 Each Party is responsible for its own Processing, and for implementing necessary security measures.

29.2 The Parties hereby acknowledge and agree that, in order to fulfill the obligations of this Agreement, they are - unless explicitly stated otherwise - separately and independently responsible for determining for which purposes, and by which means, they will be Processing any Personal Data. No Personal Data is Processed on behalf of the other Party, or as a service provider of the other Party unless specifically designated as such in this Agreement or other controlling agreements. The Merchant warrants that it will not share any Personal Data with Klarna that regards ethnic origin, concerns trade union membership, sexual preference, health or is otherwise 'sensitive information' or as similarly defined in applicable Data Protection Legislation.

29.3 Personal Data is shared between the Parties for the purpose of allowing Klarna to perform, and the Merchant to use, the Shopping Solutions, with the ultimate aim of allowing each of Klarna and the Merchant to provide its respective services to the Customers and administer its respective Customer relationship. The Merchant warrants that it will not share any Personal Data with Klarna unless and until it has a legal right to do so.

29.4 Each Party shall implement and maintain appropriate technical and organizational measures to ensure a level of security appropriate to the risk of its Processing (taking into account the nature, scope, context and purposes of processing the Personal Data). This includes protection against unauthorized or unlawful Processing of all Personal Data, or accidental loss or destruction of, or damage to, the Personal Data. Furthermore, each Party shall ensure that all personnel Processing Personal Data are subject to a binding written contractual obligation with the relevant Party to keep the data confidential. Moreover, each Party will ensure that access to Personal Data will be restricted only to those personnel who require it for the purposes of fulfilling the obligations under the provisions of this Agreement or the respective Party's agreement with the relevant Customer, and that personnel Processing Personal Data are suitably skilled and experienced and have received adequate training on compliance with Data Protection Legislation applicable to the Processing.

29.5 Each Party has implemented an information security program designed to: (i) ensure the security and confidentiality of the Personal Data; (ii) protect against any anticipated threats or hazards to the security or integrity of such data; and (iii) protect against unauthorized access to, or use of, such data that could result in substantial harm or inconvenience to any Data Subject.

30. Transparency and exercising Data Subject's rights

30.1 The Parties are each responsible for clearly informing Data Subjects of how Personal Data are Processed, in line with applicable Data Protection Legislation (via a privacy notice and/or other means, as appropriate to ensure that the Data Subjects understand how their Personal Data will be Processed). Specifically, each Party shall ensure any Data Subject is informed that Personal Data is shared with the other Party before such sharing takes place, as required under Data Protection Legislation.

30.2 Each Party shall carry out any Data Subject's requests. Neither Party is entitled or authorized to act on the other Party's behalf in relation to Data Subjects' rights, although each Party should support the other Party in fulfilling a Data Subject's request to exercise its rights.

31. Klarna's Personal Data Processing

31.1 Klarna will Process the Personal Data it holds to carry out its relationships with the Merchant and Customers in line with its applicable privacy notices. This includes Processing Personal Data for statistical analysis and business reporting purposes, marketing and promotion, improvement of Klarna's products and services, to protect Klarna's property, interests and rights, during fraud investigations and to comply with applicable laws. Klarna may disclose Personal Data to its affiliates or third party service providers in line with Data Protection Legislation, in each case which may also use Personal Data for the purposes set out in applicable notices.

31.2 Personal Data of the Merchant's owners, employees and representatives is shared by the Merchant to Klarna in order for Klarna to administer the business relationship between the Parties, and to send newsletters, to conduct product surveys, to advertise similar products or services of Klarna and for event invitations, in accordance with Klarna's privacy notice for Merchant representatives, which is available at <https://portal.klarna.com/privacy-policy>. Such Data Subjects are entitled to their rights in respect of their Personal Data as described in Data Protection Legislation, which may be exercised by contacting dataprotectionofficer@klarna.com.

31.3 Certain services provided by Klarna are subject to separate Klarna privacy notices, prompted before the first use of such service.

32. Cross-border transfers of Personal Data

32.1 Neither Party shall transfer Personal Data outside of the country in which the Data Subject is present (country of origin) when the respective Party collects such data from the Data Subject, unless the relevant Party has ensured that (i) the transfer is to a country providing equal protection of the Personal Data as the country of origin, and, in case the country of origin is a country within the European Union, such country has been approved by the European Commission as providing adequate protection pursuant to Article 45 of the GDPR, or (ii) there are appropriate safeguards in place in order to ensure the Personal Data is protected in the receiving country, and, in case the country of origin is a country within the European Union, such

safeguards are pursuant to Article 46 of the GDPR, or (iii) special circumstances are in place which makes such transfer legal under Data Protection Legislation, and, in case the country of origin is a country within the European Union, such special circumstances are pursuant to the delegations listed in Article 49 of the GDPR.

32.2 In the event that the Merchant is located outside of the EEA but not in the United Kingdom, Japan, New Zealand, Republic of Korea, Canada, or Switzerland, the Parties agree that the terms of a transfer which cannot rely on art. 45 GDPR shall be governed by the Standard Contractual Clauses (including, for the avoidance of doubt, Module I regarding Controller to Controller transfers) as approved by the European Commission Implementing Decision (EU) 2021/914 of 4 June 2021 (SCCs). For the purposes of the SCCs, (i) Klarna will be the data exporter and the Merchant will be the data importer; (ii) [Clause 13:] the supervisory authority with responsibility for ensuring compliance by the data exporter with Regulation (EU) 2016/679 is the Swedish Authority for Privacy Protection (imy.se); and (iii) [Clause 17 & 18:] the Parties agree that the SCCs shall be governed by Swedish law and that any dispute arising from the SCCs shall be resolved by the courts of Sweden.

32.3 Activities of the Parties relevant to the data transferred under the SCCs: For Klarna to perform, and the Merchant to use, the Services. Role of the Merchant: controller. Role of Klarna: controller.

32.4 Contact details of the Merchant's representative (if applicable): The contact details entered when signing up with Klarna, e.g. in Klarna's merchant portal.

32.5 Klarna's contact person responsible for the data protection: dataprotectionofficer@klarna.com.

32.6 The categories of data subjects whose Personal Data is transferred under this Agreement are the following: (i) business representatives of the data exporter, (ii) business representatives of the data importer, and (iii) Customers (as defined in the Agreement which the SCCs pertain to).

32.7 The categories of Personal Data which are necessary to fulfill the purposes of the Agreement, as determined by the data exporter from time to time. This will mainly include contact- and identification information, information on goods/services, financial information and device information.

32.8 Klarna will, on a continuous basis during the term of the Agreement, share Personal Data relating to the Customers with the Merchant. Klarna will not be sharing any sensitive data, as defined in the GDPR, with the Merchant.

32.9 For the purpose of allowing the data exporter to perform, and for the data importer to use, the Services (as defined in the Agreement), with the ultimate aim of allowing each of the data exporter and the data importer to provide its respective services to the Customers.

32.10 Klarna's retention of each category of personal data is in accordance with Klarna's privacy notice available at <https://www.klarna.com/international/privacy-policy/>.

32.11 The Merchant's retention of personal data is in accordance with the Merchant's internal retention policies.

32.12 The Merchant will implement technical and organizational measures to ensure an appropriate level of security, taking into account the nature, scope, context and purpose of the processing, and the risks for the rights and freedoms of natural persons, such as:

- (a) Measures of pseudonymisation and encryption of personal data.
- (b) Measures for ensuring ongoing confidentiality, integrity, availability and resilience of processing systems and services, including those related with user identification and authorisation, as well as accountability.
- (c) Measures for ensuring the ability to restore the availability and access to personal data in a timely manner in the event of a physical or technical incident.
- (d) Processes for regularly testing, assessing and evaluating the effectiveness of technical and organizational measures in order to ensure the security of the processing, with the ability to ensure event logging.
- (e) Measures for the protection of data during transmission and storage, including physical security of locations where personal data are processed.
- (f) Measures for ensuring system configuration, including default configuration.
- (g) Measures for internal IT and IT security governance and management.
- (h) Measures for certification/assurance of processes and products.
- (i) Measures for ensuring data minimisation, quality and limited retention, allowing portability and ensuring erasure.

33. *Only applicable for integrations including Klarna's Shipping Assistant:* Klarna's shipping assistant presents the shipping options, set by the Merchant, that are relevant and available to shoppers in the checkout process (Shipping Assistant). The Merchant shall use its best efforts to provide Klarna with the tracking number relating to the goods ordered. The Merchant warrants that if any tracking number is provided by the Merchant, or as the case may be, by the respective transport management system company on behalf of the Merchant, it is shared with Klarna on a controller-to-controller basis. The Merchant acknowledges and agrees that Klarna may, as a controller, use such data for the purposes decided by Klarna from time to time.

Additional terms applicable to Klarna Checkout B2B

The Merchant can opt to enable businesses/legal entities to use Klarna Checkout to finalize purchases. The following additional terms apply in relation to B2B transactions:

34. In order for the Service Charges specified below to apply, the following two conditions shall be met by the Merchant;

- (a) calculated over a period of 90 days, the B2B Transaction Volume does not exceed fifteen per cent (15%) of the Total Transaction Volume. For the purpose hereof, B2B Transaction Volume shall mean the total monetary value of the B2B sales via Klarna Checkout in the Store whereas Total Transaction Volume shall mean the total monetary value of all and any sales under the Agreement via Klarna Checkout in the Store; and
- (b) the average order value of the B2B sales may at no time exceed SEK ten thousand (10,000) (or its equivalent value in applicable currencies).

If the Merchant violates sub-sections (i) or (ii) above, Klarna is, in addition to other remedies under the Agreement, entitled to renegotiate the applicable Service Charges with the Merchant.

35. To the extent the Merchant offers cross-border B2B transactions and, in particular, intra-community supplies, it is the responsibility of the Merchant to collect Customers' VAT registration number and apply correct pricing in relation to B2B Customers (e.g. that no VAT is added where the Customer is identified as a taxable person in another EU member state).

36. Unless the Merchant has integrated the VAT Service (as defined below), the Merchant acknowledges and agrees that Klarna will not send any VAT invoices to the Customer, but that this will be the responsibility of the Merchant, as further detailed in Section 3.5 of the GTCs.

37. If Klarna has agreed to send VAT information to Customers for purchases made using Klarna Checkout B2B (VAT Service) the following applies: Notwithstanding Section 3.5 of the GTCs, Klarna will for each purchase made by a Customer using the Shopping Solution Klarna Checkout B2B provide the Customer with VAT details of its purchase and, in case of a return, a credit note including VAT details. The Merchant acknowledges that the VAT Service does not support transactions falling under a reverse charge mechanism (i.e. primarily B2B cross border sales), and that Klarna takes no responsibility for any VAT details sent to Customers in relation to such transactions. The Merchant further acknowledges that Klarna is reliant on the information provided by the Merchant to be able to send VAT details to the Customer and that no VAT details will be provided to the Customer in case the aforementioned condition is not fulfilled by the Merchant. VAT details (and, in case of a return, credit notes including VAT details) will only be generated and sent to the Customer once. It is the sole responsibility of the Merchant to keep records of any VAT information for compliance purposes. The Merchant acknowledges and agrees that that it is the Merchant's sole responsibility to ensure that all VAT laws and regulations are complied with, that Klarna takes no responsibility for the accuracy and completeness of the VAT details, and that the VAT details are based solely upon the information provided to Klarna by the Merchant. Should Klarna confirm that any VAT information provided by the Merchant is incorrect, Klarna has the right to reject the purchase to which such information relates. The Merchant may at any time request the VAT Service not to be provided to its Customers.

38. The Merchant shall indemnify and hold Klarna harmless against any damages, claims, losses or costs arising out of any non-fulfilment of the requirements set out in subsections (b) to (d), any incorrect handling of VAT or any breach of any applicable VAT laws and regulations.

Additional Terms Related to Cooperation with Third Party Payment Option Providers

The Shopping Solution Klarna Checkout and the Pay now (card) are offered via Third Party Payment Option Providers. A shopper may choose a payment option within the Shopping Solutions that is provided via a Third Party Payment Option Provider (i) to pay directly in the checkout, or (ii) to settle the debt to Klarna at a later stage (together referred to as the **Third Party Payment Options**). A list of the acquirers Klarna co-operates with from time to time can be found [here](#) (**Acquirer List**). If the following terms conflict with any other term in the Agreement, including any appendices, addendums or additions, it is the Parties intent that these terms shall control.

39. With regard to Third Party Payment Options, the following applies:

- (a) Unless specifically agreed otherwise, the Merchant will not be charged any additional fees for the provision of Third Party Payment Options.
- (b) The Merchant is aware of and accepts that Klarna may at any time change or remove the Third Party Payment Options available to the Merchant, e.g. due to a request of a Third Party Payment Option Provider. Klarna may also change the acquirer used to process the Merchant's transactions from time to time and understands that Klarna may amend the Acquirer List from time to time. The Merchant accepts that a Third Party Payment Option Provider may terminate the Agreement in relation to a specific Third Party Payment Option provided by a specific acquirer in relation to the Merchant at any time.
- (c) Third Party Payment Option Providers may issue rules and/or instructions which the Merchant has to comply with (**the Third Party Payment Option Provider Rules or Instructions**). In case of conflict between this Agreement and such Third Party Payment Option Provider Rules or Instructions, the Third Party Payment Option Provider Rules or Instructions will prevail. Links to such Third Party Payment Option Provider Rules or Instructions can be found in the Acquirer List. Klarna will inform the Merchant of any other Third Party Payment Option Provider Rules or Instructions issued from time to time. Klarna is responsible for the fulfilment of the Third Party Payment Option Provider Rules or Instructions insofar as the respective aspect of the Third Party Payment Option is handled solely by Klarna.
- (d) If the Merchant stores Customer card account numbers, expiration dates, and other personal Customer data in a database, the Merchant must adhere to any Third Party Payment Option Providers' rules and guidelines on securing such data, any applicable law as well as the standards of the Payment Card Industry Security Standards Council (or its replacement body or successor) in force from time to time and applicable to Merchant's business (currently

set out at: <https://www.pcisecuritystandards.org/>). The Merchant acknowledges and agrees that it will bear all costs for ensuring compliance hereunder and is solely responsible for any fines, costs or charges arising from non-compliance or where data held by it is used for fraudulent or unauthorized purposes. Klarna may ask for evidence that Merchant uses the Services in a compliant way and/or is PCI DSS compliant (e.g. in the form of the applicable self-assessment form prescribed by the PCI council).

- (e) The Merchant has to ensure that the following information is displayed in the E-store: (i) from the landing page and onwards: the logotype of the Third Party Payment Option Provider; (ii) during the order process on the pages leading up to and including the payment page: the registered name and any trading name of the Merchant used in connection with the transaction, the address of its permanent establishment and a complete description of the goods or services offered; (iii) before the order is completed: a reference to the privacy policy and the terms and conditions of the Merchant (including information on length of any trial period, delivery policy, return, cancellation policies and split shipment of goods) and, if any, information on legal and export restrictions; (iv) an active customer service E-mail address and a customer service telephone number. Klarna may instruct the Merchant on how such information is to be displayed.
- (f) In addition to the circumstances listed in the section "Duty to inform" of the GTC, the Merchant shall immediately inform Klarna about changes to the Merchant's (i) address; (ii) country of permanent residence; (iii) registered office; (iv) trading name under which the business is conducted; (v) E-store website address.
- (g) The Merchant's use of Third Party Payment Option Providers' trademarks and logos, whether registered or not, does not entail any transfer of ownership, rights or copyrights. After termination of the Agreement, the removal of a certain Third Party Payment Option, or at the request of a Third Party Payment Option Provider, the Merchant undertakes to immediately remove all logotypes and similar of any such Third Party Payment Option Provider and Third Party Payment Option. This does not apply if the Third Party Payment Option Provider entitles the Merchant to continue the use of its logotypes.
- (h) In relation to marketing activities which include a reference to the Third Party Payment Option or a Third Party Payment Option Provider, the Merchant shall coordinate such activities with Klarna in advance. Such marketing activities require Klarna's prior approval. The Merchant will not indicate that a Third Party Payment Option Provider endorses or states eligibility for any goods or services sold by the Merchant. The Merchant further undertakes that it will not do anything which could be disreputable or otherwise capable of damaging the reputation or goodwill of any Third Party Payment Option Provider.
- (i) When using and marketing the Third Party Payment Options, the Merchant will observe and abide by any applicable laws and regulations and other provisions and guidelines issued by any responsible public authority. The Merchant is not entitled to use the

Shopping Solutions in relation to transactions which are deemed illegal or fraudulent under any applicable law, or which violate Klarna's from time to time applicable ethical instructions (https://cdn.klarna.com/1.0/shared/content/policy/ethic/en_gb/merchant.pdf, the Ethical Instructions) or any Third Party Payment Option Provider Rules or Instructions.

- (j) The Merchant may not use the Shopping Solutions to submit transactions (i) where the Merchant is not acting as seller of the respective goods or services, or (ii) transactions which the Merchant should reasonably know were not authorized by the Customer. Any refund or cancellation of a transaction is to be done via Klarna and via the Payment Option used by the Customer in connection with the original transaction.
- (k) Klarna may share information regarding the Merchant with Third Party Payment Option Providers if this is necessary for the provision of the Shopping Solutions e.g. for due diligence or operational processes of the Third Party Payment Option Providers. Klarna may create specific accounts for the Merchant at Third Party Payment Option Providers. Any actions Klarna undertakes on behalf of the Merchant based on this provided empowerment may not create additional obligations or costs for the Merchant.
- (l) The Merchant hereby consents to and authorizes the Third Party Payment Option Provider to store, use, share and release data, provided or generated pursuant to this Agreement to any person (i) for the purpose of processing the transaction; (ii) as required by applicable rules of Third Party Payment Option Providers or by applicable law; (iii) to assess financial and insurance risks arising in connection with this Agreement; (iv) to recover debt (to the extent such is not recoverable from Klarna) or in relation to the Merchant's insolvency; (v) in aggregated (anonymous and generalised) format to facilitate analysis and comparisons; (vi) to investigate, prevent and/or detect fraud or crime; or (vii) to mitigate information security risk, sector risk or credit risk.
- (m) Klarna, any Third Party Payment Option Provider or their designees may conduct onsite audits for compliance purposes. The Merchant shall provide the information requested and necessary to complete such audit. Furthermore, the Merchant shall allow the Third Party Payment Option Providers such access to their premises and facilities, systems, data, information and material as may be necessary and shall permit them to take and retain copies of all such records to ascertain that the Merchant is performing its obligations hereunder and shall provide all reasonable cooperation in relation to such audit. The Third Party Payment Option Provider may opt to utilize a third party to conduct such audit subject to (i) the Third Party Payment Option Provider issuing its appointment and authorization of such third party in writing and furnishing the Merchant with a copy thereof, and; (ii) such third party entering into a confidentiality agreement.
- (n) The Merchant shall fully indemnify and hold Klarna harmless from any fines, penalties or any other claims imposed by a Third Party Payment Option Provider due to (i) circumstances which form a breach of this Agreement, especially but not limited to the failure to

comply with these terms and the Third Party Payment Option Provider Rules or Instructions; or (ii) a significantly elevated chargeback level compared to average market levels.

- (o) The Merchant shall fully indemnify and hold each relevant acquirer harmless from and against all losses, liabilities, damages and expenses such acquirer suffers or incurs arising as a result of, or in connection with: (i) any breach of any obligation or any misrepresentation by the Merchant; (ii) any breach by the Merchant of any Third Party Payment Option Provider Rules or Instructions; (iii) the Merchant's or its employees' negligence or wilful misconduct; (iv) transactions processed by a Third Party Payment Option Provider or otherwise arising from the Merchant's provision of goods and services to Customers (including without limitation any refunds or chargebacks); (v) any assessments or fines or arising out of any third party claims against a Third Party Payment Option Provider as a result of the Merchant's acts or omissions; (vi) any

security breach, compromise or theft of transaction data held by the Merchant or on the Merchant's behalf; (vii) the Merchant's failure to comply with its PCI DSS obligations; or (ix) any allegation of fraud in connection with the Merchant's business. Notwithstanding the above, Klarna shall indemnify the Merchant from such claims imposed by a Third Party Payment Option Provider under (iv) where Klarna bears the credit and fraud risk for the Claim under the terms of this Agreement.

- (p) The Merchant and Klarna acknowledge and agree that the Third Party Payment Option Providers are entitled to directly enforce the Third Party Payment Option Provider Terms against the Merchant.

Latest update: January 2024

APPENDIX 2

Recurring Payment Transactions

The Merchant may only accept Recurring Payments Transactions if approved by Klarna, in which case the terms set out in this appendix apply. For the purpose hereof, **Recurring Payment Transactions** are orders under use of the Shopping Solutions for which payments have been pre-authorized by the Customer and for which the goods or services are, at least partly, to be delivered or performed in the future by the Merchant without having to obtain approval from the Customer each time.

The Parties agree that Klarna has the right to retransfer Claims relating to memberships, subscriptions or similar services that have auto-renewal conditions (i.e. memberships, etc. are renewed automatically without the Customers actively opting to renew them) and where such auto-renewal has been contested by the Customer within twenty-one (21) days after any auto-renewal. In relation to each Recurring Payment Transaction, the Merchant shall transfer, at least, the data points stated in the Integration Guidelines for recurring payment transactions.

Only applicable where the Customer is located in the US or Canada: (i) the Merchant must notify the Customer of an upcoming charge between 15-20 days prior to initiating a Recurring Payment Transaction; and, (ii) the Merchant shall add the following language to their Store where Klarna's Recurring Payment Transaction is offered: "Each new subscription order will be split into four payments due every two (2) weeks. Each Klarna payment plan is subject to loan approval." The Merchant shall not send such messaging to customers not utilizing Klarna.

Applicable where the Customer uses a credit or debit card to fund the Recurring Payment Transaction(s):

1. Entering into a Recurring Transaction Agreement.

The Merchant has to obtain the cardholder's express consent for the Recurring Payment Transaction in the checkout and provide the following information to the cardholder in connection with obtaining the cardholder's consent:

- The amount of each Recurring Payment Transaction;
- Whether the amount is fixed or variable;
- The date of each Recurring Payment Transaction;
- Whether the date is fixed or variable; and
- Specify the method of communication for all cardholder correspondence.

The Merchant must notify the cardholder that the Recurring Payment Transaction consent is subject to cancellation by the cardholder at any time. Further, the Merchant shall retain the Recurring Payment Transaction consent for the duration of the Recurring Payment Transactions, and for a period of eighteen (18) months after the corresponding final payment is made. Klarna will inform the Third Party Payment Option Provider that a transaction relates to a Recurring Payment Transaction. If a non-approval response to an account verification message is returned to Klarna, no subsequent Recurring Payment Transactions may be submitted under that Recurring Transaction Agreement. In this case, the Merchant should address the matter with the cardholder.

2. Confirmation of the Recurring Transaction Agreement.

The Merchant has to confirm to the cardholder that a Recurring Transaction agreement (which must be separate from the sales agreement) (hereinafter referred to as **Recurring Transaction Agreement**) has been entered within two (2) business days using the agreed communication method.

3. Capture of Recurring Payments Transactions.

Every single payment due under a Recurring Payment Transaction shall be captured at the time when the service is made available to the Customer or, as the case may be, on the day when delivery of the goods/services is performed. Klarna has the right to assess every single capture of a Recurring Payment Transaction and reject the applicable Capture at Klarna's own discretion. Each single payment under a Recurring Payment Transaction shall be deemed to constitute a Claim under the Agreement.

4. Notification of Changes to the Recurring Transaction Agreement.

In addition to any other notification requirements hereunder, the Merchant has to notify the cardholder, using the agreed method of communication, at least seven working days prior to initiating a Recurring Payment Transaction in any of the following situations:

- More than six months have elapsed since the last payment;
- A trial period, introductory offer or promotional activity has expired; and
- There are changes to the Recurring Transaction Agreement including but not limited to (i) any change to the amount of the Recurring Payment Transaction and/or (ii) any change to the date of the Recurring Payment Transaction. Example: a cardholder who has opted for flexible amounts/dates changes to fixed amounts/dates.

APPENDIX 3

Specific terms in relation to Switzerland

In relation to sales to Customers in Switzerland, the following additional terms apply.

Deposits at the post office counter

In Switzerland, it is common for Customers to pay with PostFinance. It is not possible to reject such payments by the Customer and PostFinance will charge fees for such payments. These fees will be passed on to the Merchant. Currently, the fees are as follows:

Customer uses "QR bill"*

Payments up to CHF 50.-:	CHF 1.20 Costs (excl. VAT)
Payments up to CHF 100.-:	CHF 1.60 Costs (excl. VAT)
Payments up to CHF 1000.-:	CHF 2.35 Costs (excl. VAT)
Payments up to CHF 10000.-:	CHF 3.95 Costs (excl. VAT)
For each additional Payment CHF 10000.- or part thereof	CHF 1.25 Cost (excl. VAT)

*Note: If the payment form does not exactly follow the specifications of PostFinance, PostFinance will reject such payment slips. In this case, an additional rejection fee of 1.20 CHF and/or correction fee of 0.80 CHF (both excl. VAT) will be charged per payment.
