

TERMS AND CONDITIONS

Welcome to Padsystem!

Padsystem is owned and operated by Pad System International Ltd.

These are the terms and conditions for:

- <https://www.padsystem.com>

The following terms and conditions apply to your use of the Padsystem platform and the services available on the platform. This includes mobile and tablet versions, as well as any other version of Padsystem accessible via desktop, mobile, tablet, social media or other devices.

By using the platform, you agree to these terms and conditions and our privacy policy. In these terms and conditions, the words "platform" refers to the Padsystem website, "we", "us", "our", and "Padsystem", refers to Padsystem, and "you", and "user", refers to you, the Padsystem user.

PLEASE READ THESE CONDITIONS CAREFULLY BEFORE USING THE SERVICES AND FUNCTIONALITIES AVAILABLE ON THE PLATFORM.

1. ACCEPTANCE OF TERMS

By using the platform, you agree to be bound by this agreement. If you do not agree to the terms of this agreement, you must not use our services and our platform. We may modify this agreement from time to time, and such modification will be effective upon posting on the platform. You agree to be bound by any modifications to these terms and conditions when you use Padsystem following the posting of such modification; therefore, it is important that you review this agreement regularly.

By using the platform, you represent and warrant that you have the full right, power and authority to enter into this agreement and to fully perform all of your obligations hereunder. You further represent and warrant that you are not under any legal incapacity or contractual restriction that would prevent you from entering into this agreement.

2. NOTIFICATIONS

By providing your email address to Padsystem, you agree that we may use your email address to send you notifications about Padsystem. We may also use your email address to send you notifications and other messages, such as changes to service features, news and special content. If you do not wish to receive these emails, you may opt-out of receiving them by submitting your unsubscribe request through the contact information or by using the

"unsubscribe" option in the emails. Opting out may prevent you from receiving notifications and mailings about updates, news or special content.

3. USER ACCOUNT

Users may register on Padsystem's website to create a user account. During the registration process, users will be required to provide accurate and current information, including, but not limited to, a valid email address. Users are responsible for maintaining the confidentiality of their login credentials and all activities that occur under their account. Any unauthorized use of the account must be reported immediately to Padsystem.

By registering, users agree that the account created is personal and non-transferable. Sharing of account credentials with third parties is prohibited, unless expressly permitted by Padsystem. Padsystem reserves the right to suspend or terminate the user's account in the event it detects any misuse, violation of the terms and conditions, or any other conduct it deems inappropriate or harmful to the integrity of the platform.

Padsystem also reserves the right to refuse registration of any user or cancel existing accounts at its sole discretion, without justification or prior notice. Users may cancel their account at any time through their profile settings on the Padsystem website. Once the account is cancelled, access to the platform and all associated data will be permanently revoked. Users acknowledge that the cancellation of their account implies the irreversible deletion of all data and content stored on Padsystem, with no possibility of recovery. By cancelling the account, the user also waives any right of claim related to the deletion of their data.

4. PLATFORM DESCRIPTION AND USAGE

Padsystem is a comprehensive cloud storage solution designed to optimize collaboration in shared work environments. Through the platform, users can efficiently manage projects by creating and organizing sub-folders called "Stores" within a master account called "Share". The Share owner has full control over the configuration of the Stores, including assigning permissions and access levels for other users, which facilitates cooperation and real-time information sharing. Each authorized user can access, modify and share files in Stores according to the permissions granted, efficiently replicating a centralized and structured collaborative environment. In addition, Padsystem offers access to specialized programs such as PadSystem Pattern, Marker and Digital Conversion, which are designed to enhance the functionality and productivity of projects stored on the platform. These programs complement Padsystem's capabilities by providing additional tools that allow users to more effectively manage their tasks and objectives.

5. LICENSE KEYS

In Padsystem, access to the platform's tools and functionalities is linked to the acquisition of license keys. There are different license grades, each with a specific set of tools available,

allowing users to choose the most suitable option for their needs. Users can have multiple license keys with different grades within the same account, providing greater flexibility in managing teams and projects.

It is important to note that the tools and functionality available in each license grade may vary and are subject to change with program updates. Padsystem will notify users if there are any changes to the tools or functionality associated with their licenses, and users are responsible for managing licenses based on their project needs. In the event that more than one user is required to simultaneously access files or functionality within the same Share, an additional license key will need to be purchased. Managing these licenses ensures greater efficiency in the use of Padsystem resources.

6. SUBSCRIPTIONS

Padsystem offers subscriptions that allow users to access license keys and, therefore, platform functionalities. Each subscription is linked to a specific license key, and users can opt for monthly or annual subscriptions. Although the annual subscription is billed monthly, it is automatically renewed at the end of the annual period. Users can purchase multiple subscriptions if their account requires multiple license keys, with the flexibility to choose different license grades based on the needs of their team or project.

Since the tools available in each license grade may change with Padsystem updates, users will be notified in a timely manner in the event that there are modifications to the content of their licenses. This ensures that customers are informed about new tools or the removal of functionality, allowing them to adjust their subscriptions accordingly as changes are made to the platform. Subscriptions and license levels can be easily managed from the user's account, allowing customers to customize their Padsystem experience and ensure continued access to the functionality needed for their projects.

7. PAYMENTS

Payments for Padsystem subscriptions are handled on a monthly basis, regardless of whether the user has selected a monthly or annual subscription. For annual subscriptions, the user commits to a twelve-month billing cycle, although payments are billed and made on a monthly basis. Renewal of the annual subscription is automatic at the end of the period, ensuring uninterrupted continuity of service. It is the user's responsibility to ensure that the payment information provided is current and valid, as any failure to process payment could result in temporary suspension of access to the platform and associated license keys. Padsystem reserves the right to suspend or cancel access to the platform in the event of non-payment, until the situation is regularized.

Users may pay for subscriptions through the following payment methods:

- Credit/debit card (Visa, Mastercard, Discover, Amex, Diners, etc.).

Payment for the subscription will be charged to your credit or debit card upon completion of the payment and subscription registration process. The subscription will be activated upon

completion of the payment and registration process. Once the transaction is processed, we will send an electronic receipt to the user's email address.

If you find any inconsistencies in your billing, please contact us through our contact details or you can file a complaint through the customer service of the relevant payment processor.

If your card is declined, you will receive an error message. No payment will be charged to your card and no order will be processed. There may be a pending transaction on your account until your card issuing bank withdraws the authorization. This usually takes 2 to 5 business days. Your card may be declined for a number of reasons, such as insufficient funds, AVS (Address Verification System) mismatch, or you have entered an incorrect security code.

If your payment is declined, you will need to provide an alternative payment method or provide another card on which the payment can be charged and processed.

Your payment details will be treated and retained securely and for the sole purpose of processing the purchase of subscriptions. Padsystem reserves the right to engage any available payment processor.

8. USER CONTENT

Padsystem allows users to upload, modify and share content through the platform to facilitate collaboration on projects. By uploading content to Padsystem, users retain all copyright and other intellectual property rights they may have in such content. However, by providing content on the platform, users grant Padsystem a worldwide, non-exclusive, royalty-free, fully paid-up license to host, store, transfer, display, perform, reproduce and modify the content for the sole purpose of operating and enhancing the functionalities of the platform. Padsystem assumes no responsibility for the accuracy, safety or legality of content provided by users and reserves the right to remove or restrict access to any content it deems inappropriate or in violation of these terms. In addition, in the event of cancellation of all license keys and cessation of subscription payment, Padsystem will permanently delete data from files stored in the cloud 15 days after the date of cancellation. Users should ensure that they make backup copies of their content prior to cancellation, as data deletion is irreversible and Padsystem will not maintain copies or records of the deleted content under any circumstances.

9. INTELLECTUAL PROPERTY OF CONTENT

Copyright and any other intellectual property rights to the works, files and content stored on the platform belong exclusively to the Shop owner. Users invited to collaborate on projects, who are granted access to the Shares by the Store owner, do not acquire any ownership rights to the content, regardless of their level of access or the contributions they make within the projects.

The Store owner retains all rights to material created, uploaded or managed on Padsystem, and is solely authorized to determine how the content is used, distributed or modified. Guest users may not claim any copyrights, patents, trademarks, moral rights, or any other intellectual property rights to files and works stored or shared through the platform. Any contributions

made by guests are considered assigned to the project under the exclusive control of the owner of the Store.

10. STORAGE OF WORK AND FILES

Users' work and files on Padsystem are securely stored on our servers for as long as the services are active. In the event that a user discontinues the services, either due to cancellation of subscriptions or non-renewal of subscriptions, Padsystem will retain the files associated with the account for a period of 15 calendar days. During this period, the user will have the possibility to retrieve or download their content.

After this period has elapsed without the account or services being reactivated, Padsystem will proceed to permanently delete all files stored in the user's account. This deletion will be final and irreversible, and Padsystem will not maintain backup copies or records of the deleted content. It is your responsibility to ensure that you make backup copies of any files you wish to keep prior to the expiration of the 15-day period.

11. LIMITATION OF LIABILITY

Padsystem provides its platform and services "as is," without implied or express warranties of any kind, including, but not limited to, warranties of merchantability, fitness for a particular purpose and non-infringement. Padsystem does not warrant that the platform will be free of errors, interruptions, security vulnerabilities, or that access to the platform will be uninterrupted, timely or error-free. Users assume all risk associated with the use of Padsystem, including any damages that may result from loss of data, platform errors, service interruptions, or inability to access the platform or its functionality.

Padsystem shall in no event be liable for any direct, indirect, incidental, special, consequential, punitive, or any other damages, including, without limitation, lost profits, lost data, business interruption, or any other commercial damages or losses, resulting from the use or inability to use the platform, regardless of the theory of liability and even if Padsystem has been advised of the possibility of such damages.

The content that users upload, share or store on Padsystem is their sole responsibility. Padsystem assumes no responsibility for the accuracy, legality, safety, appropriateness or completeness of such content. Users are responsible for ensuring that all content they upload complies with all applicable laws and regulations, as well as the terms and conditions of the platform. Padsystem is not responsible for any content that infringes copyrights, trademarks, patents, trade secrets, privacy rights, publicity rights, or any other intellectual property or proprietary rights of third parties.

Padsystem shall not be liable for any loss or damage that may arise from the removal of content stored on the platform. In case of cancellation of all license keys and/or cessation of subscription payment, Padsystem will permanently delete data from files stored in the cloud after a period of 15 calendar days. Data deletion is irreversible, and Padsystem will not maintain backup copies or records of the deleted content. Users are responsible for backing up any content they wish to retain prior to cancellation of the subscription.

Padsystem reserves the right to filter, remove, edit or block any user content that it deems, in its sole discretion, to be inappropriate or in violation of the terms and conditions of the platform. This includes, but is not limited to, content that Padsystem deems offensive, profane, indecent, pornographic, harassing, threatening, embarrassing, hateful or otherwise inappropriate. Padsystem assumes no responsibility for the removal of such content or the suspension of a user's account for violations of the terms and conditions.

12. LICENSE TO USE THE PLATFORM

By purchasing a subscription, the user acquires a license key to use the Padsystem platform. The license key grants you a personal, worldwide, royalty-free, non-assignable, non-exclusive license to use the Padsystem platform, including, without limitation, modified versions, updates, upgrades, enhancements, additions, additions and copies, if any. This license is for the sole purpose of allowing you to use the features available on the platform in the manner permitted by these terms.

The user agrees not to use the platform negligently, for fraudulent purposes or in an unlawful manner. Likewise, the user agrees not to partake in any conduct or action that could damage the image, interests, or rights of the Padsystem platform or third parties.

Padsystem reserves the right to terminate your access immediately, with or without notice, and without liability to you, if Padsystem believes that you have violated any provision contained in these terms.

13. COPYRIGHT

All the content available on the platform, including, without limitation, names, logos, trademarks, images, text, columns, graphics, videos, photographs, illustrations, software and other elements are protected by copyrights, trademarks and/or other intellectual property rights owned and controlled by Padsystem or by third parties that have licensed or otherwise provided their material to the platform. You acknowledge and agree that all Materials on Padsystem are made available for limited, non-commercial, personal use only. Except as specifically provided herein. No material may be copied, reproduced, republished, sold, downloaded, posted, transmitted, or distributed in any way, or otherwise used for any purpose, by any person or entity, without Padsystem prior express written permission. You may not add, delete, distort, or otherwise modify the material. Any unauthorized attempt to modify any material, to defeat or circumvent any security features, or to utilize Padsystem or any part of the material for any purpose other than its intended purposes is strictly prohibited.

14. COPYRIGHT INFRINGEMENT

Padsystem will respond to all inquiries, complaints and claims regarding alleged infringement for breach or violation of the provisions contained in Hong Kong and international copyright

and intellectual property laws and regulations. Padsystem respects the intellectual property of others and expects users to do the same. If you believe, in good faith, that any material provided on the website infringes your copyright or other intellectual property rights, please submit your request through our contact information, with the following information:

- Identification of the intellectual property right that is allegedly infringed. All relevant registration numbers or a statement regarding ownership of the work should be included.
- A statement specifically identifying the location of the infringing material.
- Your name, address, telephone number and email address.
- A statement by you that you have a good faith belief that the use of the allegedly infringing material is not authorized by the copyright owner, or its agents, or by law.
- A statement by you, made under penalty of perjury, that the information in your notification is accurate, and that you are the copyright owner or authorized to act on its behalf.
- An electronic or physical signature of the copyright owner or of the person authorized to act on the copyright owner's behalf.

15. PROHIBITED ACTIVITIES

The following activities are prohibited:

- Access, monitor, reproduce, distribute, transmit, broadcast, display, sell, license, copy or otherwise exploit any content of the services, including but not limited to, using any robot, spider, scraper or other automated means or any manual process for any purpose not in accordance with this agreement or without our express written permission.
- Violate the restrictions in any robot exclusion headers on the services or bypass or circumvent other measures employed to prevent or limit access to the services.
- Take any action that imposes, or may impose, in our discretion, an unreasonable or disproportionately large load on our infrastructure.
- Deep-link to any portion of the services for any purpose without our express written permission.
- "Frame", "mirror" or otherwise incorporate any part of the platform into any other platform or service without our prior written authorization.
- Attempt to modify, translate, adapt, edit, decompile, disassemble or reverse engineer any software program used by Padsystem.
- Circumvent, disable or otherwise interfere with security-related features of the platform or features that prevent or restrict use or copying of any content.

16. DISCLAIMER OF WARRANTIES

Except as provided above we can give no other warranties, conditions or other terms, express or implied, statutory or otherwise and all such terms are hereby excluded to the maximum extent permitted by law.

You will be responsible for any breach of these terms by you and if you use the platform in breach of these terms you will be liable to and will reimburse Padsystem for any loss or damage caused as a result.

Padsystem shall not be liable for any amount for failure to perform any obligation under this Agreement if such failure is due to the occurrence of any unforeseen event beyond its reasonable control, including, without limitation, Internet outages, communications outages, fire, flood, or any uncontrollable act of nature.

Subject as aforesaid, to the maximum extent permitted by law, Padsystem excludes liability for any loss or damage of any kind howsoever arising, including without limitation any direct, indirect or consequential loss whether or not such arises out of any problem you notify to Padsystem and Padsystem shall have no liability to pay any money by way of compensation, including without limitation all liability in relation to:

- Any incorrect or inaccurate information on the platform.
- The infringement by any person of any Intellectual property rights of any third party caused by their use of the platform.
- Any loss or damage resulting from your use or the inability to use the platform or resulting from unauthorized access to, or alteration of your transmissions or data in circumstances which are beyond our control.
- Any loss of profit, wasted expenditure, corruption or destruction of data or any other loss which does not directly result from something we have done wrong.
- Any amount or kind of loss or damage due to viruses or other malicious software that may infect a user's computer equipment, software, data or other property caused by persons accessing or using content from the platform or from transmissions via emails or attachments received from Padsystem.
- All representations, warranties, conditions and other terms which but for this notice would have effect.

17. SYSTEM DOWNTIME TURBULENCE

Padsystem strives to maintain 99% system uptime to ensure continuous availability of the platform and all of its functionality. However, we recognize that unforeseen technical or maintenance issues may occur resulting in temporary service interruption. Although we take all possible measures to avoid system downtime, we cannot guarantee uninterrupted availability.

In the event that the system experiences a system downtime that lasts for more than one full day, Padsystem will automatically extend the affected user's subscription date for the exact time the platform has been inoperative. This extension in the subscription period will be applied as compensation for the downtime, but no refund will be issued for the time the

service was down. Users agree that the subscription extension is the only remedy available in the event of a system downtime exceeding 24 hours.

18. ELECTRONIC COMMUNICATIONS

Padsystem will not accept any liability for system downtime turbulence, failed, partial or garbled computer transmissions, for any breakdown, failure, connection or availability of computer, telephone, network, electronic or Internet hardware or software, for system crashes, Internet accessibility or availability or traffic congestion or for any unauthorized human acts, including any errors or mistakes.

19. INDEMNIFICATION

You agree to defend and indemnify Padsystem from and against any claims, causes of action, demands, recoveries, losses, damages, fines, penalties or other costs or expenses of any kind or nature including but not limited to reasonable legal and accounting fees, brought by third parties as a result of:

- Your breach of this agreement or the documents referenced herein.
- Your violation of any law or the rights of a third party.
- Your use of the Padsystem platform.

20. CHANGES

We may change the platform and these terms at any time, in our sole discretion and without notice to you. You are responsible for remaining knowledgeable about these terms. Your continued use of the platform constitutes your acceptance of any changes to these terms and any changes will supersede all previous versions of the terms. Unless otherwise specified herein, all changes to these terms apply to all users take effect.

21. INTEGRATION CLAUSE

This agreement together with the privacy policy and any other legal notices published by Padsystem, shall constitute the entire agreement between you and Padsystem concerning and governs your use of the platform.

22. SEVERABILITY

If any section of these terms is held invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired. Our failure to enforce or delay in enforcing any provision of these terms at any time does not waive our right to enforce the same or any other provision in the future.

23. FORCE MAJEURE

Padsystem shall not be liable for any failure due to causes beyond its reasonable control, including but not limited to acts of civil authorities, acts of military authorities, riots, acts of nature and natural disasters, and other acts which may be due to unforeseen circumstances.

24. TERMINATION

Both the user and Padsystem acknowledge that failure to comply with these terms and conditions may result in termination of the agreement between both parties.

In case of non-compliance by the user: If the user fails to comply with any of the terms set forth in these terms and conditions, Padsystem reserves the right to unilaterally terminate the user's access to and use of the platform. Padsystem may take this action without prior notice, and the user will automatically lose all rights to access and use the platform. Furthermore, Padsystem shall not be liable for any loss of data or information associated with the user's account.

In case of non-compliance by Padsystem: If Padsystem fails to comply with its obligations under the agreed terms and conditions, the user shall be entitled to terminate the agreement and stop using the platform. The user shall notify Padsystem in writing of the breach and allow a reasonable time for Padsystem to remedy the situation. If Padsystem does not remedy the breach within the set period, the user may proceed with the termination of the agreement.

Termination of the agreement shall not release either party from any obligations and liabilities that have arisen prior to the date of termination.

Continued use of the platform after termination of the agreement by either party shall imply acceptance of the conditions set forth in the terms and conditions in effect at that time.

25. DISPUTES

You acknowledge and agree that any dispute, claim or controversy arising out of or relating to these terms and conditions, whether for breach, termination, enforcement, interpretation or validity, as well as any aspect of the use of the platform, shall preferably be resolved by binding arbitration between you and Padsystem. However, the right of both parties to bring individual claims before a court of competent jurisdiction if deemed necessary remains.

In the event of any dispute arising in connection with the use of the platform or breach of these terms and conditions, both parties agree to seek a solution through an arbitration process. This process will be carried out before a recognized and respected arbitration entity, selected by mutual agreement of both parties and following the applicable commercial arbitration rules.

In addition, the user agrees, to the extent permitted by applicable law, not to initiate, join or participate in class action lawsuits associated with any claim, dispute or controversy that may arise in connection with the use of the platform. This commitment seeks to promote a more agile and personalized resolution of any conflict, favoring arbitration and individual legal actions over collective proceedings.

26. GOVERNING LAW AND JURISDICTION

Although the platform and services will be available internationally, these terms and conditions shall be governed by and construed in accordance with the laws of Hong Kong. Any dispute relating to these terms shall be subject to the exclusive jurisdiction of the courts of Hong Kong. This applies unless binding arbitration is agreed to in the applicable section.

27. FINAL PROVISIONS

The use of our platform and the services offered by Padsystem is conditioned upon your acceptance of and compliance with all of the terms and conditions set forth. This authorization to use our services does not extend to jurisdictions where these provisions are not respected or enforced.

Our commitment to the enforcement of these terms is strictly governed by applicable laws and legal process. Importantly, these terms do not restrict our ability to comply with legal or governmental requirements, including, but not limited to, those related to law enforcement and the use of our platform. Information provided or collected in connection with the use of the platform will be subject to these requirements.

In the event that any provision of these terms is held invalid, illegal or unenforceable by a court or competent authority, such decision shall not affect the validity or enforceability of the remaining provisions. The failure or delay in enforcing any of these terms by us at any time shall not constitute a waiver of our rights to enforce such provision, or any other provision, in the future.

We reserve all rights not expressly granted herein, while maintaining the protection of and respect for our intellectual property rights and prerogatives at all times.

28. CONTACT INFORMATION

If you have questions or concerns about these terms, please contact us using the contact information below:

Pad System International Ltd.

Phone: (852) 2239 5995

Email: sales@padsystem.com

