

YODO MERCHANT AGREEMENT

This agreement (the "Agreement") is entered into as of _____, 2018 between:

YODO INC., a corporation organized under the laws of Canada, having an office at 2059 Byron Street, Victoria, British Columbia V8R 1L8, Canada ("YODO")

AND *{Merchant name and registered office}*

(the "Merchant")
(each a "Party" and together, the "Parties").

WHEREAS:

YODO provides a mobile-payment and content-delivery system using proprietary technology, with functions, features and attributes determined from time to time by YODO in its sole discretion (the "Services"), and

The Merchant wishes to deploy POS terminal(s) to make the Services available through a retail business or businesses owned and/or operated by the Merchant, thus allowing the Merchant's customers ("Customers") to enjoy the benefit of the Services

NOW, THEREFORE, the Parties covenant and agree as follows:

1. The Merchant Default Currency is set by this agreement and remains fixed for the term of the agreement. The Merchant Default Currency is set to be: **CAD**
2. The Merchant in entering into this agreement acknowledges that they are becoming a member of the Yodo Registered Merchant Association (the "Association") and agrees to pay one-unit of the merchant default currency per year to maintain said membership.
3. YODO or its licensees or other nominees shall provide the Merchant with the software ("Software") and either the hardware ("Equipment") or a hardware specification to enable the Merchant to make the Services available at the following retail site(s), (each a "Site") in accordance with the terms and conditions hereof:

{ Physical location of POS }

4. The Merchant acknowledges and agrees that all Equipment and Software provided by YODO without having been fully paid for by the Merchant under separate invoice shall remain the property (the "Property") of YODO.

DEFINITIONS

5. The YODO mobile payment system is a pre-paid open loop system which **may** require occasional Merchant Settlement between and among Association members. To govern the Merchant Settlement process, to protect the integrity of the system for all stakeholders, and to ensure consumer pre-paid funds are protected and accounted for the following terms are defined:
- a. "YODO Credit" means an electronic stored value established pursuant to the Services, which may be used by a person to make a purchase of goods or services, or otherwise transact a payment, at a registered YODO merchant.
 - b. "Merchant Credit" means the amount of cash tendered, or given to, the Merchant by Customers in exchange for YODO Credit, minus any cash back, or cash returned, to Customers by the Merchant in exchange for YODO Credit since the last Settlement (as defined below) (or if there has not yet been a Settlement, since the date of this Agreement).
 - c. "Merchant Debit" means the aggregate price of goods or services sold to Customers by the Merchant for YODO Credit since the last Settlement (or if there has not yet been a Settlement, since the date of this Agreement).
 - d. "YODO Cash" means the amount at any given time equal to the then Merchant Credit minus the then Merchant Debit.
 - e. "Net Amount" means the absolute value at any given time of the amount equal to the then Merchant Credit minus the then Merchant Debit, all stated in Merchant Default Currency.
 - f. "Trigger Points" means a Net Amount to precipitate an automatic Merchant Settlement process.
 - g. "Merchant Fees" means monthly subscription fees and other charges made on the merchant by YODO for providing the services.
 - h. "Incentive Rebate" means a credit to those Merchants who offer a minimum 5% price discount on all purchases by customers using Yodo mobile payments.
 - i. "Merchant Settlement Account" (MSA) means one of the following;
 - i. An account maintained by the Merchant at a Financial Institution of the merchant's choice with sufficient balance to facilitate Merchant Settlement (as defined below) to which the Merchant shall provide YODO Pre-Authorized Debit (PAD) access.
 - ii. A Merchant funded non-bank cash deposit administered and held by YODO on behalf of the Merchant to enable legally compliant electronic value transfer(s) among and between members of the Association for settlement purposes. Said merchant owned deposit, legally constitutes a deposit on the Property and will be returned to the Merchant in full should the Merchant return the Property upon termination of this agreement.
 - iii. A Credit Card Authorization Form completed by the Merchant in favour of YODO to be kept on file and to be used in case of need for Merchant settlement purposes. Merchant agrees Yodo may process the full amount of charges which are immediately due at such time as Yodo chooses to process the payment.

6. The Merchant shall, at its expense:
 - a. Do all things reasonably necessary to provide and promote the Services at the Site(s) in accordance with this Agreement by following YODO's reasonable instructions and all applicable laws;
 - b. Merchant is liable for YODO Cash resulting from transactions on Merchant activated Equipment, including Equipment which has been stolen, up until such time YODO has been notified of such Equipment loss to allow remote disabling. All YODO Cash held in trust by the Merchant prior to Settlement shall be stored securely. This Section 6-b shall survive the termination of this Agreement;
 - c. Not attempt to repair, reverse engineer, alter or otherwise tamper with the Property and return the Property upon request by Yodo;
 - d. Not refuse at any time to accept YODO payments by Customers;
 - e. Not charge a fee more than 1% of Cash Back redemptions and only on sums greater than the change due the customer at time of the Cash Back.
 - f. Display the promotional materials provided by YODO, and not engage in any advertising of YODO products, or use of the YODO trademark, except as approved by YODO;
 - g. Allow YODO to, during ordinary business hours, physically enter Site(s) to inspect the Property or audit Merchant compliance with the terms and conditions of this Agreement; and
 - h. Provide copies of specified identity documents necessary for YODO to establish and verify the designated Merchant Settlement account (MSA).
7. Trigger Points for settlement of YODO cash shall be a surplus of \$250 and a deficit of \$25 or such other amount(s) as may be established by YODO from time to time and notified to the Merchant in writing. Merchant agrees to maintain at all times a balance in said MSA which exceeds their stipulated upper Trigger point and Yodo agrees to eliminate any deficit within two business days of the deficit point being breached.
8. In the event of any disagreement concerning the amount of YODO Cash for Settlement purposes, the amount of YODO Cash shall be determined by YODO in accordance with this Agreement and YODO's determination thereof shall be binding upon the Merchant. Moreover, YODO's records shall be determinative in the event of any inconsistency between YODO's records and the Records generated by the Merchant.
9. When at any time the Net Amount exceeds either Trigger Point, YODO shall invoke an automated merchant settlement process. Invocation shall cause Merchant settlement to take place in the amount(s) stipulated by a settlement file generated by the YODO transaction server at the time of invocation. Each such settlement shall be performed by electronic value transfer(s) between Merchant Settlement Accounts' (MSA) and shall

constitute a "Settlement" for purposes of this Agreement. YODO shall endeavour to communicate to the Merchant the details for each Settlement at the time said Settlement occurs by way of sharing of an electronic report on the Settlement amount.

10. In the case of the designated Merchant Settlement Account (MSA) being held at a financial institution the particulars for said account are;
 1. Account number:
 2. Financial Institution:
 3. Swift code and/or IBAN:
11. Merchant Fees payable by the Merchant for the Services shall be a fixed subscription fee of \$39.95 per month assessed on the first of each month per connected device for the service (or such other monthly fixed fee as may be established from time to time by YODO and notified to the Merchant in writing).
12. During each of the twelve months immediately following the date of this agreement in which 10 or more YodoPay transactions occur, an Incentive Rebate of \$30 will reduce the fixed monthly subscription fee to \$9.95.
13. The term of this Agreement shall commence on the date hereof and continue until such time as this Agreement is terminated in accordance herewith.
14. YODO may terminate this Agreement immediately upon notice to the Merchant if:
 - b. the Merchant is in breach of this Agreement or applicable laws; or
 - c. the Merchant declares bankruptcy or becomes insolvent, or a receiver or a liquidator is appointed over some or all of the assets of the Merchant.
15. Either Party may terminate this Agreement without cause and without penalty at any time by providing 30 days' written notice to the other Party.
16. Termination of this Agreement shall not release the Merchant from any outstanding Merchant obligations to YODO. Upon termination of this Agreement, the Merchant shall:
 - d. Immediately cease to offer the Services;
 - e. Immediately cease any and all use or display of the YODO trade-mark; and
 - f. Within five days, deliver to YODO all YODO Cash (as determined by YODO), all Fees owed and all Property; and
 - g. Otherwise cooperate fully with YODO in the orderly wind-down of the Merchant's involvement in the provision of the Services.
17. The Merchant agrees that at no time without prior written permission from YODO will third party competitive point of sale software be used on Property supplied by YODO. The Merchant agrees doing so is a breach of this contract and shall upon request by YODO immediately remove said software and return to Yodo in original packing at Merchant expense such Property. YODO may at its option, bill the Merchant for the full retail price of the equipment plus levy a charge for damages not to exceed two thousand dollars.



27. This Agreement, including preambles and all schedules or attachments, constitutes the entire Agreement between the parties hereto, shall supersede any other oral or written agreements, and may not be changed or modified except by an instrument in writing, duly executed by the parties hereto.

28. This Agreement may be executed in counterparts and by facsimile or digital scan, each of which when so executed, shall be deemed an original, and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have executed this Agreement, effective as of the date first written above:

By: Print Name:	YODO INC. By: Legal Representative: Brian Doyle
------------------------	--

CLOUD ACCESS

 <p>Merchant Web Services site www.yodo-mws.co User name on MWS site; Password for MWS site;</p>	 <p>Yodopos Cloud site en.smarttouchpos.eu/login User name on Yodopos site; Password for Yodopos site;</p>
---	--