

LEGAL

MERS TERMS OF SERVICE

Modern Enterprise Resource System — Subscription Agreement and Platform Terms

Provider: MERS Corporation (operator of MERS) • Platform: app.mers.ph

Effective Date: October 2, 2026 • Governing Law: Republic of the Philippines

IMPORTANT — PLEASE READ CAREFULLY. These Terms of Service form a legal agreement between you (the business subscribing to MERS) and MERS Corporation, the company that operates the MERS platform. By creating an Account, clicking to accept, or accessing or using the Services, you agree to be bound by these Terms. If you do not agree, you must not access or use the Services. If you are entering into these Terms on behalf of a business or other legal entity, you represent that you have the authority to bind that entity, and "you" and "Customer" refer to that entity.

MERS is a platform for the beauty, wellness, and personal-care service industry in the Philippines. It is provided on an as-is, evolving basis. Several provisions below — including the disclaimers of warranties (Article XXVII), the limitation of liability (Article XXVIII), the beta and availability provisions (Articles XXIII and XXIV), and the tax and receipting disclaimers (Articles IV and XVII) — materially limit our obligations and your remedies. They are written plainly so you can understand exactly what MERS does and does not promise.

Recitals

A. MERS operates a modular, multi-tenant software-as-a-service platform designed for service businesses in the Philippine beauty, wellness, and personal-care sector, and intends over time to expand the Platform into a broader business ecosystem that may include marketplace, supplier, analytics, and artificial-intelligence capabilities.

B. The Customer wishes to access and use the Services to help operate its business, and MERS is willing to provide access on the terms of this Agreement, which allocate responsibilities and risks between a technology provider and a business operator.

C. The Parties intend that MERS provides tools that empower the Customer to run its business, while the Customer retains full responsibility for operating its business and complying with the laws that apply to it, including tax, labor, and data-protection laws.

D. The Parties acknowledge that the Platform is at a maturing, pre-launch stage; that certain features are provided on a beta or evolving basis; and that this Agreement is written to describe honestly what the Services do and do not currently provide.

NOW, THEREFORE, in consideration of the mutual promises in this Agreement, the Parties agree as follows.

Article I — General Provisions

1.1 Parties

These Terms of Service (the "Terms" or this "Agreement") are entered into by and between MERS Corporation, a corporation organized under the laws of the Republic of the Philippines, with Taxpayer Identification Number 815-199-374-000, with its principal office at Blk 1 Lot 6 Metropolis Greens,

Manggahan, General Trias City, Cavite 4107 ("MERS", "we", "us", or "our"), and the business, sole proprietorship, partnership, corporation, or other organization that subscribes to or uses the Services (the "Customer", "Subscriber", "you", or "your"). MERS and the Customer are each a "Party" and together the "Parties."

1.2 The Services and the Platform

MERS operates a multi-tenant, cloud-based business operating platform (the "Platform") made available at app.mers.ph and through related applications, portals, and interfaces. The Platform helps service businesses — including salons, barbershops, nail studios, spas, and dermatological and wellness clinics — manage bookings, point-of-sale transactions, inventory, suppliers and purchasing, staff, attendance, payroll and commissions, expenses, financial reporting, and client records, together with such additional modules, features, and services as MERS may offer from time to time (collectively, the "Services").

1.3 Scope; Current and Future Products

These Terms govern your access to and use of all Services, whether existing today or introduced in the future, including new modules, marketplace and supplier features, analytics, artificial-intelligence features, integrations, and successor products, unless a particular Service is expressly offered under separate terms. Where a separate agreement, order form, or product-specific terms apply to a Service, those terms supplement and, to the extent of any conflict regarding that Service, prevail over these Terms.

1.4 Acceptance

You accept these Terms by any of the following: (a) clicking a button or checkbox indicating acceptance; (b) creating or registering an Account; (c) subscribing to a paid or free plan; or (d) accessing or using any part of the Services. Your acceptance is effective as of the earliest of these events. If your personnel or authorized users access the Services, you are responsible for their acceptance and compliance as described in Article V and Article XVII.

1.5 Electronic Agreement and Communications

This Agreement is an electronic contract. You agree that your electronic acceptance has the same legal effect as a handwritten signature, consistent with the Electronic Commerce Act of 2000 (Republic Act No. 8792). You consent to receive communications from MERS electronically — including notices, disclosures, invoices, and changes to these Terms — by email, through the Platform, or by posting on our website, and you agree that such electronic communications satisfy any legal requirement that a communication be in writing.

1.6 Changes to These Terms

MERS may modify these Terms from time to time to reflect changes in the Services, our business, or applicable law. When we make material changes, we will provide reasonable advance notice — for example, by email to the Account administrator or by a prominent notice within the Platform — before the changes take effect, except where an immediate change is required for legal, security, or fraud-prevention reasons. The updated Terms will state their effective date. Your continued use of the Services after the effective date constitutes acceptance of the revised Terms. If you do not agree to a change, your remedy is to stop using the Services and cancel your Subscription in accordance with Article VII.

1.7 Entire Agreement

These Terms, together with any appendices, the policies incorporated by reference under Article XXXVI and the Appendices (including the Privacy Policy, Acceptable Use Policy, Billing and Refund Policy, Security Practices, Data Retention Schedule, and List of Subprocessors), any order form or plan selection, and any product-specific terms, constitute the entire agreement between the Parties concerning the Services and supersede all prior or contemporaneous proposals, understandings, and communications, whether oral or written. Except as expressly stated, no purchase order, vendor onboarding form, or Customer-supplied terms will modify this Agreement, and any such terms are rejected and of no effect.

1.8 Severability

If any provision of these Terms is held invalid, illegal, or unenforceable by a court or tribunal of competent jurisdiction, that provision will be enforced to the maximum extent permissible, and the remaining provisions will continue in full force and effect. The Parties intend that a court may reform any overbroad provision to the minimum extent necessary to make it valid and enforceable while preserving its original intent.

1.9 Relationship of the Parties

The Parties are independent contractors. Nothing in these Terms creates a partnership, joint venture, agency, franchise, or employment relationship between them. MERS provides technology that enables you to operate your business; MERS does not operate your business, does not employ your staff, does not serve your clients, and does not assume any of your legal, regulatory, tax, or commercial obligations. You retain complete control over, and responsibility for, how you run your business and how you use the Services.

1.10 Order of Precedence

In the event of a conflict among the documents comprising this Agreement, the following order of precedence applies, from highest to lowest: (a) a mutually executed order form or enterprise agreement referencing these Terms; (b) product-specific terms for a particular Service; (c) the body of these Terms; and (d) the Appendices and policies incorporated by reference. A more specific provision prevails over a more general one addressing the same subject.

Article II — Definitions

The following capitalized terms have the meanings set out below wherever they appear in this Agreement. Other capitalized terms are defined where they first appear.

"Account" means the registered access credentials and configuration through which the Customer and its Authorized Users access the Services, including the organizational profile, branch records, user roles, and settings associated with the Customer on the Platform.

"Administrator" means an Authorized User designated by the Customer with elevated permissions to configure the Account, manage other users and their roles, control settings, and act on the Customer's behalf within the Platform. In the Platform's access model, the highest-level Administrator for a Customer is the Super Admin (the subscriber who pays); the Customer is bound by the acts and omissions of its Administrators.

"AI" or "Artificial-Intelligence Features" means machine-learning models, algorithms, statistical systems, automated recommendations, forecasting tools, and related functionality offered as part of the Services, including any features that generate insights, suggestions, predictions, classifications, or automated outputs.

"API" means any application programming interface, endpoint, webhook, or programmatic interface that MERS makes available to enable interaction with the Services.

"Authorized User" means an individual whom the Customer permits to access and use the Services under the Customer's Account — including the Customer's owners, managers, and Staff — each occupying a user seat within the Customer's plan allowance and acting within the permissions assigned to them.

"Beta Features" means any features, modules, or Services identified as alpha, beta, preview, early-access, experimental, or evaluation, or otherwise not generally released, as further described in Article XXIII.

"BIR" means the Bureau of Internal Revenue of the Republic of the Philippines.

"Branch" means a distinct business location or outlet of the Customer configured within the Account. Each subscription plan includes an allowance of Branches (a numeric cap); Branches are not separately priced, and there is no per-Branch add-on charge, as described in Article VII and Appendix A.

"Business Day" means any day other than a Saturday, Sunday, or public holiday declared as a regular or special non-working day in Metro Manila, Republic of the Philippines.

"Client" or **"End-Customer"** means an individual who is a customer of the Customer's business and whose booking, contact, visit, or communication-preference information is recorded in the Services. Clients are not parties to this Agreement and have no contractual relationship with MERS; their relationship is with the Customer.

"Competitor" has the meaning given in Section 3.6.

"Confidential Information" has the meaning given in Article XXII.

"Customer Data" means the business information that the Customer, its Authorized Users, or its Clients submit to, create within, or generate through the Customer's Workspace in the ordinary operation of the Customer's business — including client records and communication preferences, appointments, transactions, inventory, supplier and purchasing records, staff records, payroll and commission data, attendance records (including any location data captured at clock-in), expenses, uploaded files and images, and reports generated from that data. Customer Data is the subject of Article X.

"Data Privacy Act" means the Data Privacy Act of 2012 (Republic Act No. 10173), together with its Implementing Rules and Regulations and the issuances of the National Privacy Commission ("NPC").

"Documentation" means the user guides, help-center articles, in-product instructions, and other materials that MERS makes available describing the features and proper use of the Services (including the MERS Owner's Manual), as updated from time to time.

"Intellectual Property" or **"IP"** means all patents, copyrights, trademarks, service marks, trade names, trade secrets, database rights, design rights, and all other intellectual and proprietary rights of any kind, whether registered or unregistered, anywhere in the world.

"Marketplace" means any current or future functionality through which MERS facilitates connections between the Customer and suppliers, distributors, vendors, service providers, or other third parties, including supplier and distributor discovery, ordering, purchasing, and related supplier-ecosystem features.

"Personal Data" means any information relating to an identified or identifiable natural person, and includes "personal information" and "sensitive personal information" as those terms are defined under the Data Privacy Act.

"Platform Intelligence" means the aggregated, anonymized, de-identified, statistical, derived, and inferential data, insights, models, benchmarks, and analytics that MERS generates from the operation of the Platform across its user base, as further described in Articles XII through XVI. Platform Intelligence does not include, and is distinct from, Customer Data.

"Services" has the meaning given in Article I and includes the Platform, all modules, the Documentation, APIs, and any support MERS provides.

"Staff" means an individual employed or engaged by the Customer whose personal, employment, payroll, attendance, or compensation information is recorded in the Services, and who may also be an Authorized User.

"Subprocessor" means a third party engaged by MERS to process Customer Data in connection with the Services, as listed in Appendix G.

"Subscription" means the Customer's paid or free right to access the Services under a selected plan for a defined billing cycle, as described in Article VII.

"Supplier" or **"Distributor"** means a manufacturer, distributor, wholesaler, or vendor of goods or services that may be recorded in, ordered from through, or (in future) surfaced via the Marketplace.

"Transaction Summary" means the record of a sale or transaction produced by the Services, which is an internal business record only and is expressly not a BIR-compliant Official Receipt, sales invoice, or accredited tax document, as further described in Articles IV and XVII.

"User Seat" means a single Authorized User's access allowance under the Customer's plan; plans include a base number of User Seats, and additional User Seats may be purchased as the only per-user add-on, as described in Article VII and Appendix A.

"Workspace" means the isolated virtual business environment provisioned to the Customer within the multi-tenant Platform, as described in Article VI.

"Affiliate" means, with respect to a Party, any entity that directly or indirectly controls, is controlled by, or is under common control with that Party, where "control" means ownership of more than fifty percent (50%) of the voting interests or the power to direct management.

"Aggregated Data" means data that has been combined or summarized across multiple customers, users, transactions, or data subjects such that it relates to a group or category rather than to any identified or identifiable individual or single Customer.

"Anonymized Data" means data that has been processed so that it can no longer be attributed to a specific data subject or Customer without the use of additional information, and in respect of which such attribution has been rendered impossible or no longer reasonably likely by appropriate technical and organizational measures.

"Applicable Law" means all laws, statutes, regulations, rules, and binding governmental or regulatory orders applicable to a Party or to the Services, including the Data Privacy Act, the National Internal Revenue Code and BIR issuances, labor laws, the Consumer Act of the Philippines (Republic Act No. 7394), and the Electronic Commerce Act of 2000 (Republic Act No. 8792).

"De-identified Data" means data from which direct and indirect identifiers have been removed or obscured so that it does not identify, and cannot reasonably be used to identify, a specific data subject or Customer.

"Effective Date" means the date on which the Customer first accepts this Agreement in accordance with Section 1.4.

"Fees" means all subscription, add-on, and other charges payable by the Customer for the Services under Articles VII and VIII and the applicable plan.

"Force Majeure Event" has the meaning given in Article XXXIII.

"Malicious Code" means any virus, worm, trojan, ransomware, spyware, or other code, files, or programs designed to disrupt, damage, or gain unauthorized access to any system, data, or network.

"Order Form" means any ordering document, plan selection, or enterprise agreement referencing this Agreement under which the Customer subscribes to the Services.

"Personal Information Controller" and **"Personal Information Processor"** have the meanings given under the Data Privacy Act; as described in Article XIII, the Customer is the Personal Information Controller and MERS is the Personal Information Processor with respect to Staff and Client Personal Data placed in the Services.

"Sensitive Personal Information" has the meaning given under the Data Privacy Act and includes, in the context of the Services, government-issued identification numbers and payroll or compensation information of Staff.

"Term" means the period during which this Agreement is in effect, beginning on the Effective Date and continuing until terminated in accordance with Article XXXI.

Article III — Eligibility

3.1 Legal Capacity

To use the Services, you must be capable of forming a legally binding contract under Philippine law. By accepting these Terms, you represent and warrant that you have the legal capacity to do so and that you are not barred from receiving services under any applicable law.

3.2 Age

The Services are intended for use by businesses and the individuals who operate them. You must be at least eighteen (18) years of age, or the age of majority in your jurisdiction if higher, to register an Account or accept these Terms. MERS does not knowingly permit individuals below the age of majority to enter into this Agreement.

3.3 Business Authority

If you register or use the Services on behalf of a business or other legal entity, you represent and warrant that you are duly authorized to act for and bind that entity, and that the entity is validly formed and in good standing under applicable law. You further represent that the individual accepting these Terms is an owner, officer, or duly authorized representative of the Customer.

3.4 Accurate Information

You agree to provide true, accurate, current, and complete information during registration and to keep that information updated. MERS may rely on the information you provide, including for billing, notices, identity verification, and compliance purposes. Providing false, misleading, or incomplete information is a breach of these Terms and may result in suspension or termination under Articles XXX and XXXI.

3.5 Authorized Representatives

You are responsible for designating and managing your Administrators and Authorized Users and for ensuring that each acts within the scope of their authority. MERS is entitled to treat instructions and actions taken through your Account by an Administrator or Authorized User as authorized by you, unless and until you notify us otherwise through the mechanisms described in Article V and we have had a reasonable opportunity to act.

3.6 Competitors

You may not register for, access, or use the Services if you are, or are acting on behalf of, a Competitor, unless MERS has agreed in writing. A "Competitor" means any person or entity that develops, sells, markets, or offers, or is preparing to offer, software or services for the management of salons, spas, barbershops, or beauty and wellness businesses — including point-of-sale, booking, staff, payroll, inventory, or supplier-ordering software — that compete with the Services, together with its owners, employees, contractors, agents, and affiliates. A person or entity with a written partnership, reseller, or referral agreement with MERS is not a Competitor for the purposes of that agreement. MERS may refuse registration to, and may suspend or terminate, any Account that MERS reasonably believes is held by or for a Competitor.

Article IV — Description of Services

4.1 What MERS Is

MERS is a cloud-based, multi-tenant business operating platform for service businesses. Depending on your plan and the features enabled, the Services may include: a dashboard and reporting; point-of-sale and transaction recording (including split payments, commissions, promotions, statutory discounts, back-job/rework tracking, and end-of-day cash reconciliation); booking through a public booking portal and an internal calendar; inventory management on a movement-log and FIFO-costing model, covering service and retail products; supplier, distributor, and purchasing management (purchase orders, supplier bills and payments, installments, and supplier order emails); client records and client communications; staff and attendance management (including QR- and PIN-based kiosk clock-in with optional geolocation capture), staffing and scheduling, payroll, payslips, and commissions; business settings and taxonomy; expense tracking with cash-flow and financial reporting; billing and subscription management; and system preferences. MERS may add, modify, or retire modules over time, including future supplier-marketplace, finance, and artificial-intelligence capabilities. MERS provides these capabilities as decision-support and operational tools.

4.2 What MERS Is Not

MERS provides software, not professional services. MERS does not provide, and nothing in the Services constitutes, legal advice, accounting advice, tax advice, employment or labor-law advice, or investment or financial advice. Reports, dashboards, cash-flow and profit-and-loss views, calculations, AI recommendations, forecasts, and analytics are informational tools to support your own decisions; they are not professional opinions, and you remain solely responsible for the decisions you make and the actions you take. You should consult your own qualified professional advisers (including a bookkeeper or accountant for financial reporting, and counsel for legal matters) before relying on any output of the Services.

4.3 Not an Accredited Invoicing or Receipting System

This provision is important and is a core limitation of the Services. MERS is not an accredited invoicing, receipting, or point-of-sale system under the National Internal Revenue Code (including Section 237) or under the regulations of the BIR. The Services do not issue BIR-compliant Official Receipts, sales invoices, or other accredited tax documents. Any record the Services produce for a sale is a "Transaction Summary" — an internal business record only. Where the Services offer an optional field to record an Official Receipt reference number or prefix, that field exists solely for the Customer's own bookkeeping and does not cause MERS to issue, replace, or validate any BIR document.

The Customer remains solely and exclusively responsible for issuing BIR-compliant Official Receipts and invoices, for registering and using any accredited system or manual receipts as required, for computing and remitting taxes, and for all other aspects of its own BIR and tax compliance. The Customer must not represent to any Client, auditor, or government authority that a Transaction Summary generated by MERS is an Official Receipt or an accredited tax document. This Section 4.3 operates as a liability firewall: MERS assumes no responsibility for the Customer's tax-documentation obligations, and the Customer will indemnify MERS in accordance with Article XXIX for any claim arising from the Customer's treatment of Transaction Summaries as tax documents.

4.4 Tax and Discount Computations Are Tools Only

The Services may compute or record tax-related figures — for example, value-added tax under a configured VAT mode, percentage tax, and the twenty percent (20%) statutory discount for senior citizens and persons with disability (which is fixed by Philippine law and non-configurable as to rate). These computations are provided as convenience tools based on the settings and data you supply. They do not transfer to MERS any responsibility for the correctness of your tax treatment, the verification of discount eligibility, the maintenance of required registers, or any related BIR reporting, all of which remain your responsibility as described in Article XVII. You are responsible for configuring these settings correctly and for verifying every computed figure before relying on it.

4.5 Evolving Services

The Services are provided on a continuously evolving basis. MERS may add, modify, or discontinue features and modules as described in Article XXXV. Some features may be offered as Beta Features under Article XXIII. Descriptions of the Services in marketing materials are for general information; the authoritative description of what you are entitled to is your selected plan together with the features actually made available to you.

4.6 Third-Party Dependencies

The Services rely on third-party providers for essential functions, including cloud hosting and database services, authentication, payment processing, and transactional and notification email, as described in Article XIX and Appendix G. Your use of the Services is therefore also subject to the availability and terms of those providers, and MERS is not responsible for their acts, omissions, or outages except as expressly stated in this Agreement.

4.7 Modules and Roadmap

The Services are modular, and MERS may make different modules available to different plans or Customers. Any statements about future modules, features, or roadmap items — including any future supplier marketplace, finance module, or artificial-intelligence assistant — are expressions of current intent only, are not commitments, and must not be relied upon as a basis for subscribing. Your rights are determined by the Services actually made available to you under your plan, and MERS may change its roadmap at any time as described in Article XXXV.

4.8 Public Booking Portal

Where you enable a public booking portal, you are responsible for the information you publish through it, for the bookings you accept, and for your dealings with the Clients who book through it. The portal is a tool that facilitates bookings between you and your Clients; MERS is not a party to, and is not responsible for, the services you provide to your Clients or the appointments you fulfill.

4.9 Client Communications

The Services may allow you to send communications by email to your Clients and to record your Clients' communication preferences. These fall into two categories. First, transactional messages that are inherent to a booking — such as booking confirmations and appointment reminders — are sent as part of operating the Services. Second, the emailing of transaction summaries to a Client is an optional, per-business feature controlled by a toggle that is set OFF by default; a business chooses whether to enable it. In all cases these communications are sent by you, using MERS as a tool, to your own Clients. You are solely responsible for the content of those communications, for having a lawful basis and any required consent to send them, and for honoring your Clients' opt-out and preference choices, as further described in Articles XVII and XXI.

MERS does not currently provide SMS or text-message sending as part of the Services. The capability is not offered at this time and is dormant; if SMS is reintroduced in the future, it will be under updated terms and with appropriate consent controls.

Article V — Accounts

5.1 Registration

To access the Services, you must register an Account and provide the required business and contact information. You may create Branch records (within your plan's Branch allowance) and configure user roles and permissions within your Account. You are responsible for the accuracy of your Account information and for maintaining it.

5.2 Authentication via Google OAuth

Access to the Services is authenticated through Google OAuth ("Sign in with Google"). MERS does not create, store, or manage passwords for your Account. Your ability to access the Services therefore depends on your Google account and its security. You are responsible for maintaining the security of the Google

accounts used by you and your Authorized Users, including enabling appropriate protections such as multi-factor authentication. Because MERS stores no passwords, MERS cannot reset or recover a password on your behalf; account recovery is handled through Google. Certain in-Platform actions (for example, point-of-sale approvals or kiosk clock-in) may additionally use a PIN or passcode that you set within the Services.

5.3 Credential and Access Security

You are responsible for all activity that occurs under your Account and through the Google accounts and PINs linked to it. You must not share access credentials except as permitted by your plan's pooled-seat model, and you must ensure that each Authorized User accesses the Services only through their own authorized identity. You agree to notify MERS promptly at support@mers.ph if you become aware of any unauthorized access to or use of your Account.

5.4 Multi-User Accounts and User Seats

Your plan provides a base number of User Seats that may be used across your Branches, and additional User Seats may be purchased as described in Appendix A. You may add, remove, and assign roles to Authorized Users within the limits of your plan. You are responsible for ensuring that only current, authorized personnel have active access and for promptly deactivating users who should no longer have access.

5.5 Access Roles and Administrator Rights

The Platform uses tiered access roles that control what an Authorized User can do — Master Admin, Super Admin, Delegated Admin, and Staff — separate from job titles, which are labels only. The Super Admin is the Customer's paying subscriber and holds the highest control within the Customer's organization; a Delegated Admin holds elevated permissions the Super Admin grants; and per-feature permissions may be toggled for individual users. You are responsible for designating trustworthy Administrators, assigning appropriate roles and permissions, and for the actions they take. MERS is entitled to rely on Administrator instructions and settings as authorized by the Customer. Master Admin is a MERS platform-operator role, not a Customer role.

5.6 Identity Verification

MERS may, but is not obligated to, verify the identity of the Customer or its representatives, including in connection with registration, billing, security investigations, or suspected misuse. You agree to cooperate with reasonable verification requests. Failure to complete verification may result in limitation, suspension, or termination of access.

5.7 Access Revocation and Enforcement

When an Authorized User is deactivated, or an Account or organization is suspended or blocked, the Platform is designed to enforce that change by revoking the affected live session and blocking re-entry at the next authentication, so that the user or organization loses access. MERS applies these controls on a commercially reasonable basis and continues to strengthen them as the Platform matures; because access also depends on the identity provider (Google) and on network and caching behavior outside MERS's control, MERS does not warrant that revocation is instantaneous to the second in every case. Where an absolutely immediate cut-off is critical, you should also revoke the individual's access at the identity-provider level (for example, by removing their access to the associated Google account). You remain responsible for promptly deactivating users who should no longer have access.

5.8 Two Types of Suspension

There are two distinct kinds of suspension, and they resolve differently, as detailed in Article XXX. First, a billing-lapse suspension arises automatically when a Subscription or free period lapses or a payment fails: after a grace period, access is restricted to a read-only/blocked state that preserves your data, and it clears automatically once you pay or renew. Second, an administrative suspension is a deliberate action taken by MERS as platform operator for reasons such as abuse, security or legal risk, or breach of these Terms: paying your subscription does not lift an administrative suspension, which only MERS can reactivate. MERS will handle each type in accordance with Article XXX.

Article VI — Workspaces

6.1 Isolated Workspace

Upon registration, MERS provisions to the Customer an isolated virtual business environment within the multi-tenant Platform (the "Workspace"). The Workspace is the container for the Customer's Branches, users, settings, and Customer Data, and is designed to be logically separated from the workspaces of other customers.

6.2 Tenant Separation

MERS designs the Platform so that each Customer's Workspace and Customer Data remain separated from those of other customers. Maintaining tenant isolation — that no organization may access another organization's data — is an absolute architectural invariant for MERS, enforced by organization-scoped access controls on every data table. You acknowledge, however, that no multi-tenant system is free of all risk; MERS provides tenant separation using commercially reasonable measures as described in Article XX, and does not provide an absolute guarantee against every conceivable isolation failure. MERS will address isolation issues that come to its attention as part of its ongoing security work.

6.3 Customer Control

Within the limits of the Services and the Customer's plan and permissions, the Customer controls its own Workspace — including the Branches it configures, the users it authorizes, the settings it selects, and the Customer Data it enters. The Customer is responsible for how it configures and uses its Workspace.

6.4 Scope of Ownership

The Customer's rights extend to its Workspace and its Customer Data as described in Article X. They do not extend to the underlying Platform, software, infrastructure, or intellectual property of MERS, which are and remain the exclusive property of MERS as described in Articles IX, XI, and XII. Provisioning of a Workspace grants the Customer a right of access and use only, and does not transfer ownership of any part of the Platform.

6.5 Workspace Configuration and Data Accuracy

The Customer is responsible for the accuracy, quality, and legality of the Customer Data in its Workspace and for configuring the Workspace to suit its business, including branch structure, roles, permissions, pricing, taxes, and discounts. MERS is not responsible for outcomes resulting from Customer configuration choices or from inaccurate or incomplete Customer Data.

6.6 Multi-Branch Workspaces

Where the Customer operates multiple Branches within a single Workspace (up to its plan's Branch allowance), the Customer is responsible for structuring, segmenting, and controlling access among its Branches. Data across the Customer's own Branches is within the Customer's single Workspace and is not subject to the tenant-separation controls that apply between different customers; the Customer controls visibility among its Branches through roles and permissions.

Article VII — Subscriptions

7.1 Subscription Model

The Services are provided on a subscription basis. Your Subscription grants you a right to access and use the Services under the plan you select, for the applicable billing cycle, subject to these Terms. Each plan includes an allowance of Branches and a base number of User Seats. Pricing is per plan tier — not per Branch — and the only per-user add-on is additional User Seats; there is no per-Branch add-on charge. A Subscription is a right of access only and does not constitute a sale, license to own, or transfer of any part of the Platform.

7.2 Plans and Tiers

MERS offers tiered self-serve plans — currently designated Lite, Starter, Growth, and Scale — each with a defined Branch allowance, a base number of User Seats, and a monthly price, plus a contact-only Pro tier for larger or custom needs. The features, Branch allowances, User Seat allowances, add-on availability, and prices for each tier are set out in Appendix A and on our website, and may change in accordance with Section 7.9 and Article XXXV. Enterprise or custom arrangements may be offered under a separate Order Form.

7.3 Free Introductory Period

MERS offers eligible new subscribers a free introductory period of forty-five (45) days, as described in Appendix A. This free period is defined and controlled by MERS (it is not a payment-processor trial), applies as stated at signup, and converts to a paid Subscription on the plan you selected at signup at the end of the forty-five (45) days unless you cancel before the paid cycle begins. MERS may modify or withdraw promotional offers prospectively.

7.4 Billing Cycles; Monthly and Annual Plans

Subscriptions are billed in advance on a recurring basis for the applicable cycle. Self-serve plans are offered on a monthly cycle and may also be offered on an annual cycle at a discount to the equivalent monthly total, as stated in Appendix A and at the point of purchase. Fees are charged at the start of each cycle and entitle you to access during that cycle.

7.5 Renewal and Continued Subscription

Your Subscription continues from one cycle to the next unless you cancel. Because MERS does not store your card or payment details (Section 8.2), renewal is not a silent automatic charge; instead, each cycle's Fees are paid through a fresh checkout with our payment processor, and MERS will prompt you to complete payment for the upcoming cycle. If payment for a renewal is not completed, the grace and lapse process in Section 8.5 applies. We will make renewal terms available to you and, where required by law, provide advance notice of renewal or of price changes. You may cancel at any time as described in Section 7.8.

7.6 Upgrades and Additional Seats

You may upgrade your plan or purchase additional User Seats during a cycle. Upgrades and added Seats take effect promptly, and the incremental Fees will be prorated for the remainder of the current cycle or applied at the next billing date, as indicated at the time of the change. Additional User Seats are charged at the per-Seat add-on rate stated in Appendix A. If your needs exceed your plan's Branch allowance, you move to a higher tier that includes more Branches — there is no separate per-Branch charge.

7.7 Downgrades

You may downgrade your plan or reduce User Seats, with the change taking effect at the start of the next billing cycle unless otherwise stated. Downgrades may reduce the features, Seats, Branch allowance, data limits, or retention available to you, and may result in loss of access to certain features or, subject to the data-retention provisions of this Agreement and Appendix F, reduced visibility of certain historical records. You are responsible for exporting or reconciling any data you need, and for bringing your Branch and Seat usage within the lower plan's allowances, before a downgrade takes effect.

7.8 Cancellation

You may cancel your Subscription at any time through the Platform or by contacting MERS at billing@mers.ph. Cancellation stops future renewals. Unless otherwise required by law or expressly stated in the Billing and Refund Policy (Appendix B), cancellation takes effect at the end of the current paid cycle, and you retain access until then. Cancellation does not, by itself, delete your Customer Data; data handling after cancellation is governed by Article XXXI and Appendix F.

7.9 Price Changes

MERS may change subscription prices and add-on rates. For existing Subscriptions, price changes apply from the next renewal after we provide reasonable advance notice (for example, by email to the Account administrator). If you do not accept a price change, you may cancel before it takes effect; your continued use after the effective date constitutes acceptance of the new price.

7.10 Reactivation, Grace, and Expired Accounts

If a payment fails or your Subscription or free period lapses, your Account enters a grace period of seven (7) days during which access continues with prompts to pay, followed by a read-only/blocked state that restricts use until amounts due are paid or the Subscription is renewed, as described in Section 8.5 and Article XXX. Your data is preserved through the grace and read-only states. You may reactivate a lapsed Subscription by completing payment, subject to availability and current pricing; expired or long-inactive Accounts and their data are handled in accordance with Article XXXI and Appendix F, and you should not rely on indefinite retention of data in an expired Account.

7.11 Access, Not Ownership

For the avoidance of doubt, purchasing a Subscription grants access to the Services for the subscription term and does not grant ownership of, or any residual license to, the Platform, its software, or its intellectual property beyond the limited license in Article IX.

7.12 Multi-Branch Subscriptions

A plan's price covers all Branches within that plan's Branch allowance; there is no per-Branch add-on. If you need more Branches than your current plan includes, you upgrade to a higher tier with a larger Branch allowance. You are responsible for keeping your number of active Branches within your plan's allowance.

Article VIII — Billing

8.1 Pricing and Currency

Fees are stated and payable in Philippine Pesos (PHP) unless otherwise specified. The applicable Fees are those for your selected plan and any add-on User Seats as set out in Appendix A, as adjusted under Section 7.9. You are responsible for all Fees incurred under your Account.

8.2 Payment Methods; HitPay

Subscription payments are processed through our third-party payment processor, HitPay, as one-off checkouts completed each cycle. At checkout you may pay using the methods HitPay supports (for example, GCash, Maya, card, and QRPH). MERS does not store cards or offer a "save card"/card-on-file option; there is no stored payment credential and no silent recurring charge. Each renewal and each add-on User Seat purchase is a fresh checkout, and access is restored or continued once the payment is confirmed by the processor's webhook. Your use of a payment method is also subject to the terms of the relevant payment provider, and card and payment processing is handled by the processor as described in Article XIX.

8.3 Taxes

Fees are exclusive of taxes unless stated otherwise. You are responsible for all value-added tax, withholding tax, and other taxes, duties, or levies imposed on the Fees or on your use of the Services, other than taxes based on MERS's net income. Where MERS is required to collect taxes, they will be added to your invoice. Your own tax obligations arising from your business — including the issuance of tax documents to your Clients — remain your responsibility as described in Articles IV and XVII.

8.4 Invoices and Records

MERS will make available billing records or summaries for your Subscription. You acknowledge that any billing document MERS provides relates to your purchase of the Subscription and is separate from your own obligation to issue BIR-compliant documents to your Clients. If you require a BIR-compliant Official Receipt from MERS for your subscription payments, contact billing@mers.ph; the availability of such documents depends on MERS's own tax registration status.

8.5 Failed or Missed Payments, Grace, and Blocking

Because payments are completed as one-off checkouts (Section 8.2), a renewal that is not paid, or a Subscription or free period that expires, causes your Account to enter a grace period of seven (7) days during which access continues with prompts to pay. If payment is still not completed after the grace period, MERS places the Account into a read-only/blocked state that restricts use — for example, preventing the processing of new transactions — while preserving your existing Customer Data, until you complete payment or renew. Access is restored once the payment is confirmed by the processor's webhook. The applicable state and the reason (such as missed payment, expiry, or end of a beta or free period) may be surfaced to you in the Platform with instructions to restore access.

8.6 Refunds

Refunds, where available, are governed by the Billing and Refund Policy in Appendix B. Except as expressly provided there or as required by applicable law, Fees are non-refundable, and cancellation does not entitle you to a refund of Fees already paid for the current cycle.

8.7 Late Payment and Enforcement

Overdue amounts may accrue reasonable late charges or interest to the extent permitted by law, and MERS may suspend, limit, or block access until payment is made, as described in Section 8.5 and Article XXX. You remain responsible for Fees accrued before suspension or blocking.

8.8 Credits and Promotions

MERS may issue account credits or promotional discounts or offers at its discretion. Unless otherwise stated, credits and promotions are non-transferable, have no cash value, cannot be combined unless expressly permitted, and expire according to their terms. MERS may modify or discontinue promotions prospectively.

8.9 Disputed Charges

If you believe you have been charged in error, you must notify MERS at billing@mers.ph within thirty (30) days of the charge, providing reasonable detail. The Parties will work in good faith to resolve billing disputes. Initiating a chargeback without first contacting MERS may result in suspension pending resolution.

8.10 Payment Authorization (Per Checkout)

Because MERS does not store payment credentials or offer card-on-file, you authorize each payment at the time you complete a checkout with the payment processor for that cycle or add-on. There is no standing authorization for MERS to charge a stored payment method on future dates; instead, you complete a fresh checkout each cycle, including for renewals, add-on User Seat purchases, and any applicable taxes. You are responsible for completing payment on time; a missed or uncompleted checkout may result in the grace and lapse process under Section 8.5.

Article IX — Software License

9.1 Grant of License

Subject to your compliance with these Terms and payment of applicable Fees, MERS grants you, during the term of your Subscription, a limited, revocable, non-exclusive, non-transferable, and non-sublicensable right to access and use the Services for your internal business purposes, in accordance with your plan and the Documentation.

9.2 No Sale of Software

The Services are licensed for access, not sold. No title to or ownership of the Platform, its software, source code, or any component is transferred to you. All rights not expressly granted are reserved by MERS.

9.3 Restrictions

You must not, and must not permit any person to: (a) copy, modify, translate, or create derivative works of the Platform; (b) reverse engineer, decompile, or disassemble the Platform, or attempt to derive its source code, except to the extent this restriction is prohibited by applicable law; (c) sublicense, resell, rent, lease, or provide the Services to third parties as a service bureau except as expressly permitted; (d) remove or obscure proprietary notices; (e) access the Services to build a competing product or to benchmark for a competitor; (f) access, copy, record, photograph, screen-capture, or document the Platform, its user interface, workflows, Documentation, training or LMS content, onboarding materials, templates, or pricing structure in order to design, build, market, or improve a product or service that competes with the Services, or provide any of them to a person who does; (g) use any free introductory, trial, demonstration, or beta

access for competitive analysis; (h) create or use an Account through false, borrowed, or third-party identities, including to evade a refusal, suspension, block, or termination; (i) access the Services on behalf of a Competitor in breach of Section 3.6; or (j) use the Services other than as permitted by these Terms and Article XVIII (Acceptable Use).

9.4 Updates and Changes

MERS may provide updates, patches, and new versions of the Services, which are subject to these Terms. MERS may modify or discontinue features as described in Article XXXV. The license in this Article applies to the Services as updated from time to time.

9.5 Feedback License

The treatment of feedback you provide is governed by Article XXVI.

9.6 Verification of License Compliance

MERS may use reasonable technical means to verify that your use of the Services complies with your plan and this license, including monitoring User Seat counts, Branch counts, and usage against plan allowances. If verification reveals use beyond your entitlements, MERS may require you to true-up to the appropriate plan or add User Seats and pay the corresponding Fees, without prejudice to MERS's other rights under this Agreement.

9.7 Open-Source and Third-Party Components

The Platform may incorporate open-source or third-party components that are licensed under their own terms. Those terms govern your use of the applicable components to the extent they conflict with the license in this Article, but nothing in those component licenses grants you rights in the MERS Platform as a whole beyond the license stated here.

Article X — Customer Data

10.1 Ownership of Customer Data

As between you and MERS, you own your Customer Data. Customer Data comprises the business information created within your Workspace in the ordinary operation of your business, including your Clients' records and communication preferences, your Staff records, appointments and bookings, transactions and sales, inventory, supplier and purchasing records, expenses, invoices and Transaction Summaries you generate, attendance records (including any location data captured at clock-in), reports generated from your Customer Data, and files, images, and business documents you upload.

10.2 Scope of Ownership

Your ownership relates to your own virtual business information within your Workspace. It does not extend to the Platform itself, to MERS Intellectual Property (Article XI), or to Platform Intelligence (Articles XII through XVI), which are derived, aggregated, anonymized, de-identified, or inferential data and models that belong to MERS. The distinction between your Customer Data (which you own) and Platform Intelligence (which MERS owns) is fundamental to this Agreement and is elaborated in Articles XII through XVI.

10.3 Your Responsibility for Customer Data

You are responsible for the accuracy, quality, legality, and appropriateness of your Customer Data and for having all rights, consents, and lawful bases necessary to submit it to the Services and to have MERS process it as described in this Agreement and the Privacy Policy. This is particularly important for Personal

Data of your Staff and Clients — including sensitive personal information and any location data — as described in Article XXI and Appendix D.

10.4 Limited License to Operate the Services

You grant MERS a worldwide, non-exclusive, royalty-free, and non-sublicensable (except to Subprocessors acting for MERS) license to host, store, copy, transmit, display, and process Customer Data solely as necessary to provide, maintain, secure, support, and improve the Services for you, and to create aggregated and anonymized or de-identified analytics as permitted and cabined by Articles XII through XVI. This license is limited to those purposes, does not transfer ownership of your Customer Data to MERS, and does not permit MERS to use identifiable Customer Data for unrelated commercial purposes or to train artificial-intelligence models except as expressly permitted in Article XV (which requires your separate opt-in for training on identifiable Customer Data).

10.4A Duration of the License

The license in Section 10.4 lasts only for so long as necessary to provide the Services to you and terminates when your Account is closed and the Export Window (Section 31.4) ends, except that MERS may continue to (a) retain and process Customer Data to the limited extent required by law or for the legal-compliance retention described in Section 10.6 and Appendix F, and for backup copies until they expire on their ordinary cycle, and (b) use data that has already been aggregated and anonymized or de-identified so that it no longer identifies you, your Staff, or your Clients. Termination of the license does not require MERS to reverse or delete lawful, already-anonymized aggregates.

10.5 Access to Your Data; Export

You may access your Customer Data through the Services during your Subscription. MERS aims to provide reasonable means to export certain Customer Data (for example, by report generation or file export). You acknowledge that MERS's export capability is limited today and continues to develop, and that whether any particular export format satisfies your BIR or other record-keeping obligations is your responsibility to determine. Data return and deletion upon termination are governed by Article XXXI and Appendix F.

10.6 Retention and Restricted Deletion

You acknowledge that, for legal-compliance and record-integrity reasons, the Services are designed to retain certain records rather than permanently delete them, and instead to hide or archive them after defined periods, as detailed in the Data Retention Schedule (Appendix F). For example, certain transaction records may be hidden after a defined period for non-corporate tiers, while inventory and client records are retained. This design exists in part because tax and other laws require businesses to keep records for extended periods, and premature deletion by MERS could contribute to a Customer's audit or compliance failure. The interaction between this retention design and data-subject deletion rights under the Data Privacy Act is addressed in Article XXI and Appendix F.

10.7 Aggregated and Derived Data

Notwithstanding your ownership of Customer Data, MERS may create and use aggregated, anonymized, de-identified, statistical, and derivative data generated from the operation of the Services, as described in Articles XII through XVI. Such data, once aggregated or de-identified so that it no longer identifies you, your Staff, or your Clients, is Platform Intelligence owned by MERS. Your ownership of your underlying Customer Data is unaffected.

10.8 No Monitoring Obligation

MERS does not routinely monitor the content of Customer Data and is not responsible for reviewing it for accuracy, legality, or compliance. MERS may, but is not obligated to, act on Customer Data of which it becomes aware where required by law or to protect the Platform, other customers, or third parties. The Customer remains responsible for its Customer Data at all times.

Article XI — MERS Intellectual Property

11.1 Ownership of the Platform

The Platform and all Services, and all Intellectual Property in them, are and remain the exclusive property of MERS and its licensors. This includes, without limitation, the software and source code; the design, structure, and workflows; APIs and integrations; algorithms, models, and AI; the user interface (UI) and user experience (UX); databases and data schemas; the Marketplace and supplier-directory data structures; branding, trademarks, service marks, trade names, and logos (including the "MERS" name and mark); the Documentation; the underlying infrastructure; and all updates, enhancements, and future modules.

11.2 No Transfer

Nothing in these Terms transfers to you any ownership of, or Intellectual Property in, the Platform or the Services. Your rights are limited to the access license in Article IX. Any goodwill arising from use of MERS's marks inures solely to MERS.

11.3 Trademarks and Branding

You may not use MERS's names, logos, or marks without MERS's prior written consent, except to accurately identify MERS as your service provider. MERS's trademark rights, including any pending or future registrations (which may include registrations in the relevant Nice classifications for software and software-as-a-service), are reserved.

11.4 Protection of IP

You agree not to take any action inconsistent with MERS's ownership of the Platform and Services, and to notify MERS if you become aware of any infringement or misappropriation. The restrictions in Article IX and the acceptable-use rules in Article XVIII protect MERS's Intellectual Property, and their breach may cause irreparable harm for which MERS may seek injunctive relief in addition to other remedies. For any breach of Section 3.6, 9.3, or 18.2(m), MERS may also seek damages and recover its reasonable attorney's fees and costs of enforcement.

11.5 Reservation of Rights

All rights not expressly granted to you in these Terms are reserved by MERS. No rights are granted by implication, estoppel, or otherwise.

Article XII — Platform Intelligence

12.1 What Platform Intelligence Is

In operating the Platform for its user base, MERS may create aggregated and anonymized or de-identified analytics, statistics, benchmarks, models, and insights ("Platform Intelligence"). Platform Intelligence is created only from Customer Data that has first been aggregated and anonymized or de-identified so that it

cannot reasonably be used to identify you, your Staff, or your Clients. Platform Intelligence consists of these aggregated outputs; it does not include, and MERS does not claim ownership of, your underlying identifiable Customer Data.

12.2 Ownership

As between the Parties, MERS owns the Platform Intelligence outputs it lawfully creates and the intellectual property in them. Your ownership of your Customer Data (Article X) is preserved and is not diminished; MERS's ownership extends only to the aggregated, anonymized outputs and not to the Customer Data from which they were derived.

12.3 Permitted Use of Platform Intelligence

MERS may use Platform Intelligence to operate, secure, and improve the Services; to build and provide benchmarks, analytics, and product features; and to develop new products, in each case only in aggregated and anonymized form and consistent with applicable law and MERS's Privacy Policy. MERS does not, under this Article, acquire any right to use your identifiable Customer Data for unrelated commercial purposes, to sell your identifiable Customer Data, or to disclose it to third parties except as permitted elsewhere in this Agreement, the Privacy Policy, or by law.

12.4 Safeguards

MERS will maintain reasonable technical and organizational safeguards against re-identification and will not publish or externally share Platform Intelligence in a form that identifies you, your Staff, or your Clients, except with consent or as required by law.

12.5 Transparency

MERS will describe, at a general level in the Privacy Policy and Documentation, the categories of Platform Intelligence it creates and the purposes for which it is used, so that you understand how aggregated and anonymized data derived from your use of the Services may be used. This transparency does not require MERS to disclose proprietary methods, models, or trade secrets.

Article XIII — Data Processing and Controller/Processor Roles

13.1 Grant of Processing Rights

To provide and secure the Services, you authorize MERS to process Customer Data — including to host, store, back up, secure, transmit, index, and process it — for the purposes described in this Agreement and the Privacy Policy, and to create aggregated and anonymized outputs as cabined by Article XII. This authorization is the operational counterpart to the limited license in Section 10.4.

13.2 Purposes of Processing

MERS processes Customer Data to: (a) operate, maintain, and deliver the Services to you; (b) secure the Services and detect and prevent fraud and abuse; (c) provide support and troubleshoot; (d) generate reports, dashboards, and features for you; (e) create aggregated and anonymized analytics as permitted by Article XII; and (f) comply with law. MERS does not process your identifiable Customer Data to develop or train artificial-intelligence models except with your separate opt-in consent as described in Article XV.

13.3 Controller and Processor Roles

With respect to the Personal Data of your Staff and Clients that you place in the Services, you are the Personal Information Controller and MERS is the Personal Information Processor under the Data Privacy Act. MERS will: process such Personal Data only on your documented instructions (which include this Agreement, the Privacy Policy, the Data Processing Agreement, and your configuration of the Services); ensure persons authorized to process it are bound by confidentiality; implement appropriate security measures (Article XX); engage Subprocessors only as permitted in Section 13.5; assist you, taking into account the nature of processing, with data-subject requests and with your security, breach-notification, and impact-assessment obligations; and, at the end of the Services, return or delete Personal Data subject to the lawful-retention limits in Section 10.6. You are responsible for establishing the lawful basis for collection and processing and for providing required notices to, and obtaining any required consents from, your Staff and Clients.

13.4 Sensitive Personal Information and Location Data

You acknowledge that certain Customer Data may constitute sensitive personal information under the Data Privacy Act — in particular, government-issued identification numbers and payroll or compensation information of your Staff — and that attendance features may capture staff location data (for example, geolocation at kiosk clock-in). You are responsible for ensuring a lawful basis (which for sensitive personal information may require the data subject's consent or a specific statutory ground), for notifying affected Staff, and for limiting the sensitive personal information and location data you place in the Services to what is necessary.

13.5 Sub-Processing

You authorize MERS to engage Subprocessors to process Customer Data in connection with the Services, as listed in Appendix G (currently providers for hosting and database, authentication, payment processing, and transactional/notification email). MERS will impose data-protection obligations on Subprocessors that are consistent with this Agreement, will remain responsible for their performance of the subcontracted processing, will maintain the list of Subprocessors, and will provide a mechanism for notice of changes.

13.6 Cross-Border Processing

You acknowledge that the Services rely on cloud infrastructure that stores and processes Customer Data outside the Philippines. MERS's primary hosting and database provider processes data in the Tokyo, Japan region (Amazon Web Services Asia Pacific (Tokyo), ap-northeast-1), and other Subprocessors may process data in other regions. Such cross-border processing is subject to the transfer provisions of the Data Privacy Act, and MERS will implement appropriate safeguards.

13.7 Data Subject Requests

Where MERS receives a request from a data subject (such as your Staff or Client) relating to Personal Data processed on your behalf, MERS will, as processor, refer or forward the request to you as controller and reasonably assist you in responding, taking into account the nature of the processing and the retention design in Section 10.6 and Appendix F.

13.8 Breach Notification

MERS will maintain procedures to detect and respond to personal-data breaches and, upon becoming aware of a breach affecting Customer Data, will notify you without undue delay and provide information reasonably necessary to enable you to meet your notification obligations. You acknowledge that, under the Data Privacy

Act, notification to the National Privacy Commission and affected data subjects may be required within seventy-two (72) hours of knowledge of certain breaches, and that, as controller, you retain primary responsibility for making required notifications.

13.9 Data Minimization and Unlawful Instructions

MERS will process Personal Data only as needed to provide the Services and as instructed by the Customer. If MERS believes an instruction violates the Data Privacy Act, it will inform the Customer. The Customer is responsible for not placing in the Services any Personal Data beyond what is necessary for the purposes for which it uses the Services.

13.10 Return or Deletion on Termination

On termination, MERS will handle Personal Data processed on the Customer's behalf in accordance with Article XXXI and the Data Retention Schedule (Appendix F), returning or deleting it except where retention is required by law or restricted for the legal-compliance reasons described in Section 10.6, and except for data already aggregated and anonymized under Article XII.

Article XIV — Marketplace and Supplier Analytics

14.1 Purpose

MERS is building a supplier and marketplace ecosystem. Its foundation — a per-organization directory linking brands to the distributors that carry them, together with purchasing, purchase-order, and supplier-bill records — already exists within the Services, with a reserved capability for a future cross-organization directory. To develop and operate that ecosystem, MERS may create supplier and marketplace analytics — such as purchasing trends, supplier and distributor insights, inventory-demand signals, and regional-demand forecasts — but only from aggregated and anonymized data that cannot reasonably identify you, your Staff, or your Clients. Such analytics are Platform Intelligence under Article XII.

14.2 Ownership and Preservation of Customer Rights

Marketplace and supplier analytics created by MERS are Platform Intelligence owned by MERS, subject to the same limits and safeguards in Article XII. Your ownership of your underlying Customer Data is preserved.

14.3 Use with Suppliers

MERS may use these analytics to surface supplier and distributor recommendations to you and to operate and improve the Marketplace, and may share only aggregated and anonymized insights with suppliers. MERS does not sell or disclose your identifiable Customer Data to suppliers.

14.4 No Endorsement

Supplier recommendations, directory entries, and marketplace features are decision-support tools. MERS does not warrant suppliers or distributors, their goods, or their services, and any transaction you enter into with a supplier or distributor is between you and that party, as addressed in Article XIX.

Article XV — Artificial Intelligence and Machine Learning

15.1 Data Used for AI Development

MERS may develop, train, evaluate, and improve artificial-intelligence and machine-learning features. In doing so, MERS uses aggregated and anonymized or de-identified data as permitted by Article XII. MERS will NOT train its models on your identifiable Customer Data unless you provide separate, specific opt-in consent for that use; absent such opt-in, identifiable Customer Data is used only to provide the Services to you and is not used to train models.

15.2 No Ownership of Customer Data

MERS's development of AI does not transfer ownership of your Customer Data to MERS. You continue to own your Customer Data; MERS owns the resulting models and Platform Intelligence, which are built from aggregated and anonymized data or from data you have opted in to provide for training.

15.3 AI Outputs Are Decision-Support

AI features generate suggestions, predictions, and automated outputs that are informational and probabilistic. They may be inaccurate or incomplete and must not be relied upon as professional advice (Article IV). You are responsible for reviewing and validating AI outputs before acting on them, particularly where decisions affect individuals such as your Staff or Clients. MERS does not warrant that AI outputs are accurate, complete, or fit for any particular purpose.

15.4 Automated Processing Safeguards

Where AI features involve automated processing of Personal Data, you as controller are responsible for ensuring that any decision significantly affecting a data subject has appropriate human involvement and that data subjects' rights are respected. MERS will provide reasonable information about the general logic of material AI features to assist you.

15.5 Third-Party AI Providers

Where MERS uses third-party AI or machine-learning services to deliver AI features, it will select providers whose terms are consistent with this Agreement and the Privacy Policy, will treat such providers as Subprocessors under Section 13.5 where Personal Data is involved, and will not authorize a provider to use your identifiable Customer Data to train that provider's own general models except on an aggregated or anonymized basis or with your opt-in consent.

15.6 No Substitute for Professional Judgment

AI features do not replace professional or human judgment. You must not use AI outputs as the sole basis for decisions with legal, financial, health, safety, or employment consequences for any person, and must apply appropriate human review. MERS is not responsible for reliance on AI outputs contrary to this Section.

Article XVI — Commercial Analytics

16.1 Right to Publish Anonymized Analytics

MERS may create, publish, and commercialize market intelligence derived from the Platform — such as industry reports, benchmark reports, trend reports, and educational and marketing materials — provided that each is built only from aggregated and anonymized data and that no individual Customer, Staff member, or Client is identifiable. Such materials are Platform Intelligence owned by MERS under Article XII.

16.2 Preservation of Customer Rights

Publication of anonymized analytics does not affect your ownership of your Customer Data, and MERS will not identify you in published analytics without your consent.

16.3 Opt-Out Considerations

Where required by applicable law, or where MERS elects to offer it, you may be provided a mechanism to object to or opt out of the inclusion of your de-identified data in certain commercial analytics, without affecting your access to the core Services.

16.4 Privacy Law Controls

The rights in Articles XII through XVI are subject to, and will be exercised consistently with, the Privacy Policy (Appendix D), the Data Processing Agreement, and the Data Privacy Act. If there is any conflict between these Articles and MERS's privacy commitments or applicable law, the privacy commitments and applicable law control.

16.5 Summary of the Data Framework

For clarity, this Agreement establishes three categories of data and rights. First, Customer Data — your own business information — is owned by you (Article X), and MERS's license to use it is limited to running the Services and ends with your Account (Sections 10.4 and 10.4A), except for lawful retention and already-anonymized data. Second, MERS Intellectual Property — the Platform, software, and related assets — is owned by MERS (Article XI). Third, Platform Intelligence — the aggregated and anonymized analytics, benchmarks, and models MERS lawfully creates — is owned by MERS (Articles XII–XVI), built only from data that cannot reasonably re-identify you, your Staff, or your Clients. MERS does not claim ownership of your Customer Data, does not sell your identifiable data, and does not train AI on your identifiable data without your separate opt-in. This framework is intended to let MERS build analytics, marketplace, and AI capabilities lawfully while preserving what you own and respecting data-subject rights.

Article XVII — Customer Responsibilities

17.1 General Responsibility

MERS provides technology to help you run your business, but you remain solely responsible for your business and its legal and regulatory compliance. The Services are tools; the obligations of operating your business are yours. This Article summarizes key responsibilities that remain with you, without limiting other obligations in this Agreement.

17.2 Tax, Receipting, and BIR Compliance

You are solely responsible for your own tax compliance, including registering with the BIR, issuing BIR-compliant Official Receipts and invoices to your Clients, computing and remitting value-added tax, percentage tax, and other taxes, maintaining required books and records, and reporting statutory discounts. Any tax, VAT, percentage-tax, or discount figure the Services compute is a convenience tool based on your settings and data (Section 4.4); MERS is not an accredited invoicing or receipting system, and Transaction Summaries are not tax documents. You must not represent otherwise to any Client, auditor, or authority.

17.3 Statutory Discounts

You are responsible for correctly applying statutory discounts (including the twenty percent (20%) senior-citizen and person-with-disability discount), verifying eligibility, maintaining any required registers, and complying with related BIR reporting, regardless of any discount functionality provided by the Services.

17.4 Payroll, Labor, and Employment

You are solely responsible for compliance with all labor and employment laws applicable to your Staff, including wages, overtime, benefits, statutory contributions (such as SSS, PhilHealth, and Pag-IBIG), payroll taxes, working conditions, attendance and scheduling practices, and record-keeping. Payroll, commission, attendance, and scheduling features are calculation and record-keeping tools; their outputs are your responsibility to verify. MERS is not your Staff's employer and assumes no employer obligations.

17.5 Regulatory Permits and Licenses

You are responsible for obtaining and maintaining all business permits, licenses, and regulatory approvals required to operate your business, including any health, safety, or professional-practice requirements applicable to beauty, wellness, or clinical services.

17.6 Data Protection Responsibilities

As the personal-information controller for your Staff and Client data (Article XIII), you are responsible for establishing lawful bases, providing privacy notices, obtaining any required consents, honoring data-subject rights, and complying with the Data Privacy Act with respect to the Personal Data you place in the Services. This includes sensitive personal information (such as government IDs and payroll) and any staff location data captured through attendance features. Appendix D and any template notices MERS provides are aids only and do not discharge your obligations.

17.7 Client Communications and Consent

Where you use the Services to send communications to your Clients (for example, booking confirmations, reminders, and notifications by email), you are responsible for the content of those communications, for having a lawful basis and any required consent to send them, for honoring opt-out and marketing-preference choices, and for compliance with the Data Privacy Act and any other applicable rules on electronic communications and marketing. MERS provides the sending tool; the communications are yours, sent to your Clients.

17.8 Accuracy of Data and Configuration

You are responsible for the accuracy and completeness of the Customer Data you enter and for correctly configuring your Workspace, including pricing, taxes, VAT mode, discounts, roles, and permissions. MERS is not responsible for outcomes resulting from your data or configuration.

17.9 Device and Endpoint Security

You are responsible for the security of the devices, networks, and Google accounts used to access the Services, including physical security of point-of-sale and kiosk devices, protection of any PINs or passcodes, screen locks, and prompt removal of access from lost or compromised devices, taking into account the access-revocation provisions in Section 5.7.

17.10 Management of Users

You are responsible for managing your Authorized Users, assigning appropriate roles and permissions, training them, and ensuring their compliance with these Terms. You are liable for acts and omissions of your Authorized Users as if they were your own.

17.11 Sole Responsibility; No Reliance for Compliance

You acknowledge and agree that you do not rely on MERS, and MERS does not undertake, to ensure your compliance with any law applicable to your business, including tax, receipting, labor, statutory-discount, licensing, and data-protection laws. The Services may assist you, but compliance is your sole responsibility, and any feature that touches a regulated area (such as tax computation, discounts, payroll, attendance, or record retention) is a tool that you must configure and use correctly in light of advice from your own professional advisers.

17.12 Responsibility for Clients and Staff

Your relationship with your Clients and your Staff is yours alone. MERS has no contractual relationship with your Clients and no employment relationship with your Staff. You are responsible for your dealings with them, for the notices and consents required to place their Personal Data in the Services, and for resolving any complaints or disputes they raise in connection with your business.

Article XVIII — Acceptable Use

18.1 General Standard

You agree to use the Services responsibly and not to misuse them or the Platform. The Acceptable Use Policy in Appendix C is incorporated by reference and supplements this Article. Breach of this Article or the Acceptable Use Policy may result in suspension or termination under Articles XXX and XXXI.

18.2 Prohibited Conduct

You must not, and must not permit any person to: (a) access or attempt to access any account, workspace, or data that is not yours, or attempt to breach or circumvent tenant isolation ("tenant escape"); (b) hack, penetrate, or probe the Platform except under an authorized responsible-disclosure program; (c) reverse engineer, decompile, or disassemble the Platform except as permitted by law; (d) scrape, harvest, or use automated means to extract data beyond the functionality provided; (e) introduce Malicious Code; (f) share or traffic credentials, or access the Services other than through authorized identities; (g) send spam or unlawful communications through or in connection with the Services, including client communications sent without a lawful basis or required consent; (h) infringe the Intellectual Property or other rights of any person; (i) upload unlawful, defamatory, or infringing content; (j) abuse, manipulate, or attempt to extract training data or model internals from AI features, or use AI features to generate unlawful or harmful outputs; (k) overload, disrupt, or impair the Platform or its infrastructure; (l) use the Services for any illegal activity or in violation of any applicable law; or (m) register for or use the Services after MERS has refused, suspended, blocked, or terminated your access, whether directly or through another person, entity, email address, mobile number, device, or payment method ("Block Evasion").

18.3 Content Standards

You are responsible for all content and Customer Data you upload. You must have the rights to upload it and must not upload content that is unlawful, that infringes third-party rights, or that you are not permitted to process. MERS does not routinely monitor content but may remove or disable content that violates these

Terms or the law, or that poses a risk to the Platform or others.

18.4 Fair Use of Resources

You must use the Services within any reasonable usage, rate, storage, or API limits communicated by MERS, and within your plan's Branch and User Seat allowances. MERS may apply technical limits to protect the Platform and other customers and may contact you regarding excessive or abusive usage.

18.5 Reporting and Enforcement

MERS may investigate suspected violations and cooperate with law enforcement. MERS may suspend or terminate access, remove offending content, and take other proportionate measures to protect the Platform, other customers, and MERS. You agree to report suspected security vulnerabilities responsibly to support@mers.ph rather than exploiting or publicizing them.

18.6 Consequences of Violation

A violation of this Article or the Acceptable Use Policy is a material breach of this Agreement. In addition to suspension or termination, MERS may take proportionate technical and legal measures, require remediation, and recover from the Customer the reasonable costs MERS incurs as a result of the violation, subject to Article XXVIII. Repeated or serious violations may result in immediate termination without the cure period in Section 31.2.

18.7 Blocking

MERS may block, and may refuse registrations or access from, persons, entities, email addresses, email domains, mobile numbers, devices, and payment methods that MERS reasonably associates with a Competitor, a terminated Account, Block Evasion, or a breach of Section 9.3 or 18.2. MERS may maintain records needed to enforce such blocks, as described in the Privacy Policy.

Article XIX — Third-Party Services

19.1 Reliance on Third Parties

The Services depend on third-party providers, including cloud hosting and database infrastructure (Supabase, on Amazon Web Services in the Tokyo region), application hosting (Vercel), authentication (Google OAuth), payment processing (HitPay, and where offered GCash and Maya), and transactional and notification email (Resend), among others. These providers are listed, to the extent they process Customer Data, in Appendix G. Your use of the Services is also subject to the applicable terms of these providers.

19.2 Payment Processing

Payments are processed by HitPay and other payment providers. MERS does not store full card data. Your payment transactions are subject to the payment provider's terms and privacy practices, and MERS is not responsible for the acts, omissions, security, or availability of payment providers. Disputes regarding payment processing may need to be resolved with the relevant provider, without prejudice to Section 8.9.

19.3 Authentication Provider

Access depends on Google OAuth. MERS is not responsible for outages, changes, or security issues originating with Google or your Google account, and your relationship with Google is governed by Google's terms.

19.4 No Responsibility for Third-Party Outages

MERS is not liable for delays, failures, data loss, or damages caused by third-party providers or by events outside MERS's reasonable control, including provider outages, cold starts, or infrastructure failures, subject to Article XXVIII and Article XXXIII. MERS will use commercially reasonable efforts to select reputable providers and to mitigate the impact of provider issues.

19.5 Third-Party Integrations and Links

The Services may offer integrations with, or links to, third-party products. Your use of a third-party product is governed by that third party's terms, and MERS is not responsible for third-party products. Enabling an integration may involve sharing data with the third party at your direction.

19.6 Future Services and Integrations

MERS may add, change, or remove third-party providers and integrations as the Services evolve, including in connection with future modules such as a supplier marketplace or finance features. Where a new provider processes Customer Data, MERS will update Appendix G accordingly. MERS will provide any applicable additional terms before you use a materially new integration.

Article XX — Security

20.1 Commercially Reasonable Measures

MERS implements commercially reasonable technical and organizational measures designed to protect the Services and Customer Data, as further described in Appendix E. These include authentication through Google OAuth (so that MERS stores no passwords), encryption of data in transit, organization-scoped access controls enforced on every data table, a tiered access-role and per-feature permission model, logical tenant separation, backups, monitoring, and vulnerability management.

20.2 No Guarantee of Absolute Security

You acknowledge that no system, product, or method of transmission or storage is completely secure, and MERS does not and cannot guarantee absolute security. MERS provides security on a commercially reasonable basis and does not make specific security guarantees. You are responsible for your own security responsibilities under Section 17.9 and for configuring access appropriately.

20.3 Security Posture and Ongoing Maturation

MERS treats tenant isolation — that no organization may access another organization's data — as an absolute design invariant, enforced by organization-scoped controls on every data table and validated through security review. Access control is implemented through tiered roles (Master Admin, Super Admin, Delegated Admin, and Staff) and per-feature permissions, and deactivating a user or blocking an organization revokes the affected live session and blocks re-entry (Section 5.7). MERS continues to harden and mature the Platform, which remains a pre-launch/beta product; accordingly, MERS provides commercially reasonable security commitments and does not make absolute or specific security guarantees at this stage. As the Platform matures, MERS may strengthen these commitments.

20.4 Incident Response

MERS maintains procedures to respond to security incidents and personal-data breaches and will notify affected customers in accordance with Section 13.8 and applicable law. You must promptly report suspected incidents affecting your Account to support@mers.ph.

20.5 Responsible Disclosure

MERS welcomes good-faith reports of security vulnerabilities. If you discover a vulnerability, you must report it promptly and confidentially to support@mers.ph and must not exploit it, access data that is not yours, or disclose it publicly before MERS has had a reasonable opportunity to remediate. Good-faith researchers who comply with this Section will not be pursued by MERS for the authorized testing described here.

20.6 Backups

MERS maintains backups intended to support continuity and recovery, but backups are not a substitute for your own records. You are encouraged to retain your own copies of critical Customer Data, taking into account the export limitations described in Section 10.5.

20.7 Shared Responsibility

Security is a shared responsibility. MERS secures the Platform and its infrastructure at the levels described in this Article and Appendix E; the Customer is responsible for the security of its own accounts, devices, users, and configurations (Section 17.9), including managing user access and permissions, protecting Google credentials and PINs, and appropriately restricting who can view sensitive records such as Staff payroll and government IDs. Many security incidents arise from account or device compromise on the customer side, and MERS is not responsible for incidents originating from the Customer's own security failures.

Article XXI — Privacy

21.1 Privacy Policy

MERS's collection and use of Personal Data is described in the Privacy Policy (Appendix D), which is incorporated by reference. The Privacy Policy explains what Personal Data MERS collects, how it is used, the roles of the Parties, data-subject rights, retention, sub-processors, and cross-border processing. In the event of a conflict between this Article and the Privacy Policy regarding privacy matters, the Privacy Policy controls, except where these Terms provide greater protection to data subjects.

21.2 Alignment with the Data Privacy Act

MERS is committed to handling Personal Data in accordance with the Data Privacy Act. With respect to the Personal Data of your Staff and Clients, you are the controller and MERS is the processor, as described in Article XIII. A Data Processing Agreement governs the details of that relationship.

21.3 Data-Subject Rights and Retention Tension

Data subjects have rights under the Data Privacy Act, including rights of access, correction, objection, erasure or blocking, and data portability. MERS's retention design (Section 10.6 and Appendix F) restricts deletion of certain records for legal-compliance reasons, which can create tension with the right to erasure. Where such tension arises, the Parties will handle requests in accordance with applicable law, honoring erasure or blocking where required and relying on lawful retention grounds where deletion is lawfully restricted.

21.4 Client Communications and Preferences

The Services allow you, as controller, to record your Clients' communication preferences and to send them communications by email. Transactional messages inherent to a booking — such as booking confirmations and appointment reminders — are sent as part of operating the Services. The emailing of transaction

summaries to a Client is an optional, per-business feature that is OFF by default; you choose whether to enable it. You are responsible for obtaining any consent required to contact your Clients and for honoring their opt-out and preference choices. MERS processes these communications and preferences on your behalf as processor.

21.5 Template Notices for Your Clients

Because MERS holds Client data on your behalf, MERS may make available an optional template booking or consent notice that you can present to your own Clients. Any such template is provided as a convenience and starting point only, is not legal advice, and does not substitute for your own privacy notices and consents as controller.

21.6 Government and Legal Requests

If MERS receives a lawful request from a government authority, court, or the National Privacy Commission relating to Customer Data, MERS will, unless prohibited by law, notify the Customer so that the Customer may seek to limit or challenge the request, and will disclose only what is legally required. Where the request concerns Personal Data of the Customer's Staff or Clients, the Customer as controller retains primary responsibility for responding, and MERS will provide reasonable assistance.

Article XXII — Confidentiality

22.1 Definition

"Confidential Information" means non-public information disclosed by one Party (the "Discloser") to the other (the "Recipient") that is designated as confidential or that reasonably should be understood to be confidential given its nature and the circumstances of disclosure, including business, technical, financial, product, security, and pricing information. MERS's Confidential Information includes non-public aspects of the Platform, security details, and Platform Intelligence, unreleased features and roadmaps, Beta Features, Documentation and training or LMS materials not published by MERS, internal templates, and non-public pricing; your Confidential Information includes your non-public Customer Data.

22.2 Obligations

The Recipient will use the Discloser's Confidential Information only to perform under this Agreement, will protect it with at least reasonable care, and will not disclose it to third parties except to its personnel, advisers, and Subprocessors who need to know it and are bound by confidentiality obligations no less protective than these.

22.3 Exclusions

Confidential Information does not include information that: (a) is or becomes public through no fault of the Recipient; (b) was known to the Recipient without confidentiality obligation before disclosure; (c) is rightfully obtained from a third party without restriction; or (d) is independently developed without use of the Discloser's Confidential Information.

22.4 Compelled Disclosure

The Recipient may disclose Confidential Information if required by law or valid legal process, provided that, where lawful, it gives the Discloser reasonable prior notice and cooperates in seeking protective treatment.

22.5 Duration and Survival

Confidentiality obligations apply during the term and survive termination for so long as the information remains confidential, and, for trade secrets, for as long as the information qualifies as a trade secret under applicable law.

Article XXIII — Beta Features

23.1 Nature of Beta Features

MERS may offer Beta Features — features, modules, or Services identified as alpha, beta, preview, early-access, experimental, or evaluation. MERS is currently in a pre-launch/beta stage with founding customers, and portions of the Services may be treated as Beta Features. Beta Features are provided to gather feedback and for evaluation, and are not generally available production Services.

23.2 Reduced Guarantees

Beta Features are provided "as is" and "as available," may be incomplete, may change or be withdrawn at any time, and are not covered by any availability, support, or performance commitments. MERS disclaims all warranties for Beta Features to the maximum extent permitted by law, and your use of Beta Features is at your own risk.

23.3 Expectation of Change

You acknowledge that Beta Features, and the Services generally during the beta period, may change materially, that data or configurations associated with Beta Features may not be preserved, and that features may be modified, delayed, or discontinued. You should not rely on Beta Features for critical operations without your own contingency measures.

23.4 Feedback Rights

By using Beta Features, you agree to provide reasonable feedback if requested, and MERS may use that feedback in accordance with Article XXVI. Participation in beta programs may be subject to additional terms communicated to you.

Article XXIV — Service Availability

24.1 No Uptime Guarantee

MERS aims to make the Services available and reliable, but currently does not offer a formal uptime service-level agreement. You acknowledge current realities that may affect availability, including single-region hosting and cold starts. Unless a separate written SLA is agreed, the Services are provided on an "as available" basis without any uptime guarantee, and MERS may strengthen these commitments as the Platform matures.

24.2 Maintenance

MERS may perform scheduled or emergency maintenance, during which the Services may be unavailable. MERS will use reasonable efforts to schedule non-emergency maintenance to minimize disruption and, where practicable, to provide notice, but may perform emergency maintenance without prior notice.

24.3 Outages and Interruptions

The Services may be interrupted by factors within or outside MERS's control, including third-party provider outages (Article XIX) and force-majeure events (Article XXXIII). MERS is not liable for unavailability except as expressly provided in this Agreement, and any remedies are subject to Article XXVIII.

24.4 Future SLA

If MERS introduces a formal SLA, it will be provided as separate terms or an appendix and will govern availability commitments for the covered Services. Until then, no availability commitment is made beyond this Article.

Article XXV — Support

25.1 Support Scope

MERS provides customer support for the Services through the channels it designates (for example, email at support@mers.ph or in-product support), during the hours and at the response levels MERS communicates from time to time. Support covers assistance with using the Services and reporting issues; it does not include professional, legal, tax, accounting, or business-operations advice.

25.2 Response Expectations

MERS will use commercially reasonable efforts to respond to support requests but does not guarantee specific response or resolution times unless stated in a separate support or SLA offering. Response expectations may vary by plan tier.

25.3 Customer Cooperation

To receive support, you agree to provide reasonable information about the issue, cooperate with troubleshooting, and maintain up-to-date contact details. Some support may require access to your Account for diagnostic purposes, which MERS will handle consistently with the Privacy Policy and confidentiality obligations.

25.4 Premium Support

MERS may offer enhanced or premium support options for certain plans or for additional fees. The scope and terms of any premium support will be described in the applicable plan or Order Form.

25.5 Exclusions

Support does not cover issues caused by your misuse, unauthorized modifications, third-party products, or factors outside MERS's control, and does not extend to Beta Features except as MERS elects.

25.6 Support Channels and Availability

MERS designates the support channels through which requests should be submitted and may change them on notice. Support is generally provided during Business Days and business hours, and availability may be reduced during holidays, maintenance, or Force Majeure Events. Requests submitted outside operating hours will be addressed on the next Business Day. MERS may triage requests by severity and by plan tier.

25.7 Self-Service Resources

MERS may provide Documentation, help-center articles, an Owner's Manual, and in-product guidance as self-service resources. These resources are provided for convenience, may be updated over time, and describe the Services generally; where they conflict with this Agreement, this Agreement governs.

Article XXVI — Customer Feedback

26.1 License to Use Feedback

If you or your Authorized Users provide MERS with feedback, feature requests, ideas, suggestions, or recommendations regarding the Services ("Feedback"), you grant MERS a perpetual, irrevocable, worldwide, royalty-free, fully paid-up, sublicensable, and transferable license to use, reproduce, modify, and exploit the Feedback for any purpose, including to develop and improve the Services, without any obligation of compensation, attribution, or confidentiality.

26.2 No Ownership Claim

You will not acquire any ownership interest in the Services or in any product or feature developed using your Feedback, and MERS is free to use Feedback without restriction. Feedback is provided voluntarily and is not your Confidential Information unless MERS agrees otherwise in writing.

26.3 No Obligation to Implement

MERS is under no obligation to use, implement, or act on any Feedback and may develop features independently. Nothing in this Article requires MERS to keep any feature or to implement any request.

Article XXVII — Warranties and Disclaimers

27.1 Limited Mutual Warranties

Each Party represents and warrants that it has the legal authority to enter into this Agreement. MERS warrants that it will provide the Services with reasonable care and skill and substantially as described in the Documentation for generally available features. This limited warranty does not apply to Beta Features, to issues caused by your misuse or by third-party products, or to factors outside MERS's reasonable control.

27.2 Disclaimer

EXCEPT FOR THE LIMITED WARRANTIES EXPRESSLY STATED IN SECTION 27.1, AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, THE SERVICES ARE PROVIDED "AS IS" AND "AS AVAILABLE," WITH ALL FAULTS, AND MERS DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, NON-INFRINGEMENT, ACCURACY, AND ANY WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE.

27.3 No Warranty of Results or Accuracy

MERS does not warrant that the Services will be uninterrupted, timely, secure, or error-free; that defects will be corrected; that the Services will meet your requirements; or that reports, calculations, tax or discount computations, forecasts, AI outputs, or analytics will be accurate or complete. You are responsible for verifying outputs before relying on them.

27.4 No BIR/Tax-Document Warranty

Without limiting the foregoing, MERS expressly disclaims any warranty that the Services issue BIR-compliant Official Receipts, invoices, or accredited tax documents, or that any output satisfies your tax, receipting, or record-keeping obligations, as described in Articles IV and XVII.

27.5 Consumer Rights

Nothing in this Article excludes or limits any warranty or right that cannot be excluded or limited under applicable law. Where mandatory consumer-protection law grants you rights that cannot be waived, those rights apply and the disclaimers above are limited accordingly.

Article XXVIII — Limitation of Liability

28.1 Exclusion of Indirect Damages

TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, NEITHER PARTY WILL BE LIABLE TO THE OTHER FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, EXEMPLARY, OR PUNITIVE DAMAGES, OR FOR ANY LOSS OF PROFITS, REVENUE, GOODWILL, BUSINESS, ANTICIPATED SAVINGS, OR DATA, ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE SERVICES, WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STATUTE, OR OTHERWISE, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND EVEN IF A REMEDY FAILS OF ITS ESSENTIAL PURPOSE.

28.2 Liability Cap

TO THE MAXIMUM EXTENT PERMITTED BY LAW, MERS'S TOTAL AGGREGATE LIABILITY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE SERVICES WILL NOT EXCEED THE TOTAL SUBSCRIPTION FEES ACTUALLY PAID BY YOU TO MERS FOR THE SERVICES DURING THE THREE (3) MONTHS IMMEDIATELY PRECEDING THE EVENT GIVING RISE TO THE LIABILITY.

28.3 Exceptions to the Cap

The limitations in Sections 28.1 and 28.2 do not apply to: (a) a Party's liability for death or personal injury caused by its negligence; (b) a Party's fraud or willful misconduct; (c) your obligation to pay Fees due; (d) your indemnification obligations under Article XXIX; or (e) any liability that cannot be limited or excluded under applicable law.

28.4 Allocation of Risk

You acknowledge that the Fees reflect the allocation of risk in this Agreement and that these limitations are an essential basis of the bargain between the Parties. The Services are business tools, and you are responsible for maintaining your own records, backups, and contingency measures appropriate to your business.

28.5 Beta and Availability

Given the current beta status and the availability and security limitations disclosed in this Agreement (including Sections 20.3 and 24.1), you assume the risks inherent in using a maturing platform, and MERS's liability for such disclosed limitations is limited as set out in this Article.

28.6 Data Loss

MERS maintains backups as described in Section 20.6, but you are responsible for maintaining your own records and copies of critical Customer Data. To the maximum extent permitted by law, MERS is not liable for loss or corruption of Customer Data except to the extent caused by MERS's failure to meet its obligations under this Agreement, and in any event subject to the exclusions and cap in this Article. Your remedy for data loss caused by MERS is limited to MERS using commercially reasonable efforts to restore the affected data from its most recent available backup.

28.7 Basis of the Bargain

The disclaimers in Article XXVII and the limitations in this Article XXVIII are fundamental elements of the basis of the bargain between the Parties, reflect a reasonable allocation of risk given the nature and pricing of the Services and the disclosed beta and maturity limitations, and will apply notwithstanding the failure of the essential purpose of any limited remedy and regardless of the form of action.

Article XXIX — Indemnification

29.1 Your Indemnity

You will defend, indemnify, and hold harmless MERS and its officers, directors, employees, and agents from and against any third-party claims, demands, actions, losses, liabilities, damages, costs, and expenses (including reasonable legal fees) arising out of or relating to: (a) your use or misuse of the Services; (b) your violation of this Agreement or applicable law; (c) your Customer Data, including any claim that it infringes rights or was processed unlawfully; (d) your treatment of Transaction Summaries as tax documents or any BIR, tax, or statutory-discount matter; (e) your employment, payroll, or labor practices; (f) your failure to meet your data-protection obligations as controller (including notices and consents for Staff and Client data, staff location data, and client communications); or (g) claims by your Staff or Clients relating to your business or your handling of their data.

29.2 Procedure

MERS will promptly notify you of any claim for which it seeks indemnity, give you control of the defense and settlement (provided that any settlement that imposes obligations on or admits fault by MERS requires MERS's consent), and provide reasonable cooperation at your expense. MERS may participate in the defense with its own counsel at its own cost.

29.3 MERS Cooperation

Nothing in this Article requires you to indemnify MERS for MERS's own fraud, willful misconduct, or gross negligence, or to the extent a claim arises solely from MERS's breach of this Agreement, subject to the limitations in Article XXVIII.

Article XXX — Suspension

30.1 Grounds for Suspension

MERS may suspend, limit, or block your access to all or part of the Services, in whole or in part, where reasonably necessary to: (a) protect the security, integrity, or availability of the Platform or other customers; (b) address non-payment of Fees or the expiry of a Subscription or free period; (c) respond to a suspected violation of this Agreement or the Acceptable Use Policy, or to unlawful or harmful activity; (d) comply with law or a governmental or court order; or (e) address a threat or vulnerability.

30.2 Notice

MERS will use reasonable efforts to notify you before or promptly after a suspension and to limit the scope and duration of a suspension to what is reasonably necessary. Where the reason permits, MERS will give you an opportunity to cure before suspending.

30.3 Billing-Lapse Suspension (Grace → Read-Only)

The first kind of suspension arises automatically from a billing lapse — non-payment, or the expiry of a Subscription, free period, or beta period. Your Account first enters a grace period of seven (7) days during which access continues with prompts to pay, after which MERS places the Account into a read-only/blocked state that restricts use (for example, preventing the processing of new transactions) while preserving your existing Customer Data. A billing-lapse suspension clears automatically once you complete payment or renew (confirmed by the payment processor's webhook). This model is intended to protect your data while encouraging resolution.

30.3A Administrative Suspension (MERS-Initiated)

The second kind of suspension is an administrative suspension that MERS, as platform operator, deliberately imposes for reasons such as abuse, security or legal risk, unlawful activity, or breach of these Terms. Unlike a billing-lapse suspension, an administrative suspension is not resolved by paying your subscription; only MERS can lift it once the underlying reason is resolved. MERS will use reasonable efforts to give notice under Section 30.2 and to limit the scope and duration of the suspension.

30.4 Effect of Suspension

Suspension or blocking does not relieve you of your obligation to pay Fees accrued before or during the suspension. MERS is not liable for consequences of a suspension or block made in accordance with this Article. Restoration of access follows resolution of the cause of suspension.

30.5 Interaction with Revocation

Suspension or blocking is enforced consistently with the access-revocation provisions in Section 5.7, including revocation of affected live sessions and blocking of re-entry, on a commercially reasonable basis.

Article XXXI — Termination

31.1 Termination by You

You may terminate this Agreement by cancelling your Subscription as described in Article VII. Termination takes effect at the end of the current paid cycle unless otherwise required by law or stated in the Billing and Refund Policy.

31.2 Termination by MERS

MERS may terminate this Agreement or your Subscription: (a) for your material breach that remains uncured for fifteen (15) days after written notice (or immediately for breaches incapable of cure or for serious violations such as unlawful use, security threats, or non-payment following the suspension process); (b) if required by law; or (c) on reasonable prior notice if MERS ceases to offer the Services generally. MERS may terminate immediately, without the cure period in this Section, any Account held by or for a Competitor or used in breach of Sections 9.3(e) to 9.3(i) or Section 18.2(m).

31.3 Effect of Termination

Upon termination, your right to access and use the Services ends. You remain responsible for Fees accrued through the effective date of termination. Sections that by their nature should survive termination will survive, including provisions on ownership and IP, Platform Intelligence, confidentiality, disclaimers, limitation of

liability, indemnification, governing law, and these termination provisions. Where MERS terminates under the preceding sentence, Fees already paid are non-refundable and no credit is due, except where a refund is required by law. Section 31.4 (Data Export Window) continues to apply to your own Customer Data.

31.4 Data Export Window

For one (1) year following termination, as described in Appendix F (the "Export Window"), MERS will make commercially reasonable efforts to allow you to export or retrieve available Customer Data, subject to the export limitations in Section 10.5. You are responsible for exporting the data you need during the Export Window.

31.5 Data Retention and Deletion After Termination

After the Export Window, MERS will retain, hide, archive, or delete Customer Data in accordance with the Data Retention Schedule (Appendix F) and applicable law. You acknowledge that, for the legal-compliance reasons described in Section 10.6, certain records may be retained (in hidden or archived form) rather than deleted, and that deletion of some records may be restricted. Deletion, where performed, may be subject to a defined timeline and to residual copies in backups that expire on a rolling basis.

31.6 Surviving Obligations

Termination does not affect rights or obligations accrued before termination, and the survival provisions of Section 31.3 continue in effect. Without limiting that Section, Sections 3.6 (Competitors), 9.3 (Restrictions), 11.4 (Protection of IP), 18.2(m) (Block Evasion), 18.7 (Blocking), and Article XXII (Confidentiality) survive termination.

31.7 Transition Assistance

At the Customer's request during the Export Window, MERS will use commercially reasonable efforts to assist the Customer's orderly transition off the Services, including by making available export functions that exist at the time. Such assistance is limited by the current export capabilities described in Section 10.5 and does not require MERS to build custom export tools. Any extensive transition assistance may be subject to additional fees agreed in advance.

Article XXXII — Governing Law and Dispute Resolution

32.1 Governing Law

This Agreement, and any dispute or claim arising out of or in connection with it or its subject matter (including non-contractual disputes), is governed by and construed in accordance with the laws of the Republic of the Philippines, without regard to conflict-of-laws principles.

32.2 Good-Faith Resolution

Before commencing formal proceedings, the Parties will attempt in good faith to resolve any dispute through discussion, with escalation to senior representatives, for a period of at least thirty (30) days after written notice of the dispute, except where urgent injunctive relief is required.

32.3 Venue and Jurisdiction

Subject to Section 32.4, the Parties submit to the exclusive jurisdiction of the proper courts of General Trias City, Cavite, Philippines, for the resolution of disputes arising out of or relating to this Agreement.

32.4 Arbitration (Optional)

The Parties may agree to resolve disputes by arbitration in the Philippines under the Alternative Dispute Resolution Act of 2004 (Republic Act No. 9285) and applicable arbitration rules, with the seat, language, and number of arbitrators to be specified. If arbitration is adopted, it will replace court litigation except for claims seeking urgent injunctive relief or the enforcement of an award.

32.5 Injunctive Relief

Nothing in this Article prevents either Party from seeking urgent injunctive or equitable relief from a court of competent jurisdiction to protect its Intellectual Property, Confidential Information, or other rights pending resolution of a dispute.

32.6 Limitation Period

To the extent permitted by law, any claim arising out of or relating to this Agreement must be brought within the period prescribed by applicable law, and the Parties will not be deemed to have waived any prescriptive period except as required by law.

Article XXXIII — Force Majeure

33.1 Excused Performance

Neither Party will be liable for any failure or delay in performance (other than payment obligations) caused by events beyond its reasonable control, including acts of God, natural disasters (such as typhoons, earthquakes, and floods), fire, epidemic or pandemic, war, terrorism, civil unrest, government action or orders, labor disputes, failures or outages of telecommunications, internet, cloud, or power infrastructure, cyberattacks, or third-party provider failures (a "Force Majeure Event").

33.2 Mitigation and Notice

The affected Party will notify the other Party of a Force Majeure Event where reasonably practicable, will use commercially reasonable efforts to mitigate its impact, and will resume performance as soon as reasonably possible. The Philippines is subject to recurring natural events such as typhoons and seismic activity, and you acknowledge that such events, and any resulting infrastructure disruptions, may affect availability of the Services notwithstanding MERS's mitigation efforts.

33.3 Prolonged Events

If a Force Majeure Event continues for more than sixty (60) consecutive days and materially prevents performance, either Party may terminate the affected Services on written notice, subject to the survival and payment provisions of this Agreement. Termination under this Section is without liability arising solely from the Force Majeure Event.

Article XXXIV — Assignment

34.1 By the Customer

You may not assign, transfer, or delegate this Agreement or any of your rights or obligations under it, in whole or in part, without MERS's prior written consent, and any purported assignment in violation of this Section is void. A change of control of the Customer is deemed an assignment for this purpose.

34.2 By MERS

MERS may assign or transfer this Agreement, in whole or in part, without your consent, in connection with a merger, acquisition, corporate reorganization, financing, or sale of all or substantially all of its assets or the business to which this Agreement relates, or to an affiliate, provided the assignee assumes MERS's obligations under this Agreement.

34.3 Binding Effect

This Agreement binds and benefits the Parties and their permitted successors and assigns.

34.4 Subcontracting

MERS may subcontract or delegate performance of its obligations, including to Affiliates and Subprocessors, provided that MERS remains responsible for the performance of the subcontracted obligations in accordance with this Agreement. Subprocessing of Personal Data is governed by Section 13.5.

34.5 Effect on Data on Assignment

Where MERS assigns this Agreement in connection with a transaction described in Section 34.2, any transfer of Customer Data or Personal Data to the assignee will be carried out in accordance with the Data Privacy Act and the Privacy Policy, and the assignee will be bound by privacy commitments no less protective than those in this Agreement.

Article XXXV — Changes to the Services

35.1 Right to Modify

MERS may modify, expand, improve, retire, or replace features, modules, functionality, APIs, integrations, and aspects of the Services from time to time as part of the ongoing development of the Platform. MERS may also change pricing in accordance with Section 7.9.

35.2 Notice of Material Changes

For changes that materially and adversely reduce the core functionality of a generally available Service you rely on, MERS will use reasonable efforts to provide advance notice and, where appropriate, transition options. Minor changes, improvements, and changes to Beta Features may be made without notice.

35.3 Discontinuation

If MERS discontinues a Service or feature you materially rely on, MERS will provide reasonable notice where practicable. If a discontinuation materially and adversely affects a paid feature and MERS does not offer a reasonably equivalent alternative, your remedy is to cancel the affected Subscription, and MERS may provide a pro-rata credit or refund where required by law or the Billing and Refund Policy.

35.4 No Obligation to Maintain

Except as expressly stated, MERS is under no obligation to maintain any particular feature, and the reservation of rights in this Article applies to current and future Services.

Article XXXVI — Miscellaneous

36.1 Incorporation of Policies

The Appendices and the policies referenced in them — including the Subscription Plans (Appendix A), Billing and Refund Policy (Appendix B), Acceptable Use Policy (Appendix C), Privacy Policy (Appendix D), Security Practices (Appendix E), Data Retention Schedule (Appendix F), and List of Subprocessors (Appendix G) — are incorporated into and form part of this Agreement by reference and are legally binding.

36.2 Notices

MERS may give notices to you by email to your Account administrator, by posting within the Platform, or on its website. You must give notices to MERS in writing at Blk 1 Lot 6 Metropolis Greens, Manggahan, General Trias City, Cavite 4107 or legal@mers.ph. Notices are deemed received when sent by email (absent a bounce), when posted in-Platform, or when delivered if by hand or courier.

36.3 Waiver

No failure or delay by a Party in exercising any right under this Agreement operates as a waiver, and no single or partial exercise precludes any further exercise. A waiver is effective only if in writing and signed by the waiving Party.

36.4 Headings and Interpretation

Headings are for convenience only and do not affect interpretation. "Including" means "including without limitation." References to a statute include its amendments and implementing rules. The Parties have had the opportunity to review this Agreement, and it will not be construed against the drafter.

36.5 Survival

Provisions that by their nature should survive termination survive, as described in Section 31.3.

36.6 Independent Contractors

The Parties are independent contractors, as stated in Section 1.9. Neither Party may bind the other.

36.7 Electronic Communications and Signatures

The Parties consent to transact electronically, and electronic records and acceptances are enforceable under the Electronic Commerce Act of 2000 (Republic Act No. 8792).

36.8 Language

This Agreement is written in English, which is the controlling language for all purposes. Any translation is provided for convenience only.

36.9 Third-Party Rights

Except as expressly stated (for example, indemnified parties under Article XXIX), this Agreement does not confer rights on any person who is not a Party.

36.10 Counterparts and Execution

Where this Agreement is executed rather than accepted electronically, it may be signed in counterparts, including by electronic signature, each of which is an original and all of which together constitute one instrument.

36.11 Contact

Questions about this Agreement may be directed to MERS at support@mers.ph or legal@mers.ph.

APPENDICES

The following Appendices are incorporated into and form part of the Agreement by reference under Section 36.1. Some of them may also be published as standalone policies; where a standalone policy covers the same subject, it applies as described in Section 1.10.

Appendix A — Subscription Plans

MERS offers tiered subscription plans. Each plan includes a Branch allowance and a base number of User Seats; the only per-user add-on is additional User Seats, and there is no per-Branch add-on. Prices below are those in effect on the Effective Date. Current prices are always shown on web.mers.ph and at checkout in the app. Plans and prices are subject to change under Section 7.9.

A.1 Plan Tiers

- **Lite — ₱999/month:** 1 Branch, 2 User Seats; self-serve; no User Seat add-on (fixed cap).
- **Starter — ₱1,499/month:** 1 Branch, 5 User Seats; self-serve; additional User Seats available at ₱199/user/month.
- **Growth — ₱3,299/month:** 3 Branches, 15 User Seats; self-serve; additional User Seats at ₱199/user/month.
- **Scale — ₱5,499/month:** 5 Branches, 25 User Seats; self-serve; additional User Seats at ₱199/user/month.
- **Pro — Contact Us:** custom Branch and User Seat allowances and pricing under a separate Order Form; not self-serve.

A.2 Add-Ons

The only add-on is additional User Seats, charged per user per month at ₱199 per User Seat per month, available on the Starter, Growth, and Scale plans (Lite has a fixed User Seat cap, and Pro is custom). There is no per-Branch add-on; additional Branch capacity is obtained by moving to a higher tier.

A.3 Billing Cycles and Annual Discount

Self-serve plans are billed monthly and may also be offered annually at a discount of 20% to the equivalent monthly total (i.e., $\text{monthly} \times 12 \times 0.8$). Payments are completed as one-off HitPay checkouts each cycle; MERS does not store cards (Section 8.2). Apart from the 20% annual discount, MERS does not offer any other annual-prepayment terms or pricing.

A.4 Free Introductory Period

Eligible new subscribers receive a free introductory period of forty-five (45) days, defined and controlled by MERS (not a payment-processor trial), which converts to a paid Subscription on the plan the Customer selected at signup (there is no default or substitute plan — the Customer continues on the plan it chose) unless cancelled before the paid cycle begins (Section 7.3).

A.5 Seats, Branches, and Changes to Plans

User Seats and Branch allowances are set by the plan. All plans include every feature of the Services; the plans differ only by their Branch and User Seat allowances, not by feature set (Pro is a custom plan with unlimited Branches and Seats). Exceeding a plan's Branch allowance requires an upgrade; exceeding its User Seat base requires add-on Seats (where the plan permits) or an upgrade. MERS may introduce, modify, rename, or retire plans and adjust included features as the Platform evolves (Article XXXV).

Appendix B — Billing and Refund Policy

This Policy governs billing, refunds, and cancellation and supplements Articles VII and VIII. It is intended to become a finalized standalone policy and is a tracker-blocking item.

B.1 Billing Mechanics

Fees are charged in advance for each cycle in Philippine Pesos through HitPay, completed as one-off checkouts (GCash, Maya, card, QRPH, and other supported methods); MERS does not store cards or offer card-on-file (Section 8.2). Add-on User Seats are billed at the per-Seat rate in Appendix A and are prorated when added mid-cycle; upgrades take effect promptly and prorate, while downgrades take effect at the next cycle. A missed or uncompleted checkout triggers the seven (7)-day grace period and then the read-only/blocked state under Sections 8.5 and 30.3.

B.2 Free Period

The free introductory period is forty-five (45) days (Section 7.3 and Appendix A.4) and converts to paid unless cancelled beforehand.

B.3 Refunds

Subscriptions are generally non-refundable except where required by applicable law (including the Consumer Act, Republic Act No. 7394) or where MERS elects to grant a refund. There is no in-product refund mechanism; refunds, when granted, are handled by MERS operationally. Because of payment-method constraints, refunds cannot be promised as instant or automatic: in particular, QRPH payments cannot be refunded through HitPay and must be returned manually (for example, by bank transfer), and other methods vary. Where a refund is granted, MERS will process it within thirty (30) days by the original method where supported, and otherwise by bank transfer.

B.4 Downgrades, Credits, and Disputes

Downgrades apply at the next cycle (Section 7.7). Downgrades and removals of add-on User Seats are not prorated; the change takes effect at the start of the next billing cycle. Credits and promotions are governed by Section 8.8. Billing disputes are handled under Section 8.9; contact billing@mers.ph before initiating a chargeback.

Appendix C — Acceptable Use Policy

This Acceptable Use Policy supplements Article XVIII and applies to all users of the Services. It is intended to become a finalized standalone policy.

- No unauthorized access to accounts, workspaces, or data; no attempts to breach tenant isolation.
- No hacking, penetration testing (outside an authorized program), reverse engineering, or circumvention of security or access controls.

- No scraping, bulk extraction, or automated access beyond provided functionality; no overloading or disrupting the Platform.
- No Malicious Code; no credential sharing outside the User Seat model; access only via authorized identities.
- No spam or unlawful communications; client communications only with a lawful basis and any required consent, honoring opt-outs; no infringement of intellectual-property or other rights; no unlawful, defamatory, or harmful content.
- No abuse or manipulation of AI features, and no use of AI features to produce unlawful or harmful outputs or to extract model internals or training data.
- No use of the Services for any illegal activity or in violation of applicable law, including data-privacy, tax, and labor laws.

Violations may result in content removal, suspension, or termination under Articles XXX and XXXI, and MERS may report unlawful activity to authorities.

Appendix D — Privacy Policy

MERS's full Privacy Policy is published at web.mers.ph/privacy and forms part of these Terms. This Appendix summarizes its scope; if the two differ, the published Privacy Policy applies.

D.1 Roles (Controller/Processor)

For Personal Data of Staff and Clients placed in the Services, the Customer is the Personal Information Controller and MERS is the Personal Information Processor (Article XIII). The standalone Data Processing Agreement will document the mandatory processor obligations under the IRR of R.A. 10173.

D.2 Personal Data Processed

Categories include: Client name, mobile number, email, visit/booking history, and communication preferences; Staff name, email, payroll and compensation data, government-issued identification numbers, home address, attendance records, and geolocation captured at kiosk clock-in; and business-contact data for suppliers and distributors. Government IDs and payroll are sensitive personal information; staff geolocation is personal data requiring notice and a lawful basis.

D.3 Purposes and Lawful Bases

To provide the Services, on the bases of contract, legitimate interests, and consent as applicable; and to create aggregated and anonymized analytics as cabined by Articles XII–XVI. AI training on identifiable Customer Data requires separate opt-in (Article XV). Client email communications are sent by the Customer, as controller, to its own Clients.

D.4 Data-Subject Rights

Access, correction, objection, erasure/blocking, and portability, subject to the retention design in Appendix F and lawful limitations; requests coordinated between MERS (processor) and the Customer (controller) under Section 13.7.

D.5 Sub-Processors and Cross-Border Processing

The Subprocessors in Appendix G, including hosting/database that process data in the Tokyo, Japan region (AWS ap-northeast-1). Cross-border transfers are subject to the Data Privacy Act (Section 13.6).

D.6 Security, Breach Notification, Retention

Security measures (Appendix E); breach notification consistent with Section 13.8 and the 72-hour NPC timeline; retention per Appendix F.

D.7 NPC Registration, DPO, and Contact

MERS will assess and, where required, complete NPC registration and designate a Data Protection Officer at dpo@mers.ph.

Appendix E — Security Practices

MERS applies commercially reasonable security measures appropriate to the current maturity of the Platform (Article XX). This summary is intended to become a finalized standalone document. The measures include, without limitation:

- Authentication via Google OAuth, so that MERS stores no passwords; PINs/passcodes for certain in-Platform actions are stored in hashed form.
- Encryption of data in transit; organization-scoped access controls enforced on every data table.
- A tiered access-role model (Master Admin, Super Admin, Delegated Admin, Staff) with per-feature permissions.
- Logical multi-tenant separation treated as an absolute design invariant and validated through security review.
- Revocation of live sessions and blocking of re-entry when a user is deactivated or an organization is blocked (Section 5.7), on a commercially reasonable basis.
- Backups intended for continuity and recovery (not a substitute for the Customer's own records).
- Monitoring, vulnerability management, and a responsible-disclosure channel at support@mers.ph.
- Incident-response procedures aligned with Section 13.8 and applicable law.

Current limitations are disclosed honestly: there is no formal uptime SLA (Article XXIV), single-region hosting and cold starts may affect availability, and the Platform is a maturing, beta-stage product (Article XXIII). Specific or absolute security guarantees are not made at this stage.

Appendix F — Data Retention Schedule

MERS follows a "retain and hide/archive, do not prematurely delete" model for compliance-sensitive records. Data is preserved through grace, read-only/blocked, and suspension states — non-payment does not delete data. MERS also provides a data-export capability so you can obtain your Customer Data (Section 10.5). This schedule is intended to become a finalized standalone document.

- **Transactions:** for non-corporate tiers, transaction records may be hidden from routine views after twelve (12) months while retained in the system; corporate/enterprise arrangements may differ.
- **Inventory, supplier, and purchasing records:** retained.
- **Client records and communication preferences:** retained (subject to lawful erasure/blocking requests and opt-outs).

- **Staff records (payroll, government IDs, attendance/location data):** retained for the period required by labor and tax law, then handled per policy.
- **During grace / read-only / suspension:** Customer Data is retained and preserved, not deleted; access may be restricted but data is not destroyed.
- **Post-termination Export Window:** a period of one (1) year after termination during which the Customer may log in to export available data (Section 31.4).
- **Backups:** residual copies in backups are retained for up to one (1) year and then expire on a rolling basis after deletion from active systems.
- **Future inactivity-deletion policy:** MERS intends to define a policy for deleting data from long-inactive/expired Accounts.

Where a legal retention requirement conflicts with a request to erase personal data, MERS keeps that data only for as long as, and only for the purpose, the law requires, as described in Sections 10.6 and 21.3.

Appendix G — List of Subprocessors

MERS engages the following Subprocessors, which process Customer Data to support the Services. MERS will maintain and update this list and provide a mechanism for notice of changes (Section 13.5).

- **Cloud hosting / database (Supabase):** application database and authentication backend, hosted on Amazon Web Services in the Tokyo, Japan region (ap-northeast-1).
- **Application hosting / deployment (Vercel):** front-end/application hosting.
- **Authentication (Google OAuth):** sign-in identity.
- **Payments (HitPay):** one-off checkout processing (GCash, Maya, card, QRPH, etc.); card data handled by the processor, not stored by MERS.
- **Transactional / notification email (Resend):** booking confirmations, reminders, and other notification emails (and optional transaction-summary emails where a business enables them) on a verified domain.