

Template of Standard Form Contract for the Business of Electronic Payment Institutions

[Name of company] (referred to as the "Company" hereunder) provides services for businesses under Paragraph 1, Article 3 of the Act Governing Electronic Payment Institutions (referred to as the "Service" hereunder). To safeguard the interests of the user, the Company has provided the user with all clauses of a standard form contract for the business of electronic payment institutions (referred to as "this Contract" hereunder) for the user to take home or has posted the Contract on the Service website for review by the user for at least ○○ days (not less than 3 days).

When the user applies for the Service, he/she should first review, understand and agree to the contents of this Contract before signing this Contract or clicking the "I agree" box and provide relevant information required for the identity verification class applied for to complete the registration formality. This Contract is concluded after the Company has processed and accepted the user's application for registration and notified the user by e-mail or in a mutually agreed manner.

Article 1 (Company Information)

1. Permit No. issued by the competent authority:
2. Names of the Company and representative:
3. Complaint (customer service) hotline, service hours and email address:
4. Website:
5. Business address:

Article 2 (Definitions)

The terms as used in this Contract are as follows (may be specified based on the actual scope of business of the electronic payment institution):

1. "User" shall mean a person who registers and opens an electronic payment account (referred to as "e-payment account" hereunder) with the Company and uses the services provided by the Company to make funds transfer or deposit stored value funds
2. "Recipient user" shall mean a user who uses the service of collecting and making payments for real transactions as an agent offered by the Company to collect payments.
3. "E-payment account" shall mean an online account opened by users with the Company to keep track of their funds transfer and funds deposit records
4. "Service of collecting and making payments for real transactions as an agent" shall mean the service of the Company independent of the user of real

transactions accepting under the mandate of both parties to a real transaction the amount of the transaction transferred from the payor, and after certain conditions are fulfilled, or a certain period of time has arrived or receiving an instruction from the payor, transferring the amount of the real transaction to the recipient.

5. "Service of accepting deposits of funds as stored value funds" shall mean the service of the Company receiving funds from the user in advance and storing the funds in the user's e-payment account for future transfer of funds between said user and other users other than the Company.
6. "Service of funds transfer between e-payment accounts" shall mean the service of the Company transferring funds in the e-payment account of the user according to the user's payment instruction for purposes other than any real transaction into the e-payment accounts of other users at the Company.
7. "Deposit account" shall mean a same-currency demand deposit account opened by the user at a financial institution and designated in advance when the user registers an e-payment account or withdraws funds from his/her e-payment account.
8. "Dedicated deposit account" shall mean a demand deposit account opened by the Company at a bank as required by law and used exclusively for depositing funds received from users. (Applicable to specialized electronic payment institutions only).
9. "Electronic document" shall mean a record in electronic form, which is made of any text, sound, picture, image, symbol, or other information generated by electronic or other means not directly recognizable by human perceptions, and which is capable of conveying its intended information.

Article 3 (Consents and Acknowledgments)

The Company and the user agree to and acknowledge the following:

1. The Service includes: collecting and making payments for real transactions as an agent, accepting deposits of funds as stored value funds, transferring funds between e-payment accounts or other businesses approved by the competent authority. The Company provides all or part of the Service as applied for by the user or in accordance with the scope of business permitted by law. (May be specified based on the actual scope of business of the electronic payment institution).
2. The Company shall be responsible for disputes arising from the provision of services under this contract, whereas disputes arising out of other transactions between users that are unrelated to the Service will be dealt with according to the legal relationship between the users.

3. The Company and the user may use electronic documents as a declaration of intent. The validity of such electronic document shall be the same as a written document, provided the content of the electronic document can be presented in its integrity, is sufficient for identification purpose, and can remain accessible for future reference.
4. When the user makes withdrawal from his/her e-payment account, the Company will not pay in cash, but shall transfer the withdrawn funds into a same-currency bank deposit account of the user.
5. When the user deposits foreign currency funds into his/her e-payment account, the Company will not accept such deposit unless the funds are transferred from the user's foreign currency deposit account in the same currency at a bank. (May be specified based on the actual scope of business of the electronic payment institution).
6. The ownership and utilization of interest or other income earned from funds of the user that are deposited in a dedicated deposit account shall be determined in accordance with applicable rules and regulations.
7. Where the Service used by the user requires foreign exchange declaration, the user agrees to authorize the Company to make declaration on his/her behalf and provide information necessary for the declaration. (May be specified based on the actual scope of business of the electronic payment institution).
8. The user shall not use the Service in an illegal manner. Nor shall the user provide his/her e-payment account for illegal use, and in case of violation, the user shall assume legal consequences thereof.
9. When the user has opened more than one e-payment account at the Company, the amounts of payment received and made by respective account shall not exceed the limit set out for that type of account, whereas the total limits on those accounts combined shall not exceed the highest limit set for e-payment accounts registered and opened by the user.

Article 4 (Retention and Reconfirmation of Identity Information)

The Company will retain the information obtained in the user identification process and relevant records on carrying out the user identification procedures for at least 5 years after the termination or closing of the user's e-payment account or longer if it is so required by other regulations. The preceding provision applies when the user changes his/her identity information.

The user should confirm that the information he/she provides at the time of registration and retained by the Company is accurate, truthful, and consistent with then circumstances, and will promptly notify the Company if such information is

changed later on.

In case of any of the following situations, the Company may ask the user to undergo identity verification process again:

1. The user applies to change basic identity information.
2. The transactions of the user's e-payment account show irregularity
3. The identification document, registration paper or license or relevant documents provided by the user at the time of registration is suspected of being forged or altered.
4. When the user makes a transaction, it has been more than one year since the user's last transaction.
5. The same mobile phone number, email address or social media account has been used by different users for identity verification.
6. A transaction is suspected of money laundering or terrorism financing or the money remitted in is from a high risk money laundering or terrorism financing country or region.
7. The Company has doubt about the veracity or appropriateness of the user identity information obtained.
8. Other situations where the Company believes that it is necessary to re-verify the user identity information based on obvious evidence.

The user is obligated to assist and cooperate with respect to the Company's request mentioned in the preceding paragraph and the user identity verification process carried out by the Company according to law. Where the user fails to cooperate in re-identification or fails to have his/her identity re-verified in accordance with the preceding paragraph, the Company should suspend user's transactions.

Article 5 (Service of Collecting and Making Payments for Real Transactions as an Agent)

The Company, based on the class of identity verification, sets the following limits to the service of collecting and making payments for real transactions as an agent for different types of e-payment accounts:

1. Type 1 e-payment account: This type of account does not have the function of receiving payments for real transactions; the cumulative payment made for real transactions shall be limited to an equivalent of NT\$30,000 per month.
2. Type 2 e-payment account: The cumulative payment received and payment made for real transactions and via funds transfer between e-payment accounts combined shall be respectively limited to an equivalent of NT\$300,000 per month.
3. Type 3 e-payment account: The cumulative payment received and made for real

transactions per month shall be agreed between the Company and the user.

Article 6 (Service of Deposits of Funds as Stored Value Funds)

The user may deposit funds into his/her e-payment account as stored value funds in a manner agreed by the Company. The Company does not accept deposit of funds by the user via credit card.

The balance of the NTD and foreign currency stored value funds of the user in his/her e-payment account shall not exceed an equivalent of NT\$50,000 (the portion of stored value funds in foreign currency will be calculated according to Paragraph 3, Article 13 herein), and the account will stop accepting deposits of funds when the balance exceeds the aforesaid amount. However for an individual user who has a type 1 e-payment account, his/her balance of stored value funds shall be limited to an equivalent of NT\$10,000 after his/her identity has been verified through inquiry of national ID card issue/reissue/replacement data.

Article 7 (Service of Funds Transfer between E-payment Accounts)

The user may not transfer more than an equivalent of NT\$50,000 per transaction between NTD or foreign currency e-payment accounts (the portion of funds transferred in foreign currency will be calculated according to Paragraph 3, Article 13 herein). The Company does not accept funds transfer between e-payment accounts via credit card.

The Company, based on the class of identity verification, sets the following limits to the service of funds transfer between e-payment accounts for different types of e-payment accounts:

1. Type 1 e-payment account: This type of account does not have the function of funds transfer between e-payment accounts for receiving and making payments.
2. Type 2 e-payment account: The cumulative payment received and payment made for real transactions and via funds transfer between e-payment accounts combined shall be respectively limited to an equivalent of NT\$300,000 per month.
3. Type 3 e-payment account: For an individual user, the cumulative payment received and paid via funds transfer between e-payment accounts shall be respectively limited to an equivalent of NT\$1,000,000 per month; for a non-individual user, the cumulative payment received and paid via funds transfer between e-payment accounts shall be respectively limited to an equivalent of NT\$10,000,000 per month.

The user understands and agrees that the service of funds transfer between e-payment accounts provided by the Company takes place immediately that once the

Company receives the user's payment instruction, the Company will immediately record the transfer of funds from payor's e-payment account into recipient's e-payment account, and if the payor or the recipient has any question over the transferred funds, the payor and the recipient will handle the matter by themselves, whereas the Company will not list the funds as disputed funds.

Article 8 (Checking Mechanism)

Upon receiving the user's payment instruction made in a manner designated by the Company, the Company should reconfirm with the payor before completing the payment transaction.

The Company shall notify the user in a mutually agreed manner each time after processing the user's payment instruction and the user should check whether the processing result has errors. If there is any discrepancy, the user shall, within 〇〇 days (not less than 45 days) from the date of notice, notify the Company in a mutually agreed manner to look into the matter.

The Company should conduct investigation immediately after receiving user's notice in the preceding paragraph, and inform the user of the investigation status or result in a mutually agreed manner within 〇〇 days (not more than 30 days) from the date the notice is received.

The Company should provide free services, allowing the user to inquire his/her transaction records and fund deposit records within the past year at any time, and at user's request, providing transaction records or fund deposit records that are more than one year old but less than five years after the transaction or deposit in a mutually agreed manner.

Article 9 (Handling of Errors)

Where an error occurs to an electronic document for reasons not attributable to the fault of the user, the Company shall assist the user in making correction and provide other necessary assistance.

Where an error occurs to an electronic document for reasons attributable to the fault of the Company, the Company shall make correction immediately upon learning the error and notify the user in a mutually agreed manner.

Where an error occurs to an electronic document for reasons attributable to the fault of the user, and the error pertains to the user making a mistake in the account number or amount transferred into an e-payment account applied or operated by the user such that money is transferred into a wrong account or a wrong amount is transferred, the Company shall take the following actions immediately upon receiving a notice from the user:

1. Provide details and relevant information on the transaction in accordance with applicable regulations;
2. Notify all users involved to render assistance; and
3. Reply to the user the handling of situation

Article 10 (Account Security and Handling of Unauthorized Use of Account)

The user has the obligation to safekeep his/her account number, password, certificate or other viable instruments for identity verification provided by the Service and shall not assign or lend it for use by others by any means.

Where the Company or the user discovers that a third party uses without authorization or steals the user's e-payment account number, password, or certificate or engages in any other unauthorized use, they shall promptly notify the other party in a mutually agreed manner to suspend or stop the use of the Service and take preventive actions.

The Company shall bear the loss resulting from use of the Service by an unauthorized third party before it receives a notice from the user as mentioned in the preceding paragraph, except in any of the following circumstances:

1. The Company could show that the loss results from an intentional or negligent act of the user; or
2. The user fails to notify the Company to look into any discrepancy in 00 days (not less than 45 days) after receiving a notice from the Company to check the transaction data or the billing statement sent in a mutually agreed manner; however if the user could not receive the notice due to a special circumstance (e.g. the user has been away on a long trip or hospitalized) and the user could provide supporting documentation, in 00 days (not less than 45 days) since the end of the special situation. The preceding provisions do not apply if the user's failure to receive the notice results from an intentional or negligent act of the Company.

Fees incurred in investigating the facts of unauthorized use or theft as mentioned in Paragraph 2 hereof shall be borne by the Company.

The Company shall post at a conspicuous place on the Service website the ways by which the user can report that his/her account or password has been used without authorization, stolen, or when any other illegal use occurs, including by phone or by email. Unless in case of a force majeure event or other material events, the Company shall provide the service of accepting such notices 24 hours a day all year round.

The user agrees that when he/she uses the Service, the Company may document in detail the user logon information (including IP address and logon time), activities taken place and other information required for retention according to law.

Article 11 (Security and Management of Information System and Related Responsibility)

To ensure the security of user's transmission or transaction data, the Company shall adopt standards and security control criteria for the information system of the Service in compliance with the Regulations Governing the Standards and Security Management Criteria of Information System for Electronic Payment Institutions.

When the user inputs wrong e-payment account number, password, certificate or other identification information five times consecutively, the Company's system will automatically stop user's access to the Service. If the user intends to restore access, he/she shall go through related formalities as agreed.

Both the Company and the user have the obligation to ensure the security of the information system they use to prevent illegal entry, acquisition, theft or destruction of business records or the user's personal data.

With regard to dispute arising out of the loophole in the safeguard measures or the information system of the Company, the Company bears the burden of proof to show that such fact does not exist. If the cause of the dispute is not attributable to the fault of the user, the Company shall bear the resulting loss of the transaction involved.

Article 12 (Fees)

When the user uses the Service, the Company will charge the user fees according to the agreed fee schedule, and the user authorizes the Company to deduct such fees directly from the user's e-payment account.

The fee items, calculation methods and amounts shall be based on those posted by the Company at a conspicuous place on the Service website. If the fee schedule is subsequently adjusted, the Company shall announce the news at a conspicuous place on the Service website and inform the user of fee adjustment by email or in a mutually agreed manner ○○ days (not less than 60 days) prior to the adjustment effective date for the adjustment to take effect, unless the adjustment is favorable to the user.

Article 13 (Calculation of Currency Exchange Rate)

For onshore businesses conducted by the Company, funds received from or paid to onshore users shall be settled and cleared in NTD.

For cross-border businesses conducted by the Company, funds received from or paid to onshore users may be settled and cleared in NTD or foreign currency, whereas funds received from or paid to offshore users shall be settled in foreign currency.

The Company shall post on its website its exchange rates or the exchange rates offered by the bank which it uses as reference and the names of banks it works with.

Article 14 (User Protection)

The stored funds received by the Company shall have reserves set aside in accordance with the Banking Act or other relevant regulations and are insured subjects under the Deposit Insurance Act. (Applicable to banks and Chunghwa Post)

For the stored value funds less the reserve required under Article 19 of the Act Governing Electronic Payment Institutions and for the amount of funds collected/paid as an agent, the Company shall take the following actions: (Not applicable to banks and Chunghwa Post; to be specified based on actual situation).

- ☐ Has obtained full guarantee from a bank; or
- ☐ Has declared trust in full. When the Company declares trust for the aforementioned funds, both the trustor and the beneficiary of the trust shall be the Company, not the user. Thus the trust enterprises manages and disposes the trust property for the Company, not the user. The user's claims arising out of the Service over his/her funds received by the Company shall have precedence over the claims of other creditors of the Company.

Article 15 (User's Obligations)

The user should first confirm the accuracy of the Service web address before using the Service.

The user understands that the Company will notify him/her the use of the Service by the user in a mutually agreed manner. Thus the user should ensure that he/she is able to read the notices of the Company in a timely manner.

The user shall use the Service in accordance with its pre-established purposes, and shall not violate this Contract, regulations of the Republic of China, public order and good customs, or the legal interests of the Company or third parties.

Article 16 (Special Agreements with Recipient User)

The business of the recipient user shall not be involved in financial products or services to which the competent authority has not approved receipts and payments processed by an agent and in other transactions prohibited by law or according to the notices of central government authorities in charge of certain industry.

If the recipient user sells or provides deferred products or services, the user shall obtain performance guarantee or declare trust and disclose such performance guarantee or trust information to the buyer users.

When the recipient user collects transaction payments through the service of collecting and making payments for real transactions as an agent, the recipient user shall properly retain relevant transaction data, documents and forms for at least 5 years, and provide the terms of transaction, method of performance, transaction

results, other transaction related information, as well as business items operated by the recipient user and its qualifications as requested by the Company. With regard to information requested by the Company, the recipient user should provide detailed descriptions and necessary documentation.

The recipient user shall keep confidential information collected in the use of service of collecting and making payments for real transactions as an agent and comply with the Personal Information Protection Act, unless it is otherwise provided by law or the competent authority.

Article 17 (Retention of Records)

The Company shall retain user's e-payment account number, transaction items, dates, amounts, currencies and other necessary transaction records required for retention by the competent authority for at least 5 years or longer if so required according to other regulations as well as records on any uncompleted transactions.

Article 18 (Handling of Customer Complaint and Dispute Settlement Mechanism)

The Company shall post information on the customer complaint and dispute handling mechanisms and procedures for dispute in connection with the Service on the Service website. When the user has dispute over the Service, the user may contact the Company through the complaint (customer service) hotline or email address stated in Article 1 herein.

When a dispute arises between users in connection with a real transaction, the Company should, if so requested by any one of the users, send all users concerned a notice regarding the matter in dispute.

If a dispute arises between users in connection with a real transaction before the Company disburses the funds for payments collected for real transactions as an agent, and one of the users requests the Company to put the disbursement of payment on hold according to the dispute handling procedure mentioned in the first paragraph hereof, the Company may hold the payment until confirming that the parties have reached an agreement on the payment before disbursing the funds with no interest accrued into the e-payment account of the recipient or returning the funds back to the e-payment account of the payor.

If the recipient or the payor has submitted the dispute mentioned in the preceding paragraph to mediation, litigation or arbitration in addition to asking the Company to put the disbursement of payment on hold in accordance with the Company's dispute handling procedure, the Company should keep the funds in dispute until the mediation, litigation or arbitration process has concluded. When the recipient or payor has presented appropriate proof, the Company will disburse the funds with no interest

accrued into the e-payment account of the recipient or return the funds back to the e-payment account of the payor.

Article 19 (Gathering, Processing and Use of User Data)

The Company shall safeguard the personal information of the user in compliance with the Personal Information Protection Act and relevant regulations. Unless it is otherwise required by law or the competent authority, the Company shall keep confidential transaction data and other relevant information associated with its dealings with the user.

The user agrees that the Company may, within the extent of specific purposes permitted by regulations, gather, process and use his/her personal information by itself or through a third party, and agrees that the Company may, within the extent permitted by law, make inquiry of user's information with the Joint Credit Information Center (JCIC) and other relevant institutions, and deliver or register the aforementioned information and transaction records to or with JCIC or other institutions as required by law.

Article 20 (Causes and Handling of Service Suspension)

The Company may suspend all or part of the Service due to any of the following reasons:

1. When the Company plans to undergo scheduled maintenance, relocation, upgrade or upkeep of its service systems, it shall announce the information on the Service website ○ days (not less than 7 days) in advance and notify the user in a mutually agreed manner. The preceding provision does not apply in case of an emergency
2. The occurrence of a natural disaster, power outage, equipment breakdown, the act of a third person or other causes not attributable to the fault of the Company.

When the Company becomes unable to process payment instructions normally due to the breakdown of its information system for the Service or other reasons, the Company should take prompt actions and notify the user in a mutually agreed manner

Article 21 (Service Suspension on Account of the User)

In case of any of the following circumstances, the Company may, in view of the severity of the circumstance, suspend all or part of the Service available to the user by serving the user a notice by email or in a mutually manner:

1. The user refuses to cooperate in verifying or re-verifying his/her identity.
2. There is concern that the user may have provided false identity information.
3. Substantial evidence shows that the user uses his/her e-payment account to

engage in fraud, money laundering or other illegal activities, or the user is suspected of engaging in such illegal activities.

4. The user transfers his/her rights or obligations under this Contract to a third party without the consent of the Company.
5. The user petitions for declaration of bankruptcy in accordance with the Bankruptcy Act or requests debt workout, debt mediation, petitions for restructuring or liquidation proceedings in accordance with the Consumer Debt Clearance Act, or undergoes same or similar proceedings according to other regulations.
6. The user has been reported by relevant agencies or other institutions as an illegal user.
7. The user breaches the provisions in Paragraph 3 of Article 15 or Article 16 of this Contract.
8. Other situations that constitute material breach of this Contract.

Article 22 (Termination of Contract)

The user may notify the Company in an agreed manner at any time to terminate this Contract.

When the Company intends to terminate this Contract, it must notify the user in writing, by email or in a mutually agreed manner 30 days before the date of termination.

Where the user has a circumstance as provided in Article 21 herein and the circumstance is of serious nature, the Company may notify the user of the termination of this Contract by email or in a mutually agreed manner.

After this Contract is terminated, except for funds in dispute, the Company should remit the balance of withdrawable funds of the user into user's deposit account within a reasonable period of time.

Unless with approval from the competent authority, the Company shall not transfer the Service and associated rights and obligations to any third party.

Article 23 (Modification of Contract and Other Agreements)

Where there is question over any provisions of this Contract, interpretations that are favorable to the user shall prevail.

When the provisions of this Contract are revised, added or deleted, the Company shall make announcement at a conspicuous place on the Service website, and notify the user by email or in a mutually agreed manner. The user shall be deemed to have accepted any revision, addition or deletion if he/she did not raise any objection in 7 days after receiving such a notice. However if the contract modification concerns any

of the following matters, the Company shall notify the user at least 60 days in advance by email or in a mutually agreed manner using conspicuous and explicit wording to state the changes and the provisions before and after the change, and inform the user that he/she may raise objection before the change takes effect and that the user is deemed to accept the revision, addition or deletion if he/she did not raise any objection during said period of time. The Company shall in addition inform the user that if he/she has objection over the change, he/she has the option to notify the Company of termination of this Contract during the aforesaid time period:

1. The manner by which the Company or the user notifies the other party of any unauthorized use or theft of user ID, password, certificate, or any other situation that is not legally authorized; or
2. Other matters as provided by the competent authority.

Article 24 (Notification)

The user agrees that unless it is otherwise agreed in this Contract, the Company should deliver notices made under this Contract in a mutually agreed manner based on the correspondence information provided by the user at the time he/she applied for the Service.

The user should promptly notify the Company of address change in a manner as stated on the website of the Company or as mutually agreed. If the user does not notify the Company of address change in a manner as agreed, a notice is deemed delivered when the Company sends it according to the correspondence information originally given by the user.

Article 25 (Outsourcing of Business Operations)

The user agrees that the Company may, in accordance with applicable regulations or with approval from the competent authority, engage third parties (institutions) to process a part of the Service.

Where the Company has outsourced its business operations according to the preceding paragraph, the Company shall urge and ensure that outsourced service providers will observe the confidentiality provisions set out in applicable regulations without disclosing relevant information to third parties.

When an outsourced service provider engaged by the Company violates the Personal Information Protection Act that results in the personal information of the user being illegally gathered, processed, or used, or the rights of the user being otherwise infringed, the user may seek damages from both the Company and the outsourced service provider.

Article 26 (Governing Law and Court of Jurisdiction)

This Contract shall be governed by the laws of the Republic of China.

If dispute arising out of the Service leads to litigation, the parties agree that _____ District Court be the court of jurisdiction for the first instance. However, the application of Article 47 of Consumer Protection Law or Paragraph 2, Article 28 and Article 436-9 of the Code of Civil Procedure on small claim court may not be excluded

Article 27 (Delivery of Contract)

The Contract shall be executed in two counterparts, to be held each by the parties.