

Avalon Pay - Open Banking (Yapily) Merchant Addendum

Effective date: 16.02.2026

This Merchant Addendum (the "Addendum") forms part of the Merchant Agreement between Avalon Pay (the "Provider") and the merchant (the "Merchant"). This Addendum applies only if the Merchant enables Open Banking / Pay by Bank payments via Yapily through the Provider.

1. Service model and third parties

Open Banking services (including payment initiation and, where applicable, account access) are provided to end users by Yapily Connect and banks/ASPSPs. Provider does not provide regulated AIS/PIS services to end users. Availability depends on third party systems and Provider does not warrant uninterrupted service.

2. Merchant eligibility and restricted activities

Merchant represents and warrants that it is a low risk business and does not fall within prohibited or higher risk categories applicable to Yapily, the Provider or their banking partners. Merchant must promptly notify Provider of any change in business model, products, jurisdictions, customer base or risk profile. Provider may refuse onboarding or suspend Open Banking at any time if Merchant falls outside risk appetite.

3. KYB/KYC and information requests (48 hours)

Merchant must provide KYB/KYC documentation and any other information reasonably requested by Provider or required to satisfy Yapily, banks, regulators or risk controls within 48 hours of request. Failure to provide information is a material breach and allows Provider to suspend processing and settlement.

4. Suspension, holds and settlement controls

Provider may suspend Open Banking payments, place holds, delay settlement, or impose additional controls during any compliance review, investigation, complaint, suspected fraud, sanctions or AML/CTF concerns, or where required by law or supplier requirements. Provider will notify Merchant of material suspensions within 48 hours where practicable.

5. Fees, subscription and non-refundability

Merchant agrees to pay a fixed subscription/platform fee for Open Banking enablement and availability (the "Subscription Fee") plus any usage-based fees agreed in the Merchant Agreement. The Subscription Fee is billed in advance [monthly/quarterly] and is payable regardless of actual usage, and regardless of any suspension or unavailability caused by Merchant compliance issues or third parties. Amounts paid are non-refundable for unused periods. Provider may also require a deposit or rolling reserve (minimum balance) to cover refunds, complaints and operational risk.

6. Transaction limits and prohibited patterns

Merchant must not attempt to process occasional PIS payments of EUR 15,000 (or GBP equivalent) as a single payment or a series of payments without prior written approval where required by Yapily. Provider may apply stricter caps (for example a maximum ticket size) and may block transactions that exceed configured thresholds or appear to be structured to avoid limits.

7. End user disclosures and support

Merchant must ensure that end users are clearly informed that Open Banking payments are processed via Yapily and the user's bank, and that links to applicable terms and privacy notices are made available in the checkout journey. Merchant remains solely responsible for customer support for goods and services, including delivery, returns, refunds and complaints. Provider does not provide direct customer support to Merchant's end users except via Merchant escalation.

8. Indemnity

Merchant will indemnify and hold harmless Provider from losses, claims, fines, penalties, damages and costs (including reasonable legal fees) arising out of or in connection with Merchant's breach of the Merchant Agreement or this Addendum, misrepresentation, prohibited or illegal activity, AML/CTF or sanctions issues, or customer claims relating to Merchant goods or services.

9. Termination

Provider may terminate this Addendum and/or disable Open Banking immediately for material breach, failure to provide KYB/KYC information, prohibited activity, or risk/compliance reasons. Termination does not relieve Merchant of payment obligations accrued or committed for the billing period, and does not create any refund right for prepaid Subscription Fees.