

**APPROVED**

By the decision of the Board  
LLC "Smart Systems"  
Protocol No. 3 dated 03.06.2024

**Rules of the Payment System LLC "Smart Systems"**

# **Rules of the payment system RUNPAY LLC "Smart Systems" for conducting payments and settlements, including the use of electronic money.**

## **1. INFORMATION ABOUT THE PAYMENT SYSTEM OPERATOR (PAYMENT ORGANIZATION)**

1.1. Limited Liability Company "Smart Systems" (hereinafter referred to as the Operator) (INN 01106201410234 OKPO code 28773488 legal address: 720040, Kyrgyz Republic, Bishkek, K. Tynystanova St., 189a) is the Operator of the payment system and combines its activities with those of the Payment Organization.

1.2. Limited Liability Company "Smart Systems" operates on the basis of a payment organization license for providing services for receiving and processing payments and settlements for goods and services that are not the result of its activities, in favor of third parties through payment systems based on information technologies and electronic means, and payment methods, including providing the use of electronic money of the issuer.

## **2. TERMS AND DEFINITIONS**

Automated self-service terminal (Payment terminal) - a device for receiving money from the Payer, operating in automatic mode;

Authorization - the Operator's permission for the User to conduct electronic money operations using electronic money in the System, including providing access to the User's electronic money wallet;

Aggregator - a payment organization providing Users of the System with the ability to make online payments for goods or services, as well as replenish electronic wallets with cash through a terminal network;

Agent/subagent - a legal entity or individual entrepreneur, including their payment acceptance points, engaged in the acceptance of Payments, who declared their adherence to these Rules and signed an Agreement for the acceptance of Payments, provided that the person accepts the terms of the Rules in full, in accordance with Article 387 of the Civil Code of the Kyrgyz Republic;

Authentication - the process of confirming that the physical person acting on behalf of the User is indeed the person they claim to be, with the possibility of further authorization to use the System;

Blocking of the electronic wallet - a complete or temporary prohibition on the use of electronic money stored in the User's electronic wallet;

Guarantee deposit, Guarantee payment - funds transferred by the Agent to the Operator, and/or by the Operator to the Supplier or electronic money issuing bank, to insure against possible risks and ensure the Agent's/subagent's fulfillment of obligations to the Operator or the Operator's obligations to the Supplier or electronic money issuing bank;

Guarantee fund - the total amount of guarantee deposits made by the Agent and/or Operator, minus the amounts withheld by the Operator or Supplier, in accordance with the terms of the contract;

Additional remuneration - the amount of money determined by the agreement between the Agent and the Payer, taking into account the restrictions established by the Operator, charged by the Agent/subagent from the Payer when accepting the Payment and going into the possession of the Agent/subagent respectively;

Identification - the procedure provided by the Rules and the Agreement and other Operator documents, consisting of establishing the identity of the Participant of the System – a physical or legal person, based on the information and documents necessary for identification, required by these Rules, the Agreement, and the current legislation of the Kyrgyz Republic;

Incident - any event that is not part of the normal operation of the System, causing or potentially negatively affecting the continuity or quality of Payments and settlements in the System;

History/Transaction log - a section in the User's electronic money wallet containing a chronological record of Payments and other operations conducted by the User with electronic money in the System;

Payer's account - an analytical account in the automated settlement system of the Supplier, used to account for the volume of goods sold, services rendered, work performed, as well as to account for the receipt and expenditure of funds made under the contract with the Supplier.

User's personal account (personal account) - the functional capabilities of the User's electronic money wallet, the User's personal section in the System, through which the User has access to their electronic wallet to obtain the necessary information about the balance of electronic money, transactions conducted with it, making Payments and other operations using electronic money as provided for by the System Rules and agreements concluded between the Operator or issuer and the User. The list of services provided through the User's personal account is determined by the Operator;

AML/CFT measures - measures taken to comply with the legislation on combating the financing of terrorist activities and money laundering (laundering) of criminal proceeds.

Payment system operator (Operator) - Limited Liability Company "Smart Systems", performing the functions of coordinating and ensuring the activities of the Payment System as a whole and combining its activities with those of the Payment Organization;

Password - a unique sequence of characters known only to the User, intended for accessing the System services;

User - an identified user of the System who has concluded an Agreement and has the right to conduct operations and Payments;

Payment - the transfer of funds through the provision of services by the Operator for receiving, processing, and issuing financial information (processing, clearing) and further conducting cashless settlements through the payment system of the Kyrgyz Republic, made by the User in favor of the Supplier to fulfill the obligation to pay for services, works, goods (including advance payment);

Payer - a legally capable individual, including the User, who has concluded an Agreement with the Operator in their name by joining the Rules and has the right to use the System to fulfill their financial obligations to the Supplier;

Supplier of goods/services (Supplier) - a legal entity or individual entrepreneur who has concluded a contract with the Payer for the sale of goods, provision of services and/or performance of works, receiving Payment from the Payer;

User interface - in the text of these Rules - software (installed on the Payment terminal, mobile phone, or available through the web interface, as well as via USSD- and SMS-requests) - part of the System, allowing to account for Payments, conduct authorized operations with electronic money and transmit information about them to the System server;

Processing - information (collection, processing, and distribution of information on performed operations, as well as other accompanying operations) and technological (management of general system directories, limitations, registries, and other system information, as well as other accompanying operations) interaction between System Participants, as well as information and technological interaction of System Participants;

Payment System (System) - the automated payment system "RUNPAY", ensuring information and technological interaction between the participants of the payment processing when accepting and conducting Payments from Payers, conducting authorized operations with electronic money;

System website - the website located on the Internet at <http://runpay.kg/>, through which access to the System is provided;

Tariff plan - rates of remuneration established by the Operator for the Agent for performing legal and other actions provided for by the Rules, as well as rates of remuneration for the Operator for actions provided for by the Rules. The tariff plan is established for the Agent upon signing the agency agreement to the Rules;

Payment System Participant (Participant) - a person involved in the acceptance and conduct of Payments through the System (Agents/subagents, Suppliers, Payers, Users) in accordance with the agreements concluded with the Operator (Agreement). For the purposes of the Rules, the Operator is also a Participant of the System;

Electronic money - unconditional and irrevocable monetary obligations of the Issuer(s), stored in electronic form and accepted as a means of Payment in the System by other Participants of the System. Electronic money is denominated in the national currency of the Kyrgyz Republic – som;

Electronic wallet - an electronic money storage, which is software or another program-technical device, containing a record of the amount of electronic money and its ownership by the holder, providing for their disposal;

Issuer/Bank - second-tier bank(s) issuing and redeeming electronic money in the electronic money system in accordance with the requirements of the regulatory legal acts of the National Bank of the Kyrgyz Republic, information about which is posted on the System website.

### **3. GENERAL PROVISIONS**

3.1. These Rules of the "RUNPAY.KG" payment system (Rules) define the unified conditions for the Operator's activities and establish the standard rights, obligations, and responsibilities of the System Participants. Participants of the Rules are the Operator, Agents/subagents, Suppliers, Payers. Each Participant guarantees to other Participants that it has the necessary legal capacity and all the rights and authorities necessary and sufficient to join the Rules and fulfill obligations in accordance with their conditions.

3.2. These Rules regulate the order and conditions of the System's functioning, interaction of Participants, establish the legal and organizational foundations for building and operating the System, conditions and procedures for joining the System, conditions and procedures for providing and using the System for making Payments, as well as other provisions necessary for the System's functioning. The Operator oversees Participants' compliance with the System's Rules.

3.3. As part of the compliance control and in accordance with legislative requirements, the Operator:

- monitors compliance with the current Rules and procedures, as well as their compliance with the legislation of the Kyrgyz Republic;
- sets requirements for the necessary technical and software means for conducting Payments to other System Participants;
- maintains a database on the Operator's Agents/subagents and Suppliers;
- assesses and manages risks in the System;
- ensures the secure operation of information processing tools;
- ensures a unified approach to incident management and maintains an incident register;
- ensures timely delivery of information on Payments accepted in the System to the Supplier in case of an emergency, in accordance with the contract terms and regulatory legal acts of the National Bank of the Kyrgyz Republic.

3.4. In case of changes in regulatory legal acts governing the Operator's activities, whose provisions contradict these Rules, including appendices, the legislative norms that have come into force are applied.

## **4. PROCEDURE FOR CONNECTING A PARTICIPANT TO THE PAYMENT SYSTEM**

4.1. These Rules constitute an integral and essential part of the Agreement concluded with a Participant of the System, and are irrevocably recognized by Participants as mandatory for full execution without any exceptions or exclusions.

4.2. Upon concluding Agreements and forming a database of Agents/subagents and Suppliers, the Operator obtains mandatory information from the Participant necessary for the execution of the Agreement and these Rules. Requirements for mandatory information provided by Participants to the Operator are defined in the respective Agreements.

4.3. The Operator enters into an Agreement with an Aggregator for Payment Acceptance, which may also define the conditions for topping up Electronic Wallets.

4.3.1. At the instruction of the Operator and on behalf of Payors, through a network of terminal equipment or other technical devices organized and managed by the Aggregator, the Aggregator organizes and processes Payment acceptance and their transfer to the Operator in accordance with separately concluded Agreements.

4.3.2. The Aggregator may accept Payments personally or delegate the acceptance of payments to any third parties – Agents of the Aggregator. The Aggregator provides the Operator with a report on accepted payments for a specified period on a daily basis. The procedure for reconciling payment information and settlements, as well as the responsibilities of the parties, are reflected in bilateral agreements.

4.4. Procedure for concluding a contract with Suppliers of goods/services:

4.4.1. When concluding an Agreement with a Supplier, the Operator determines:

- the procedure and terms for fulfilling financial obligations of the Operator to the Supplier for Payments accepted by the Operator and/or its Agents/subagents;
- the procedure and conditions for connecting the Supplier of goods/services to the System;
- Technical regulations for the interaction between the Operator's System and the Supplier;
- the procedure for providing data (payment registries) for conducting regular reconciliations of information on Payments accepted by the Operator and/or its Agents/subagents based on information contained in the Operator's System and data on Payments accepted by the Operator contained in the Supplier's system.

4.4.2. The parties integrate the Operator's System with the Supplier's system in accordance with the concluded Agreement.

4.4.3. After integration is completed, the Operator enters necessary data into the System to enable the acceptance of payments to the Supplier by the Operator and/or its Agents/subagents.

4.4.4. The Operator notifies Agents of the connection to the System of a new Supplier, providing information (including the conditions of financial relationships between the Operator and the Agent for this Supplier) objectively necessary for the Agent to accept Payments on behalf of the Supplier.

4.4.5. The Agreement with the Supplier may include other procedures and conditions for concluding the Agreement with the Supplier.

4.5. User registration procedure:

4.5.1. To register in the Electronic Wallet, the User needs to:

- Download the Runpay.kg application from Play Market or AppStore, or through the website;
- Enter the phone number;
- Enter the SMS code sent by the System;
- Create and enter a password;
- Then, the User must review and accept the terms of these Rules by entering into the Agreement.

4.5.2. To prevent fraud, it is necessary to keep your password strictly confidential and when conducting transactions, enter it ensuring that the phone screen is not accessible to anyone other than the User.

4.5.3. The User gives unconditional consent and permission to the Operator to obtain, store, and process their personal data to provide services, as well as to comply with the requirements of regulatory acts to combat money laundering and terrorist financing.

4.5.4. After registration, the Operator provides the User with the following services:

- purchase of electronic money, transfer of electronic money from one registered electronic wallet to another;
- redemption of electronic money by transferring to a bank account;
- non-cash transfers;
- payment for goods, works, services provided by Suppliers;
- viewing the balance of the electronic wallet;
- changing the language of the interface;

- changing the password;
- checking the transaction log.

4.6. Procedure for concluding an Agreement with an Agent and other Participants of the Payment System:

4.6.1. Before commencing activities related to conducting Payments, the System Participant must register in the System, confirming their agreement with these Rules and undertaking to comply with the terms of the Rules and the relevant Agreement. After registering in the System, the Participant cannot claim that they were unaware of the Rules or do not recognize their binding nature in contractual relations with the Operator.

4.7. The Operator reserves the right to refuse registration to any Participant and also to refuse to sign an Agreement if the person does not meet the requirements of legislation and these Rules.

## **5. RIGHTS AND OBLIGATIONS OF PARTICIPANTS**

5.1. General rights of the Operator:

5.1.1. Upon the Supplier's instruction and at the Supplier's expense, accept Payments from Payors, both using Electronic Wallets and Electronic Money, as well as without them, including cash and non-cash funds, and undertake to transfer the received payment to the Supplier (or settle with the Supplier by other lawful means) in accordance with these Rules and the Agreement with the Supplier. In turn, the Supplier undertakes to pay the Operator a fee, as provided in these Rules and the Agreement with the Supplier, if such payment is stipulated in the Agreement with the Supplier. The amount of the fee is determined by the Agreement with the Supplier.

5.1.2. Personally accept Payments or delegate the acceptance of payments to third parties – Agents/subagents of the Operator, while remaining fully responsible to the Supplier.

5.1.3. The Operator and/or Agents/subagents of the Operator may accept (receive) Payments from Payors by any means not prohibited by law (cash; non-cash funds), as well as through other payment systems and instruments not prohibited by the legislation of the Kyrgyz Republic.

5.2. General obligations of the Operator:

- Have procedures in place to ensure the security and uninterrupted operation of personnel workstations.
- Have procedures for reserving communication channels for data transmission.
- Have procedures to ensure the confidentiality of data transmitted to and received from the System in accordance with the legislation of the Kyrgyz Republic.

- Ensure compliance of the capacity of lines and other terminal equipment through which power supply is provided for the operation of systems, with the requirements of the systems for power.
- In case of power supply interruptions, ensure autonomous power supply for the systems.
- Have procedures regulating the duration of autonomous operation of the System, as well as ensuring compliance with the requirements for the duration of autonomous operation of the System from the moment of power supply interruption until switching to the backup channel of the System.
- In case of hardware or software failures, ensure the use of alternative and/or backup means in accordance with its internal procedures.
- In case of failure of the main communication channel, perform switching to the backup communication channel in accordance with its internal procedures.
- To mitigate the risk of internal fraud, have a fraud protection system and unauthorized access prevention at the System level (use of passwords and access rights to the System, cryptography, encryption, etc.), qualified personnel for System operation, and approved job descriptions defining the responsibilities, rights, and duties of the personnel.
- In case of incidents of internal fraud affecting the terms of the concluded Agreement, the Parties conduct internal investigation into the fraud incident and notify each other in writing of the results of such investigation. Claims arising from internal fraud incidents are resolved within the framework established by the legislation of the Kyrgyz Republic.

### 5.3. Operator's obligations in relations with the Supplier:

- Prepare the System to ensure, in accordance with the technical regulations, the interaction of the Operator's System with the Supplier's system for the purpose of transmitting Payment information.
- Register the Supplier in its electronic database and assign a Payment recipient code to them.
- Ensure the transfer of Payments received by the Operator and/or Agent/subagent of the Operator in accordance with the execution of the Agreement with the Supplier, based on the registry data of Payments received by the Operator and/or Agent/subagents of the Operator, with regular consolidated Payments. In this case, the Operator's obligations to transfer Payments received in favor of the Supplier are considered fulfilled from the moment the corresponding amount of funds is debited from the Operator's bank account. The deadline for the Operator to transfer Payments received by the Operator and the procedure for transfer are determined by the Agreement with the Supplier.
- The Operator and the Supplier sign a reconciliation statement for the reporting period. The procedure and deadline for submitting, reviewing, and signing the statement are determined by the Agreement with the Supplier.

#### 5.4. Operator's rights in relations with the Supplier:

- Require the Supplier to properly fulfill obligations stipulated by these Rules and the Agreement with the Supplier.
- Demand from the Supplier the payment of the Operator's due remuneration in the manner and within the deadlines specified in the Agreement with the Supplier for Payments received by the Operator and/or Agent/subagents of the Operator, if such payment is provided for by the Agreement with the Supplier.
- In case of erroneous Payments, correction and cancellation (voiding) of Payments are carried out in accordance with the procedures described in the Agreement with the Supplier.
- The Operator and/or Agent/subagents of the Operator are entitled to charge the Payers a fee for the use of the Operator's System resources when accepting and processing Payments in their favor, the amount of which (fee) is determined by the Agreement with the Supplier.
- The Parties are entitled to display each other's trademarks through the use of their own information resources solely for the purpose of advertising the goods (works, services) of the trademark owners.

#### 5.5. Rights and obligations of the Supplier.

##### 5.5.1. The Supplier shall:

- Prepare necessary equipment and software to ensure interaction with the Operator's System in accordance with the Technical Regulations;
- For the purpose of registering the Supplier in the Operator's electronic database and correctly processing Payments, as well as for the purposes of interaction between the parties under the Agreement with the Supplier, provide the Operator with information and documents specified in Section 4 of these Rules;
- Notify the Operator of any changes in Payment parameters that may affect the identification of the Payer and overall correctness of Payment processing in accordance with the terms and deadlines defined in the Agreement with the Supplier;
- Monitor and account for funds deposited by the Operator (by the Operator) as advance payment to the Supplier for future Payments conducted by the Operator;
- In case of erroneous transfer by the Operator of funds to the Supplier, transferred by the Operator in fulfillment of its obligations to the Supplier, which (Payments) resulted from any technical error, return to the Operator upon its written request the erroneously transferred funds within three (3) banking days from the date of receipt of the corresponding demand. Individual agreements with the Suppliers may contain other conditions for the return of funds erroneously transferred by the Operator to the Supplier;

- In case of an erroneous Payment due to the fault (including negligence) of the Payer (incorrect account number, incorrect payment amount, incorrect phone number, etc.), upon the Operator's written request, return the erroneously transferred funds to the Operator or modify the Payment parameters if such return and modification of Payment parameters are possible and feasible;
- Agree on the monthly reconciliation statement for the respective reporting month by signing it. The procedure and timing of receiving the monthly statement are determined by the Agreement with the Supplier;
- Pay remuneration to the Operator in the manner and amount specified in the Agreement with the Supplier, if such remuneration is provided for in the Agreement with the Supplier.

#### 5.5.2. The Supplier must:

- Employ specialists responsible for Payment (transfer) acceptance and exchange of other messages within the System.
- Employ specialists for system maintenance to ensure uninterrupted operation and security of the technical infrastructure.
- Have procedures in place to ensure confidentiality of data transmitted to and received from the System in accordance with the legislation of the Kyrgyz Republic.
- In case of failure of the main communication channel with the Operator, switch to its own backup communication channel in accordance with its internal procedures.
- To mitigate the risk of internal fraud, have qualified and vetted personnel for working within the system, as well as approved job descriptions defining the responsibilities, rights, and duties of personnel.
- In case of facts of internal fraud affecting the conditions of these Rules and the concluded Agreement, the Supplier and the Operator conduct an internal investigation into the fact of fraud and inform each other in writing of the results of this investigation. Claims, all disputed situations arising from internal fraud, are resolved within the framework established by the legislation of the Kyrgyz Republic.

#### 5.5.3. The Supplier is entitled to:

- Demand timely fulfillment by the Operator of financial obligations arising for the Operator from the acceptance of Payments by the Operator and/or its Agent/subagent in favor of the Supplier;
- Demand from the Operator proper fulfillment of obligations stipulated by these Rules and the Agreement with the Supplier;

- In case the Operator fulfills its obligations to the Supplier on a prepayment basis, upon a properly documented request from the Operator, provide a credit limit for Payments made by the Operator, except for Payments to the budgets of the budgetary system of the Kyrgyz Republic. In this case, the Supplier determines the amount of the credit limit, as well as the procedure and terms for its repayment, unless otherwise specified in the Agreement with the Supplier. The risk of non-payment of obligations arising in this case for the Operator rests with the Supplier.

#### 5.6. Liability of the Parties in the interaction between the Operator and the Supplier:

- The Parties shall be liable for improper performance of their obligations in accordance with the provisions of these Rules and the Agreement with the Supplier, and in cases not covered by the Rules and the Agreement - in accordance with the legislation of the Kyrgyz Republic.

- In case of the Operator's breach of obligations to transfer Payments to the Supplier, accepted in accordance with the Agreement with the Supplier, the Operator undertakes to pay the Supplier a penalty in the amount, manner, and within the period specified in the Agreement with the Supplier.

- In case of the Supplier's breach of the payment procedure for remuneration stipulated in the Agreement with the Supplier and/or its relevant appendices (amount, terms), the Supplier undertakes to pay the Operator a penalty in the amount, manner, and within the period specified in the Agreement with the Supplier.

- In case of temporary suspension or termination of Payment acceptance by the Operator, including due to termination of the Agreement with the Supplier, the Supplier shall not demand and the Operator shall not be obliged to compensate the Supplier for any indirect damages (lost profit, foregone earnings, etc.), unless otherwise stipulated in the Agreement with the Supplier;

5.6.5. The Operator is not liable for delayed transfer of accepted Payments to the Supplier due to untimely notification by the Supplier of changes in its details, as well as in case of malfunction in the operation of the electronic systems of the servicing bank.

- The Operator is not liable for errors made by the Payer when making a Payment.

- In case of causing damages to the Supplier, the Operator, or any third party due to violation of technical regulation requirements, such damages must be fully compensated to the injured party and/or the respective third party who suffered from the violation of technical regulation requirements.

#### 5.7. Rights and Responsibilities of the Agent/Subagent

##### 5.7.1. The Agent/Subagent shall:

- Pay for the Operator's Processing services in relation to the Suppliers specified in the Agreement between the Operator and the Agent/Subagent.

- Transmit to the Operator real-time data on each accepted Payment. Any operation for transmitting Payment data is possible only through the System.
- After receiving the Payment, provide the Payer with a notification confirming the Payment, in the form established by the current legislation and the Operator.
- Deposit a Guarantee Deposit into the Operator's settlement account before commencing Payment acceptance, if stipulated in the Agreement.
- Notify the Operator of any changes in the data provided by the Agent/Subagent during registration in the System, including legal and actual addresses, postal address, email addresses, contact phone numbers, changes in authorized representatives of the Agent/Subagent, changes in banking details, transition of the Agent/Subagent to another tax regime, etc. The notification must be sent by the Agent/Subagent to the managing manager via email within 3 (three) days from the date of change of the respective data, and also attached in writing to the work completion report for the month in which such changes occurred.
- Not compromise or violate the Operator's trademark rights.
- Timely inform the Operator of the occurrence, existence, or change of any circumstances that are significant for the implementation of these Rules.
- In case of termination (suspension) of the Agent/Subagent's authority to use the System, immediately cease Payment acceptance and use of the System, and also remove all advertising materials.
- Conduct subsequent settlements with the Operator in accordance with the concluded agreement, these Rules, and applicable legislation.
- Provide any requested information by the Operator regarding the agency activities, including an up-to-date list of addresses where Payment terminals are installed (if applicable).
- Ensure unhindered access for representatives of the National Bank for the purpose of verifying Agents/Subagents of the Operator for compliance with the requirements of regulatory legal acts of the National Bank and providing necessary documents related to the verification of activities performed as an Agent/Subagent, upon presentation of a document confirming the right to conduct such verification.
- In case of suspicion of financing terrorism and money laundering or other predicate offenses as a result of Payment(s), conduct identification and verification of the Payer.

5.8.2. The Agent/Subagent has the right to:

- Use the Operator's trademarks for advertising purposes upon written agreement with the Operator. The trademarks are not transferred for use to the Agent/Subagent.

- Charge Additional Compensation from the Payer, taking into account the limitations established by the Operator.

## 5.8. Rights and Responsibilities of the Operator in Interaction with the Agent/Subagent

### 5.8.1. The Operator shall:

- Pay the Agent/Subagent remuneration, unless otherwise stipulated in the Agreement with the Agent/Subagent.

- Timely inform the Agent/Subagent of the occurrence, existence, or change of any circumstances that are significant for the implementation of the Rules.

- When concluding the Agreement, define the rates of remuneration for the Agent/Subagent for accepting Payments on behalf of the respective Suppliers.

- Record all transactions between participants of the System.

- Store for a period of five years the relevant information on transactions within the System in a form that allows verifying its integrity.

### 5.8.2. The Operator has the right to:

- Suspend the technical capability to accept Payments if there are insufficient funds in the Agent/Subagent's Guarantee Fund balance, if provided for in the Agreement.

- Refuse to provide services under these Rules in cases provided for by the legislation of the Kyrgyz Republic, these Rules, and the Agreement.

- Monitor at any time the execution by the Agent/Subagent of obligations related to these Rules and the Agreement, without interfering in its business activities.

- Unilaterally amend the Rules by publishing a document containing information about such changes on the System's website. The amendments come into force five (5) business days after publication, unless a different effective date is additionally specified upon their publication. The Agent/Subagent shall either accept the amended terms of the Rules or, prior to the effective date of the amended terms, provide the Operator with a response declining to accept the amended terms of the Rules. In case of failure to provide a response declining the proposed amendments, the offer to amend the terms of the Rules shall be deemed accepted by the Agent/Subagent. If the Agent/Subagent disagrees with the amendments to the terms of the Rules, the parties have the right to terminate the Agreement after settling all accounts.

- In case of non-performance (improper performance) by the Agent/Subagent of any obligations provided for in these Rules, without prior notice, disconnect/block the Agent/Subagent from the System and demand in writing immediate rectification of violations, as well as compensation for damages.
- Require the Agent/Subagent to maintain the balance of the Guarantee Fund not lower than the forecasted amount of daily accepted Payments by the Agent/Subagent and reserve the right, in the absence of funds in the Guarantee Fund balance, to suspend the technical capability to accept Payments if stipulated in the Agreement.
- If the requirements for rectifying violations are not fulfilled by the Agent/Subagent within 3 (three) business days, unilaterally terminate the Agreement. Notification of termination of the Agreement on the aforementioned grounds is sent by the Operator to the Agent/Subagent in writing. The authority of the Agent/Subagent to use the System terminates from the moment the Operator notifies the Agent/Subagent, and the Agreement is considered terminated from the moment of notification to the Agent/Subagent.
- In cases of concluding a contract with a new Supplier, or changing the conditions of cooperation with the Supplier, or for other reasons specified in these Rules, unilaterally amend both the list of Suppliers for whom Payments may be accepted and the rates of remuneration for the Agent/Subagent for accepting Payments for a specific Supplier by sending an official letter to the Agent/Subagent or by email to the Agent/Subagent regarding the introduction of the aforementioned changes. In this case, changes made to the list of Suppliers and Tariff plans come into effect for the Agent/Subagent within one day after receiving an informational letter from the Agent/Subagent, unless another effective date is specified by the Operator. The new terms are considered accepted (accepted) by the Agent/Subagent when they accept Payments after the effective date of the changes.

## 5.9. Rights of the User:

### 5.9.1. The User has the right to:

- Use the System to deposit electronic money into the balance of their electronic wallet using any of the available methods in the System, and to conduct Payments for civil transactions.
- Receive information about the balance of the electronic wallet owned by the User, actions taken by the User regarding the wallet balance, transaction history, and other information relevant for using the System.
- Provide accurate/complete/valid data during registration and throughout the use of the System.
- Timely and promptly notify of any changes in personal data.
- Receive technical and informational support.

### 5.9.2. Responsibilities of the User:

- Provide the Operator with accurate data during registration in the System and identity verification procedures. Claims resulting from the provision of inaccurate information by the User will not be considered.
- Not attempt to modify the System's software, either in whole or in part, independently or by involving third parties.
- Immediately notify the System Operator of any unauthorized transactions conducted without the User's consent or unauthorized access to the User's personal data.
- The User undertakes not to use the System for business activities or to facilitate such use by third parties.
- Not engage in illegal transfers and fraudulent actions.
- The User agrees to the processing of any personal data provided by the User personally or through third parties during the conclusion or during the term of these Rules and the Agreement.

### 5.9.3. The Operator has the right to:

- Perform updates to the System and deny access to the System using outdated software.
- Suspend the operation of software and hardware in case of malfunctions, errors, and failures in the operation of the software and/or hardware used to ensure the functioning of the System, as well as for preventive purposes and to prevent unauthorized access to the System.
- Regardless of the User's status, request identity documents in cases directly stipulated by these Rules and the Agreement.
- Refuse to carry out operations in cases such as:
  - Attempted transfer/payment exceeding the balance of electronic money in the User's electronic wallet.
  - Attempted transaction exceeding the limit set by law or by the Operator for single transactions, depending on the established restrictions.
  - Inability to maintain communication with services due to reasons beyond the Operator's control.
  - Negative result of the User's Authentication or Identification procedure.

- Actions by the User that violate the legislation of the Kyrgyz Republic.
- Violation by the User of other terms of the Agreement.

#### 5.9.4. The Operator is obligated to:

- Ensure round-the-clock uninterrupted operation of the System. Provide technical and informational support services to Users.
- In case of malfunctions, faults, errors in the operation of software and/or hardware, promptly take necessary measures to rectify the issue.
- In case of unauthorized access to the System, suspend operations until the threat of third-party interference in the process of transferring Electronic money between Users' wallets is eliminated.
- In case of planned maintenance work suspending the operation of the System, notify Users in advance about the time and duration of the maintenance.

#### 5.10. Liability of Parties in Operator and Participant Interaction.

5.10.1. The parties are responsible for improper performance of their obligations in accordance with the provisions of these Rules and the Agreement with the Participant, and in cases not provided for by the Rules and the Agreement, in accordance with the legislation of the Kyrgyz Republic.

5.10.2. In case of violation of the Rules by one of the parties resulting in losses to the other party, the party at fault shall compensate them in full.

5.10.3. The Participant independently and at their own expense resolves disputes with Payers related to the non-execution of Payments in the System due to the absence of necessary software or technical equipment, as well as other reasons caused by the Participant's culpable actions/inaction.

5.10.4. A Participant who violates applicable legislation by failing to fulfill obligations specified in these Rules shall bear the measures of responsibility established by relevant regulatory legal acts, as well as undertake to compensate for damages incurred by the Operator as a result of actions by supervisory authorities caused by the Participant's failure to fulfill these obligations.

5.10.5. The Operator is not liable for direct or indirect losses suffered by the Participant, including lost profits, caused by the fault of a telecommunications operator, including temporary deterioration in communication quality and/or equipment failure.

5.10.6. The Operator is not liable in cases of unauthorized access to the Participant's Personal account in the System by third parties.

5.10.7. The parties are responsible for actions of their personnel that violate the provisions of these Rules and/or appendices thereto, if such actions result in non-performance or improper performance of the parties' obligations.

5.10.8. Imposition of penalties and sanctions, as well as claims for damages, is a right rather than an obligation of the parties, and is exercised at their discretion.

5.10.9. The right of a party to claim damages, penalties, and sanctions is exercised by sending a written claim to the party at fault. The Operator may set off the debt for all monetary obligations of the Participant against the compensation due to the Participant or deduct the amount of the debt from the Participant's Guarantee Fund, and may also apply a claims procedure for recovery of the debt.

5.10.10. Payment of penalties and compensation for damages does not exempt the parties from proper performance of their obligations and compliance with these Rules.

## **6. PROCEDURE FOR MAKING PAYMENTS**

6.1. The Participant conducts Payments using the System in accordance with these Rules, the Agreement, and the current legislation of the Kyrgyz Republic.

6.2. Payments are made in the national currency of the Kyrgyz Republic - som.

6.3. The Operator ensures the recording and storage of information on conducted Payments, providing Participants with access to this information through the System.

6.4. The Operator provides the necessary technical means and conditions for making Payments through the System, ensuring the proper level of security and confidentiality of information.

6.5. In case of technical failures or other issues preventing the making of Payments through the System, the Operator takes all necessary measures to restore the System's operability as soon as possible.

## **7. EXIT PROCEDURE FOR PARTICIPANTS FROM THE SYSTEM**

7.1. Exit Procedure from the System in Interaction with the Supplier.

7.1.1. The contract with the Supplier enters into force from the date of its signing and remains valid until its termination by mutual agreement or within the term specified in the contract with the Supplier.

7.1.2. The contract with the Supplier may be terminated unilaterally upon the Operator's initiative in the following cases:

- Violation by the Supplier of the terms of the concluded contract and/or these Rules;
- Adoption by the relevant authorized state body of a regulatory legal act prohibiting or restricting entrepreneurial activities of Suppliers in cases where force majeure circumstances last more than sixty (60) calendar days, unless otherwise provided by the contract with the Supplier;
- In cases where force majeure circumstances last more than 60 (sixty) calendar days.

7.1.3. The contract with the Supplier may be terminated unilaterally upon the Supplier's initiative in the following cases:

- Violation by the Operator of the terms of the concluded contract and/or these Rules;
- In cases where force majeure circumstances last more than sixty (60) calendar days, unless otherwise provided by the contract with the Supplier.

7.1.4. In the event of termination of the contract with the Supplier, the financial obligations of the parties, as well as obligations determining liability for violation of these Rules or the contract with the Supplier, shall remain in force until their fulfillment.

7.2. Exit Procedure from the System in Interaction with the Participant.

7.2.1. The contract with the Participant enters into force from the date of its signing by the Parties and remains valid until its termination by mutual agreement or within the term specified in the contract, provided that the term of the contract with the Participant does not exceed the term of these Rules.

7.2.2. The contract with the Participant may be terminated unilaterally upon the Operator's initiative in case of the Participant's violation of the contract terms.

7.2.3. The contract with the Operator may be terminated unilaterally upon the Participant's initiative in the following cases:

- Violation by the Operator of the terms of the concluded contract;
- In cases where force majeure circumstances last more than sixty (60) calendar days, unless otherwise provided by the contract with the Participant.

7.2.4. In case of unilateral termination of the contract with the Operator, the initiating party is obliged to notify the other party in writing no later than thirty (30) calendar days before the planned termination date of the contract with the Operator, unless otherwise provided by the contract with the Operator.

7.2.5. In the event of termination of the contract with the Participant, the financial obligations of the parties, as well as obligations determining liability for violation of these Rules or the contract, shall remain in force until their fulfillment.

## **8. PHYSICAL AND INFORMATION SECURITY ASSURANCE**

8.1. The Operator takes available measures to ensure the following requirements for the purpose of physical and information security of the System:

- 1) Restricts access to the processing center and communication channels used for Payment information transmission;
- 2) Implements data protection mechanisms during both storage and transmission;
- 3) Ensures adequate backup of all data (real-time backup for all information or key information);
- 4) Protects the System from malicious software, regularly updating antivirus software;
- 5) Ensures the integrity and authenticity of data during transmission through communication channels from its initiation point to the processing center and back;
- 6) Maintains the operability of information systems related to information security;
- 7) Ensures timely switching/recovery/rollout of System operation to a backup hardware-software complex in case of emergency situations;
- 8) Implements mechanisms to verify the identity and authorization of persons processing and receiving payments;
- 9) Implements mechanisms to minimize data input errors, control data input to eliminate or reduce the possibility of errors;
- 10) Conducts thorough testing of all System equipment and software;
- 11) Ensures data and equipment protection in case of System failures, emergencies, or unauthorized data access;
- 12) Monitors and controls the operability of objects connected to the processing center and sessions accessing the System;
- 13) Provides equipment and communication system redundancy;
- 14) Ensures confidentiality of System information;
- 15) Ensures physical security of premises and equipment in accordance with the legislation of the Kyrgyz Republic.

## **9. MEASURES AGAINST FRAUD AND UNAUTHORIZED ACCESS**

9.1. To protect against fraud and unauthorized access to the System, the Operator takes available measures to ensure the following requirements:

- Restricts access to the Payment processing center and communication channels used for Payment information transmission.
- Ensures encryption of data transmission channels.
- Implements mechanisms to verify the identity and authorization of persons conducting, processing, and receiving Payments.
- Ensures separation of duties when performing actions to modify information system data and confirms (authorizes) them, involving at least two (2) employees when necessary.
- Implements authorization and authentication of Participants and System personnel.
- Assigns appropriate access rights to each User necessary for carrying out their duties and ensuring interchangeability.
- Controls violations of information security measures.
- Provides physical protection of information systems.
- Ensures cryptographic data protection.
- Implements fire safety measures.
- Logs and checks the technical state of the Systems.
- Protects supporting infrastructure and conducts staff training.
- Guards against data interception and protects mobile systems.
- Utilizes antivirus protection on all workstations and System servers, unless otherwise specified by the technological process.

## **10. INCIDENT MANAGEMENT**

10.1. In managing incidents, Participants of the System must consider and the Operator must strictly adhere to the following measures to identify potential risks and challenges:

- Early detection of Incidents is necessary – organizing event monitoring and informing Users about incidents.

- Incident registration is essential.
- Ensuring high availability of the System.

10.2. Incident management operates according to the following scheme:

First level - a single point of entry for inquiries. Requests are registered and classified, their priority and responsible parties for resolution are determined. This support level is primarily managed by a call center equipped with necessary documents and instructions, including processes for interacting with the second level. Second level support engineers conduct technical expertise and resolve non-routine Incidents, update the application knowledge base, identify defects, and escalate to the third level support. Problems requiring analysis of complex Incidents not resolved at the second level are escalated to the third level. Third level technical support specialists analyze complex Incidents, correct defects, and test provided solutions related to System architecture or its software implementation issues.

## **11. COMMUNICATION PROCEDURE WITH PARTICIPANTS**

11.1. The Operator informs Participants of the System about disruptions and malfunctions in the System's operation and associated risks if the Incident affects the continuous operation of the System.

11.2. Confirmation (or refutation) by the System Participant (responsible for the reported violations and malfunctions) of the fact of the violation (specifying the date, time of occurrence, time of resolution, nature of the violations and malfunctions, reasons for their occurrence, measures taken to resolve them, results of investigation of these events, analysis of consequences) is carried out by contacting the party via telephone communication channels or email from established addresses to the designated address. The Operator also utilizes any additional available means of communication, including informing the general public, to ensure maximum awareness of all Participants about the emergency situation and to take effective measures to resolve it.

11.3. The procedure for informing the National Bank of the Kyrgyz Republic (NBKR) and System Participants in the event of an emergency situation and restoration of normal System functioning is carried out in accordance with the respective internal regulatory documents of the Operator and the terms stipulated in the agreements between the parties.

11.4. Upon occurrence of an Incident that may adversely affect System continuity, the System Participant identifying the incident:

- notifies the parties at risk;
- takes measures to fulfill/complete their financial obligations to System Participants;
- takes measures to ensure data security and restore System functionality;

- ensures that other Participants can fulfill their obligations.

11.5. Informing Participants of the System about disruptions and malfunctions in the System's operation and associated risks is carried out if the risk levels resulting from the violation are categorized as "medium" or "high" and affect the continuous operation of the System for Participants.

11.6. Upon detection of external threats, crimes, or fraud within the System that may threaten other Participants, immediate notification is made to the Payment Systems Management of NBKR via telephone communication channels, email, and any other means of message delivery.

## **12. ANTI-MONEY LAUNDERING/COUNTERING THE FINANCING OF TERRORISM MEASURES**

12.1. The Operator applies internal control rules in accordance with the legislation of the Kyrgyz Republic in the field of Anti-Money Laundering/Countering the Financing of Terrorism (AML/CFT) to fulfill the following main responsibilities:

- implementing measures to identify, assess, monitor, manage, mitigate, and document risks;
- conducting proper verification of Participants;
- applying targeted financial sanctions and suspending transactions;
- applying measures regarding high-risk countries;
- timely submission of information and documents to the financial intelligence unit, as well as reporting on transactions subject to monitoring and reporting;
- ensuring storage of information and documents on transactions, as well as information obtained as a result of proper verification of Participants;
- ensuring confidentiality of information;
- ensuring compliance with other obligations provided for in the legislation of the Kyrgyz Republic in the field of AML/CFT.

12.2. The Operator integrates the consolidated sanctions list of the Kyrgyz Republic, the consolidated sanctions list of the UN Security Council, the list of individuals, groups, organizations involved in money laundering, terrorism or extremist activities, and individuals convicted for these activities into the payment system for online monitoring of identification data and their verification.

12.3. All legal entities - counterparts of the Operator, established and registered in the Kyrgyz Republic, including Suppliers, payment system operators and payment organizations, Agents/subagents and Participants, are obliged to compile accurate and updated information on

the natural person who ultimately (through a chain of ownership and control) directly or indirectly (through third parties) owns the rights to ownership of such legal entity or controls such legal entity (hereinafter referred to as the beneficial owner) based on available and accessible information, as well as take all available and possible measures to identify their beneficial owner; the Operator retains the obtained information on the beneficial owner for at least five years from the date of its formation.

12.4. The Operator applies a risk-based approach in its activities, namely:

- assessing and constantly updating its risks considering the specifics of its activities, results of national risk assessments, and typical criteria of high and low risks;
- submitting information on identified risks to the respective supervisory authority and the financial intelligence unit in the established manner;
- developing and applying enhanced or simplified policies, control measures, risk management procedures, and risk reduction measures;
- applying enhanced or simplified measures for proper verification of participants based on the results of risk assessment;
- classifying Participants based on risk criteria.

12.5. The Operator independently conducts verification, or relies on the verification results of another party, in accordance with the legislation, regarding all Participants of the System, applying the following measures for proper verification:

- identification and verification of Participants;
- obtaining information on the purpose and intended nature of business relationships with the Participant;
- identification of the beneficial owner and taking available measures to verify the beneficial owner.

12.6. The Operator undertakes the following actions as part of internal control:

- Documentarily records information obtained from the identification and verification of Participants and beneficial owners;
- Stores and updates information and documents on the activities of Participants and their financial position, as well as information and documents obtained from proper customer due diligence;
- Conducts ongoing proper verification of Participants (throughout the entire period of business relations with the user and analysis of the compliance of transactions (Payments) conducted by the user and for the user, with available information on the nature of their activities, financial

position, and the source of funds, as well as the nature of risks related to financing of terrorist activities and money laundering. The Operator may apply the following additional measures for proper verification of the user regarding public officials, including family members and close associates:

- Uses a risk management system to determine whether the Participant or beneficial owner is a public official;
- Obtains written permission from the organization's management to establish or continue (for existing Participants) business relations with a public official;
- Establishes the source of funds or other assets of a public official.

12.7. The Operator retains the following information and documents:

- Information, business correspondence, and copies of documents, including originals of Participant and beneficial owner questionnaires obtained from proper Participant verification, for at least five years after terminating business relations with the Participant or completing the last operation with the Participant;
- Information and documents on all conducted transactions (Payments) for at least five years after completing the transaction (Payment);
- Conclusions or references regarding the analysis of conducted transactions (Payments) for at least five years after completing the transaction (Payment);
- Information and documents required by the legislation of the Kyrgyz Republic in the field of combating the financing of terrorism and money laundering, for at least five years after terminating business relations with the Participant or completing the last operation (Payment) with the Participant.

### **13. LIMITS ESTABLISHED IN THE SYSTEM**

13.1. The limits established in the system comply with the current legislation regarding the System, payment organizations, and electronic money operators.

13.2. In addition to the limits established by legislation, the Operator has the right to set its own limits based on the current market conditions and risk assessment of the System.

### **14. ADDITIONAL TERMS**

14.1. In its Rules, the Operator does not prohibit System Participants from participating in other payment systems.

14.2. The rules and procedures of the Operator's System provide Participants with a clear understanding of the system's impact on each of the financial risks they assume by participating in the System, the legal basis for these risks, and the roles of the Participants, as well as the time and principles of risk management of the System.

14.3. The rules and procedures of the Operator's System comply with the requirements of regulatory acts of the National Bank on risk management, and are reviewed and updated regularly as necessary, but no less than once every 3 (three) years.