PARAGON MFB LTD
END USER LICENSE AGREEMENT AND TERMS & CONDITIONS

Welcome to the digital banking application of Paragon MFB Ltd. This End User License Agreement and Terms & Conditions ("Agreement") forms a legally binding contract between you ("the User", "Customer", or "Merchant") and Paragon MFB Ltd ("the Bank", "We", "Us", or "Our").

By downloading, installing, logging into, accessing, or using this mobile application ("the App") from any mobile application distribution store, platform, or marketplace (including but not limited to the Apple App Store, Google Play Store, Huawei AppGallery, Samsung Galaxy Store, or any other authorized digital storefront or platform, hereinafter collectively referred to as "App Marketplace"), you acknowledge that you have read, understood, and agreed to be bound by this Agreement, as well as all applicable regulations issued by the Central Bank of Nigeria (CBN).

1. LICENSE GRANT AND APPLICATION MARKETPLACE NEUTRALITY

1.1. Scope of License: Paragon MFB Ltd grants you a limited, non-exclusive, non-transferable, revocable license to download, install, and operate the App on a single compatible device owned or controlled by you, strictly for your personal or authorized business use in accordance with these terms.

1.2. Store Marketplace Neutrality: You acknowledge that this Agreement is concluded solely between you and Paragon MFB Ltd, and not with any third-party App Marketplace. Paragon MFB Ltd is solely responsible for the App's infrastructure, backend maintenance, support services, and local financial regulatory compliance. Third-party App Marketplaces assume no liability, warranty, or maintenance obligations whatsoever in connection with the App.

2. ACCOUNT OPENING AND KNOW YOUR CUSTOMER (KYC) COMPLIANCE

2.1. Identity Verification: To open and operate an account via the App, you must provide accurate, current, and verifiable information. The Bank is legally mandated to validate your identity using your Bank Verification Number (BVN) and National Identification Number (NIN) against official registries.

2.2. Data Mismatch: If the legal name, phone number, or date of birth provided during registration does not exactly match the metadata tied to your BVN or NIN, the Bank reserves the right to automatically reject, suspend, or permanently lock the account creation request.

2.3. Account Tiers and Operational Limits: Your account access and transactional volumes are strictly governed by the CBN’s tiered KYC framework. Maximum transaction limits and cumulative balances apply to each tier level (Tier 1, Tier 2, and Tier 3) as determined by Paragon MFB Ltd or regulatory guidelines. Exceeding applicable balances or transaction

volume thresholds will automatically trigger an administrative freeze until the account is verified and upgraded.

3. DEVICE BINDING, SECURITY, AND LIABILITY

3.1. The Single-Device Rule: For security and fraud prevention, your mobile banking profile can only be actively bound and authenticated on one physical device at any given time. Concurrent logins across multiple hardware devices are blocked by the backend infrastructure.

3.2. New Device Activation (Cooling-Off Window): If you change your device, reinstall the App, or register your profile on an alternate smartphone, the Bank enforces a mandatory 24-hour security cooling-off window. During this 24-hour post-activation period, your total cumulative outbound transfer capability is strictly restricted to a minor transaction velocity cap as determined by the Bank to mitigate unauthorized account takeover risks.

3.3. Authentication Credentials: You are solely responsible for maintaining the strict confidentiality of your password, transaction PIN, and any One-Time Passwords (OTPs) generated by the system. Any transaction authorized via your registered biometrics, PIN, or OTP is legally deemed to have been executed by you.

3.4. Indemnity for Customer Negligence: The Bank disclaims all liability for financial losses resulting from customer negligence. This includes, but is not limited to, sharing login credentials, exposing transaction PINs, revealing OTPs to third parties, or downloading malicious screen-sharing applications.

4. MOBILE APP TRANSACTIONS AND FRAUD RULES

4.1. Instant Payment Toggles: You maintain the right to completely opt out of online instant outward transfers directly through your in-app security dashboard. Once disabled, no outbound electronic funds transfers can be processed via the App until re-activated through multi-factor authentication (MFA).

4.2. Authorized Push-Payment (APP) Fraud: If you are fraudulently induced to transfer funds to an unauthorized account, you must formally report the incident through our official support channels within one (1) hour of the transaction. The Bank triggers interbank freezing protocols within one (1) hour. Recovery is strictly contingent on the timely retrieval and isolation of funds within the receiving financial institution's ecosystem. There is no recovery liability on the part of Paragon MFB or its officials. Conditions Privacy Policy

4.3. Reversal Obligations: In the event of a failed transaction where your account is debited but the beneficiary is not credited due to network latency, the system will attempt an automatic reversal within regulatory resolution timelines.

4.4. Automated Request Duplication Check: To protect against network glitches, the App employs a unique client request identifier. Identical transaction requests submitted sequentially within a brief window will be automatically filtered, preventing duplicate debits to your wallet.

5. POS MERCHANT AND BUSINESS SERVICES

5.1. Account Segmentation: Business merchant profiles must be legally segmented from personal retail accounts. Using a personal retail account to process high-volume, external commercial activities is a violation of these terms and will trigger automated anti-money laundering (AML) account blocks.

5.2. Fees, Levies, and Charges: Transactions processed via physical or virtual POS terminals, card swipes, mobile transfers, and inbound or outbound transactions may attract merchant service fees, transaction costs, processing commissions, and statutory levies (including but not limited to the Electronic Money Transfer Levy or other tax mandates). All such applicable fees, commissions, and charges shall be as determined by Paragon MFB Ltd from time to time and will be deducted in accordance with our active commercial schedules or displayed transparently before authorization.

5.3. POS Terminal Ownership & Bailment: Unless purchased outright under an independent agreement, any physical POS terminal deployed to a merchant remains the exclusive property of the Bank under a strict contractual bailment agreement.

5.4. Active Usage Targets and Repossession: Merchants are required to maintain operational transaction volume thresholds as determined by Paragon MFB Ltd. If a terminal falls below these targets or remains dormant for consecutive weeks, the Bank reserves the right to repossess the physical device without refunding any initial caution fees.

6. CREDIT FACILITIES, OVERDRAFTS, AND RIGHT OF SET-OFF

6.1. Micro-Loans and Overdrafts: Working capital loans, short-term merchant overdrafts, and digital credit lines extended through the application are subject to interest accruals, fees, and tenure limits as determined by Paragon MFB Ltd and clearly displayed on the authorization screen.

6.2. The Automatic Right of Set-Off: If you hold multiple accounts or sub-wallets with the Bank (including personal and business profiles) and any such facility falls into delinquency, default, or carries an outstanding obligation, the Bank holds the absolute contractual right to combine your accounts. The Bank may instantly freeze, sweep, and deduct the outstanding balance directly from any of your linked wallets without prior notice.

6.3. Global Standing Instruction (GSI) Mandate: By accepting a credit facility from the Bank, you execute a legal mandate granting the Bank authority to trigger the Global Standing Instruction (GSI) protocol via the NIBSS network. In the event of a hard default on your loan, the Bank is legally authorized to execute automated debt-sweeps from accounts you hold with any other licensed commercial bank or financial institution in Nigeria until the debt is fully liquidated.

7. PRIVACY POLICY SNIPPET (DATA PROTECTION)

7.1. Principle of Processing: In accordance with the Nigeria Data Protection Act (NDPA), Paragon MFB Ltd is committed to safeguarding your personal data. We collect, store, and process your personal identity records, biometric verification indicators (via official API

validations), transactional logs, and device fingerprints solely to fulfill legal compliance obligations, enforce security binding rules, prevent fraud, and manage account services.

7.2. Data Sharing and Transmission: We do not sell, rent, or lease your personal information to third parties. Data transfers occur strictly through secure, encrypted data pipelines to regulatory infrastructure, payment networks (such as NIBSS), identity custodians (such as NIMC), and law enforcement frameworks when legally compelled.

8. GOVERNING LAW, AMENDMENTS, AND DISCLOSURES

8.1. Jurisdiction and Regulation: These Terms and Conditions are governed by, and construed in accordance with, the laws of the Federal Republic of Nigeria. Paragon MFB Ltd operates as a licensed Microfinance Bank under the regulatory supervision of the Central Bank of Nigeria (CBN), and eligible deposits are insured by the Nigeria Deposit Insurance Corporation (NDIC) up to statutory thresholds.

8.2. Right to Amend: The Bank reserves the right to modify this Agreement, our system configurations, transaction rules, and fees at any time as may be determined by Paragon MFB Ltd to reflect economic changes, operational requirements, or new regulatory directives. Continued use of the App or POS terminal services post-notification constitutes your absolute acceptance of the revised terms.

MANDATORY CUSTOMER ACKNOWLEDGEMENT & EXPLICIT CONSENT

By checking the selection box below and proceeding with the use of the software, you formally execute an electronic signature confirming that you are of legal age and authority to enter into this contract. You certify that all registration profiles submitted are accurate and match your state identity records.

[ ] I have read, understand, and agree with the terms and conditions stated above

Clicking 'PROCEED', 'I AGREE', or downloading and initializing the application serves as an absolute, unconditioned validation of this Agreement and grants immediate operational authorization to Paragon MFB Ltd.