

The renewed agreement enters into force: 11-February-2026

Newrails UAB  
**GENERAL TERMS AND CONDITIONS**

Important notice! Please carefully read these General Terms and Conditions or supplements communicated to you on the Website before accepting them. The present General Terms and Conditions together with its supplements, if any, are important as they create a legally binding agreement between you and Newrails, UAB (hereinafter - Newrails).

February 2026

The contents of these General Terms and Conditions provided by Newrails (hereinafter referred to as the "Terms & Conditions" or the "Agreement") are important as they create a legally binding agreement between the client (hereinafter referred to as the "Client") and Newrails UAB, a company incorporated under the laws of the Republic of Lithuania, company code 305270426, registered within the Register of Legal Entities of the Republic of Lithuania, having its registered office at Švitrigailos str. 11C, Vilnius, Lithuania, holding electronic money institution license No 69, issued by the Bank of Lithuania on 04-06-2020 (hereinafter referred to as the "Company") that determines the main terms and conditions related to registering in My Newrails, opening Accounts within the Company, using the Services by the Company. The Client's onboarding questionnaire, these Terms & Conditions and information on E-Money Account number constitute E-Money Account(s) and internet bank services agreement between the Client and the Company. These Terms & Conditions apply to the Client after the Client becomes acquainted with the terms of this Agreement, accepts the Terms & Conditions in My Newrails, gets approval notification from the Company and starts using the respective Services.

The Client's funds collected by the Company are protected against any claims from other creditors of the Company, including in the event of enforcement proceedings or insolvency proceedings against the Company. The Client's funds are deposited into a Segregated Account opened with a Bank.

The Client and the Company hereinafter are also referred as the "Parties".

## 1. PREAMBLE

1.1. This Agreement and its Annexes (the Price list and other ones, if any) shall form an inseparable part of the Agreement. The Agreement shall be read and interpreted in concert following the relevant context in relation to each Client.

1.2. Services under these Terms & Conditions shall be provided for business and / or individual purposes only, i. e. by accepting these Terms & Conditions you confirm that Services will be used for your personal needs and / or business needs separately. An individual Account cannot be used for business purposes. Accordingly, in case the Client is not a Consumer the Parties

mutually agree to rely on the exemption of Article 3(7) of the Law on Payments of the Republic of Lithuania and consequently shall apply provisions of Section III, Articles 4(1), 4(2), 4(3), 11(1), 11(2), 11(5), 29(3), 36, 37, 39, 41, 44, 51, 52 of the Law on Payments of Lithuania to the extent provided in this Agreement.

1.3. In case certain relations are not covered by this Agreement and if they do not fall under the exception as specified under Clause 1.2 of this Agreement, such relations shall be regulated following requirements of applicable laws.

## 2. ABOUT US

2.1. The Company holds electronic money institution license No 69 issued by the Bank of Lithuania on 04-06-2020. The electronic money institution license authorizes the Company to provide Services that are listed in the license. The license may be found following the link [https://www.lb.lt/lt/frd/licencijos/view\\_license?id=1944](https://www.lb.lt/lt/frd/licencijos/view_license?id=1944). Licensed Company Services include:

2.1.1. Issuing of E-Money;

2.1.2. Distribution and redemption of E-Money;

2.1.3. Issuing of payment instruments and/or acquiring of payment;

2.1.4. Execution of payment transactions, including transfers of funds on a payment account with the payment service provider of the payment service user or with another payment service provider: execution of direct debits, including one-off direct debits, execution of payment transactions through a payment card or a similar device and/or execution of credit transfers, including standing orders;

2.1.5. Issuing of E-Money tokens and redemption of E-Money tokens;

2.1.6. Custody and administration of crypto-assets on behalf of clients and transfer services for crypto-assets on behalf of clients with regard to the E-Money Tokens the Company issues.

2.2. The Company can be contacted by email at: [info@newrails.xyz](mailto:info@newrails.xyz).

2.3. The Company's activities are supervised by the Bank of Lithuania, which is located at Gedimino avenue 6, LT-01103 Vilnius, the Republic of Lithuania, phone No. +370 800 50 500. Further details of the Bank of Lithuania are available at its official website: <https://www.lb.lt/en/>.

## 3. ACCEPTANCE OF TERMS AND CONDITIONS

3.1. Terms and conditions set out in this Agreement establish mutual rights, duties and responsibilities between the Client and the Company in relation to the concluded Agreement, including rights, duties and responsibilities with respect to termination, extent and modification of the Agreement.

3.2. In case the Client does not understand or does not wish to agree to particular clauses of this Agreement, the Client shall not conclude (accept) the Agreement or shall express its misunderstanding and/ or disagreement in writing by sending a notice via e-mail indicated in Clause 2.2 of this Agreement prior to concluding (accepting) the Agreement. Acceptance of the Agreement serves as a proof that the Client confirms and undertakes to follow and comply with all clauses of the Agreement. In any case, the Client's misunderstanding and/ or disagreement does not oblige the Company to amend standard clauses of this Agreement.

3.3. Since the Company provides the Services by electronic means, Client's instructions given to the Company shall be confirmed by the means the Company uses to confirm the Client's identity on My Newrails. The Client's consents, approvals, acceptances and other statements

given through the use of My Newrails shall have the same legal validity as the Client's signature on a written document. The Client's agreements concluded with the Company via My Newrails, available at [www.newrails.xyz](http://www.newrails.xyz) (the "Website") shall be deemed to be written agreements concluded between the Client and the Company.

#### 4. DEFINITIONS

4.1. **Agreement** – means this Agreement and all its Annexes (the Price List and other Annexes, if any) under which the Client and the Company agree on the terms and conditions of the provision of Services. In case other agreements are concluded between the Client and the Company with respect to the provision of Services after this Agreement is concluded, those subsequent agreements shall be considered as integral part of this Agreement. The Agreement supersedes all prior written and oral agreements and all other communication between the Company and the Client.

4.2. **My Newrails** – means a platform where the Client's user account is established and within which the Services are provided.

4.3. **Account** - Payment Account, E-Money Account, E-Money Token account.

4.4. **Authentication procedure** – procedure, whereby the Company identifies the Client or checks the validity and use of the Clients' security and authentication means.

4.5. **Business Day** – means Monday, Tuesday, Wednesday, Thursday and Friday, i. e. days when the Company and commercial banks, operating in the Republic of Lithuania, are open for business. Saturday, Sunday and holidays, when the Company and commercial banks, operating in the Republic of Lithuania, are not open for business, are not considered as Business Day.

4.6. **Bank** – licensed credit institution that holds funds collected by the Company from its Clients corresponding to the total amount of E-money issued by the Company in circulation. The Company reserves the right to select any other credit institution based in a European Union Member States. The current list of the selected credit institutions is available upon request at the Company.

4.7. **Client** – means a Legal Entity (merchant/ business person) or a Consumer having contractual relationship with the Company under this Agreement, the subject matter of which is provision of Services. A reference to "you" under this Agreement shall be understood as a reference to the Client.

4.8. **Confidential Information** – means any information, facts and data that are used in the Agreement, as well as all other information, facts and data that were received by the Company about the Client (and vice versa) during the course of business relationship between the Company and the Client under the signed Agreement which has a certain value and capacity to cause benefit or harm to the Company and/ or the Client, or information that is classified by its provider as confidential or its confidential nature results from its essence or circumstances of which other Party is aware including but not limited to information on payment transactions, on commercial terms offered to the Client and any other information relating to the activities of any of the Parties.

4.9. **Consumer** – a Client who uses payment services for personal needs outside of their business, commercial or professional needs or activities.

4.10. **Crypto-asset** – means a digital representation of a value or of a right that is able to be transferred and stored electronically using distributed ledger technology or similar technology;

4.11. **Durable medium** – means any medium that enables the Client to store information addressed personally to him in a way accessible for future reference for a period of time adequate to the purposes of the information and which allows the unchanged reproduction of the information stored.

4.12. **Distributed ledger technology** or ‘**DLT**’ – means a technology that enables the operation and use of distributed ledgers;

4.13. **E-Money (electronic money)** – is the electronic equivalent of cash, representing monetary value stored electronically and represented by a claim on the issuer which is issued on receipt of funds for the purpose of making payment transactions. Clients that are using Company services can use their funds that will be used for an issuance of E-money that will be credited or transferred to and held on E-Money Account for execution of Payment Transfer.

4.14. **E-Money Account** – means an account opened and maintained by the Company in the Client’s name for the purpose of issuing, holding, transferring, and redeeming E-Money. The E-Money Account reflects the amount of E-Money issued to and held by the Client and may be used to execute payment transactions, receive or transfer E-Money, and request redemption of E-Money into FIAT in accordance with these Terms and Conditions. The E-Money Account is not a payment account or bank account and does not constitute a deposit under applicable law.

4.15. **E-Money Token** – means a type of Crypto-asset that purports to maintain a stable value by referencing the value of one official currency;

4.16. **E-Money Token account** – means a dedicated account created and maintained by the Company for the purpose of issuing, holding, transferring, and redeeming E-Money Tokens (EMTs) issued by the Company. The E-Token Account reflects the Client’s balance of EMTs (e.g., EURW) and is linked to the Client’s verified identity. An E-Token Account may be used to execute transfers of EMTs, receive EMTs from third parties, and request redemption of EMTs in accordance with these Terms and Conditions.

4.17. **EURW** – means the Newrails Euro E-Money Token, a Euro-denominated electronic money token issued by the Company.

4.18. **FIAT** means government-issued currency that is designated as legal tender in its country of issuance (for example, the euro (EUR), or other official national currencies), excluding any digital or crypto-assets, E-Money Tokens and E-Money.

4.19. **Foreign Country** – country which is not a Member State, or a state of the European Economic Area.

4.20. **Hedera** means a provider of DLT network based on the hashgraph consensus algorithm, which provides decentralized, secure, and high-throughput infrastructure for the issuance, recording, and transfer of the Company’s E-Money Tokens.

4.21. **IBAN** means the international standardised bank account number structured in accordance with the ISO 13616 standard, used to uniquely identify a payment account. The IBAN consists of a country code, two check digits, and a domestic bank account number, and is required for executing SEPA Payment and SEPA Instant credit transfers within the Single Euro Payments Area.

4.22. **Member State** – European Union member state, as well as European Economic Area member state.

- 4.23. **Payment Account** – means an account held in the name of the Client which is used for the execution of payment transactions in FIAT via SEPA Payment or SEPA Instant, or using a bank correspondence services;
- 4.24. **Payment Instrument** - a set of procedures agreed between the Client and the Company and used in order to initiate a payment order. For the purpose of the Agreement My Newrails is considered as Payment Instrument.
- 4.25. **Payment Order** – means an unconditional and unequivocal instruction given by the Client to the Company for the performance of the Payment Transfer.
- 4.26. **Payer** – means the Client who holds an Account and allows a Payment Order from that Account.
- 4.27. **Payment Services** – payment services provided to the Client by the Company, namely acquiring of payments and execution of payment transactions based on a Payment Order from a Payment Account, listed in the electronic money institution license issued to the Company. This includes execution of transfers of E-Money, E-Money Tokens issued by the Company if the Client uses these services.
- 4.28. **Payment Service Providers** – means payment institutions, credit institutions and other service providers that are authorized to provide payment services.
- 4.29. **Payment Transfer** – means a payment transaction executed by the Company following the Payment Order received from the Client according to this Agreement.
- 4.30. **Price list** – a list of services stating the fees applied by the Company for the Client and other important information set in the Company's price list published at [www.newrails.xyz](http://www.newrails.xyz).
- 4.31. **Recipient (payee)** – means the Client who is the intended recipient of funds according to Payment Order.
- 4.32. **Segregated Account** – means a segregated bank account opened by the Company with a Bank to hold Clients' funds for funds safeguarding purposes.
- 4.33. **SEPA** means Single Euro Payments Area - the area in which euro-denominated credit transfers and direct debits are executed under harmonised conditions, using standard formats and rules, as established by EU legislation and the European Payments Council. SEPA currently comprises the Member States of the European Union, as well as other participating countries and territories listed by the European Payments Council in its official documentation.
- 4.34. **SEPA Instant** means a real-time euro payment transaction executed under the SEPA Instant Credit Transfer Scheme a standard SEPA Credit Transfers (SCT): A SEPA Credit Transfer is a euro-denominated payment executed according to SEPA rules with a standard execution timeline (typically processed in batch clearing cycles). Payments are not instant, and settlement occurs during designated clearing sessions.
- 4.35. **SEPA Payment** means a payment transaction in euro executed under SEPA Credit Transfer Scheme.
- 4.36. **Services** – mean opening of E-Money Account Account, issuing of E-Money, redemption of E-Money and, opening E-Money Tokens account, issuing of E-Money Tokens, redemption of E-Money Tokens, Payment Services to be provided by the Company to the Client under this Agreement.
- 4.37. **Unique Identifier** – means a combination of letters, numbers, or symbols specified by the Company to the Client and used by the Client or a payer to identify unambiguously the payer

and/or the recipient in relation to a payment transaction, including transactions executed via E-Money Tokens (for example, IBAN, Wallet address, or other designated payment reference).

4.38. **Wallet** – means any electronic application, software, device, or account that enables a person to store, receive, hold, and transfer E-Money Tokens. A Wallet is associated with a unique DLT address or account identifier used to initiate and record transactions on a distributed ledger or other applicable payment system.

4.39. **Website** – means website of the Company available at [www.newrails.xyz](http://www.newrails.xyz).

4.40. Other words used in capital letters under this Agreement shall have a meaning provided to them below in this Agreement.

## 5. SERVICES

5.1. During the Term (as defined below) of this Agreement, the Company shall provide the Client with the Services which may be amended from time to time (all or part of them depending on the request of the Client).

5.2. Services shall consist of opening and maintenance of E-Money Account (or more than one E-Money Account if the Client initiates so), issuance and redemption of E-money or E-Money Token, E-Money Token account (see the Annex No.1 of these General Terms and Conditions for more information on Company Services related to E-Money Tokens).  
and provision of Payment Services.

5.3. E-Money Account: the Client may have one or several E-Money Accounts opened with the Company. Each E-Money Account shall have a number assigned which shall be unique and allow recognizing E-money account and the Client for whom such E-Money Account is opened. The Client shall have access to E-Money Account within My Newrails. Funds held in E-Money Account shall not constitute a deposit and interest shall not be paid to the Client for E-money held within E-Money Account.

5.4. Payment Services: Payment Services shall be provided by the Company in non-cash form and exclusively in electronic form using SEPA Payment or SEPA Instant or within Company's Clients E-Money Accounts or by transferring E-Money Tokens issued by The Company.

5.5. Services shall be served in EUR, GBP, USD and other currencies available on My Newrails or in EURW.

5.6. If the Client requests the Company to perform additional services than the ones agreed under this Agreement ("New Services"), the Company may, at its sole discretion, provide a written quote to the Client listing the charges for the requested New Services ("New Services Fees"). The Client may accept such a quote within seven (7) calendar days and elect to have the Company to perform the New Services, and the consideration under this Agreement shall be adjusted to also reflect the New Services Fees. If the Client so elects, the New Services will then be deemed part of the "Services" and will be subject to the provisions of this Agreement beginning on the date agreed to by the Parties. For the avoidance of doubt, except as otherwise agreed to by the Company expressly and in writing, the Company shall not in any case be obligated to provide any additional services and shall render any such additional services only to the extent the Company has the ability to do so.

5.7. Each Client is free to decide which of the Company's services to use. The Company retains the right, at its sole discretion and subject to applicable law, to reasonably refuse to provide any service to a Client.

## 6. TERM OF THE AGREEMENT

6.1. This Agreement shall continue and is concluded for an unlimited period.

6.2. Both the Client and the Company can terminate this Agreement in accordance with conditions provided below in Sections 8 and 9 of this Agreement. The Client shall indicate its bank or payment account details prior to termination of this Agreement, enabling the Company to reimburse it with the available E-money.

6.3. In the event of gross default, fraud or lack of payment on the part of the Client, the Company reserves the right, without cause or prior notice, to suspend or terminate this Agreement.

## 7. CONCLUSION OF THE AGREEMENT

7.1. The Agreement shall be concluded if the Client is willing to use Services provided by the Company. The Agreement is concluded by the Client accepting it in My Newrails.

7.2. The Agreement shall be concluded only (i) when the Client and the Company agree on the terms and conditions of the Agreement and (ii) after a full know-your-customer process with respect to the Client is performed, including verification of know-your-customer documentation and risk assessment processes which are required inter alia under the Law on Prevention of Money Laundering and Terrorist Financing of the Republic of Lithuania, and only (iii) if the results of such assessment show that the Client may be on-boarded by the Company and (iv) the Client starts using Services on My Newrails. The Company will notify the Client about the decision by e-mail. For the know-your-customer process performance the Client may be requested to provide additional information, data and/ or documents. The Client's refusal to provide such information, data, documents and/ or provision of insufficient information, data or documents shall be deemed to be a ground for the Company to refuse to conclude the Agreement and may be subject for disclosure to the relevant authorities if so required under applicable laws. Besides, for the performance of know-your-customer or other anti-money laundering or countering terrorist financing procedures the Company may be required to provide information received from the Client to third parties. By concluding this Agreement, the Client agrees that information about the Client would be provided to such third parties to the extent needed for the on-boarding of the Client, to meet any regulatory requests from competent authorities and to perform subsequent legitimate actions (including, but not limited to the monitoring of business relationships).

7.3. The Agreement shall be deemed concluded when the Agreement is confirmed by the Client and accepted following instructions within My Newrails. The information on the fact that the Client has confirmed the Agreement and accepted it by following authentication procedure and using authentication means according to the instructions within My Newrails shall be stored in a durable medium format.

## 8. MODIFICATION

8.1. The Company shall have a right to amend the Agreement unilaterally by giving the Client 10 (ten) calendar days' prior written notice, or in case the Client is a Consumer by giving 60 (sixty) calendar days' prior written notice. Procedure for the submission of notices is described under Section 20 of this Agreement.

8.2. If the Client objects to the amendments proposed following the procedure established under Clause 8.1 of the Agreement, the Client shall have a right to terminate the Agreement by submitting to the Company a written notice of termination of the Agreement. Such written notice shall be submitted by the Client to the Company before the date when amendments proposed by the Company shall come into effect. Termination of the Agreement under this clause shall not be subject to any fees applicable by the Company. However, this shall not affect Parties' monetary obligations and all other fees payable shall be paid prior termination comes into effect. Procedure for the submission of notices is described under Section 20 of this Agreement.

8.3. The Client shall be deemed to have accepted the proposed amendments, unless the Client notifies the Company and terminates the Agreement as specified under Clause 8.2 of this Agreement.

8.4. If the Client does not notify the Company about the termination of the Agreement as specified under Clause 8.2 of this Agreement, the proposed amendments to the Agreement shall come into effect from the date specified by the Company in its notification referred to under Clause 8.1 of this Agreement. Amendments that came into effect shall not have retrospective effect and shall not affect any rights and/ or obligations that have arisen between the Client and the Company before the amendments came into effect.

## 9. TERMINATION

9.1. Termination under Legal Acts or under Request of the Supervisory Authority. The Company shall have the right, in all instances, to terminate the Agreement unilaterally (without applying to court or coordinating with the Client) where so required by legal acts and/ or by the supervisory authority (-ies) supervising the activities of the Company or due to increased AML/ CTF risks. The Agreement shall be terminated within a period established under such legal acts or established by the supervisory authority (-ies). In case legal acts and/ or supervisory authority do not establish a termination period, then the Agreement shall be terminated immediately but, in any case, no later than within thirty (30) calendar days.

9.2. Termination for a Breach. If either Party materially breaches this Agreement, the non-breaching Party will have a right to unilaterally (without applying to court or coordinating with another Party) terminate this Agreement immediately, provided that, for breach capable of cure, the non-breaching Party notifies the breaching Party in writing of the breach, gives the breaching Party thirty (30) calendar days to cure the breach, and the breach is not cured within the thirty (30) days period. The Company may terminate this Agreement immediately in its sole discretion upon the Client's breach or suspected breach, obligations and/ or warranties under this Agreement as well as in all cases of Client's activity or profile is incompatible with Company's AML/ CTF policy, or in case it may have a negative impact on activities and soundness of the Company.

9.3. Termination for Bankruptcy. Either Party may terminate this Agreement unilaterally (without applying to court or coordinating with another Party) in its entirety if the other Party (a) becomes insolvent or is unable to meet its debts as they mature, (b) files a voluntary petition in bankruptcy or seeks reorganization or to effect a plan or other arrangement with creditors, (c) applies for, consents to or acquiesces in the appointment of any receiver or trustee for all or a substantial part of its property, or (d) any such receiver or trustee shall be appointed and shall not be discharged within thirty (30) calendar days after the date of such appointment.



9.4. Termination for Convenience. Either Party may terminate this Agreement unilaterally (without applying to court) at any time upon provision of a 30 (thirty) calendar days' prior written notice to the other Party.

9.5. Other grounds. Agreement may be terminated upon occurrence of other termination grounds established under the Agreement, including but not limited to, for instance, increased AML/ CTF risks or other termination grounds established under Clauses 12.5 and 16.4 of this Agreement. The Agreement shall be terminated within 30 (thirty) calendar days after the occurrence of the termination ground.

9.6. Effect of Termination. Upon the expiration or termination of this Agreement for whatever reason: (i) all rights granted herein shall terminate immediately; (ii) each Party shall promptly return to the other Party, or destroy and certify the destruction of all Confidential Information to the other Party, if any, except for cases when legal acts require to store relevant data even after termination of business relationships; (iii) each Party shall remit in full all payments due to the other Party according to this Agreement accruing prior to the date of termination, and following such final payment, neither Party will be entitled to receive any payment from the other Party; (iv) any provision of this Agreement that by its very nature or context is intended to survive any termination, cancellation or expiration hereof, shall so survive; and (v) all other performance obligations of both Parties under this Agreement shall cease; (vi) the Company shall not have a duty to provide the Client with information about all payment operations initiated by the Client within 36 months period. However, such information may be provided to the Client subject to additional fees applied by the Company which shall be determined considering the scope of information requested and technical abilities to accumulate and submit such information. The Company has the right to apply other fees specified in the Price list.

9.7. Provision of notice regarding termination. The written notice regarding termination of the Agreement for whatever reason listed above shall be submitted by the terminating Party to the other Party as specified under Section 20 of this Agreement and following timeframes established under this Section.

9.8. Inactivity. The Company may terminate the Agreement unilaterally with sixty (60) calendar days' prior notice if the Client has not made any Payment Transfers for twelve (12) months or more. Before doing so, the Company shall contact the Client to clarify whether the Client wishes to keep the Account open, to inform the Client about the applicable commission fee, and to provide information on the possibility to close the Account or use the Payment Transfer service as established by applicable legal acts.

9.9. Sanction schemes. The Company shall have the right to suspend the validity of the Agreement if sanction schemes imposed by the Republic of Lithuania, the European Union, or other jurisdictions on the Russian Federation, the Republic of Belarus, or other countries make the execution of the Agreement impossible.

**9.10. Termination Rules Applicable to Consumers:**

9.10.1. Clauses 9.1–9.5 of these Terms and Conditions shall not apply if the Client is a Consumer. If the Client is a Consumer, such Client should consider this Clause 9.10 as applicable.

9.10.2. The Client may terminate the Agreement at any time by notifying the Company in writing or on a durable medium at least thirty (30) calendar days prior to the termination date.

9.10.3. The Company may terminate the Agreement unilaterally with sixty (60) calendar days' prior notice in the following cases:

9.10.3.1. The Client violates the Terms and Conditions and fails to eliminate such violations within a reasonable period of time.

9.10.3.2. The Client has provided false or misleading information or documents and/or has failed to update such documents and information within a reasonable period of time;

9.10.3.3. The Client uses the Services to make or receive Payment Orders for activities prohibited under these Terms and Conditions;

9.10.3.4. The Client becomes bankrupt or insolvent;

9.10.3.5. The Client has suspended payment for services and has not repaid the debt within a reasonable period of time;

9.10.3.6. The Client has committed a material violation of data protection laws;

9.10.3.7. Any statement of these Terms and Conditions or the information provided by the Client is or becomes materially inaccurate or materially altered;

9.10.3.8. The validity of the Agreement contradicts the requirements of legal acts or causes the Company other adverse consequences that could not have been foreseen at the time of drawing up the Terms and Conditions and that cannot be managed or avoided if the Agreement remains in force;

9.10.3.9. The Client has violated applicable laws or rules;

9.10.3.10. The Client uses the Services for malicious, illegal or immoral purposes;

9.10.3.11. Termination is necessary for the protection of the Company, including but not limited to: (i) protection against fraud or money laundering; (ii) protection against the Client's failure to fulfil obligations; (iii) protection against market failure; (iv) protection against adverse or volatile market conditions; and (v) protection against loss;

9.10.3.12. The Client's activities using the Services could damage the Company's business reputation;

9.10.3.13. Other lawful and reasonable cases.

9.10.4. The Company may also terminate the Agreement unilaterally, by notifying the Client within a reasonable period of time in advance, in the following cases:

9.10.4.1. The Company is required to do so by any governmental or regulatory authority if such request is legally binding;

9.10.4.2. The Company terminates the provision of payment services or provision of certain payment services directly related to the Agreement, or the Company cannot provide such services due to other reasonable circumstances.

9.10.4.3. The Company shall have the right to terminate the Agreement immediately if it becomes evident that the Client is committing criminal and/or unlawful activities while using the Services.

9.11. The Company shall have the right to restrict and/or suspend the provision of the Services in the cases specified in Section 9 of these Terms and Conditions. The Company shall notify the Client about the application of such measures within a reasonable period of time if permitted by applicable legal acts. The Company shall also have the right to suspend the provision of Services without any explanation or notice if it has reasonable grounds to suspect that the Client is engaged in, or the Account may be used for, money laundering, terrorist financing or any other criminal activity.

9.12. Right of withdrawal. The Client who is a Consumer may withdraw from these Terms and Conditions free of charge within fourteen (14) days from the date of acceptance of these Terms and Conditions by submitting a written notice to the Company.

## 10. REGISTRATION IN MY NEWRAILS

10.1. In order to start using Services, the Client has to register within My Newrails.

10.2. To be eligible to open My Newrails Accounts, the Client:

10.2.1. Must be 18 years of age or older. If you are under 18 years old, you cannot register to use our Services. Any person who registers as a user or provides their personal information to be eligible for Company's Services represents and confirms that they are 18 years of age or older.

10.2.2. Services are intended to enable payments for business-related, commercial activities and personal or person-to-person use. In case a business using Services for business-related and/ or commercial activities only. To have an Account for business use, you must be in the course of your own business, trade or profession and while using our Services neither engage in domestic or household activities nor act as a Consumer. You hereby acknowledge and represent that at all times while using Services business Account you are using our services for business purposes, and that you are not a consumer referred by the rule of law. To have Account for personal use you must be 18 years of age or older. You hereby acknowledge that and represent at all times while using Services you are using our services for purposes other than your business or profession.

10.2.3. Warrant that you have the full legal capacity to enter an Agreement. If you register for Services on behalf of a business or a commercial entity, you warrant that you are legally authorized under the business entity's formation documents and/ or under the laws of your home country to agree to and follow this Agreement in full capacity.

10.2.4. Must only use Services to transact on your own behalf using your own Account and not on behalf of any other person or entity. The Company strictly prohibits impersonating or falsely claiming an affiliation with any person or entity, live or deceased, while using Services.

10.3. The registration within My Newrails shall be performed by the Client who shall:

10.3.1. Click Sign-Up button;

10.3.2. Input email address and create a password (the password shall be set-up in accordance with the Company's requirements, i. e. using both upper-case and lower-case letters, including one or more numerical digits and special characters, prohibiting words found in the Client's personal information);

10.3.3. Read and agree the Agreement and "Privacy Policy";

10.3.4. Verify your email address using a code received in your inbox. Please note that your email address cannot be changed during the first six months of account usage. It is important to provide a valid and up-to-date email address during the registration process;

10.3.5. Input your mobile number to receive a verification code via mobile;

10.3.6. Receive verification code via mobile and mobile number (mobile number will be used for the two factors authentication, where verification code will be sent via SMS messaging);

10.3.7. Enter "verification code";

10.3.8. Under "User Verification" Click "Start the Process";

10.3.9. Verify the Account for payment activity by submitting Know-Your-Customer (KYC) information:

10.3.9.1. Provide personal details (First Name, Last Name, DOB);

10.3.9.2. Take a photo of a government issued photo ID document;

10.3.9.3. Perform a "Face Verification";

10.3.9.4. Attach Proof of Address;

10.3.10. For My Newrails Account used for business verify the Account for payment activity by submitting Know Your-Business (KYB) information:

10.3.10.1. Provide business details (Company Name, Registration Country, Business Category, Business Subcategory, Short Business Description);

10.3.10.2. Upload a Business Registration License/ Incorporation License;

10.3.10.3. Specify and verify Ultimate Beneficial Owner (UBO) structure.

10.4. Only after provided information/documents are verified (following the verification of the ID document, KYC and KYB processes and onboarding fee is obtained if applicable), Account is opened - a IBAN is allocated to Payment Account or/and an Unique Identification is allocated for E-Money Account. E-Money Tokens Account and the Client can use the Services.

10.5. The registration process, as described in section 10.3, is considered as the Client's identification and setting-up of authentication means. The Client is obliged to keep his authentication means (password, access to his phone device, where the verification codes are sent) confidential and to use this information only personally. The Client bears the losses occurred due to losing or in other ways disclosing the authentication means, if the losses occurred before the Company was notified about the risk that someone else would be able to use the Client's authentication means. Process and means of notification are detailed in Clauses 2.2 and 14.2 of the Agreement.

10.6. Once the Client has registered within My Newrails, each time the Client logs in to My Newrails by accomplishing the Client's authentication procedure, that is by entering the following authentication means:

10.6.1. Their e-mail address (the one that the Client has provided to the Company during the registration);

10.6.2. Their personal password (the one that has been created by the Client during the registration process or updated later on);

10.7. The Company shall have a right to refuse to register the Client without indicating the reasons, however, the Company shall assure that the refusal to register will always be based on significant reasons which the Company does not have to or does not have the right to reveal.

10.8. The Client must use Strong Customer Authentication when the Client:

10.8.1. logs in to Accounts via My Newrails or any other remote channel;

10.8.2. initiates a Payment Order;

10.8.3. performs any other actions through a remote channel that may pose a risk of fraud or misuse.

10.9. The Client will not incur any financial loss if following Strong Customer Authentication requirements, unless the Client acted in bad faith or breach the Agreement.

10.10. The Strong Customer Authentication data consists of:

10.10.1. the Client login name (the email address you used for registration);

10.10.2. the Client password;

10.10.3. a one-time security code sent to the Client's mobile phone, which must be entered before logging in to the Client's My Newrails initiating a Payment Order.

10.11. If the Client stays inactive for more than five (5) minutes after logging in, the session will automatically end, and there will be a need to log in again. If the Client enters incorrect authentication data three (3) times in a row, the Client's My Newrails will be blocked for security reasons. The Client will be informed before blocking. To unblock My Newrails, the Client must contact the Company and provide the required information to receive new authentication data.

10.12. When the Client find out about the loss, theft, misappropriation or unfair use of the Payment Instrument, the Client must immediately notify the Company (or any other entity authorized by us) thereof through Client's My Newrails and at the same time send the Company a notice by email from the email address that the Client used to register in the Company's system.

## 11. E-MONEY ACCOUNT OPENING

11.1. Under the Agreement, E-Money Account shall be opened for the Client within My Newrails for an indefinite period which, however, shall not exceed the Term of the Agreement.

11.2. E-Money Account allows the Client to transfer, keep funds in E-Money Account for transfers, also receive money to E-Money Account, and perform other operations directly related to E-money transfers. All Company's services may only be used by the Client who has performed identification procedures in accordance with the rules established in My Newrails. It is expressly provided that the Company retains the right to request at any time additional documents regarding the Client, the payer, the recipient or the beneficial owner of any payment transfer, subject to Anti-Money Laundering and Counter Terrorist Financing requirements.

11.3. E-Money Account holds E-money issued by the Company for the Client. After the Client transfers funds to its E-Money Account and the Company receives the funds, the Company shall place them in the Segregated Account at the same time issuing corresponding amounts of E-money at the nominal value. E-money is credited to and held on E-Money Account.

11.4. E-money held on E-Money Account shall not be regarded as a deposit and the Company does not, in any circumstances, pay any interest in E-money held on E-Money Account and does not provide any other benefits relevant for the deposits and associated with the time period E-money is stored.

11.5. The Client can open several E-Money Accounts within the Company.

11.6. At the request of the Client, E-money held on the Client's E-Money Account shall be redeemed at their nominal value at any time, except as otherwise established under legal acts. Redemption of E-money shall be subject to fees specified in the Price list.

11.7. The Client may request redemption of E-money at any time by submitting a redemption request through My Newrails or other means provided by the Company. Upon redemption, the Company shall transfer the corresponding amount of funds (equal to the nominal value of the redeemed E-money) to the Client's or third party's account specified in the Client's request. The Client may specify the amount of E-money to be redeemed.

11.8. The Client may also transfer their E-money to another E-Money Account within the Company's system in accordance with this Agreement. Such a transfer shall not be deemed redemption of E-money, as no conversion into FIAT funds occurs. E-Money Account.

11.9. Provided that the Client terminates the Agreement and applies with the request to close its E-money account from My Newrails, or if the Company terminates the Agreement, redemption process will happen to E-money held on E-Money Account and funds shall be transferred to the Client's bank account or to the account opened within another financial institution indicated by the Client. The Company shall have a right to deduct from the repaid funds the amounts that belong to the Company (fees for Services provided and/ or expenses which have not been paid by the Client, if any). In the event of a dispute between the Company and the Client, the Company shall have the right to detain funds under dispute until the dispute is resolved.

11.10. In case the Company fails to repay the funds to the Client due to reasons beyond the control of the Company, the Client shall be notified thereof immediately. The Client shall immediately indicate another account or provide additional information necessary to repay the funds (execute a payment).

## 12. USE OF PAYMENT ACCOUNT

12.1. The Client can manage Accounts via My Newrails by logging in to its user interface.

12.2. The Parties agree that functionality of Payment Account is limited to the extent specified in this Clause. The Client shall have the right to:

12.2.1. execute Payment Transfers from the Payment Account to payment accounts held with credit institutions, other electronic money institutions, and/or other licensed financial service providers;

12.2.2. receive Payments to the Payment Account from accounts held with credit institutions, other electronic money institutions, and/or other licensed financial service providers;

12.2.3. execute and receive transfers under the SEPA Payment, SEPA Instant schemes, provided that both the Client's Payment Account and the beneficiary's payment service provider are reachable within SEPA;

12.2.4. execute and receive transfers under the SEPA Payment, SEPA Instant schemes, provided that the beneficiary's payment service provider participates in the SCT Inst scheme and is reachable in real time.

12.3. Funds may be held on Payment Account in EUR, GBP, USD and other currencies available on My Newrails. The Client undertakes responsibility for possible depreciation of funds due to changes in currency exchange rates and shall not have a right to raise claims to the Company with this respect.

12.4. Fee for opening of a Payment Account provided in the Price list.

12.5. If the Client did not log in to Payment Account and did not perform any transaction on Payment Account for more than 1 (one) year and the balance in all Client's Payment Accounts and/or E-Money Accounts is zero, the Company shall have a right to terminate the Agreement as specified under Section 9 of this Agreement.

12.6. All SEPA Payment and SEPA Instant transfers shall be executed exclusively in euro (EUR). If the Client holds funds in other currencies, the Company will perform currency conversion into euro before executing a SEPA Payment or SEPA Instant Payment transfers.

12.7. If a payment order from a payment account meets the requirements of the SEPA Instant scheme, it will be processed automatically via SEPA Instant rather than through the standard SEPA Payment.

### 13. RECEIPT OF PAYMENT ORDER FULFILMENT OF PAYMENT ORDER

13.1. Provided the Client is the Payer, to use Payment Services the Payment Order must be placed. The Payment Order is considered received by the Company on the day the Client has entered the Payment Order into My Newrails and confirmed it with his authentication means. If it was received by the time specified on the Website (Price list) or, if the moment of receipt of the Payment Order is not a Business Day, the Payment Order shall be considered received on the next Business Day.

13.2. The Company shall consider that the Payment Order is received when it will be received. The Payment Order that was received by the Company on a Business Day, but not on business hours set by the Company, shall be considered received on the next Business Day. The Client that is a Consumer may withdraw his consent to execute Payment Transaction at any time before we receive it. The Company will not be able to cancel the Payment Transaction that has already been executed. The Client that is a Consumer may also revoke consent to execute several Payment Transactions, in which case all future Payment Transactions will become invalid.

13.3. The Client and the Company shall have a right to agree that the Payment Order shall be executed on a particular agreed day. In such a case, the date of the receipt of Payment Order shall be considered that particular agreed day or, in case it is not a Business Day, the Payment Order shall be considered received on the next Business Day.

#### 13.4. Terms for Payment Order execution:

13.4.1. In case Payment Order is initiated from Payment Account in EUR currency and meets SEPA requirements – Payment Order shall be executed, and funds shall be credited to the recipient's account opened with payment service provider registered in another Member State by the end of the same Business Day after the receipt of the Payment Order by the Company, unless the Payment Order is suspended due to cases set forth by legal acts and the Agreement;

13.4.2. In case Payment Order is initiated from Payment Account in currency other than EUR – Payment Order shall be executed, and funds shall be credited to the recipient's account opened with payment service provider registered in Lithuania or other Member State, within 2-4 (two to four) Business Days after the receipt of the Payment Order by the Company, unless the Payment Order is suspended due to cases set forth by legal acts and the Agreement;

13.4.3. In case Payment Order is initiated from Payment Account and where the recipient's account is opened with a payment service provider registered in a Foreign country, the Company shall put the best efforts for crediting of the account of the recipient's payment service provider within 2-4 (two to four) Business Days after the receipt of the Payment Order by the Company, however, terms may be affected by payment service providers in those Foreign countries;

13.4.4. In case Payment Order is initiated from Payment Account in EUR currency and shall be executed in the Republic of Lithuania – the Payment Order shall be executed, and funds shall be credited to the recipient's account within the same Business Day provided that the Payment Order was received until 12 p. m. (noon) (Vilnius time), unless the Payment Order is suspended due to cases set forth by legal acts and the Agreement. In case the Payment Order was received after 12 p. m. (noon) (Vilnius time), the Payment Order shall be executed, and funds shall be credited to the recipient's account not later than within the next Business Day, unless the Payment Order is suspended due to cases set forth by legal acts and the Agreement.

13.4.5. If a payment is mistakenly credited to your Account by another person or legal entity, you are obliged to return the funds. By accepting these Terms and Conditions, you agree that we reserve the right to reverse payments credited to your My Newrails account under the following circumstances:

13.4.5.1. The payment was credited in error or due to a system fault.

13.4.5.2. We have evidence that the payment was fraudulent or associated with illegal or criminal activity.

13.4.5.3. The payment was credited following a gross violation of our Terms and Conditions.

13.4.5.4. Payment orders inside the Company's system (such as E-money or E-Money Token transfers) are executed immediately (up to a few minutes, unless the Payment Order is suspended due to cases set forth by legal acts and these Terms and Conditions), regardless of our business hours.

13.5. Payment Orders submitted by the Client shall comply with requirements applicable for the submission of the Payment Order and (or) content of the Payment Order set by the legal acts or by the Company (e. g. the Client's Account balance must be sufficient for the payment amount and fee on the day of receipt of the Payment Order of the Company). Receipt of the Client's Payment Order by the Company will be deemed as "consent" for the execution of a Payment Transfer as set out in Article 29(1) of the Law on Payments of the Republic of Lithuania. Payment Orders submitted by the Client shall be formulated clearly, unambiguously, shall be executable. The Company does not undertake responsibility for errors, discrepancies, repetitions and (or) contradictions in Payment Orders submitted by the Client, including but not limited to, correctness of requisites of the Payment Order submitted by the Client.

13.6. The Company shall have the right to refuse to execute a Payment Order in case of a reasonable doubt that the Payment Order has been submitted not by the Client or in case of other lawful suspicion with respect to the Payment Order. In such cases, the Company shall have the right to demand from the Client to additionally confirm the submitted Payment Order and (or) submit additional information or documents confirming the Payment Order. Payment Order may be proceeded only if the Client submits requested information or documents and/ or corrects technical defects. Notification about the refusal to execute Payment Order shall be submitted to the Client following procedure established under Section 20 of this Agreement. Notification about the refusal to execute Payment Order shall be submitted to the Client immediately but in any case, not later than:

13.6.1. In case Payment Order is initiated in EUR currency – within 1 (one) Business Day;

13.6.2. In case Payment Order is initiated in currency other than EUR – within 2-4 (two to four) Business Days.

13.7. The Company shall have a right to apply fee with respect to the Client for the lawful refusal to execute the Payment Order as specified above in this Clause. If such a fee is to be applied, it will be published with the Price list.

13.8. Before executing the Payment Order submitted by the Client, the Company shall have a right to demand from the Client documents which prove the legal source of funds related to the Payment Order. In case the Client does not submit such documents, the Company shall have a right to refuse to execute the Payment Order of the Client and may provide related information to relevant authorities, if so required under applicable laws.



13.9. In case the Company has refused to execute the Payment Order submitted by the Client, the Company shall immediately inform the Client about this or create necessary conditions for the Client to get acquainted with such notification, except when such notification is technically impossible or forbidden to be provided to the Client under applicable laws.

13.10. The Client cannot recall the Payment Order after it is received by the Company, except in the following cases:

13.10.1. In case the Client and the Company agreed on particular date when the Payment Order shall be executed – the Payment Order may be recalled by the Client no later than until the end of the day before the day when it is agreed to execute the Payment Order;

13.10.2. In case the term specified under Clauses 13.6.1 and 13.6.2 passed due – the Payment Order may be recalled only if it is separately agreed by the Client and the Company.

13.11. The Client shall send an email request at [support@newrails.xyz](mailto:support@newrails.xyz) to recall the Payment Order providing the following information:

13.11.1. The payer;

13.11.2. The recipient;

13.11.3. Amount;

13.11.4. Currency;

13.11.5. Value date.

13.12. The above defined Client's request to recall the Payment Order shall be considered as duly submitted to the Company, if it has been confirmed by the Client's authentication means.

13.13. The Company shall review the request and respond to the Client not later than with 3 (three) Business Days upon the receipt of the request.

13.14. If the Client believes that the Payment Order has been unauthorized or executed improperly, the Client shall notify the Company in writing within 13 months from the date of the debit of funds. If such notification is not provided within this period, the Payment Transaction shall be deemed accepted by the Client.

13.15. Immediately and no later than within the same Business Day when it is determined that due to the fault of the Company the Payment Order was executed without consent of the Client and/ or was executed improperly, the Company shall refund the Client with amount that were transferred within such unauthorized Payment Order, unless the Company has reasonable grounds to suspect fraud. In case of suspected fraud, the Company shall inform the Bank of Lithuania.

13.16. In case it is determined that executed Payment Order was unauthorized and/ or executed improperly due to the fault of the Client – consequences specified under Clause 13.18 of this Agreement shall apply and the Company shall not be considered liable and execution of Payment Order shall be considered as fulfilled properly. Whereas the Company has reasonable ground to suspect fraud in relation to the executed Payment Order as indicated in this paragraph, the Company shall immediately notify the Supervisory Authority about such Payment Order and reasons why it is suspected to be fraudulent.

13.17. The Client must view the information on Payment Transactions conducted in Accounts at least once in a month in order to spot unauthorized or improper Payment Transactions and to timely inform the Company. If the Client fails to view the statement of Accounts and timely inform the Company about unauthorized or improper Payment Transactions, the Company is not responsible for such Payment Transactions.

13.18. The Company does not hold the responsibility for any losses of the Client, which have occurred due to a change in the currency exchange rate during the execution of the Payment Order.

13.19. Prior to completing any SEPA Payment or euro transfer, the Company following regulatory requirements will conduct a Verification of Payee (**VoP**) check to confirm that the payee's name matches the account number (IBAN). Payments may be delayed or rejected if discrepancies are identified.

13.20. The Client is responsible for ensuring that all payee details, including the full legal name and IBAN, are accurate and complete. The Company is not liable for failed or misdirected payments resulting from incorrect information provided by the Client.

13.21. If a VoP check indicates that the payee's name does not match the IBAN provided, the Client will receive a warning notification. Proceeding with such payments is done at the Client's own risk, and the Company assumes no liability for resulting losses or fraud.

13.22. Name and IBAN data submitted for VoP checks will be processed in accordance with applicable data protection regulations and may be shared with the payee's bank or payment service provider solely for verification purposes.

13.23. While VoP is designed to reduce fraud and payment errors, the Company does not guarantee prevention of all fraudulent transactions or misdirected payments. The Client remains responsible for verifying the legitimacy of payment requests and recipient details independently.

13.24. In case the Client indicates incorrect data of the recipient of the payment and the Payment Order is executed according to the incorrect data provided by the Client (i. e. the Client indicates a wrong receiver's account number; the Client indicates wrong credit card details (for external transfer); the Client indicates a wrong account number/ e-mail), it shall be considered that the Company has fulfilled the obligations properly and shall not be obliged to repay the transferred amount to the Client. Even though the Company shall not be held liable for the execution of the Payment Order based on the incorrect data provided by the Client, the Company shall take all reasonable measures to track the executed payment operation and shall put in reasonable efforts to recover the funds. All information necessary to track the executed payment operation shall be provided to the Client to the extent allowed under the laws which should assist the Client to directly contact the person or party who has received the payment in order to return the transferred funds. The investigation shall be subject to fees applicable by the Company. Applicable fees shall be published in the Price list and may be amended from time to time.

13.25. The Client, who is a Consumer, is liable for losses up to a maximum of 50 EUR resulting from unauthorized payment transactions if these result from:

13.25.1. the use of a lost or stolen payment instrument, or

13.25.2. the misappropriation of a payment instrument.

13.26. The Client in this case shall not bear any losses if:

13.26.1. prior to the Payment Order, the Client could not reasonably have noticed that the phone or Payment Instrument had been lost, stolen, or misappropriated (unless the Client acted in bad faith);

13.26.2. the unauthorized Payment Order occurred due to the fault of the Company.

13.27. The Client, who is a Consumer, shall have the right to request a refund of the full amount of a Payment Transfer initiated by the Payee if: (i) the exact amount of the Payment Transfer

was not specified when the Client approved it; and/or (ii) the amount of the Payment Transfer exceeds the amount that the Client could reasonably have expected. The Company may request the Client to provide information evidencing the existence of these conditions. A request for such a refund shall be submitted within eight (8) weeks from the date on which the funds were debited from the Client's Account. The Company shall refund the full amount of the Payment Transfer within ten (10) Business Days from receiving the refund request or shall provide the Client with a justified explanation for refusing the refund and indicate the procedure for appealing against such refusal. If the amount of the Payment Transfer is refunded to the Client, any commission fees paid to the Company in relation to the execution of that Payment Transfer shall not be refunded.

13.28. Payment Order shall include the following information:

13.28.1. The Payer's name, company code;

13.28.2. Unique identifier of the Payer ;

13.28.3. The Recipient's name, company code;

13.28.4. Unique identifier of the Recipient;

13.28.5. Payer's and Recipient's payment service provider details;

13.28.6. Amount and currency and amount of EURW (if applicable) of the payment transfer;

13.28.7. The purpose of the payment.

13.29. The Client shall provide a Payment Order for the execution of the Payment Transfer following instructions specified in My Newrails and valid at the moment of Payment Transfer initiation.

13.30. Before sending a Payment Order for the execution of a Payment Transfer the Client is required to check the details entered in the Payment Order.

13.31. When the Client submits a Payment Order to be executed in another currency, when converting the currency into the necessary one Client will be displayed with the approximate amount payable at the time of initiation of Payment Order at My Newrails. Payment Order initiation does not match Payment Order execution time, the exchanged amount will be determined by applying the actual rate to the Payment Order amount at the execution time during the Business Day. The Payment Order amount may be adjusted upwards or downwards based on the exchange rate fluctuation. Execution exchange rate applies immediately without a separate notice to the Client along with currency conversion margin as indicated in Newrails Pricing list.

13.32. Provided that the Company has received funds but is unable to credit the funds indicated in the Payment Order to the recipient's account (e. g. the recipient's account is closed, the indicated Unique identifier number does not exist or else), the Company shall return the payment amount to the sender not later than within 5 (five) Business Days. In this case, charges for returning funds may be applied. If the Company cannot credit funds to the recipient due to errors of the sender made in the payment details, but the sender requests to return the funds indicated in the payment details, the payment may be cancelled and funds may be returned to the sender, but only under a written request of the sender and if the recipient (the Client) agrees to return the funds to the sender (if the recipient can be identified). Cancellation and amendment of the payment shall be subject to fees applicable by the Company, except where otherwise stipulated in this Agreement, or where cancellation of payment is due to the Company's fault. Applicable fees shall be published in the Price list and may be amended from time to time.

13.33. The Client, having noticed that funds have been credited to the Client's Account by mistake or in other ways that have no legal basis, is obliged to notify the Company about it. The Client has no right to dispose of funds that do not belong to it. In such cases the Company shall have the right and the Client gives an irrevocable consent to deduct such funds from the Client's Account without the Client's order. If the amount of funds owned by the Client and held in the Segregated Account is insufficient to debit the funds credited by mistake, the Client unconditionally commits to repay to the Company the funds credited by mistake in 5 (five) business days from the receipt of such request from the Company. If the Client fails to cooperate and refund the funds, the Company will take legal and enforcement action.

13.34. The Client may check its Unique identifier, the Account balance, Account history, information about initiated Payment Transfers (recipients, senders, currency, amount of transaction, date of transaction, account numbers, etc.), commissions/ fees applied by the Company, by logging in to its user account.

13.35. The Client shall ensure that:

13.35.1. incoming funds, E-money, EURW to the Client's Accounts are not obtained as a result of criminal activity;

13.35.2. the Client shall not use Services provided by the Company for any illegal purposes, including actions and operations in order to legalize funds received from a criminal or illegal activity;

13.35.3. there are always available funds, E-money, EURW in the Client's Accounts sufficient to cover the transaction amounts and fees indicated in the Price list.

13.36. The maximum spending limit for Payment Services shall be specified in separate agreements signed by the Parties.

13.37. SEPA Instant. The provisions of this clause apply exclusively to Payment Transfers executed via SEPA Instant. In the event of any inconsistency or conflict between the provisions of this clause and any other provisions of the Section 13 of these Terms and Conditions relating to Payment Transfers, the provisions of this clause shall prevail with respect to SEPA Instant transactions.

13.38. SEPA Instant service is available 24 hours a day, 7 days a week, 365 days a year for immediate euro payments. The Company strives to maintain continuous service however the Company reserves the right to suspend or limit the service for maintenance or due to technical issues. In such cases, the Company may inform the Client of any planned downtime or service interruption in advance, where possible.

13.39. SEPA Instant payment orders are processed in real time on a first-in, first-out basis, without prioritisation among orders. Upon receiving a valid payment order from the Client, the Company shall immediately attempt to execute the transfer. Funds are transmitted and settled within seconds (typically under ten (10) seconds) if the transaction is successful. There are no cut-off times for SEPA Instant payments – the Client may initiate a SEPA Instant transfer at any time, and it will be processed instantly.

13.40. The Client shall receive prompt confirmation of the outcome of each SEPA Instant payment. The Company shall provide either a positive confirmation (if the payment was credited to the beneficiary) or a negative confirmation (if the payment was rejected), including, where applicable, a reason for rejection. This information shall be made available via the Company's electronic channels (and/or via notification alerts, if such alerts are activated). In the event of a

technical timeout where no confirmation is received within the expected timeframe, the Company shall initiate an investigation and inform the Client of the status.

13.41. If a SEPA Instant payment cannot be completed successfully (for example, if the beneficiary's payment service provider is not reachable or does not accept the payment within the scheme's allowed time), the payment order shall be automatically rejected or cancelled by the system. In such a case, the Company shall credit back to the Client's account any amount debited for the failed payment and notify the Client of the non-execution. A SEPA Instant payment that is refused or rejected is treated as not having been received or executed in the first place.

13.42. Once the Company has received the Payment Order and the Client has authorised it, the Client cannot revoke or cancel the SEPA Instant transaction due to its immediate processing. Because funds are transferred in seconds, it is not possible to stop or recall the payment after execution in the normal course of events.

13.43. In strictly limited circumstances, the Client may request a post-execution recall only for reasons permitted by the SEPA Instant scheme, namely:

13.43.1. a duplicate payment,

13.43.2. a technical error resulting in mistaken payment processing, or

13.43.3. a payment made as a result of fraud.

In such cases, the Client must contact the Company immediately and provide a written request indicating the reason for the recall. The Company shall initiate a recall request to the beneficiary's payment service provider, but the Client acknowledges that there is no guarantee that the funds will be recovered unless the beneficiary or the beneficiary's payment service provider consents to return the funds.

13.44. The Company may impose maximum transaction or daily limits for SEPA Instant payments, depending on regulatory requirements or the Company's risk assessment. The Company shall inform the Client of any applicable limits prior to execution. The Client shall not split larger payments into multiple SEPA Instant transfers to circumvent such limits.

13.45. The Company shall, where the transaction amount is less than 10,000 EUR and the paying bank is a participant in the SEPA Instant Credit Transfer scheme ("SEPA Inst"), process such transactions via the SEPA Inst channel. In all other circumstances, including where the paying bank is not a SEPA Inst participant or the transaction amount equals or exceeds 10,000 EUR, the Institution shall process the transaction via the standard SEPA channel.

13.46. SEPA Instant payments are available only to beneficiaries whose payment service providers participate in the SEPA Instant scheme. If the beneficiary's IBAN is not reachable for SEPA Instant, the Client may choose to initiate a standard SEPA Payment or cancel the payment.

13.47. SEPA Instant transactions are executed exclusively in euro (EUR). If the Client holds funds in a different currency, the Company shall convert the amount into euro prior to executing the SEPA Instant payment, applying the exchange rate and conversion fees as published in the Price List. Currency conversion is not governed by the SEPA Instant scheme rules.

## 14. LIMITING THE ACCESS TO MY NEWRAILS

14.1. Access to My Newrails/or Services provided for the Client can be limited in the following circumstances:

- 14.1.1. The Agreement has been terminated;
  - 14.1.2. The Client has lost his authentication means and has duly informed the Company about it;
  - 14.1.3. The Client has failed to enter the authentication means for 5 consecutive times;
  - 14.1.4. The Company has a due reason to suspect a fraudulent and/or unauthorized activity and decides to block the Client's access to My Newrails in order to secure the Client's assets;
  - 14.1.5. The Company has a due reason to suspect misuse of My Newrails by the Client.
- 14.2. In case of clause 14.1.2, the Client is obliged to notify the Company by email, as soon as possible. The Company, upon receipt of the notification, immediately blocks the authentication means.
- 14.3. If the Client has forgotten the password, or other security means related to knowledge, the Client should contact the Company by email and would be issued a reminder/ reset of the password, or in other ways provided with the new authentication means. The Company instructions on blocking and restoring authentication means are published on the Website.
- 14.4. If the Company has limited the Client's access to My Newrails and/or services provided based on clauses 14.1.1., 14.1.4, 14.1.5, the Company shall notify the Client by email prior to limiting the access, if it is possible, or immediately after the blocking comes into force, in cases where it is necessary measure for mitigating fraud risk or proper investigation of possible money laundering, terrorist financing or other criminal circumstances, unless such notifying would contradict legal acts. Compliance investigation is limiting Client's access to My Newrails and/or services provided for a period between 10-60 business days and is subject to additional fees as published within the Website in the Price list.
- 14.5. The access is unblocked or the new authentication measures are set for the Client once the above mentioned legal grounds for limiting the access to My Newrails are resolved.

## 15. FEES AND PAYMENT TERMS

- 15.1. The fees payable for the Services to be provided to the Client under this Agreement shall be published within the Website in the Price list (including without limitation of fees charged by the recipient bank). By entering the Agreement, the Client confirms that the Client is fully aware of the fees and terms of the Services.
- 15.2. The Client's Account shall be debited with the amounts of the fee on the due date without Client's instruction. The Client shall ensure that the required amount of money is available Account on the due date.
- 15.3. The fees shall be debited in Accounts currency or EURW (if applicable).
- 15.4. The Company has the right to charge the fee from the Account where the payment operation is performed or from another Client's Account.
- 15.5. If there is an insufficient amount of funds in the required currency to pay the fee, the Company has a right to withdraw the fee in another currency by applying exchange rates published on the Company's Website.
- 15.6. If the Client fails to pay the required fees to the Company, the Client shall pay the penalty 0.05% per day from the overdue amount until the overdue amount is paid.
- 15.7. If the client fails to pay the required fees to the Company for the 3 (three) consecutive months and the overdue amount is not paid within 30 (thirty) days after receiving the written notice, the Agreement can be terminated by the Company under Section 9 of this Agreement.

## 16. LIMITATION OF LIABILITY

16.1. One Party shall be liable to another Party for losses caused due to non-fulfilment or improper fulfilment of its obligations under the Agreement. The guilty Party shall undertake to compensate for the direct losses of the aggrieved Party.

16.2. The Company's liability under the Agreement shall be limited as follows:

16.2.1. The Company shall be liable only for the direct losses made by the Company due to direct and substantial breach of the Agreement, and only for such losses which might reasonably be foreseen by the Company at the time of breach;

16.2.2. The Company's compensation for losses caused due to breaches of the Agreement by the Company shall be limited to the amount of all fees and charges paid to the Company by the Client over the last 12 (twelve) months. However, limits on the Company's liability shall not be applied where such limits are forbidden by applicable laws.

16.3. The Company shall not be liable:

16.3.1. if for any reason the Website or My Newrails is unavailable or broken at any time or for any period;

16.3.2. for mistakes made by payment services providers, settlement systems or other third parties, untimely execution of Payment Orders, delay in balances showing up, freezing of funds;

16.3.3. for consequences arising out of improper discharge of the Company's obligations regarding reasons caused by third parties which are beyond the Company's control;

16.3.4. for consequences arising out of lawful termination of the Agreement, cancellation or restriction of the Client's access to My Newrails as well as reasonable restriction or termination of provision of the Services;

16.3.5. for failure to meet contractual obligations and losses, if obligations were not discharged or damage were made while the Company had been following the duties arising out of applicable laws.

16.4. The Company shall not be liable for any damage sustained to the Client as a consequence of untrue, incomplete, incorrect or misleading information, instructions or documents provided by the Client (or a person acting on behalf of it) to the Company in exercising its rights under the Agreement or failure to provide the required information, instructions or documents in time. The Client shall be fully responsible for the correctness, completeness and timeliness of any information, instructions or documents provided to the Company by the Client/ person acting on behalf of him.

16.5. The Party shall be exempted from the liability for non-performance of obligations under the Agreement if it can prove that non-performance of obligations under the Agreement is caused by force majeure circumstances which are proven according to the applicable laws.

16.6. The imposition of liability under the Agreement shall not affect the right of the aggrieved Party to claim full compensation for damage in case of the gross negligence or willful misconduct.

## 17. CONFIDENTIAL INFORMATION

17.1. Each Party undertakes that it shall not at any time disclose to any person any Confidential Information, except for cases specified under this Agreement and legal acts.

17.2. Confidential Information does not include information which as shown by written records (i) is or becomes generally known or available through no act or failure to act by the receiving Party; (ii) is already known by the receiving Party without breaching any confidentiality obligation; (iii) is rightfully furnished to the receiving Party by a third party without restriction or disclosure; (iv) is independently developed by the receiving Party without reference to Confidential Information of the disclosing Party; (v) is released pursuant to a binding order of a government agency or a court so long as prior to any such release the receiving Party provides the disclosing Party with a notice so that the disclosing Party may seek a protective order or other appropriate remedy. In any such event described in clause (v) above, the receiving Party will disclose only such Confidential Information as is legally required and will exercise reasonable efforts to obtain confidential treatment for any Confidential Information being disclosed. Any disclosure pursuant to the provisions of item (v) above shall not permit the receiving Party to issue any press release or otherwise discuss or further disseminate the information required to be disclosed.

17.3. The receiving Party understands that the disclosing Party has disclosed or may disclose Confidential Information during the Term of this Agreement or in connection thereto. The receiving Party agrees: (i) to take commercially reasonable precautions to protect such Confidential Information; (ii) not to use (except as permitted under this Agreement or under the laws) or divulge to any third party any such Confidential Information; (iii) protect and safeguard the Confidential Information against any unauthorized use, disclosure, transfer or publication with at least the same degree of care as it uses for its own confidential or proprietary information, but in no event with less than reasonable care; (iv) to take appropriate measures with all persons acting on its behalf to ensure that such persons are bound by a like covenant of confidentiality, and informing such persons that such Confidential Information shall not be disclosed except as provided herein; and (v) notify the disclosing Party upon discovery of any unauthorized use or disclosure of the Confidential Information and take reasonable steps to regain possession of the Confidential Information and prevent further unauthorized actions or other breach of this Agreement.

17.4. No Party shall use any other Party's Confidential Information for any purpose other than to exercise its rights and perform its obligations under or in connection with the Agreement.

## 18. REPRESENTATIONS AND WARRANTIES

18.1. Right to Act. Each Party hereby represents and warrants that (i) it is a corporation, validly existing under the laws of the jurisdiction of its incorporation and it conducts its business in compliance with applicable laws and not in violation of the rights of any third party; (ii) it has all right, power and authority to enter into this Agreement and to fully perform its obligations hereunder; and (iii) there is no other restriction, limitation, contractual obligation or statutory obligation which prevents it from fulfilling its obligations under this Agreement.

18.2. Third Party Service Providers. The Client acknowledges that the Company may use third party service providers in the performance of the Services provided that such third party service providers are bound by terms and conditions substantially similar to those that the Company is bound to under this Agreement. Disclosure of Confidential Information to such third party services providers as long as such information is needed for the proper provision of Services shall not be considered as breach of the Agreement and the Client agrees with such disclosure.



18.3. Use of Services. The Client will use the Services pursuant to, and only for the purposes set forth in, this Agreement. The Client will not use the Services for any unlawful purpose or in furtherance of any unlawful purpose. Among the activities and services constituting of illegal purposes are (but are not limited to): money laundering, terrorist financing, human trafficking (including child pornography); violence; financial crime; smuggling (including narcotics, weapons, drugs, tobacco, etc.); cybercrime; and white-collar crime and corruption. In addition, as part of the activities and services which may not, in some jurisdictions, constitute illegal purposes but which are still unauthorized by the Company, are: gambling (as all these normally require local registration and licensing); activities and services related to violation of intellectual property rights. If the Company has reasonable grounds to believe that the Client is using the Services for any improper purpose, as indicated above, the Company may suspend or terminate the Services immediately upon written notice to the Client. The Client shall also not provide access to E-Money Account to other third parties which are not authorized to initiate Payment Orders on behalf of the Client. In case the Party becomes aware that any unauthorized third party is trying to/ tried to access an E-Money Account, the other Party should be informed about this immediately.

18.4. Use of Data. No Party shall use the data that is processed and obtained through or in connection with the Services in any way that violates any applicable laws, and both Parties shall comply with all applicable laws, including the Data Protection Law. For purposes of this Section, "Data Protection Law" means all applicable laws and regulations relating to the protection of data and personal information in the relevant state or territory, including the General Data Protection Regulation (EU) 2016/ 679.

18.5. Acquaintance with the Agreement. By accepting this Agreement, the Client confirms that it was provided with sufficient time to get acquainted with terms and conditions of the Agreement, that the Agreement was individually discussed by the Parties and that the Client confirms and agrees with the terms and conditions of the Agreement.

18.6. Other undertakings of the Client. The Client will not interfere, modify or tamper with the Services in any way.

## 19. GOVERNING LAW AND DISPUTE RESOLUTION

19.1. Disputes between the Company and the Client shall be settled by way of negotiations.

19.2. The Client is entitled to submit complaints to the Company. Complaints may be submitted to the Company by e-mail as specified under Section 20 of this Agreement. For Complaint form press [here](#).

19.3. The Company shall respond to the Client's complaint in writing or using another durable medium within 15 (fifteen) Business Days after the receipt of a complaint. In exceptional cases, due to reasons which are beyond the Company control, the Company is allowed to send to the Client a preliminary response by indicating reasons for delay and the term by which the Client will receive the Company's final response. In any case the term for provision of final response shall not exceed 35 (thirty five) Business Days after the receipt of a complaint.

19.4. Handling of complaints is free of charge. The Parties agree that complaints shall be submitted, handled and responded in English.

19.5. The Company shall have internal procedures for handling complaints fairly and promptly in accordance with the applicable laws.

19.6. Should the Client not be satisfied with the Company final response, then only recourse for the Client will be through the courts unless otherwise agreed between the Parties.

19.7. This Agreement and any claim arising from this Agreement and/ or in connection with the Services will be governed by and interpreted in accordance with the laws of the Republic of Lithuania, without regard to conflicts of laws and principles. Any and all actions brought to enforce this Agreement or resolve any dispute arising out of this Agreement and/ or in connection with the Services must be brought exclusively in the courts of the Republic of Lithuania, and each Party hereby consents to and agrees to submit to the exclusive personal jurisdiction and venue of such courts.

19.8. The Client who is a Consumer is also entitled to submit its complaints to the Bank of Lithuania (please see more information at <https://www.lb.lt/en/our-contacts#group-1608>). In addition to contact details provided in the official website of the Bank of Lithuania, complaints may be submitted to the Supervisory Authority of the Bank of Lithuania at Žalgirio str. 90, LT-09303 Vilnius, Lithuania or at Totorių str. 4, LT-01121 Vilnius, Lithuania, e-mail [pt@lb.lt](mailto:pt@lb.lt) or [info@lb.lt](mailto:info@lb.lt).

## 20. COMMUNICATION

20.1. Any communication between the Company and the Client shall take place primarily through e-mail. The Parties hereby agree that communication through e-mail is deemed submitted in writing. Disclosure of any information via the e-mails shall be considered as duly submitted only if such information is sent to and from the e-mails which are disclosed under the Agreement:

20.1.1. The Company's e-mail that should be used for communication is disclosed under Clause 2.2 of the Agreement; while

20.1.2. The Client's e-mail that should be used for the communication is disclosed in the process of registration in My Newrails, as defined under Clause 10.3. Communication through other e-mails shall not be considered as appropriate unless otherwise agreed by the Parties in writing.

20.2. Notices and other communication sent by e-mails specified under Clause 20.1 of the Agreement shall be deemed delivered to and received by the Party on the same Business Day it was sent.

20.3. The Parties shall have a right to communicate within other means of communications, including the post, email or messaging chat on My Newrails account.

20.4. The Client must notify the Company immediately of any and all data and circumstances that have changed in comparison with the data set out when concluding this Agreement, or the documents submitted to the Company (e. g. changes in contact details, registered address) as well as of any and all circumstances that may affect the fulfilment of the Client's obligations towards the Company. The Company may request a document evidencing the changes and the Client must provide it. This notification obligation applies even if the above changes have been made public (e. g. registered in a public register or published through the mass media). If the Client has failed to fulfil the notification obligation, the Company is entitled to assume the correctness of the data at the Company's disposal. The Company shall not be responsible for any mistake, inaccuracy, technical defect or damage caused by incorrect, outdated Client contact details and their subsequent use by the Company.

20.5. Communication shall be performed in English or Lithuanian language.

## 21. DATA PROTECTION

21.1. By signing the Agreement, the Client authorizes the Company to collect, use, store or otherwise process any personal data provided by the Client or otherwise received by the Company in connection with the Services contemplated herein, all in accordance with the applicable Data Protection Laws.

21.2. The Client also understands and agrees that data about the Client received and/ or collected by the Company may be submitted to and used by the third parties as specified under the Clause 18.2 of this Agreement.

## 22. REFERRALS

22.1. For a limited time, My Newrails users can participate in the Newrails Referral Program and receive commissions.

22.2. In order to start using a referral program, the user has to be registered within My Newrails as indicated in Section 10 of this Agreement and have a successfully opened My Newrails account.

22.3. To participate within My Newrails Referral Program the Client shall:

22.3.1. Share the referral link that can be found in My Newrails dashboard under the section Referral and Share;

22.3.2. To be eligible to receive commissions, referred users have to be successfully registered within My Newrails as indicated in Section 10 of this Agreement and have a successfully opened My Newrails account;

22.3.3. Data displayed in the Dashboard under the Referral section at My Newrails profile is used for reference only due to its complexity and possible delay in the data displayed.

22.4. Terms for commissions execution:

22.4.1. Every time your referred Client successfully completes an outgoing Payment Order, commission fee is assigned;

22.4.2. Commission fees are automatically transferred into your My Newrails account;

22.4.3. Sub-accounts, group companies, duplicated accounts are excluded from the Referral Program;

22.4.4. The company reserves the right to disqualify and revoke commissions from participants who are engaged in fraudulent or abusive conduct. This includes but is not limited to bulk-account registration to obtain additional bonuses or any other type of activities in connection with unlawful or harmful purposes;

22.4.5. The Company reserves the right to cancel or amend Referral Program at sole discretion;

22.4.6. The Company deserves the right of final interpretation;

22.4.7. Participant shall issue an invoice to the Company upon request to settle the commission fee;

22.4.8. The Company can be contacted by email regarding Referral Program at: [info@newrails.xyz](mailto:info@newrails.xyz).

## 23. FINAL PROVISIONS

23.1. Equitable Relief. Either Party may enforce any provision of this Agreement by obtaining equitable relief in addition to all other remedies at law or under this Agreement. The non-breaching the Party's remedies at law for a breach of any provision of this Agreement may be inadequate and such Party may suffer irreparable harm from any such breach. The rights and remedies of the non-breaching the Party under this Agreement are cumulative and not alternative and are in addition to any other right or remedy set forth in any other agreement between the Parties, or which may now or subsequently exist at law or in equity, by statute or otherwise.

23.2. Force Majeure. Each Party to this Agreement will be excused for delays in performing or from its failure to perform hereunder (other than payment delays) to the extent that the delays or failures result from causes beyond the reasonable control of such Party; provided that, in order to be excused from delay or failure to perform, such Party must act diligently to remedy the cause of the delay or failure. Neither Party shall be liable for any economic loss, delay or failure to perform any part of these Terms and Conditions if such loss, delay or failure is caused by fire, flood, explosion, accident, war, strike, embargo, government request, civil or military authority, civil disturbances, inaccessibility of the public Internet, hacking or distribution of DoS attacks, failure to guarantee materials or labour, termination of vital agreements by third parties, actions of the other Party or any other cause beyond the control of the Party. If such circumstances of force majeure last for more than 3 months, either Party shall have a right to terminate these Terms and Conditions immediately upon written notice thereof to the other Party.

23.3. Assignment. Neither this Agreement nor any of the Client's rights or obligations under this Agreement may be assigned, transferred or encumbered by the Client without the prior written consent of the Company. Any such purported assignment shall be null and void. The Company may freely assign its rights and obligations hereunder to an entity controlling, controlled by or under common control with the Company, or in the context of a merger, reorganization or sale of all or substantially all of its assets, without the Client's consent.

23.4. Language. Both Parties agree that the Agreement shall be concluded and any communication between the Client and the Company shall be performed in English or in Lithuanian, unless otherwise explicitly agreed between the Parties. Translation of the Agreement or any part of it into other languages are for information and convenience purposes only and the Lithuanian version shall always prevail.

23.5. Currency. Both Parties agree that services under this Agreement will be provided in EUR, GBP, USD and other currencies available on My Newrails.

23.6. Waiver of Breach. No waiver by either Party of any breach of this Agreement will constitute a waiver of any other breach of the same or other provisions of this Agreement. No waiver by either Party will be effective unless made in writing and signed by each Party in a way agreed by both Parties.

23.7. Severability. If any provision in this Agreement is invalid or unenforceable in any circumstance, its application in any other circumstances and the remaining provisions of this Agreement will not be affected thereby.

23.8. Entire Agreement. This Agreement, together with its Annexes (inter alia, Price list), constitutes the entire agreement and understanding of the Parties relating to the subject matter hereof. This Agreement supersedes all prior written and oral agreements and all other communications between the Company and the Client. Amendments to this Agreement will be

effective only if signed electronically by the Company and the Client by way agreed by both Parties, except for cases provided in Section 8 of this Agreement.

23.9. Interpretation and Priority of Documents. In the case of conflicts or inconsistencies between the terms of this Agreement and any Schedule or Attachment hereto, the terms of this Agreement will prevail, except as specifically stated otherwise.

23.10. Headings and Interpretation. The Section headings in this Agreement are for identification purposes only and will not affect the interpretation of this Agreement. Unless business days are specified, all references to “days” mean calendar days.

23.11. Information submission. The Client shall have a right to request the Company to provide information possessed by the Company in relation to the Client’s information and transactions initiated by the Client within an E-Money Account. Such requests may be provided once per month and should be limited only to the information that the Company possesses, and which is able to be submitted to the Client under legal acts or internal procedures of the Company. Submission of such information to the Client is free of charge, however, in case the Client requests information more frequently than once per month or if the submission of information causes relevant losses to the Company, the Company shall have a right to apply relevant fee for fulfillment of request to provide information to the Client. The fee shall be proportionate to efforts required from the Company to fulfill the request. The fee shall be applied only subject to prior notice to the Client and after the Client provides its consent with respect to the fee. In case the Client disagrees to pay a fee, the Company shall have a right to refuse to submit information requested by the Client. Information shall be submitted following the procedure established under Section 20 of this Agreement, unless the Parties agree otherwise or the form and content of the information to be submitted requires a different submission method.

23.12. Sanctions Schemes. The Company reserves the right to restrict the Client’s right to manage and use available funds and other assets (including any accrued interest) and to dispose of them in accordance with the U.S. (OFAC) Sanctions Scheme. By accepting these Terms and Conditions, the Client acknowledges being aware of sanctions imposed by the Republic of Lithuania, the European Union, or other jurisdictions against the Russian Federation, the Republic of Belarus, or other sanctioned countries. The Client agrees to comply with such sanctions and not to violate them while using the Services.