

MASTER AGREEMENT CARD PROCESSING SERVICES

CLARK COUNTY WATER RECLAMATION DISTRICT

AND

WELLS FARGO MERCHANT SERVICES L.L.C AND WELLS FARGO BANK, N.A.

This AGREEMENT is made and entered into this ____ day of _____, **2023**, by and between **CLARK COUNTY WATER RECLAMATION DISTRICT**, a political subdivision of the State of Nevada (hereinafter referred to as "DISTRICT") and **WELLS FARGO MERCHANT SERVICES L.L.C. AND WELLS FARGO BANK, N.A.**, a Nevada limited liability company (hereinafter referred to as "PROVIDER"), to provide **CARD PROCESSING SERVICES, DISTRICT CBE NO. 230016** (as more particularly described in Exhibit A: Scope of Services) (hereinafter referred to as "Services").

WITNESSETH

WHEREAS, the PROVIDER is qualified in accordance with the laws of the State of Nevada and has the personnel and facilities necessary to provide/perform the Services within the required time.

NOW, THEREFORE, in consideration of the promises and mutual obligations hereafter set forth, DISTRICT and PROVIDER agree as follows:

AGREEMENT

1.0 EFFECTIVITY AND CONSENT:

1.1 This AGREEMENT is entered into by DISTRICT for the purpose of procuring the Services from the PROVIDER. This AGREEMENT is conditioned on the PROVIDER's assent to, and strict compliance with, all the terms and conditions stated herein.

2.0 ORDER OF PRECEDENCE:

2.1 In the event of any conflict and/or inconsistencies among or between this AGREEMENT and the exhibits thereto, the controlling document shall be determined by the following order of precedence:

2.1.1 Attachment A1 to Exhibit A

2.1.2 Exhibit A: Scope of Services: including Wells Fargo Merchant Services Terms and Condition and Operating Rules, attached and also available at <https://www.wellsfargo.com/termscustom1221> and <http://wellsfargo.com/operatingrules>.

2.1.3 Exhibit B: Fee Schedule

2.1.4 Exhibit C: Disclosure of Ownership/Principals

2.1.5 Exhibit D: Insurance Requirements

2.2 Exhibits A through D are hereby incorporated by reference into this AGREEMENT.

3.0 RESPONSIBILITY OF PROVIDER:

3.1 The PROVIDER shall be responsible for the professional quality of all Services furnished by the PROVIDER and its sub-contractor(s) and their respective principals, officers, employees, and agents under this AGREEMENT and subject to the terms of Exhibit A. In providing/performing the specified Services, PROVIDER shall follow standards that do not vary unreasonably from the general standards followed by similarly situated bank in providing similar services.

3.2 It shall be the duty of the PROVIDER to assure that its provision of the Services is provided in all material respects in conformance with all pertinent and applicable Federal, State and Local statutes, codes, ordinances, resolutions, and other regulations/laws (collectively, "Laws"). The Services provided by PROVIDER will not violate or infringe on any intellectual property rights of any third party; provided, however, that PROVIDER will not be responsible or have liability for any such violations and infringements based on: (i) any unauthorized alteration or modification of the Services by any party other than PROVIDER, (ii) DISTRICT's use of the Services in any manner other than as permitted under this Agreement, (iii) DISTRICT's use of the Services in combination with any equipment or software not authorized by PROVIDER or reasonably intended for use with the Services, or (iv) PROVIDER's compliance with specific information or instructions provided to PROVIDER by DISTRICT or its representatives. To the extent applicable, acceptance or approval by the DISTRICT of any products, goods or services furnished by PROVIDER, shall not in any way relieve PROVIDER for its own compliance with applicable laws applicable to it as a sponsor bank. DISTRICT is fully responsible to ensure that its use of the services is in compliance with all applicable laws. DISTRICT review, approval, acceptance, or payment for any of PROVIDER'S services shall not be construed to operate as a waiver of any rights under this AGREEMENT or of any cause of action arising out of the performance (or lack of performance) of this AGREEMENT and PROVIDER shall be liable to the extent set forth in the Wells Fargo Merchant Services Terms and Condition and Operating Rules.

3.3 PROVIDER will provide access to its customary data and reports associated with the Services. However, PROVIDER is a service provider, and is not delivering "work product" to DISTRICT. PROVIDER will retain all ownership and related rights in its intellectual property (including, but not limited to, systems, software, and hardware, regardless of location or date of development), used or developed in connection with the Services, now and hereafter.

3.4 PROVIDER and DISTRICT agree that PROVIDER's performance of the services is not expected to require

PROVIDER's presence on the site of any of DISTRICT's facilities, and that PROVIDER's personnel are only expected to be present on DISTRICT's premises in connection with periodic relationship review meetings and oversight responsibilities as further described in Exhibit A. PROVIDER acknowledges that certain DISTRICT facilities may be deemed a "critical infrastructure" under State and Federal Homeland Security Laws, and that the parties may need to discuss additional safety and security requirements for any on-site meetings to the extent required by such Federal Homeland Security Laws, and this shall not relieve DISTRICT of any obligation to cooperate with an audit or other review pursuant to Exhibit A and the card network rules.

4.0 RESPONSIBILITY OF DISTRICT:

4.1 The DISTRICT agrees that its officers and employees will cooperate with PROVIDER in the provision/performance of the Services under this AGREEMENT and will be available for consultation with PROVIDER at such reasonable times with advance notice as to not conflict with other responsibilities.

4.2 DISTRICT shall, without charge, furnish to or make available for examination or use by PROVIDER as it may request, any data/information which DISTRICT has available and that PROVIDER needs to provide/performance the Services, including as examples only and not as a limitation:

4.2.1 Copies of reports, records, and other documents pertinent to the provision/performance of Services.

4.2.2 Copies of previously prepared reports, specifications, records, codes, regulations, other documents, and information related to the Services specified by this AGREEMENT.

5.0 RESERVED:

6.0 PERIOD OF PERFORMANCE:

6.1 Notwithstanding the term set forth in Exhibit A: Terms and Conditions, the initial term of AGREEMENT shall be for a period of one (1) year from the date set forth in the first paragraph of this AGREEMENT ("Initial Term").

6.2 Upon expiration of the Initial Term and any Renewal Term (defined below), and subject to the termination provisions hereof (including without limitation sections 21 and 35.1), the AGREEMENT will be automatically renewed annually for another term equal to the Initial Term (a "Renewal Term") under the same terms and conditions as set forth in this AGREEMENT. If either party elects not to renew this AGREEMENT, such party shall notify the other party in writing of non-renewal at least 90 days before the expiration of the then current term.

7.0 CONFLICT OF INTEREST:

7.1 During the term of this AGREEMENT, PROVIDER will maintain policies and procedures reasonably designed to avoid conflicts of interest in connection with its provision of the Services to DISTRICT.

8.0 RELATIONSHIP CONTACT:

8.1 Provider shall provide contact information for support for the provision of the Services. Currently, Provider's processing provider provides a 24-hour service center with both in-house locations in the U.S. and an outsourced location in the Dominican Republic. Customer service representatives in the U.S. handle all calls received between 9:00 a.m. and 9:00 p.m. Eastern Time / 8:00 a.m. and 8:00 p.m. Central Time / 7:00 a.m. and 7:00 p.m. Mountain Time / 6:00 a.m. and 6:00 p.m. Pacific Time.* Weekend or after hours support may be handled by either service center.

* Availability exclusive of unplanned outages.

9.0 RESERVED:

10.0 COMPENSATION FOR SERVICES:

10.1 DISTRICT agrees to pay the PROVIDER the price(s) shown in **Exhibit B, Pricing Terms Schedule** and as described in Services described in **Exhibit A, Scope of Services**. Such compensation will be paid from invoices submitted by the PROVIDER in accordance with this paragraph 10.0 and Exhibit B, Pricing Terms Schedule.

10.2 Invoices, if applicable, shall be submitted on PROVIDER's company letterhead. Payments by DISTRICT will be made within 30 days of receipt of PROVIDER's invoices for Services provided within the performance term of this AGREEMENT. Invoices not in compliance with the requirements of this section shall be returned to the PROVIDER for correction and re-submittal.

10.3 Invoices should include only Services that were provided/performed in the then-current billing period. Invoices containing charges for Services that were provided/performed after the then-current billing period will be rejected and returned unpaid.

10.4 Reserved

10.4.1 Reserved

10.4.2 Reserved

10.4.3 Reserved

10.4.4 Reserved

10.4.5 Company Invoice Number

10.5 DISTRICT is responsible to ensure to notify PROVIDER of any errors in its billing statement pursuant to the requirements of Exhibit A.

10.6 Reserved

10.7 Reserved

10.8 With the exception of any funds withheld in dispute, upon PROVIDER's completion of the provision/performance of the services called for under the terms of the AGREEMENT to the satisfaction of DISTRICT, and upon acceptance of same by DISTRICT (which acceptance will not be unreasonably withheld), PROVIDER will, within sixty (60) days of DISTRICT's receipt of such request from PROVIDER, be paid the unpaid balance of any money due to PROVIDER under this AGREEMENT, including the retained percentages.

11.0 LIMITATION OF OBLIGATION:

11.1 DISTRICT agrees to pay PROVIDER for the Services described in the **Exhibit A, Scope of Services**.

12.0 INDEPENDENT CONTRACTOR:

12.1 PROVIDER shall be subject to and operate under and in accordance with all Laws, including but not limited to those regarding Industrial Employment and Insurance, and PROVIDER expressly covenants and agrees that the PROVIDER's employees engaged on the work hereunder are not, and shall not be treated or considered as, the servants and/or employees of the DISTRICT.

12.2 Neither this AGREEMENT nor PROVIDER's performance hereunder shall constitute or create an employee/employer relationship between DISTRICT and PROVIDER. Neither PROVIDER, nor its employees, shall be eligible for any benefits applicable to active employees of DISTRICT. PROVIDER shall act solely as an independent contractor, not as an employee or agent of DISTRICT. PROVIDER's authority is limited to providing/performing the Services, and PROVIDER shall have no authority, without the express written consent of DISTRICT, to incur any obligation or liability, or make any commitments on behalf of DISTRICT.

13.0 RESERVED:

14.0 PROPRIETARY INFORMATION:

14.1 DISTRICT may, from time to time, furnish PROVIDER with literature, data, or technical information that DISTRICT considers necessary for the PROVIDER to provide/perform the Services pursuant to this AGREEMENT. In the event any of the furnished material is confidential or proprietary, DISTRICT shall so inform PROVIDER, and PROVIDER agrees not to disclose this information (“Confidential Information”), except disclosures: (a) to federal and state bank examiners, and other regulatory officials having jurisdiction over Provider; (b) to PROVIDER’s representatives (including, without limitation, PROVIDER’s affiliates and service providers, legal counsel, auditors, and other professional advisors retained by PROVIDER) who need to know the Confidential Information in connection with the Services and are obligated treat the Confidential Information as confidential in accordance with terms and conditions no less protective than as set forth in this Section 14.1; (c) required by law or legal process; (d) to other third parties engaged in the provision of the Services, including the payment networks and (e) approved by DISTRICT in writing. PROVIDER also agrees to use commercially reasonable efforts to return or destroy, at PROVIDER’s option, all copies of such Confidential Information as DISTRICT may request; provided, however, that PROVIDER may retain such copies as are required by applicable law, payment network rules, or in accordance with its customary practices and procedures (Confidential Information so retained shall continue to be held as Confidential Information under the terms of this Section 14.1). Notwithstanding the foregoing, Confidential Information does not include information that: (a) is or becomes generally available to the public other than as a result of an unauthorized disclosure by PROVIDER or its representatives; (b) is or becomes available to PROVIDER from a source not known to PROVIDER to be under an obligation of confidentiality to DISTRICT; or (c) is independently developed by PROVIDER without the use of the Confidential Information.

15.0 CERTIFICATIONS AND REPRESENTATIONS:

15.1 In performing this AGREEMENT, PROVIDER agrees to not knowingly make or permit to be made, or knowingly allow a third party to make any improper payments to DISTRICT on its behalf.

16.0 THIRD PARTY BENEFIT:

16.1 Unless otherwise explicitly set forth in Exhibit A, this AGREEMENT is not intended and shall not be construed or deemed to be an AGREEMENT for the benefit of any third party or parties, and no third party or parties shall have a right of action hereunder for any cause, claim, or relief whatsoever.

17.0 THIRD PARTY SERVICE PROVIDERS:

17.1 As further described within Exhibit A, PROVIDER’s services enable DISTRICT to accept card payments from its customers. Card processing services involve many third parties including the Payment Networks and PROVIDER is not responsible for third party provision of services.

18.0 GRATUITIES/KICKBACKS:

18.1 No gratuities or kickbacks (in the form of entertainment, gifts or otherwise) shall be offered or given by PROVIDER to any employee or official of DISTRICT with a view toward securing favorable treatment.

19.0 RECORDS:

19.1 Subject to DISTRICT's requirements under the Merchant Services Terms and Conditions the PROVIDER agrees to retain books, records, documents, and other evidence pertaining to the costs, expenses, and fees charged to DISTRICT under this AGREEMENT (hereinafter collectively called the "Records") in accordance with applicable network rules related to the processed transactions and its own internal record retention policies. . The PROVIDER agrees to make these Records available for inspection, audit or reproduction by any representative authorized by DISTRICT at an office of the PROVIDER at all reasonable times with reasonable prior notice during normal business hours in accordance with PROVIDER's policies.

20.0 RESERVED:

21.0 TERMINATION:

21.1 Subject to the rights set forth in the Terms and Conditions regarding termination in the Event of Default, this AGREEMENT may be terminated in whole or in part by either party for its convenience; but only after the other party is given not less than ninety (90) days' written notice.

21.2 This AGREEMENT may be terminated in whole or in part by either party in the event the other party fails to substantially fulfill its obligations under this AGREEMENT through no fault of the terminating party; but only after the other party is given:

21.2.1 not less than ten days, written notice of intent to terminate; and

21.2.2 an opportunity for consultation with the terminating party and to cure the failure prior to termination.

21.3 In the event of termination, with or without cause, DISTRICT's obligations shall be limited to payment to PROVIDER for Services that have been provided/performed by PROVIDER up to the effective date of termination and as to those obligations that survive pursuant to the terms of Exhibit A. PROVIDER shall submit to DISTRICT, for no additional fee, any reports in progress at the time of termination, for cause or otherwise.

22.0 INSURANCE:

22.1 Prior to PROVIDER's provision/performance of the Goods/Services described herein, and prior to DISTRICT's Notice to Proceed, the PROVIDER shall procure and maintain the following insurances at its own expense during the entire term of the AGREEMENT in accordance with the requirements set forth in this Section 22 and in **Exhibit D, Insurance Requirements:**

22.1.1 Worker's Compensation, statutory limits

22.1.2 General Liability Insurance

22.1.3 Automobile Liability

22.1.4 Reserved

22.2 In addition, prior to PROVIDER's provision/performance of the Goods/Services, PROVIDER shall furnish to DISTRICT a certificate of insurance as evidence of the existence of the above insurance coverage in the requisite amounts.

22.3 The insurance required hereunder shall be primary coverage for all claims arising from or as a result of PROVIDER's performance hereunder. DISTRICT shall be identified as an additional insured on the PROVIDER General Liability, and Automobile Liability coverage.

22.4 Except as specifically set forth herein, the insurance requirement specified herein does not relieve the PROVIDER of its responsibilities nor limit the amount of its liability to DISTRICT or other persons, and the PROVIDER is encouraged to purchase any additional insurance it deems necessary or appropriate.

23.0 ENTIRE AGREEMENT:

23.1 This AGREEMENT (including the Exhibits hereto) contains the entire AGREEMENT and understanding of the parties hereto and supersedes all other oral and written negotiations, agreements, and understandings of every kind. The parties understand, agree, and declare that no promise, warranty statement or representation of any kind whatsoever that is not expressly stated in this AGREEMENT (including the Exhibits hereto) has been made by any party hereto or its officers, employees, or other agents to induce execution of the AGREEMENT.

24.0 ASSIGNMENT:

24.1 Any attempt by PROVIDER to assign or otherwise transfer any interest in this AGREEMENT, without the prior written consent by the DISTRICT (which shall not be unreasonably withheld or delayed), shall be void; provided, however, that PROVIDER may assign this AGREEMENT without consent in connection with a merger,

acquisition, or corporate restructuring transaction involving PROVIDER.

25.0 RESERVED:

26.0 AMENDMENTS AND NOTICES:

26.1 Any amendments to this AGREEMENT shall have no effect unless they are in writing and signed by an authorized representative or designee of the DISTRICT and the PROVIDER.

26.2 Except as otherwise specifically provided herein, any notices to be furnished from one party to the other shall be sent by certified US Mail and/or e-mail to the following addresses:

26.2.1 To DISTRICT:

CLARK COUNTY WATER RECLAMATION DISTRICT
Attn: Charles Ocansey, CFO Financial Services Section
Attn: Douglas Moore, Procurement Solutions Section
5857 E. Flamingo Road, Las Vegas, Nevada 89122
PHONE (702) 668-8051; (702) 668-8094
FAX (702) 668-9051; (702) 668-9090
E-mail: cocansey@cleanwaterteam.com; dmoore@cleanwaterteam.com

26.2.2 To PROVIDER:

As set forth in Exhibit A with a cc to:
Merchant Services
401 S. Tryon St.
24th Floor
Charlotte, NC 28202-1911

27.0 DISCLOSURE OF OWNERSHIP/PRINCIPALS:

27.1 PROVIDER must provide the information requested on the attached “**Disclosure of Ownership/Principals**” form, **Exhibit C**.

28.0 RESERVED:

29.0 WAIVER:

29.1 Either party's failure to insist upon performance of any of the provisions of this AGREEMENT shall not be construed a waiver of such provisions with regard to future performance.

30.0 DISPUTE RESOLUTUION:

30.1 PROVIDER and DISTRICT shall make a good faith effort at resolving any dispute relating to the

provision/performance of the Services under this AGREEMENT. At all times, PROVIDER shall carry on the work in accordance with the requirements of this AGREEMENT, pending resolution of any dispute. Any claims which cannot be settled through the good faith efforts shall be resolved in accordance with Paragraph 32.0 below.

31.0 REMEDIES:

31.1 The rights and remedies provided herein shall be cumulative and in addition to any other rights and remedies provided by law or equity.

32.0 GOVERNING LAW AND VENUE; WAIVER OF JURY TRIAL:

32.1 United States Federal Law and Nevada Law shall govern the interpretation, enforcement, and resolution of disputes concerning the performance or non-performance of the AGREEMENT. Any action to enforce the terms of this AGREEMENT shall be filed in the appropriate state or federal court in Nevada. EACH OF THE PARTIES HEREBY WAIVES ANY RIGHT TO A JURY TRIAL IN ANY ACTION ARISING UNDER THIS AGREEMENT.

33.0 SIGNATURE AUTHORIZATION:

33.1 All signatures hereto warrant PARTIES have full power and legal right to enter into and carry out this AGREEMENT.

34.0 COUNTERPARTS; ELECTRONIC DELIVERY:

34.1 This AGREEMENT may be executed in counterparts, all such counterparts will constitute the same AGREEMENT and the signature of any party to any counterpart will be deemed a signature to, and may be appended to, any other counterpart. Executed copies hereof may be delivered by facsimile or e-mail and upon receipt will be deemed originals and binding upon the parties hereto, regardless of whether originals are delivered thereafter.

35.0 FISCAL FUNDING OUT:

35.1 DISTRICT reasonably believes that funds can be obtained sufficiently to make all payments during the term of this AGREEMENT. If DISTRICT does not allocate funds to continue the purchase of the goods/services, this AGREEMENT shall be terminated when appropriated funds expire subject to DISTRICT'S obligations under Exhibit A.

36.0 RIGHT TO MARKET:

36.1 The PROVIDER may not publish or sell any information from or about this AGREEMENT without the prior written

consent of the DISTRICT. The DISTRICT prohibits the use of its name, and will not participate in any advertisement for PROVIDER, to represent an express or implied endorsement of the PROVIDER or its services.

37.0 FAIR EMPLOYMENT PRACTICES:

37.1 The Board of Trustees is committed to promoting full and equal business opportunity for all persons doing business in Clark County. PROVIDER acknowledges that DISTRICT has an obligation to ensure that public funds are not used to subsidize private discrimination. PROVIDER recognizes that if they or their officers, employees, contractors, and/or agents are found guilty by an appropriate authority of refusing to hire or do business with an individual or company due to reasons of race, color, religion, sex, sexual orientation, gender identity or gender expression, age, disability, national origin, or any other protected status, DISTRICT may declare PROVIDER in breach of this AGREEMENT, terminate this AGREEMENT, and designate PROVIDER as non-responsible for this AGREEMENT and future contracts.

37.2 In connection with the performance of this AGREEMENT, the PROVIDER agrees not to discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity or gender expression, age, national origin, or any other protected status including, without limitation, with regard to employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including, without limitation, apprenticeship.

37.3 Any violation of such provision by PROVIDER constitutes a material breach of this AGREEMENT.

38.0 ISRAEL BOYCOTT DISCLAIMER:

38.1 In accordance with NRS 332.065, by executing this Agreement, the PROVIDER certifies that it is not currently engaged in, and for the duration of the Term will not engage in, a boycott of Israel. This certification is expressly made subject to and qualified by applicable federal law, including, without limitation, 50 U.S.C. Section 4607.

39.0 DATA PRIVACY AND SECURITY:

39.1 Nevada's data security laws (NRS Chapter 603A) require businesses to implement and maintain reasonable security measures and to encrypt Personal Information before electronically transmitting it outside of an internal secured network. "Personal Information" is a natural person's first name or first initial and last name in combination with any one or more of the following data elements: 1) social security number; 2) driver's license number or identification card number; 3) account number, credit card number or debit card number, in combination with any required security code, access code or password that would permit access to the person's financial account; 4) medical or health insurance identification number; and 5) a user name, unique identifier or email address in combination with a password or other information that would permit access to an account. Civil

penalties, including money damages, may be awarded to an aggrieved party for violation of this law.

- 39.2 PROVIDER shall comply with its information security procedures designed to comply with applicable data security laws applicable to Provider's activities hereunder and with the terms and conditions set forth in this AGREEMENT in its collection, receipt, transmission, storage, disposal, use and disclosure of Personal Information transmitted to it by the DISTRICT.
- 39.3 Reserved
- 39.4 PROVIDER shall implement administrative, physical, and technical safeguards to protect Personal Information from unauthorized access, acquisition, disclosure, destruction, alteration, accidental loss, misuse or damage that are no less rigorous than accepted industry practices and in accordance with the terms and conditions of this Agreement. .
- 39.5 PROVIDER agrees to notify the DISTRICT, without unreasonable delay and in the most expedient time possible, of a security breach where unencrypted Personal Information transferred to PROVIDER by the DISTRICT was, or is reasonably believed to have been, acquired by an unauthorized person.

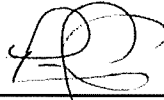
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IN WITNESS WHEREOF, the parties hereto have caused this AGREEMENT to be executed this day and year first above written:


**CLARK COUNTY WATER
RECLAMATION DISTRICT**

By: _____
THOMAS A. MINWEGEN
General Manager


WELLS FARGO MERCHANT SERVICES, LLC

By:  _____
PRINT NAME: Patrick Foley
Title: Director/Relationship Manager

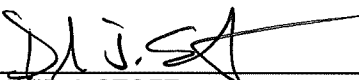
APPROVED AS TO AVAILABLE FUNDING:

By:  _____
CHARLES OCANSEY
Chief Financial Officer

WELLS FARGO BANK, N.A.

By:  _____
PRINT NAME: Patrick Foley
Title: Director/Relationship Manager

APPROVED AS TO LEGALITY ONLY:

By:  _____
DAVID J. STOFT
General Counsel

**ALL DOCUMENTS REFERENCED BELOW WILL BE ATTACHED TO THIS AGREEMENT AS THE FOLLOWING
EXHIBIT(S)**

- Exhibit A: Attachment A1 to Exhibit A: Amendment to Wells Fargo Merchant Services, Merchant Services Terms and Conditions and Operating Rules
- Exhibit B: Pricing Terms Schedule
- Exhibit C: Disclosure of Ownership/Principals
- Exhibit D: Insurance Requirements

EXHIBIT A – SCOPE OF SERVICES

1.0 Scope of Services/Work

1.1 The parties agree that this AGREEMENT, inclusive of the following attachments, specifically describes the scope of services. This AGREEMENT incorporates the following attachments in descending order of constructive precedence):

1.1.1 Attachment A1: Amendment to Wells Fargo Merchant Services Terms and Conditions

1.1.2 Attachment A2: Wells Fargo Merchant Services Terms and Conditions

1.1.3 Attachment A3: Wells Fargo Operating Rules

EXHIBIT A – SCOPE OF SERVICES

COVER PAGE

ATTACHMENT A1 – AMENDMENT TO THE WELLS FARGO MERCHANT SERVICES TERMS AND
CONDITIONS



Attachment A1 to Exhibit A: Scope of Services Wells Fargo Merchant Services Terms and Conditions:

AMENDMENT TO WELLS FARGO Merchant Services Terms and Conditions

This Amendment (the "Amendment") to the Merchant Agreement, which includes the, the Wells Fargo Merchant Services Terms and Conditions Form **WFB1221C**(the "Terms and Conditions") and the schedules thereto and documents incorporated therein, each as amended from time to time (collectively, the "Agreement") is entered into on the last date signed below (the "Effective Date") between **WELLS FARGO MERCHANT SERVICES, L.L.C.** and **WELLS FARGO BANK, N.A.**, at P.O. Box 6079, Concord, CA 94524 (collectively, "SERVICERS" or "us"), and **Clark County Water Reclamation District** (hereinafter referred to as "MERCHANT" or "you").

WITNESSETH:

WHEREAS, SERVICERS and MERCHANT have fully negotiated in good faith and agreed to revise and/or modify certain provisions of the Agreement, and now desire to amend the Agreement as set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and benefits to be derived from the Agreement and this Amendment and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by both parties, SERVICERS and MERCHANT agree that the terms set forth below shall be incorporated into, and become a part of, the Agreement and the parties further agree to be legally bound by the following new terms and to amend the Agreement as follows:

1. Section 4.2 is deleted in its entirety and replaced with:
 - a. "4.2. All fees for Services are invoiced as disclosed in Exhibit B Pricing Terms, hereinafter "Pricing Terms" or as otherwise communicated to you in accordance with this Agreement. We may also set off from any payments otherwise due, any amounts owned to any of our Affiliates, whether or not arising out of or related to the Agreement."
2. The first sentence in Section 6.12 is deleted in its entirety and replaced with:
 - a. "6.12. If your Chargeback percentage exceeds the estimated industry Chargeback percentage you must, in addition to the Chargeback fees and any applicable Chargeback handling fees or fines, pay us an excessive Chargeback fee for all Chargebacks occurring in such month."
3. The first line of the first sentence in Section 6.15 is deleted in its entirety and replaced with:
 - a. "6.15. Other Debits. We may also debit your Settlement Account or your settlement funds or charge you for the following:"
4. Section 13.1 is deleted in its entirety and replaced with:
 - a. "13.1 You may not transfer or assign the Agreement without our prior written consent. This restriction includes any transfer of voting interests that constitute a Change of Control of you or your parent. Any such transfer or assignment is voidable by us. In the event that you transfer or

assign, to the extent the law will allow you will indemnify and hold us harmless for all liabilities, Chargebacks, expenses, costs, our fees and Card Organization Fines arising from such transferee's or assignees submission of Card transactions to us And in such event that the law will not allow to indemnify, you remain fully responsible for all liabilities, Chargebacks, expenses, costs, our fees and Card Organization Fines arising from such transferee's or assignees submission of Card transactions to us."

5. Sections 14.1, 14.2, 14.3 and 14.4 are deleted in their entirety and replaced with:

- a. "14.1. The Agreement is effective on the Effective Date as referenced on page one (1) of the Master Services Agreement.
- b. 14.2 The initial term of the Agreement will continue for one year from the date you submit your first transaction to us. After the initial term is complete, the Agreement will renew annually for one year terms until you provide written notice at least 90 days prior to the end of the current term or we provide you with notice in accordance with the Agreement. If you do not notify us in writing of your request to terminate, you acknowledge and agree you will continue to be charged fees pursuant to the Agreement regardless of account inactivity. If you have an equipment lease, termination of the Agreement will not terminate your lease or change any of your obligations under that lease (including your obligation to make monthly lease payments).
- c. 14.3 We may terminate the Agreement or any Attachment at any time and for any reason by providing 90 days' prior written notice. We may terminate the Agreement immediately or with shorter notice if there is an Event of Default (see EXHIBIT A – SCOPE OF SERVICES Section 14.5).
- d. 14.4 Subject to your obligations which survive the agreement, You may terminate the Agreement immediately upon notice and without penalty in the event of a material breach by us and you agree not to submit any transactions to us upon your termination. In addition, if we notify you of any new fees or fee increases as provided in EXHIBIT A – SCOPE OF SERVICES: Terms and Conditions Section 6.8, you may terminate the Agreement by notifying us prior to the Effective Date of such new fees or increases, subject to those provisions which survive the agreement. However, maintaining your merchant account or continuing to use the Services after the Effective Date of the fee changes will be considered your acceptance of the fee change."

6. Section 14.5(k) is deleted in its entirety and replaced with the following:

"(k) you violate any applicable law or Card Organization Rules, or we reasonably believe that termination of the Agreement or suspension of Services is necessary to comply with any law. This includes the rules and regulations of the Office of Foreign Assets Control of the U.S. Department of the Treasury (OFAC); or you breach EXHIBIT A – SCOPE OF SERVICES Section 21.0, as determined by us"

7. **Section 14.11 is deleted in their entirety and replaced with the following:1**

"14.11 If we determine your merchant account is inactive, we may cancel the Agreement without further notice. Inactivity will be determined by an extended period of time with no transactions processed by us on your behalf.

14.12 Reserved."

8. Section 17.1 is deleted in its entirety and replaced with:

“17.1 To the extent Nevada law will allow, You agree to indemnify and hold us and the Card Organizations harmless from and against all losses, liabilities, damages, and expenses arising from or related to:

- (a) the inaccuracy or untruthfulness of any representation or warranty, any breach, or any misrepresentation by you under the Agreement;
- (b) your or your employees’ or agents’ negligence or willful misconduct, in connection with Card transactions or otherwise arising from your provision of goods and services to Cardholders;
- (c) your use of the Services; or
- (d) any third party indemnifications we are obligated to make as a result of your actions.

In the event Nevada law will not allow you to indemnify, you agree that you are fully responsible and hold us and the Card Organizations completely harmless from and against all losses, liabilities, damages, and expenses arising from or related to:

- (i) the inaccuracy or untruthfulness of any representation or warranty, any breach, or any misrepresentation by you under the Agreement
- (ii) your or your employees’ or agents’ negligence or willful misconduct, in connection with Card transactions or otherwise arising from your provision of goods and services to Cardholders;
- (iii) your use of the Services; or
- (iv) any third party indemnifications we are obligated to make as a result of your actions. “

9. The first paragraph of Section 21.1 is deleted in its entirety and replaced with:

“21.1 Payment Card Industry Data Security Standards (PCI DSS). Visa, Mastercard, Discover and JCB and American Express aligned data security requirements to create a global standard for the protection of Cardholder information and Transaction Data (see EXHIBIT A – SCOPE OF SERVICES Section 12) and rules below. The resulting Payment Card Industry Data Security Standards (PCI DSS) defines the requirements with which all entities that store, process, or transmit payment card data must comply. PCI DSS is the name used to identify those common data security requirements. You must comply with the Cardholder information security programs shown below, along with websites where you can find more detailed information.

10. Section 21.7 (a) is deleted in its entirety and replace with the following:

- (a) “(a) The data security standards within EXHIBIT A – SCOPE OF SERVICES Section 21.0 also apply to Merchant Providers. Before you engage any Merchant Provider, you must provide to us in writing their (1) legal name; (2) contact information; and (3) intended function. You agree that you will not use or provide Cardholder information data or Transaction Data access to, any Merchant Provider until you receive our approval and, if required, confirmation that they are registered with applicable Card Organizations. You must ensure that you and Merchant Providers comply with: (1) the registration process which can involve site inspections, background investigations, provision of financial statements, and any other information required by a Card Organization; (2) the periodic and other reporting required by a Card Organization; and (3) all applicable Card Organization Rules, including those requiring security of Cardholder information and

Transaction Data. You may allow Merchant Providers access to Cardholder information and Transaction Data only for purposes authorized under the Card Organization Rules. You are responsible for all our costs and expenses associated with our review, approval, certification, recertification, and registration of any Merchant Providers. “

11. The **Electronic Benefits Transfer Services Schedule** and **Payeezy Solutions Services** are deleted in their entirety.
12. This Amendment may be executed in two or more counterparts, each of which will be deemed an original and all of which together will constitute one instrument. This Amendment may be executed and delivered by facsimile and the parties agree that such facsimile execution and delivery shall have the same force and effect as delivery of an original document with original signatures, and that each party may use such facsimile signatures as evidence of the execution and delivery of this Amendment by all parties to the same extent that an original signature could be used.

Except as set forth herein, the terms and conditions of the Agreement shall remain in full force and effect; **provided however**, that if any term or condition of the Agreement conflicts with or is inconsistent with any term or condition of this Amendment, the terms and conditions of this Amendment shall govern, prevail, and control. All references to the Agreement shall include this Amendment. This Amendment shall be governed by and construed in accordance with the laws of the State of New York, without giving effect to principles of conflicts of law.

Signature Page Follows

IN WITNESS WHEREOF, the parties have caused their duly authorized representatives to execute this Amendment as of the date below.

Clark County Water Reclamation District

WELLS FARGO MERCHANT SERVICES, L.L.C.
and WELLS FARGO BANK, NA.

By: _____

By:  _____

Title: General Manager

Title: Director/Relationship Manager

Print Name: Thomas A. Minwegen

Print Name: Patrick Foley

Date: _____

Date: 12-21-2022

EXHIBIT A – SCOPE OF SERVICES

COVER PAGE

ATTACHMENT A2 – WELLS FARGO MERCHANT SERVICES TERMS AND CONDITIONS



Wells Fargo Merchant Services Terms and Conditions

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These Wells Fargo Merchant Services Terms and Conditions (Terms and Conditions), together with the Merchant Processing Application (Application), Pricing Terms, Operating Rules, Confirmation Page and Attachments, as may be amended, (together, the Agreement) contain the terms and conditions of the Services provided to you.

1. Definitions

Capitalized terms used in the Agreement without definition will have the meanings stated in the Glossary attached as Appendix 1 or in the applicable schedule. The terms “you”, “your”, or “yours” refers to the Customer identified on the Application. The terms “we”, “us” or “our” refers to Servicers unless indicated otherwise.

2. Services

Processor, Bank or their respective Affiliates, or third parties will provide the Services according with the terms of the Agreement. The Application will indicate the types of payments and Services you have initially selected.

3. Operating Rules; Card Organization Rules and Compliance, Amendments

You agree to follow all requirements of the Agreement and to comply with all applicable Card Organization Rules. We may amend the Operating Rules or these Terms and Conditions, by providing you with at least 20 days’ prior written notice, and those provisions will be deemed incorporated into the Agreement. However, for changes in the Card Organization Rules or for security reasons, certain changes in Card procedures may become effective on shorter notice. If there are any inconsistencies between these Terms and Conditions and the Operating Rules, unless an alternate order of precedence is explicitly stated in the Operating Rules or these Terms and Conditions, these Terms and Conditions will govern.

Each Card Organization has developed Card Organization Rules that govern each of their Acquirers and Issuers and the procedures, responsibilities and allocation of risk for this process. Each party is bound by applicable Card Organization Rules and applicable laws, rules and regulations. You are responsible for staying apprised of all applicable changes to the Card Organization Rules and maintaining compliance with the Card Organization Rules. Card Organization Rules are available at <https://usa.visa.com/support/merchant.html>, www.mastercard.com/us/merchant/support, www.americanexpress.com, www.discovernetwork.com/merchants. These links may change from time to time.

4. Settlement of Card Transaction

- 4.1 We will only be required to settle Card transactions for Card types specified in the Application. Promptly after presentment of Sales Drafts, we will work to initiate a transfer of the applicable settlement funds to you.
- 4.2 All fees for Services are deducted as disclosed in your Pricing Terms Schedule or as otherwise communicated to you in accordance with the Agreement. All settlements for Card transactions will be net of credits, Summary Adjustments, applicable discount fees when due, Chargebacks and any other amounts then due from you. We may also setoff from any payments otherwise due, any amounts owed to any of our Affiliates, whether or not arising out of or related to the Agreement.
- 4.3 All credits to your Settlement Account or other payments to you are provisional and are subject to, among other things, our right to deduct fees, our final audit, Chargebacks (including our related losses) and Card Organization Fines. You agree that we may debit or credit your Settlement Account for any deficiencies, overages, fees and pending Chargebacks and any other amounts owed to us or any of our Affiliates. You further agree we can setoff any amounts owed to us or our Affiliates related to activity in other accounts maintained in your name or accounts guaranteed by you, any of your principals, guarantors or authorized signors.
- 4.4 We will not be liable for any delays in receipt of funds or errors in debit and credit entries.
- 4.5 In addition to any other remedies available to us under the Agreement, you agree that should any Event of Default (see Section 14.5) occur, we may, with or without prior notice, change processing or payment terms and/or suspend credits or other payments of any and all funds, money and amounts now due or to become due to you pursuant to the terms of the Agreement, until we have had reasonable opportunity to investigate such event.

- 4.6 Transfers to and from the Settlement Account will be based on the account number and routing number that you have supplied. We are not responsible for detecting errors in any Settlement Account information you provide, including the account numbers and routing numbers, even if any of those numbers do not correspond to the actual account or financial institution identified by name.
- 4.7 The Agreement is a contract under which we are extending financial accommodations to you within the meaning of Section 365(c) of the U.S. Bankruptcy Code. Your right to receive any amounts due or to become due from us is expressly subject and subordinate to Chargeback, setoff, lien, security interest and our rights to withhold settlement funds under the Agreement, without regard to whether such items are applied to Claims that are liquidated, unliquidated, fixed, contingent, matured or unmatured.

5. Exclusivity

During the term of the Agreement, you must use us as your exclusive provider of all Services.

6. Fees; Adjustments; Collection of Amounts Due

- 6.1 For the Services provided, you will be charged, and agree to pay us, the fees described in the Agreement, including the Application, the Pricing Terms Schedule and any additional pricing disclosures and any subsequent communications from us that modify your Pricing Terms Schedule or the Agreement. All fees will be calculated and payable according to the terms of the Agreement.
- 6.2 Fees for Services are based on assumptions associated with the anticipated annual volume and average transaction size for all Services described in the Agreement and your method of doing business. If the actual volume or average transaction size are not as expected or if you significantly alter your method of doing business, we may adjust your fees for Services without prior notice.
- 6.3 Fees for Services may be adjusted from time to time to reflect:
- (a) any new fees or increases or decreases in the interchange and/or assessment portion of the fees, imposed by Card Organizations;
 - (b) the appropriate interchange level as is consistent with the qualifying criteria of each transaction submitted by you;
 - (c) increases in any applicable sales or telecommunications charges or taxes levied by any state, federal or local authority related to the delivery of the Services provided by us when the costs are included in the Service or other fixed fees;
 - (d) any pass-through increases or new fees charged to us by third parties related to the Services; or
 - (e) any combination of the above.

All adjustments are your responsibility to pay and will become effective upon the date implemented by the applicable Card Organization or third party or as specified in our notice to you.

- 6.4 Additional fee terms:
- (a) If you accept Debit Cards, in addition to the Debit Card Transaction Fees set forth in the Pricing Terms Schedule that may change from time to time, you are responsible for the amount of any fees imposed upon a transaction by the applicable debit network.
 - (b) If applicable, a Monthly Minimum Processing Fee will be calculated beginning 30 days after the date your Application is approved as stated in your Pricing Terms Schedule.
 - (c) Authorization Fees are charges that apply each time you communicate directly with Processor.

(d) an Authorization /EDC Fee applies to all Visa, Mastercard and Discover approvals (pre-authorizations, authorizations and authorization reversals), denials, batch inquiries, and batch entry transactions and includes any Transaction Fees and capture fees.

(e) An equipment rental fee will be charged each month for each piece of equipment rented, plus tax as applicable.

6.5 The fees for Services as shown on the Pricing Terms Schedule are based on the assumption that your Credit Card and Non-PIN Debit transactions will qualify at the anticipated interchange programs associated with your account. You may be charged higher fees if a transaction fails to qualify for your anticipated interchange programs or you accept a transaction other than anticipated for your account, including a different Card type, as well as any applicable surcharge for that transaction. If you accept a transaction other than the type anticipated for your account, including a different Card type, you will also be subject to current transaction fee(s) for the Card and/or transaction and be liable under this Agreement for the transaction to the same extent as you would be if it was an elected and approved Card type. For more information on Visa's and Mastercard's interchange rates, please go to www.visa.com and www.mastercard.com.

6.6 You may submit questions regarding any Non-Qualified fees (including Non-Qualified Interchange Fees or Non-Qualified Surcharge) via a Non-Qualified Fee Inquiry (NFI) request in writing within 60 days from the mail post mark date of the monthly statement in question. NFI requests received after the 60 day limit may not be considered for refund review. The subject line or reference at the top of your NFI request must state "Non-Qualified Fee Inquiry." Your NFI request must include your merchant name, merchant number, billing address, and the month of the processing statement on which the non-qualified fees appeared. When possible, also include a copy of the statement on which the fees in question appear. Written fee inquiries should be submitted by email to nfirequest@wellsfargomERCHANTSERVICESLLC.COM; via fax to (954) 509-1822; or mailed to: Wells Fargo Merchant, Services, LLC, P.O. Box 6699, Hagerstown, MD 21740, Attn: NFI Investigations Unit.

We will provide a written response to your NFI with an explanation. If we find that a refund is due, we will credit your account within 30 days from the date our research was completed. NFI requests not received in the manner stated above will not be subject to the response times set forth in this section.

6.7 All Authorization fees will be charged for each transaction that you attempt to authorize. All capture fees will be charged for each transaction that you transmit to us for settlement. If you are billed a combined fee for both the Authorization and Capture of a transaction, the Authorization and Capture must be submitted as a single transaction, otherwise the authorization and the capture will each be charged separately. You are responsible for utilizing software or services that will correctly submit these transactions to achieve the indicated billing.

6.8 We may also increase our fees or add new fees for Services for any other reason at any time by notifying you 30 days prior to the Effective Date of the change or addition (subject to Section 14.4).

6.9 You may be charged for any changes referenced in Section 18.4 or any other changes requested by you or otherwise necessary related to account maintenance.

6.10 If you receive settlement via the Automated Clearing House (ACH), it will normally be electronically transmitted directly to the Settlement Account. You agree that any Settlement Account designated will be an account primarily used for business purposes. You agree to be bound by the terms of the operating rules of the National Automated Clearing House Association, in effect from time to time. For amounts due under this Agreement and any agreement with our respective Affiliates, you authorize us to:

(a) access information from the Settlement Account;

(b) initiate credit or debit entries by bankwire or ACH transfer;

(c) authorize your financial institution to block or to initiate, if necessary, reversing entries and adjustments for any original entries made to the Settlement Account; and

(d) authorize your financial institution to provide such access and to credit or debit or to block the same to such account.

This Authorization is without respect to the source of any funds in the Settlement Account, is irrevocable and coupled with interest. This authority extends to any equipment purchase agreements as well as to any fees, assessments and Chargeback amounts due to us under the terms of the Agreement, whether arising during or after termination of the Agreement. For each ACH that cannot be processed, all subsequent funding may be suspended until you either (a) notify Processor that ACHs can be processed or (b) a new electronic funding agreement is signed by you. Your Settlement Account must be able to process or accept electronic transfers via ACH. If you elect to receive settlement funds by wire transfer, we may charge a wire transfer fee per wire.

6.11 You will pay any Card Organization Fines imposed with respect to your acts or omissions. You are also responsible for any Card Organization Fines or other fines and fees imposed on us as a result of acts or omissions by your agents or third parties.

6.12 If any of your lines of business have excessive chargebacks in a given month, we reserve the right to assess excessive Chargeback fees in addition to any fees and fines passed through by the Card Organizations for all Chargebacks occurring in that month. Each estimated industry Chargeback percentage is subject to change from time to time by us in order to reflect changes in the industry Chargeback percentages reported by Visa, Mastercard, American Express or Discover. Your Chargeback percentage will be calculated as the larger of (a) the total Visa, Mastercard, American Express and Discover Chargeback items in any line of business in any calendar month divided by the number of Visa, Mastercard, American Express and Discover transactions in that line of business submitted that month, or (b) the total dollar amount of Visa, Mastercard, American Express and Discover Chargebacks in any line of business received in any calendar month divided by the total dollar amount of your Visa, Mastercard, American Express and Discover transactions in that line of business submitted in that month.

6.13 You will promptly and carefully review your merchant statements or other documents provided or made available to you reflecting Card transaction activity, including activity in your Settlement Account. If you believe any adjustments should be made with respect to your Settlement Account, you must notify us within 60 days after any debit or credit is, or should have been effected or such shorter period as provided in these Terms and Conditions that govern such account. If you notify us after 60 days, we are not obligated to investigate or make any adjustments. Any voluntary efforts by us to assist you in investigating such matters does obligate us to continue such investigation or any future investigation.

6.14 If you do not pay us all fees and any other amounts due under the Agreement within 30 days of the date of our merchant statement or other statement stating the amount due, then we may, charge you interest, for such time that the amount and all accrued interest remain outstanding at the lesser of (a) the per annum rate equal to Bank's then current prime rate plus 2%, based on a 360 day year; or (b) the maximum rate permitted by applicable law.

6.15 **Other Debits.** We may also debit your Settlement Account or your settlement funds for the following:

- Card Organization Fines, or other obligations of any kind we may be assessed or any amount you are obligated to indemnify us;
- Debit for EDC batch error fee;
- costs arising from replacement or damage to equipment rented;
- Card Organization Merchant Chargeback/fraud monitoring fees – excessive Chargeback handling fees;
- shipping and handling fees;
- Chargebacks never posted to your account;
- fees for Services not previously assessed;
- reversal of deposit posted to your account in error;

- payment of current or past due amounts for any equipment purchase, rental or lease;
- debit for Summary Adjustment not previously posted;
- incorrect transaction date submitted;
- incorrect merchant descriptor (name and/or city, state) submitted;
- other Debit related fees;
- reversal of credit for deposit previously posted;
- Debit and/or fee for investigation and/or Chargeback costs related to this Agreement, or for costs related to our collection activities in an amount no less than \$100.00;
- failure of transaction to meet Member Controller Authorization Service (“MCAS”) – Cardholder account number on exception file;
- original transaction currency (foreign) not provided;
- travel voucher exceeds maximum value;
- currency conversion was incorrectly calculated; and
- costs or expenses associated with responding to any subpoena, garnishment, levy or other legal process associated with your account in an amount no less than \$150.00.

7. Authorizations

If you contracted to use one of our Authorization Services, you must not use another third party Authorization system without verifying they are properly registered with the Card Organizations. This can be done by notifying customer service and having them check the registration status. Otherwise, we will be unable to successfully research and defend any Authorization related Chargebacks on your behalf. This delay will significantly decrease your time to research and provide proof of Authorization, thus reducing your opportunity to reverse a Chargeback.

8. Chargebacks; Refunds and Credits

8.1 You are responsible for reimbursing us for all transactions you submit that are charged back, and for Chargebacks, return items, or other losses resulting from your failure to produce a Card transaction record requested by us within the applicable time limits. In addition to any Card Organization Fines, you are responsible for any Chargeback fees (as set forth in the Pricing Terms Schedule) or excessive Chargeback fees as determined by the Card Organizations.

8.2 You must not process a credit or refund for a transaction once a Chargeback is received.

9. Representations and Warranties, Disclaimer

9.1 You represent, warrant and covenant to us that:

- each Card transaction is permissible under the Card Organization Rules by the Cardholder directly with you, represents a valid obligation for the amount shown on the Sales Draft, preauthorized order, or Credit Draft, and does not involve the use of a Card for any other purpose;
- each Card transaction represents an obligation of the Cardholder for the amount shown;
- the Card transaction amount is not subject to any dispute, setoff or counterclaim;
- each Card transaction amount is only for merchandise or services (including taxes) sold, leased or rented by you pursuant to your business as indicated on the Application;

- (e) the merchandise or service was actually delivered or performed simultaneously upon your accepting and submitting the Card transaction for processing, except for any delayed delivery or advance deposit Card transactions expressly authorized by the Agreement;
- (f) you have no knowledge or notice of any fact, circumstances or defense which would indicate that any Card transaction is fraudulent or not authorized by the related Cardholder or would impair the validity or collectability of the Cardholder's obligation arising from such Card transaction or relieve the Cardholder from liability;
- (g) each Sales Draft is free of any alteration not authorized by the related Cardholder;
- (h) you cannot impose a surcharge for accepting a Card transaction without prior approval by us and the Card Organizations;
- (i) you cannot complete a transaction using your own personal Card for the purpose of receiving cash;
- (j) you have completed one Card transaction per sale; or one Card transaction per shipment of goods if the Cardholder agreed to partial shipments;
- (k) you are a validly existing legal Entity, in good standing and free to enter into the Agreement;
- (l) each statement made on the Application or other information provided to us is true and correct;
- (m) you are not doing business under a name not previously disclosed to us;
- (n) you have not changed the nature of your business, Card acceptance practices, delivery methods, return policies, or types of products or services sold requiring a different Merchant Category Code (MCC), in a way not previously disclosed to us;
- (o) you will use the Services only for your own proper business purposes and will not resell, directly or indirectly, any part of the Services to any person;
- (p) you have not filed a bankruptcy petition not previously disclosed to us;
- (q) you own and control the Settlement Account, and no third party security interest or lien of any type exists regarding the Settlement Account or any Card transaction;
- (r) you will not at any time during the Agreement, or until all amounts due under the Agreement have been paid in full, grant or pledge any security interest or lien in the Reserve Account, Settlement Account or transaction proceeds to any person without our consent;
- (s) you are fully responsible for your employees, agents, representatives, including their actions and inactions related to this Agreement and the Services. You will provide adequate training and inform such individuals and Entities of their obligations hereunder and have written confidentiality agreements no less stringent than the confidentiality obligations contained herein; and
- (t) the Card transaction is not a payment for a product or service that violates federal, state or local law in any jurisdiction that may be applicable.

9.2 The Agreement is a service agreement. **We, our Affiliates and any third party related to the Services, disclaim all representations or warranties, express or implied, made to you or any other person or Entity. This disclaimer expressly disclaims any warranties regarding quality, suitability, merchantability, fitness for a particular purpose, non-infringement or otherwise of any services or any goods provided incidental to the Services provided under the Agreement, including those provided by a third party. There are no warranties that the Services will be completely accurate, error-free or will be available without interruption.**

10. Exclusions of Damages and Limitations Liability

- 10.1 **Each party or their Affiliates or any of our or their respective directors, officers, employees, agents or subcontractors, or the Card Organizations, will not be liable to each other for lost profits, revenues, or business opportunities, nor any exemplary, punitive, special, indirect, incidental, or consequential damages (whether direct or indirect) under the Agreement, regardless of whether these damages were foreseeable or a party was advised they were possible, under any legal theory. Card Organization Fines and other amounts for which a party is liable under the Agreement (including amounts imposed by a regulatory authority that are specifically due to a party's failure to perform its obligations under the Agreement) are not excluded by this Section. You also acknowledge and agree that payment of any liquidated damages provided elsewhere in the Agreement are not excluded by this Section.**
- 10.2 **Our aggregate liability for losses, obligations, claims, suits, breaches or damages arising from any cause (including, without limitation, Claims, specifically including, but not limited to Sections 10.3 or 17.2), regardless of the form of action or legal theory will be limited to the lesser of (a) \$50,000 or (b) the amount of fees received by us for Services performed in the immediately prior 12 months.**
- 10.3 **If it is determined that we have liability for delay in funding transactions for any reason, our liability will be limited to interest computed from the date that you submit the transaction to the date that we fund the transaction at the rate of the federal funds set by the Federal Reserve Bank of New York.**
- 10.4 **Bank is not responsible, and has no liability, for Non-Bank Services.**

11. Confidentiality

- 11.1 You will treat the Agreement, the Card Organization Rules and related information, and any other information supplied or otherwise made accessible by us or our affiliates, suppliers or agents as our confidential information, including without limitation: (a) information about the Services, including Non-Bank Services as provided in any form; (b) technical specifications, design, process, procedure, formula or improvement; and (c) concepts, documentation, reports, data specifications, software, source code, object flow, charts, databases, inventions, know-how and trade secrets, whether or not patentable or copyrightable.
- 11.2 You will not disclose our confidential information to any third parties without our written permission. If we consent, you may only disclose to those persons who have a need to know in connection with your performance under the Agreement, subject to the requirements of the Agreement.
- 11.3 You must only use our confidential information to exercise your rights and to perform your obligations and must safeguard all confidential information using a reasonable degree of care but not less than the care used by you in safeguarding your own similar information or material.
- 11.4 Upon our request, you will return to us, or at our direction, destroy all our confidential information in your possession or control.
- 11.5 The restrictions within this Section do not apply to information that: (a) is or subsequently becomes publicly available (through no fault of yours); (b) you lawfully possesses before its disclosure; (c) is rightfully independently developed without reliance on the our confidential information; (d) is received from a third party that is not obligated to keep it confidential; or (e) is required to be disclosed by law, regulation or court order after giving us as much advance notice as possible and cooperate with us to seek a protective order or comply with Card Organization Rules.

- 11.6 The Agreement does not grant any right, license, interest or title in, to or under our confidential information to you. No license is granted to you under any patent, trademark, copyright, trade secret or other proprietary rights of ours. All confidential information and intellectual property rights, title, and interest related to Services owned, developed or licensed by us prior to, during or after the Agreement, or employed by us in connection with the Services and any updates, changes, alterations, or modifications to or derivative works from such intellectual property, will remain our exclusive property (including: Marks, software, content of any materials, web screens, layouts, processing techniques, procedures, algorithms, and methods, and any updates, changes, alterations, or modifications to or derivative works from the intellectual property). All rights, title and interest associated with the Services not expressly granted by us in the Agreement are deemed withheld. You will not assign the rights to use the Marks of Bank, Processor, our Affiliates or Card Organizations.
- 11.7 You will not:
- (a) use the Services in any way other than in accordance with the Agreement, any supplied documentation, or as otherwise instructed by us in writing;
 - (b) use the Services, either directly or indirectly, to develop any service or product that competes with the Services;
 - (c) disassemble, decompile, decrypt, extract, reverse engineer, or otherwise attempt to access, ascertain, reconstruct, derive, or appropriate for any reason or purpose (i) the source code for any software, or (ii) any algorithm, process, procedure, idea, or other information contained in the Services;
 - (d) modify, translate, or alter the Services in any manner;
 - (e) create derivative works of or based on the Services;
 - (f) disclose or provide the Services to, or permit the Services to be accessed or used (in any format or by any means) by any third party other than your authorized employees and contractors who are subject to written confidentiality obligations binding upon such employees and contractors; that are no less restrictive than the confidentiality provisions hereunder;
 - (g) directly or indirectly make any copies of the Services, except for (i) backup/archival purposes, or (ii) only with respect to any supplied documentation, as reasonably necessary to facilitate use of the Services as long as any such copies contain all appropriate proprietary notices;
 - (h) remove, relocate, or modify any proprietary rights notices relating to the Services;
 - (i) access or attempt to access portions of the Services not authorized by us for use;
 - (j) rent, lease, sell, assign, sublicense, or otherwise transfer to any third party, whether by operation of law or otherwise, any of the rights granted hereunder;
 - (k) use the Services for any unlawful purpose;
 - (l) use, access, transfer, move, relocate, ship, or transship the Services outside of the United States without obtaining our advance written consent; or
 - (m) circumvent, or attempt to circumvent, any applicable security measures of the Services.
- 11.8 You agree that we may obtain relevant information from any applicable telecommunications provider you use, to investigate any allegation of fraud, suspected fraud or other actual or alleged wrongful act by you in connection with the Services.

12. Use of Cardholder Information and Card Organization Information Restrictions

- 12.1 Unless you obtain consent from us and each applicable Card Organization, Issuer and Cardholder or pursuant to a court or governmental agency request, subpoena or order, you will not use, disclose, store, sell or share any Cardholder information obtained in connection with a Card transaction except for purposes of authorizing, completing and settling Card transactions and resolving any issues involving Card transactions. You will use proper controls for, limit access to, and render unreadable prior to discarding, all records containing Cardholder account numbers and Card imprints. You will not retain or store Magnetic Stripe data or Card Verification codes after a transaction has been authorized. If you store any electronically captured signature of a Cardholder, you will not reproduce the signature except upon our specific request.
- 12.2 You will not obtain ownership rights in any information relating to and derived from Card transactions or any Card Organization information (including BINs/ICAS and other identifiers) and you must keep such information confidential and secure in accordance with the Agreement. Cardholder account numbers, personal information and other Card transaction information, including any databases containing such information, may not be sold or disclosed to a third party as an asset. Upon a bankruptcy, insolvency or failure of your business, you will return or provide us with acceptable proof of destruction of all Card transaction information.
- 12.3 We will keep confidential any information we receive from you via its use of the Services. Exceptions are that we may disclose such information (a) to third parties as appropriate to provide the Services; (b) to our internal and external auditors, attorneys and regulators; (c) as required or permitted by law, regulation or court order; and (d) to our respective Affiliates as appropriate. In addition, we may use data collected as part of performing payment processing or other transaction-related Services for you for the purpose of providing additional products and Services to you (Transaction Data), other merchants, or third parties. This includes Cardholder information and other Transaction Data to provide you with analytic products and Services. This also includes collecting and using Transaction Data anonymized and aggregated with other merchants' Transaction Data to provide you, other merchants, and third parties with analytic products and Services.

13. Assignments

- 13.1 You may not transfer or assign the Agreement without our prior written consent. This restriction includes any transfer of voting interests that constitute a Change of Control of you or your parent. Any such transfer or assignment is voidable by us. You will indemnify and hold us harmless from all liabilities, Chargebacks, expenses, costs, our fees and Card Organization Fines arising from such transferee's or assignee's Submission of Card transactions to us.
- 13.2 The payment Services we provide require access to a single bank account where we may initiate both credits and debits. You may not enter into any agreement that requires the transfer of any payments or proceeds from Card transactions to the custody or control of any third party. You may not assign any rights under the Agreement. If you make an assignment of (or provide a security interest in) receivables covered by the Agreement, then we may elect to (a) refuse to acknowledge such assignment unless accompanied by an Authorization to both initiate debits or credits to the assignee's bank account; (b) terminate the Agreement immediately; or (c) charge for any transfers that we are called upon to make manually to fulfill such an assignment at the rate of \$100 per transfer.
- 13.3 We may substitute Bank for another Visa, Mastercard and debit network member. Such Visa, Mastercard and debit network member will be responsible for all obligations required of Bank for Visa and Mastercard transactions, including full responsibility for its Card program and other obligations as may be expressly required by Card Organization Rules. Subject to Card Organization Rules, we may assign or transfer the Agreement and our rights, duties and obligations, in whole or in part, and may delegate or subcontract our rights, duties and obligations, in whole or in part, to any third party, without notice to you or your consent.

13.4 Except as written elsewhere in this Section, the Agreement is binding upon successors and assigns and will take effect to the benefit of those parties. No assignee has any right to continue, assume or assign the Agreement for the benefit of creditors, custodian, receiver, trustee in bankruptcy, debtor in possession, or other person charged with taking custody of your assets or business.

14. Term and Termination

14.1 The Agreement is effective on the Effective Date.

14.2 The initial term of the Agreement will continue for three years from the date you submit your first transaction to us. After the initial term is complete, the Agreement will renew annually for one year terms until you provide written notice at least 90 days prior to the end of the current term or we provide you with notice in accordance with the Agreement. If you do not notify us in writing of your request to terminate, you acknowledge and agree you will continue to be charged fees pursuant to the Agreement regardless of account inactivity. If you have an equipment lease, termination of the Agreement will not terminate your lease or change any of your obligations under that lease (including your obligation to make monthly lease payments).

14.3 We may terminate the Agreement or any Attachment at any time and for any reason by providing 20 days prior written notice. We may terminate the Agreement immediately or with shorter notice if there is an Event of Default (see Section 14.5).

14.4 You may terminate the Agreement without penalty in the event of a material breach by us. If we notify you of any new fees or fee increases as provided in Section 6.8, you may terminate the Agreement by notifying us prior to the Effective Date of such new fees or increases. However, maintaining your merchant account or continuing to use the Services after the Effective Date of the fee changes will be considered your acceptance of the fee changes.

14.5 An Event of Default is any one of the following:

- (a) a material adverse or other change in your business, merchant profile, financial condition or business prospects;
- (b) you change Card acceptance practices, delivery methods, return policies, or types of products or services sold requiring a different MCC under Card Organization Rules, in a way not previously disclosed to us;
- (c) any transaction or series of transactions we deem voidable under Section 13.1;
- (d) a Change of Control of you or your parent organization or a sale of all or a substantial portion of your assets;
- (e) you have irregular Card sales or excessive Chargebacks, or you are in noncompliance with any applicable data security standards, as determined by us, or any Card Organization, or any other person, or an actual or suspected data security incident, nonconformance with any applicable data security standards, as determined by us, any Card Organization, or any other Entity, or any other circumstances which may increase our exposure or present a financial or security risk to us, including your processing transactions for a business type we have designated as unqualified;
- (f) you breach any of your representations, warranties or covenants in the Agreement; or you default in the performance or observance of any term, covenant, condition or agreement in the Agreement, including, the establishment or maintenance of funds in a Reserve Account (see Section 15);
- (g) you default in the performance or observance of any term, covenant or condition contained in any agreement with any of our respective Affiliates;
- (h) you default in the payment when due of any material indebtedness for borrowed money;
- (i) your independent certified accountants shall refuse to deliver an unqualified opinion with respect to your annual financial statements and your consolidated subsidiaries;

- (j) you file, or have another party file, a petition under the Bankruptcy Code or any other laws relating to bankruptcy, insolvency or similar arrangement for adjustment of debts; consent to or fail to contest in a timely and appropriate manner any petition filed against you in an involuntary case under such laws; apply for or consent to, or fail to contest in a timely and appropriate manner, the appointment of, or the taking of possession by, a receiver, custodian, trustee or liquidator of you or of a substantial part of your property; or make a general assignment for the benefit of creditors; or take any corporate action for the purpose of authorizing any of the foregoing; or
- (k) you violate any applicable law or Card Organization Rules, or we reasonably believe that termination of the Agreement or suspension of Services is necessary to comply with any law. This includes the rules and regulations of the Office of Foreign Assets Control of the U.S. Department of the Treasury (OFAC); or you breach Section 21, as determined by us.

Then, upon the occurrence of (1) an Event of Default specified in items (d), (e), (g), (h), (j), or (k) above in this Section, we may consider the Agreement to be terminated immediately, without notice, and all amounts payable are immediately due and payable in full without demand or other notice of any kind, and (2) any other Event of Default, the Agreement may be terminated by us giving not less than 10 days notice to you, and upon such notice all amounts payable will be due and payable on demand.

- 14.6 The provisions of the Agreement which require or are meant to survive the termination of the Agreement, or be irrevocable or perpetual, to give them full force and effect, will survive the termination of the Agreement. All rights of action arising from the Agreement, all your obligations to pay or reimburse us for any obligations associated with transactions you have submitted to us and any remedies for such Claims will survive termination of the Agreement until paid in full and settled.
- 14.7 If any Event of Default occurs and regardless of whether it has been cured, we may, exercise all of our rights and remedies under applicable law and the Agreement, including, exercising our rights under Section 15.
- 14.8 If you file for protection under the U.S. Bankruptcy Code or any other laws relating to bankruptcy, insolvency, assignment for the benefit of creditors or similar laws, and you continue to use our Services, you must open new accounts to distinguish pre and post filing obligations. As long as you utilize the accounts you established prior to such filing, we will not be able to systematically segregate your post-filing transactions or prevent setoff of the pre-existing obligations. In that event, you are responsible for submitting an accounting supporting any adjustments that you may Claim.
- 14.9 The Card Organizations often maintain lists of merchants who have had their merchant agreements or Card acceptance rights terminated for cause. If the Agreement is terminated for cause, we may be required to report your business name and the names and other information regarding its principals to the Card Organizations for inclusion on such list(s). You expressly agree and consent to such reporting if you are terminated as a result of an Event of Default or for any reason specified as cause by the applicable Card Organization. You agree to waive and hold us harmless from and against all Claims which you may have as a result of such reporting.
- 14.10 After termination of the Agreement, you will continue to bear total responsibility for all Chargebacks, Card Organization Fines imposed on us as a result of your acts or omissions, credits and adjustments resulting from Card transactions processed pursuant to the Agreement, and all other amounts then due or which become due under the Agreement.
- 14.11 If we determine your merchant account is inactive, we may cancel the Agreement without further notice. Inactivity will be determined by an extended period of time with no transactions processed by us on your behalf.

15. Reserve Account; Security Interest

- 15.1 You authorize us to establish a Reserve Account, in any amount in our discretion, to help mitigate our risk exposure under the Agreement. You are obligated to fund this account pursuant to this Section. We will set the amount of the Reserve Account based upon your processing history (where applicable) and the potential risk of loss to us we determine in our sole discretion from time to time.

15.2 The Reserve Account must be fully funded upon three days' notice to you. In instances of fraud, suspected fraud or an Event of Default, funding must be immediate. The Reserve Account may be funded by all or any combination of the following:

- (a) one or more debits to your Settlement Account or any other accounts held by Bank or any of its Affiliates maintained in the name of you, any of its principals, or any of its guarantors, or if any of the same are authorized signers on such account;
- (b) any payments due to you;
- (c) you provide us an unconditional letter of credit, subject to our acceptance;
- (d) if we agree, your pledge to us of a freely transferable and negotiable certificate of deposit; or
- (e) other collateral we deem acceptable at our discretion.

Any letter of credit or certificate of deposit will be issued or established by a financial institution acceptable to us and in a form we find satisfactory.

When the Agreement is terminated or expired, an immediate Reserve Account may be established without prior notice in the manner above. We will hold a Reserve Account for the greater of 10 months after termination of the Agreement or longer consistent with our liability for your Card transactions and Chargebacks in accordance with Card Organization Rules. We will hold these funds in master account(s) with your funds allocated to separate subaccounts. Unless specifically required by law, you are not entitled to interest on funds we hold in a Reserve Account.

- (a) If your funds in the Reserve Account are insufficient to cover the Chargebacks, adjustments, fees and other charges and amounts you owe, or if the funds have been released, you must promptly pay us such sums upon request. To secure your obligations to us and our Affiliates under the Agreement and any other agreement for equipment products or Services (including obligations for which payments which are subsequently invalidated, declared fraudulent or preferential, set aside or required to be repaid to a trustee, receiver or any other party under any bankruptcy act, any law or equitable cause), you grant to us a first priority lien and security interest to the Reserve Account and any of your funds for your Card transactions processed by us, whether due now or in the future. Any amounts we hold now or in the future may be commingled with other funds of ours, or, with any other funds of other customers of ours. You expressly waive any notice or demand and authorize us to, at any time, setoff, recoup and to appropriate and to apply any such funds against and on account of your obligations to us and our Affiliates under this and any other Agreement for any related equipment or related Services (including any Check Warranty and Check Verification Services), whether such obligations are liquidated, unliquidated, fixed, contingent, matured or unmatured. You will execute and deliver to us such instruments and documents we may reasonably request to perfect and confirm the lien, security interest, right of setoff, recoupment and subordination.
- (b) Any funds held in a separate Reserve Account (Control Account), will be subject to (1) our security interest pursuant to this Section 15, and (2) an account control agreement (Control Agreement) as defined by the Uniform Commercial Code) between you, the institution holding the Reserve Account (Reserve Account Bank) and us. The Control Agreement will be satisfactory to us in form and substance. The Reserve Account Bank will be a national bank mutually acceptable by the parties.
- (c) In the event we deduct, holdback, suspend, setoff any amounts due you under the Agreement (together, Setoff Funds), you acknowledge that the Setoff Funds will be held in our commingled Reserve Account(s) unless such Setoff Funds are wired or deposited by us into any Control Account, in which case we will transfer will occur as soon as practicable using commercially reasonable efforts.

- (d) To replace or in addition to the first priority lien and security interest in the Reserve Account you may grant us a first priority lien and security interest in and to one or more certificates of deposit. In that case, the certificates of deposit will be uncertificated and subject to an Acknowledgement of Pledge of Certificate of Deposit and Control Agreement (the Certificate of Deposit Control Agreement) by, among you, us and the financial institution that has established and issued the certificate of deposit. The form of the Certificate of Deposit Control Agreement and the financial institution that will establish and issue the certificate of deposit must be acceptable to us.

16. Financial and Other Information

- 16.1 You will provide us and our Affiliates with financial statements covering any period and types of information promptly and as we otherwise may request. Those financial statements will be prepared in accordance with generally accepted accounting principles. You will also provide other financial statements and information about your business and your compliance with the Agreement as we may reasonably request. You authorize us and our Affiliates to obtain financial and credit information about you from third parties to help us determine whether to accept the Agreement and for our continuing evaluation of your financial and credit status. You authorize us to access and use information which you have provided to Bank for any other reason. Upon request, you will provide us, our Affiliates, Card Organizations, or our regulators' reasonable access to your or your providers' facilities and records for the purpose of performing any inspection and/or copying of your books and records deemed appropriate. As to the financial records, this subsection will not be in force as long as you provide Bank, with your current financial statements (e.g., as a requirement of your lending or other commercial relationship) and Bank is permitted to disclose your financial statements and other underwriting documents to Processor upon request. You are obligated to satisfy the requirements of this Section if you terminate your commercial lending relationship with the Bank.
- 16.2 You will provide us with written notice of any judgment, writ, warrant of attachment, execution or levy against any substantial part (25% or more in value) of your total assets not later than three days after you become aware of the above.

17. Indemnification

- 17.1 You agree to indemnify and hold us and the Card Organizations harmless from and against all losses, liabilities, damages and expenses arising from or related to:
- (a) the inaccuracy or untruthfulness of any representation or warranty, any breach, or any misrepresentation by you under the Agreement;
 - (b) your or your employees' or agents' negligence or willful misconduct, in connection with Card transactions or otherwise arising from your provision of goods and services to Cardholders;
 - (c) your use of the Services; or
 - (d) any third party indemnifications we are obligated to make as a result of your actions.
- 17.2 We will indemnify you and hold you harmless from and against all losses, liabilities, damages and expenses resulting from:
- (a) any breach or misrepresentation by us under the Agreement; or
 - (b) our or our employees' gross negligence or willful misconduct in connection with the Agreement.
- 17.3 The indemnification obligation in Section 17.2 will not apply to Bank with respect to Non-Bank Services.

18. Account Changes

- 18.1 **Settlement Account Number.** If you change the Settlement Account in which you receive funding, you must call customer service or your Account Manager immediately. If you accept payment types other than Visa, Mastercard, Discover and American Express (such as TeleCheck), you are also responsible for contacting the Card Organizations or companies governing those payment types to notify them of this change.
- 18.2 **Change in Your Legal Name, Ownership or Structure.** You must call customer service or your Account Manager to request a new Agreement.
- 18.3 **Company DBA Name, Address or Telephone/ Facsimile Number.** If you change your company or location DBA name, street address, e-mail address, telephone or facsimile number, you must send the request in writing to the address on your statement.
- 18.4 **Merchant Profile.** You must notify us immediately of any change to the information on file with us in your merchant profile, including:
- (a) any new lines or types of business;
 - (b) change in ownership;
 - (c) the opening, closing or liquidation of business or any location;
 - (d) change in Card processing method;
 - (e) voluntary or involuntary party to a bankruptcy case;
 - (f) if you enter into a loan or other agreement with a third party that may affect the Agreement;
 - (g) change from a business that exclusively conducts card-present retail sales to one that accepts Card sales by mail, phone or through a website; and
 - (h) change to any other information within the Application.

19. Special Provisions Regarding Non-Bank Services

- 19.1 **Non-Bank Services.** The Terms and Conditions of the Agreement apply to Non-Bank Services, except as otherwise described in the schedules. You agree to pay Processor any processing fees described in the Agreement. You authorize us to share information from the Application with the Card Organizations and any other related Non-Bank Services organization.
- 19.2 If you accept JCB, Diners Club International, UnionPay, BCCard, and DinaCard cards, you agree to the Discover provisions of the Agreement. You also agree that JCB, Diners Club International, UnionPay, BCCard, and DinaCard transactions will be processed according to Discover Card Organization Rules.

20. Additional Rules and Requirements

- 20.1 **Certain Rules and Requirements.** The following Rules are strictly enforced by the Card Organizations:
- Your minimum Credit Card acceptance amount cannot exceed \$10.00. This must apply to all Credit Cards. You may not establish a maximum amount as a condition for accepting a Card unless you are a federal government Entity or institution of higher learning. The exception is that you may limit the maximum amount a Discover Cardholder may spend, only if you have not received a positive Authorization response from the Issuer. You may not set a minimum transaction amount limit for Debit Cards (PIN Debit or Non-PIN Debit). You cannot impose a surcharge or fee for accepting a Debit Card.
 - You cannot establish any special conditions for accepting a Card.

- You cannot require the Cardholder to supply any personal information (e.g., home or business phone number or address including zip code; or driver's license number) unless instructed by the Authorization Center. The exception to this is for mail/phone/e-Commerce orders or delivery-required transactions, or as otherwise permitted by applicable law. Any information supplied by the Cardholder must not be in plain view on mailings.
- Any tax to be collected must be included in the total transaction amount and not collected in cash.
- You cannot submit any transaction representing the refinance or transfer of an existing Cardholder obligation deemed uncollectible, for example, a transaction that has been previously charged back, or to cover a dishonored check.
- You cannot accept a Visa Consumer Credit Card or commercial Visa Product, issued by a U.S. Issuer to collect or refinance an existing debt.
- You must create a Sales Draft or Credit Draft for each Card transaction and give a copy to the Cardholder.
- If you accept Card checks, your Card check acceptance policy must be the same for all payment card brands. You should handle these Card checks like any other personal check from a U.S. bank.
- Failure to comply with any of the Card Organization Rules may result in fines or penalties.
- You will tell the Cardholder that you are responsible for the Card transaction including your goods and services and for related customer service, dispute resolution and performance of the terms and conditions of the transaction.

You may:

- Direct customers to a particular brand or type of general purpose Card or a particular form of payment. U.S. merchants may also encourage customers who present a Visa Card to use a payment Card with a different network brand, a different type of payment Card or a different form of payment.
- Provide a discount/incentive for a consumer to pay with cash, check, Credit Card, Debit Card, etc. and you must clearly disclose the discount to consumers. You must offer the discount to all consumers and you cannot discriminate based upon Card brand or Card Issuer.
- Offer a discount or rebate, including an immediate discount or rebate at the point of sale.
- Offer a free or discounted product, service or enhanced service.
- Offer an incentive, encouragement, or benefit.
- Express a preference for a particular brand or type of general purpose Card or a particular form of payment.
- Tell a customer your reasonably estimated or actual costs when they use a particular brand or type of general purpose Card or a particular form of payment, or the relative costs of using different brands or types of general purpose Cards or different forms of payment.
- Accept Visa Consumer Debit and Visa Business Debit Card products including prepaid Cards to collect or refinance an existing debt; or you may engage in any other practices substantially the same as the above.

20.2 Card Organization Monitoring. Mastercard, Visa, Discover and American Express have guidelines, merchant monitoring programs and reports to track merchant activity such as excessive credits, fraud and Chargebacks, and increased deposit activity. If you exceed the guidelines or engage in practices that could circumvent such monitoring programs or submit suspicious transactions as identified by a Card Organization or any related program or reports, you may be subject to:

- (a) changes to you operating procedure requirements;

- (b) incremental Chargebacks and/or increased fees;
- (c) settlement delay or withholding;
- (d) termination of your Agreement; or
- (e) audit and imposition of Card Organization Fines.

21. Data Security

THE FOLLOWING IS IMPORTANT INFORMATION REGARDING THE PROTECTION OF CARDHOLDER INFORMATION AND TRANSACTION DATA. PLEASE REVIEW CAREFULLY AS FAILURE TO COMPLY CAN RESULT IN SUBSTANTIAL FINES AND LIABILITIES FOR UNAUTHORIZED DISCLOSURE AS WELL AS TERMINATION OF THIS AGREEMENT.

21.1 **Payment Card Industry Data Security Standards (PCI DSS).** Visa, Mastercard, Discover and JCB and American Express aligned data security requirements to create a global standard for the protection of Cardholder information and Transaction Data (see Section 12). The resulting Payment Card Industry Data Security Standards (PCI DSS) defines the requirements with which all entities that store, process, or transmit payment card data must comply. PCI DSS is the name used to identify those common data security requirements. You must comply with the Cardholder information security programs shown below, along with websites where you can find more detailed information:

- Visa: The Cardholder Information Security Program (CISP) - www.visa.com/cisp
- Mastercard: The Site Data Protection (SDP) program - www.mastercard.com/sdp
- Discover: Discover Information Security and Compliance (DISC) - <http://www.discovernetwork.com/fraudsecurity/disc.html>
- American Express: Data Security Requirements (DSR) is American Express' data security program - www.americanexpress.com/merchantopguide

Each program is based on the PCI DSS and industry aligned validation requirements. PCI DSS PCI compliance validation is focused on Merchant Equipment (as defined below) where Cardholder information and Transaction Data is processed, stored, or transmitted, including:

- all external connections into your network (i.e., employee remote access, third party access for processing, and maintenance);
- all connections to and from the Authorization and settlement environment (i.e., connections for employee access or for devices such as firewalls, and routers); and
- any data repository outside of the Authorization and settlement environment.

For this Section 21, Merchant Equipment means all equipment you use in connection with Card Authorization, clearing, completing, settling, transmitting or other related processing. This includes all telecommunication lines and wireless connections and software, systems, point-of-sale terminals, card readers, merchandise and card scanners, printers, PIN pad devices and other hardware, whether owned by you, Merchant Providers or other persons or Entities.

The Card Organizations or we may impose fines or penalties, or restrict you from accepting Cards if we find that you are not compliant with the applicable data security requirements. We may suspend or terminate Services under the Agreement for any actual or suspected data security compromise in our sole discretion. You will not request any Authorizations, submit any Sales Drafts or Credit Drafts until you have read and understood the PCI DSS, CISP, SDP and DISC for which you acknowledge we have provided you sufficient information to obtain, and you will be deemed to have done so upon our receipt of your request or Submission of any Authorizations, Sales Drafts or Credit Drafts.

Detailed information about PCI DSS, can be found at the PCI DSS Counsel's website: www.pcisecuritystandards.org. These links and the information therein may be updated and change from time to time. You must monitor for changes and/or notify us if you cannot access the information.

21.2 Data Security Requirements. You must comply with the data security requirements shown below:

- install and maintain a secure firewall configuration to protect data;
- protect stored data;
- encrypt transmission of data sent across open/public networks, using methods indicated in the Payment Card Industry Data Security Standard (PCI DSS) which is available at www.pcisecuritystandards.org;
- comply with the obligations of the Cardholder information and Transaction Data security programs referenced above;
- use and regularly update anti-virus software and keep security patches up-to-date;
- restrict access to data by business “need to know”;
- assign a unique ID to each person with computer access to data and track access to data by unique ID;
- regularly test security systems and processes;
- maintain a policy that addresses information security for employees and contractors;
- restrict physical access to Cardholder information;
- destroy or purge all Media containing obsolete Transaction Data with Cardholder information;
- keep all systems and Media containing Card account, Cardholder, or transaction information (whether physical or electronic) in a secure manner so as to prevent access by, or disclosure to any unauthorized party; and
- use only those services and devices that have been certified as PCI-DSS compliant by the Card Organizations and by approved vendors.

21.3 Compliance Audits. We may periodically validate your compliance with PCI DSS standards. We have the right to conduct an audit at your expense, performed by us or a third party we designate, to verify compliance by you, your agents or Merchant Providers, with security procedures and the Agreement. Upon request, you will provide us with copies of all reports developed by your forensic vendor(s), and you will ensure that we have direct communication access with them.

21.4 Immediate Notice Required. If you know or suspect that Transaction Data or Cardholder information or other confidential information or system has been accessed, disclosed or retrieved by any unauthorized person, you must contact us immediately or within 24 hours after becoming aware of that activity.

21.5 Investigation. You must, at your own expense:

- (a) perform or arrange for an independent investigation, including a forensics analysis by a certified forensic vendor acceptable to us and the Card Organizations, of any data security incident of Card or Transaction Data;
- (b) provide a copy of the certified forensic vendors final report regarding the incident to us and the Card Organizations;
- (c) perform arrange for any remedial actions recommended by any such investigation; and
- (d) cooperate with us in the investigation and resolution of any security incident.

If required by the Card Organization, we will engage a forensic vendor approved by a Card Organization at your expense. You must cooperate with the forensic vendor throughout the investigation until completion so that it may immediately conduct an examination of your equipment (such as a POS device), your Merchant Providers' procedures and records, and issue a written report of its findings.

21.6 Required Information for Discover Data Security Incidents. For security incidents involving Discover transactions and/or track data, you must provide us and/or Discover with:

- (a) date of data security incident;
- (b) details concerning the data compromised (e.g., account numbers and expiration dates, Cardholder names and addresses, etc.);
- (c) the method of the data security incident;
- (d) your security personnel contacts;
- (e) names of anyone (including law enforcement) assisting you with your investigation of such data security incident; and
- (f) any other information which we reasonably request from you, including forensics reports.

You will provide this information as soon as practicable, and the items listed in (a)-(e) within 48 hours of your initial notification to us of the data security incident.

21.7 Merchant Providers.

- (a) The data security standards in this Section 21 also apply to Merchant Providers. Before you engage any Merchant Provider, you must provide to us in writing their (1) legal name; (2) contact information; and (3) intended function. You agree that you will not use, or provide Cardholder information or Transaction Data access to, any Merchant Provider until you receive our approval and, if required, confirmation that they are registered with applicable Card Organizations. You must ensure that you and Merchant Providers comply with: (1) the registration process which can involve site inspections, background investigations, provision of financial statements, and any other information required by a Card Organization; (2) the periodic and other reporting required by a Card Organization; and (3) all applicable Card Organization Rules, including those requiring security of Cardholder information and Transaction Data. You may allow Merchant Providers access to Cardholder information and Transaction Data only for purposes authorized under the Card Organization Rules. You are responsible for all our costs and expenses associated with our review, approval, certification, recertification and registration of any Merchant Providers.
- (b) Your use of the Services, equipment, software, systems, materials, supplies or resources of third parties for your Card transactions processing, including Merchant Providers and any third party lessors or licensors, will not affect your obligations under the Agreement to us.
- (c) We are not liable or responsible to you or others regarding these third parties, even if we referred them to you. These third parties are your agents, and you are solely responsible for (1) determining whether they can meet your needs and standards; (2) their actions, inactions and compliance with the terms of the Agreement and the Card Organization Rules; and (3) any and all fees, costs, expenses and other obligations owed to them by you or owed by them to us or to Card Organizations.

21.8 **Costs.** If any Card Organization, regardless of any forensic analysis or report, determines you or a Merchant Provider (or other person used by you) are the likely source of any loss, disclosure, theft or compromise of Cardholder information, Transaction Data or other Card transaction related information (together, Compromised Data Events) and regardless of your belief that you have complied with the Card Organization Rules or other security precautions and are not responsible for the Compromised Data Event, you must promptly pay us for all related expenses, claims, assessments, Card Organization Fines, losses, costs, and penalties and Issuer reimbursements imposed on us by the Card Organizations (together, Data Compromise Losses). In addition, you must also pay us promptly for all expenses and claims, demands, inquiries, or controversy including all Claims made by Issuers against us alleging your responsibility for the Compromised Data Event, apart from any claim procedures administered by the Card Organizations.

22. Other Terms

- 22.1 **Choice of Law.** Our Agreement will be governed by the laws of the State of New York, without regard to its choice of law provisions.
- 22.2 **Venue.** The exclusive venue for any actions or Claims arising under or related to the Agreement will be in the appropriate state or federal court located in Suffolk County, New York.
- 22.3 **Waiver of Jury Trial. All parties irrevocably waive any and all rights they may have to a trial by jury in any judicial proceeding involving any Claim relating to or arising under the Agreement.**
- 22.4 You agree that any lawsuit or other action you may wish to bring against us to adjudicate Claims arising under the Agreement must be commenced and filed by you within one year of the date on which your Claim first accrued. If you do not act within this time period, the action will be barred, without regard to any other limitations period set forth by law or statute.
- 22.5 **Additional Locations.** You agree that any additional location(s) that you request to be added are be subject to the Agreement.
- 22.6 **Force Majeure.** No party will be liable for any default or delay in the performance of its obligations under the Agreement if caused, directly or indirectly, by:
- fire, flood, earthquake, elements of nature or other acts of God;
 - any terrorist attacks or outbreak or escalation of hostilities, war, riots or civil disorders in any country;
 - any act or omission of the other party or any government authority;
 - any labor disputes (whether or not employees' demands are reasonable or within the party's power to satisfy); or
 - the nonperformance by a person for any similar cause beyond the reasonable control of such party, including failures or fluctuations in telecommunications or other equipment.

The non-performing party will be excused from any further performance and obligations only for as long as these circumstances prevail and the party continues to use commercially reasonable efforts to recommence performance or observance as soon as practicable. However, your failure to receive payment of funds from a person or Entity will not excuse the performance of your obligations to us under the Agreement.

22.7 **Compliance with Laws.** In performing its obligations under the Agreement, each party agrees to comply with all laws and regulations applicable to such party. You agree to cooperate and provide information requested by us, to facilitate our compliance with any applicable law, including the Rules and regulations made known by the Office of Foreign Assets Control of the US Department of the Treasury (OFAC). You agree that restricted transactions as defined in the Unlawful Internet Gambling Enforcement Act of 2006 and Regulations GG may not be processed through your account or any relationship between you and the Bank. You represent and warrant that you will not submit such restricted transactions for processing. You further agree that you will not use your merchant account or the Services for illegal transactions, for example, those prohibited by the Unlawful Internet Gambling Enforcement Act, 31 U.S.C. Section 5361 et seq, or those involving any person listed on OFAC Specially Designated Nationals and Blocked Persons List (available at www.treas.gov/ofac) or the U.S. Department of State's Terrorist Exclusion List (available at www.state.gov) or the processing and acceptance of transactions in certain jurisdictions pursuant to 31 CFR Part 500 et seq. and other laws enforced by OFAC or in connection with illegal activity of any kind.

If we identify a suspected restricted transaction, we may block or otherwise prevent or prohibit the transaction, we may close the account or end the relationship, and we may seek any other remedies available to us under the Agreement or otherwise.

22.8 **Notices.** All legal notices required or permitted under the Agreement (other than those involving normal operational matters relating to processing Card transactions) will be in writing, to you at your address appearing in the Application or via electronic communications as described in Section 22.16, including to the e-mail address you have provided on the Application. Notices and communications to us should be sent as follows:

If to Processor, send to: Wells Fargo Merchant Services, LLC

P.O. Box 6079
Concord, CA 94524
Attn: Merchant Services

with a copy to: Wells Fargo Merchant Services, LLC

3975 N.W. 120th Avenue
Coral Springs, FL 33065
Attn: General Counsel's Office

If to Bank, send to: Wells Fargo Bank, NA

P.O. Box 6079
Concord, CA 94524
Attn: Merchant Services

Notices will be deemed to have been given (a) if sent by mail or courier, the earlier of five days after mailing of when actually received or, in the case of courier, when delivered; or (b) if sent by facsimile machine when the confirmation copy is actually received, or (c) if sent by email to the email address as set forth on the Application hereto, on the date of transmission at or prior to 5:00pm ET on a Business Day or, if sent after that time or on day that is not a Business Day, the next Business Day after the date of transmission . Notice given in any other manner will be effective when actually received. Notices sent to your last known address or e-mail address in our records will constitute effective notice to you under the Agreement.

All bankruptcy or collection related notices must be sent to the following address:

Wells Fargo Merchant Services Dept.
1600 Terrell Mill Rd.
Marietta, GA 30067
Attn: Bankruptcy, and Collection Notifications

All notices must include the related merchant name and merchant number. Failure to provide notice to this address or include this pertinent merchant information will be deemed ineffective.

- 22.9 **Headings.** The headings contained in the Agreement are for reference only and do not affect the meaning of any provision of the Agreement.
- 22.10 **Severability.** The parties intend every provision of the Agreement to be severable. If any part of the Agreement is deemed not enforceable, the remaining provisions will remain valid and enforceable.
- 22.11 **Entire Agreement; Waiver.** The Agreement constitutes the entire agreement between the parties with respect to its subject matter and supersedes any previous agreements and understandings. A party's waiver of a breach of any term or condition of the Agreement will not be deemed a waiver of any subsequent breach of the same or another term or condition.
- 22.12 **Amendment.** We may modify the Agreement by providing written notice to you. You may choose not to accept the modification by terminating the Agreement within 20 days of receiving notice. For purposes of this Section, in addition to electronic communications, including email, an electronic or "click-wrap" notice intended to modify or amend the Agreement and which you check "I Accept" or "I Agree" or otherwise electronically accept, will also constitute a written notice. This Section does not apply to fee changes, which are governed by Section 6.3.
- 22.13 **Third Party Beneficiaries.** Our respective Affiliates and any persons we use in providing the Services are third party beneficiaries of the Agreement and each of them may enforce its provisions. Except as specifically noted, nothing in the Agreement confers upon any person or Entity other than the parties any rights or remedies, and the parties do not intend for any persons to be third-party beneficiaries of the Agreement.
- 22.14 **Card Organization Rules.** The parties acknowledge that the Card Organization Rules give each network certain rights to require termination or modification of the Agreement with respect to transactions involving their Cards and systems and to investigate you. The parties also acknowledge that Issuers of other Cards, for which we perform Services on your behalf, may have similar rights under their applicable Card Organization Rules with respect to the Agreement's applicability to transactions involving such other Cards.
- 22.15 **Publicity.** You may not use the logo, name, trademark, or service mark of Processor or Bank in any manner, including in any advertisements, displays, or press releases without the prior written consent of Processor and Bank, respectively.
- 22.16 **Electronic Communications and E-Sign Consent Agreement.**
- (a) **Execution.** To facilitate execution, the documents that comprise the Agreement may be executed by a Party in the form of an "Electronic Record" (as such term is defined in the Electronic Signatures in Global and National Commerce Act at 15 U.S.C. §7001 et seq. ("ESIGN Act")). This Agreement may be executed in as many counterparts as may be required to reflect all Parties' assent, and all counterparts will collectively constitute a single agreement. An "Electronic Signature" (as defined in the ESIGN Act) that can be authenticated will constitute an original and binding signature of a Party. The fact that a document is in the form of an Electronic Record or is signed using an Electronic Signature will not, in and of itself, be grounds for invalidating such document.
- By signing the Confirmation Page, you consent that:**
- We can send you disclosures and other information about your legal rights and duties electronically.
 - Your electronic signature (via "click-through" or other method) has the same effect as if you signed in ink.
 - We can send all communications, billing statements, amendments, notices, documents, disclosures, or other information regarding the Services (together, Disclosures) to you electronically (a) to the last known email address you provide, which will be the email address identified on the Application, unless you subsequently notify us that you have a new e-mail address; (b) by access to a website designated in an email notice we send to you; or (c) by access to a website that we will generally designate in advance.

- You can print a copy of the Disclosure or download the information for your records.
- This consent applies to all future Disclosures sent to you in connection with the Services, the Agreement, or your use the Services as defined in the Agreement.

(b) **Legal Effect.** You agree that electronic Disclosures have the same meaning and effect as if we provided paper Disclosures to you. When we send you an email or other electronic notification alerting you that the Disclosure is available and makes it available online, that will have the same meaning as if we provided a paper Disclosure to you, whether or not you choose to view or print or download the Disclosure.

22.17 **IRS Reporting.** Pursuant to Section 6050W of the Internal Revenue Code, merchant acquiring entities and third party settlement organizations are required to file an information return with the IRS for each calendar year, reporting all payment Card transactions and third party network transactions with merchants occurring in that calendar year. Accordingly, you will receive a Form 1099K reporting your Gross transaction amounts for each calendar year.

In addition, amounts reportable under Section 6050W are subject to backup withholding requirements. We are required to perform backup withholding by deducting and withholding income tax from reportable transactions if (a) you fail to provide us with your taxpayer identification number (TIN); or (b) the IRS notifies us that the TIN, when matched with the name you provided, is incorrect. To avoid backup withholding from your daily merchant funding amount, you must provide us with a W-9 showing the correct name and matching TIN that you use when filing the tax return that includes the transactions for your business. Communications will be sent to inform you of an incorrect TIN and name combination. Failure to respond with a W-9 to our solicitation for accurate TIN and name may result in suspension of Services.

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Appendix 1

Glossary

Schedules

Debit Card Services

EBT Services

Equipment Purchase and Rental Services

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Glossary

Address Verification (AVS): A service through which the merchant verifies the Cardholder's address, in whole or in part. Primarily used by mail / phone/ internet order merchants. Address Verification is intended to deter fraudulent transactions, however, an AVS match does not guarantee that a transaction is valid. An AVS request should generally be submitted with an Authorization request. The AVS response, if available, will not impact whether any associated Authorization request is approved or denied. You may be charged an AVS fee for any AVS request you submit even if we are not able to provide a response to the request.

Affiliate: An Entity that directly or indirectly (a) owns or controls another person or (b) is under common ownership or control with such person.

Application (or Merchant Processing Application): The Application executed by you, which is one of the documents comprising the Agreement.

Acquirer: A member that signs a merchant and directly or indirectly enters a transaction into interchange.

Attachments: The addenda, exhibits, appendices, schedules and other documents, including revisions, which may be incorporated into and made part of the Agreement at any time.

Authorization: Approval by, or on behalf of, the Card Issuer to validate a transaction. An authorization indicates only the availability of the Cardholder's Credit Limit or funds at the time the Authorization is requested.

Authorization Approval Code: A number issued to a participating merchant by the Authorization Center which confirms the authorization for a sale or service.

Authorization and Capture: The communication of instructions from your POS device or other systems to our computer systems, whether for Authorization requests or any other capture of information.

Authorization Center: A department that electronically communicates a merchant's request for Authorization on Credit Card transactions to the Cardholder's bank and transmits the Authorization to the merchant via electronically or by voice Authorization.

Bank: Wells Fargo Bank, NA, for Mastercard, Visa and certain debit transactions.

Bankruptcy Code: Title 11 of the United States Code, as amended from time to time.

Batch: A group of transactions (sales and credits) sent as a single Submission to us for settlement. A Batch usually represents a day's worth of transactions.

Business Day: Monday through Friday, excluding banking holidays.

Buyer Initiated Payment (BIP): A payment that occurs when a cardholding business approves an invoice(s) and submits an electronic payment instruction causing funds to be deposited directly into their supplier's merchant account.

Card: A Credit Card and/or a Debit Card.

Cardholder: The person whose name is on a Card and any authorized user of that Card, including the person that has entered into an agreement establishing a Card account with an Issuer. The words "Card Member" refer to Cardholder.

Card Not Present Sale/Transaction: A transaction that occurs when the Card is not present at the point-of-sale, including internet, mail-order and phone-order Card sales.

Card Organization: Any Entity formed to administer and promote Cards, such as Mastercard Worldwide (Mastercard), Visa USA, Inc. (Visa), DFS Services LLC (Discover), American Express Company, Inc. (American Express), WEX/Voyager, and any applicable debit networks.

Card Organization Rules: The rules, regulations, standards, releases, interpretations and other requirements (whether contractual or otherwise) imposed or adopted by any Card Organization and related authorities, including those of the PCI Security Standards Council, LLC and the National Automated Clearing House Association (including, with respect to EBTs, the Quest Operating Rules).

Card Organization Fines: All fines, fees, penalties, assessments, excessive Chargeback fees, or other obligations of any kind imposed on us by a Card Organization or a regulator, as a result of payment acceptance actions or inactions by you, or your Merchant Provider or agents or a third party acting on your behalf.

Card Verification: A three-digit value printed in the signature panel of most Cards and a four-digit value printed in the front of an American Express Card. Visa's Card Verification Code is known as CVV2; Mastercard's Card Verification Code is known as CVC2; the Card Verification Codes for Discover and American Express are known as a Card Identification Numbers (CID). Card Verification Codes are used to deter fraudulent use of an account number in a non-face-to-face environment (e.g., mail, phone, Internet orders).

Card Verification Value (CVV) / Card Validation Code (CVC)/ Card Identification Data (CID): A unique value encoded on the Magnetic Stripe of a Card used to validate Card information during the Authorization process.

Cardholder Verification Method (CVM): A method used to confirm the identity of a Cardholder and to signify Cardholder acceptance of a transaction, such as signature, Offline PIN, and Online PIN.

Cash Benefits: An EBT account maintained by an Issuer that represents pre-funded or day-of-draw benefits, or both, administered by one or more government entities, for which the Issuer has agreed to provide access under the EBT program. Multiple benefits may be combined in a single cash benefit account.

Cash Over Transaction: Dispensing of cash by a merchant in connection with a Card sale, other than a PIN Debit Card transaction, for the purchase of goods or services.

Change of Control: The consummation by any Entity of a transaction or series of related transactions in which any one or more of the following occurs: (a) any person becomes the beneficial owner, directly or indirectly, of 25% or more of the Entity's then outstanding common stock or then outstanding voting securities entitled to vote generally in the election of directors (or comparable governing body if such Entity is not a corporation); (b) the sale, lease, exchange or other disposition of 25% or more of all of the Entity's consolidated assets; or (c) consummation, or approval by the equity holders or members of the Entity, of a complete liquidation or dissolution or a plan of complete liquidation or dissolution of the Entity.

Charge or Charges: The total price, including taxes and gratuities, for the purchase of goods or services at a merchant for which a Cardholder has signed a Sales Draft or otherwise indicated intent to pay with a Card.

Chargeback: A Card transaction (or disputed portion) that is returned to us by the Issuer. You are responsible for payment to us for all Chargebacks.

Check Warranty: A service provided through a merchant's POS Terminal which guarantees payment up to a defined limit, provided you follow proper steps in accepting the check.

Check Verification: A service provided in which you access a national negative file database through your terminal/register to verify or authorize that a person has no outstanding bad check complaints with any of the member merchants. This not a guarantee of payment to you.

Chip: An integrated microchip embedded on a Card containing Cardholder and account information.

Chip Card: A Card with an embedded EMV-compliant Chip containing memory and interactive capabilities used to identify and store additional data about a Cardholder, an Account, or both.

Claim: Any claim (including initial claims, counterclaims, cross-claims, and third party claims), dispute, or controversy between you and us arising from or relating to the Agreement or prior Card acceptance agreements, or the relationship resulting from them. The claim can be based in contract, tort (including negligence, strict liability, fraud, or otherwise), statutes, regulations, or any other theory, including any question relating to the existence, validity, performance, construction, interpretation, enforcement, or termination of the Agreement or prior Card acceptance agreements or the relationship resulting from them.

Confirmation Page: The Confirmation Page that you will physically or electronically sign, binding you to the terms of the Agreement.

Contactless Payment: Payment performed in a Card-Present Environment with a Contactless card or Payment Device (e.g., mobile phone) at the Point-of-Transaction.

Credit Card: A device bearing a valid Organization Mark of Visa, Mastercard, Discover, or American Express and authorizing the Cardholder to buy goods or services on credit. Also, to the extent the schedules provide, a valid device authorizing the Cardholder to buy goods or services on Credit and issued by any other Card Organizations specified on the schedules.

Credit Draft: A document evidencing the return of merchandise by a Cardholder to you, or other refund or price adjustment made by you to the Cardholder, whether electronic, paper or some other form, all of which must conform to Card Organization Rules and applicable law.

Credit Limit: The credit line set by the Issuer for the Cardholder's Credit Card account.

Customer: The party identified as "Customer" on the Application. "Subscriber," "you," "your" and "Client" refer to Customer. Also, sometimes referred to as "Merchant."

Customer Activated Terminal (CAT): A Magnetic Stripe terminal or Chip-reading device (such as an automatic dispensing machine, Limited Amount Terminal, or Self-Service) that is not an ATM.

Debit Card: A PIN Debit Card or a Non-PIN Debit Card.

Dial-Up Terminal: An Authorization device which dials an Authorization Center for validation of transactions.

Discount Rate: A percentage rate charged to merchants, for processing Card transactions.

Effective Date: The later of the date that (a) our credit department approves the Agreement or (b) you fully execute the Confirmation Page.

Electronic Benefits Transfer (EBT): A system used to deliver certain government delivered benefits, including Cash Benefits and FNS, SNAP and WIC Benefits, to EBT customers.

Electronic Draft Capture (EDC): A process which allows a merchant's Dial-Up Terminal to receive Authorization and Capture transactions, and electronically transmit them to the Processor. This eliminates the need to submit paper for processing.

EMV: The global standard for Chip based payments.

EMV Upgrade Costs: The costs you agree to incur to upgrade payment acceptance and processing hardware and software to enable you to accept and process EMV-enabled Cards in a manner compliant with the PCI DSS.

Entity: A corporation, partnership, sole proprietorship, trust, association, or any other legally recognized entity or organization.

Factoring: The submission of Authorization requests and/or Sales Drafts by a merchant for Card sales or cash advances transacted by another business. Factoring is prohibited.

Fraud Full Recourse: One of American Express's Chargeback programs.

Gross: When referred to in connection with transaction amounts or fees, is to the total amount of Card sales, without setoff for any refunds or credits.

Imprinter: A manual or electric machine used to physically imprint the merchant's name and ID number as well as the Cardholder's name and Card number on Sales Drafts.

Issuer: The financial institution or Card Organization (or other Entity authorized by a Card Organization) which has issued a Card to a person.

Limited Amount Terminal: A Customer Activated Terminal that has data capture only capability, and accepts payment for items such as parking garage fees, road tolls, motion picture theater entrance, or Magnetic Stripe telephones.

Magnetic Stripe: A stripe of magnetic information affixed to the back of a plastic Credit or Debit Card. The Magnetic Stripe contains essential Cardholder and account information.

Marks: Names, logos, emblems, brands, service marks, trademarks, trade names, tag lines or other proprietary designations.

Media: The documentation of monetary transactions (i.e., Sales Drafts, Credit Drafts, computer printouts, etc.).

Merchant Identification Card: A plastic embossed card supplied to each merchant to be used for imprinting information to be submitted with each batch of paper Sales Drafts. Embossed data includes Merchant Identification Number, name and sometimes merchant ID code and terminal number.

Merchant Identification Number (MID): A number that numerically identifies each merchant location, outlet, or line of business to the Processor for accounting and billing purposes.

Merchant Provider: Any person or Entity engaged by you to provide services to you relating to (a) access to Cardholder information, Transaction Data or information related to either Cardholder information or Transaction Data or (b) PIN encryption, including, Encryption Service Organizations (ESOs).

Non-Bank Services: Constitute an agreement solely between you and Processor and/or third parties, which includes, products and/or Services for which Bank is not responsible, or a party to. These include PIN Debit Card, Electronic Benefits Transfer Transactions and Transactions involving Cards from other Non-Bank Card Organizations, such as Discover, American Express, Leasing, TransArmor, Wireless, and other items as may be indicated in the Agreement.

Non-PIN Debit Card: A device with a Visa, Mastercard or Discover Mark that is tied to a Cardholder's bank account or a prepaid account and which is processed without the use of a PIN.

Operating Rules: The information prepared by Processor, containing operational procedures, instructions and other directives relating to Card transactions. The current Operating Rules are available at www.wellsfargo.com/operatingrules.

PAN Truncation: A procedure by which a Cardholder's copy of a Sales Draft or Credit Draft, or as required by applicable law, the Sales Draft or Credit Draft that you retain, will only reflect the last four digits of the Card account number.

PIN: A Personal Identification Number entered by the Cardholder to submit a PIN Debit Card transaction.

PIN Debit Banks: The PIN Debit Bank(s) identified on the Application signed by you is/are the sponsoring or acquiring bank(s) for certain PIN Debit networks.

PIN Debit Card: A device bearing the Marks of ATM networks (such as NYCE, Star) used at a merchant location by means of a Cardholder-entered PIN in the merchant PIN Pad.

PINless Transaction: A PIN Debit transaction using a Debit Card that does not require the Cardholder to enter a PIN.

Point of Sale (POS) Terminal: A device placed in a merchant location which is connected to the Processor's system via phone lines and is designed to authorize, record and transmit settlement data by electronic means for all sales transactions with Processor.

Processor: Wells Fargo Merchant Services, LLC.

Recurring Payment Indicator: A value used to identify transactions for which a Cardholder gives permission to a merchant to bill their account at either a predetermined interval or as agreed by the Cardholder for recurring goods or services.

Referral: A message received from an Issuer when an attempt for Authorization requires a call to the Voice Authorization Center or Voice Response Unit (VRU).

Reserve: Monies we hold in order to secure or fund your obligations with us.

Reserve Account: An account established and funded at our request, pursuant to Section 14 of these Terms and Conditions.

Resubmission: A transaction that the merchant originally processed as a Store and Forward transaction but received a soft denial from the debit network or Card Organization. The Resubmission transaction allows the merchant to try to obtain an approval for the soft denial. You assume the risk that the transaction fails.

Retrieval Request/Transaction Documentation Request: A request for documentation related to a Card transaction such as a copy of a Sales Draft or other transaction source documents.

Rules: The rules, regulations, standards, releases, interpretations and other requirements (whether contractual or otherwise) imposed or adopted by any Card Organization and related authorities, including the PCI Security Standards Council, LLC and the National Automated Clearing House Association (including, with respect to EBTs, the Quest operating rules).

Sales/Credit Summary: The form used by a paper Submission merchant to indicate a Batch of Sales Drafts and Credit Drafts (usually one day's work). Not a Batch header, which is used by electronic merchants.

Sales Draft: Evidence of a purchase, rental or lease of goods or Services by a Cardholder from, and other payments to, you using a Card. This includes preauthorized orders and recurring transactions (unless the context requires otherwise), and whether in paper, electronic or other form, must conform to Card Organization Rules and applicable law.

Self Service Terminals: A Customer Activated Terminal that accepts payment of goods or services such as prepaid cards or video rental, has electronic capability, and does not accept PIN's.

Servicers: Bank and Processor, together. The words "we," "us" and "our" refer to Servicers, unless otherwise indicated in the Agreement.

Services: The activities undertaken by Processor and/or Bank authorize, process and settle all United States Dollar denominated transactions undertaken by Cardholders at your location(s) in the United States, and all other activities necessary for Processor and Bank to perform the functions required by the Agreement for all other Cards covered by the Agreement. "Services" includes any ancillary products or services provided to you by Processor and/or Bank in connection with the Agreement to the extent such products or services are not provided to you pursuant to a separate agreement with Processor and/or Bank.

Settlement Account: An account or accounts(s), unless otherwise agreed upon by the parties, at Bank or one of its Affiliates, designated as the account to be debited and credited by Processor or Bank for Card transactions, fees, Chargebacks and other amounts due under the Agreement or in connection with the Agreement.

Signature Debit: A transaction using a Debit Card that requires the Cardholder to provide a signature rather than a PIN.

Split Dial: A process which allows the Authorization terminal to dial directly to different Card Processors (e.g., American Express) for Authorization. In this instance, the merchant cannot be both EDC and Split Dial. Split Dial is also used for Check Guarantee companies.

Split Dial/Capture: Process which allows the Authorization terminal to dial directly to different Card processors (e.g., American Express) for Authorization and Electronic Draft Capture.

Store and Forward: A transaction authorized by a merchant when the merchant cannot obtain an Authorization while the customer is present, typically due to a communications failure. The merchant will store the transaction electronically in their host system and retransmit the transaction when communications have been restored.

Submission: The process of sending Batch deposits to Processor for processing. This may be done electronically or by mail.

Summary Adjustment: An adjustment to your Submission and / or Settlement Accounts in order to correct errors.

Terms and Conditions: The Merchant Services Terms and Conditions executed by you, as amended from time to time and is a part of the Agreement

Telecommunication Card Sales: Individual local or long distance telephone calls, for which the telephone service provider is paid directly by use of a Card. These do not include calls paid for with pre-paid telephone service cards. Telecommunication Card Sales are considered Card Not Present Sales.

Transaction Fees: Service costs charged to a merchant on a per transaction basis.

Debit Services Schedule

This Schedule adds the Debit Services to your Agreement with us for Wells Fargo Merchant Services. The terms of the Agreement and this Schedule apply to these Debit Services. If anything in this Schedule conflicts with the Agreement, this Schedule will control. These Debit Services are a Service under the Agreement and are provided by Processor and not by Bank, except as stated below.

Capitalized words or phrases not defined in this Schedule use the definitions given to them in the Agreement.

The parties agree to the following:

1. Services

- 1.1 Bank's obligations relating to the Services are limited to the sponsorship and settlement of Debit Card transactions Customer submits in compliance with the Agreement, this Schedule, and Card Organization Rules.
- 1.2 Bank may be substituted for another debit network member bank. Processor will give Customer notice of the substitution. Any new Bank will be responsible for all obligations required of the former Bank.
- 1.3 Customer acknowledges that all parties involved in processing adjustments and Chargebacks to Debit Card transactions are regulated by timeframes specified in the Card Organization Rules, the Electronic Funds Transfer Act, Regulation E, and other applicable laws. Customer must reconcile Debit Card transactions at each of Customer's locations within one Business Day of the original Debit Card transaction. If Customer discovers an error involving any Debit Card transaction processed by Processor, Customer must promptly initiate the appropriate adjustment transaction to correct the error, or Customer may be subject to additional fees, fines, or other action.
- 1.4 The debit network used for a Debit Card transaction will depend on various factors. These include debit network availability at the time of the transaction, whether a Debit Card is enabled for a particular debit network, and other legal requirements relating to routing. We may use any debit network available to us for a given Debit Card transaction.
- 1.5 Only equipment approved by Processor can be used with the Services. Equipment for the Services is provided under a separate Equipment Purchase Schedule.
- 1.6 Your use of the Debit Services confirms your receipt of, and agreement to be bound by, the terms and conditions of this Debit Services Schedule.

2. Settlement and Fees

- 2.1 Settlement of Customer's Debit Card transactions will occur on a net settlement basis and as described in the Terms and Conditions.
- 2.2 Customer will pay the fees for the Debit Services as set forth in the Pricing Terms Schedule. If you did not select the Debit Services on your initial Application, your Pricing Terms Schedule maybe amended to add any applicable Debit Services fees.

Electronic Benefits Transfer Services Schedule

Electronic Benefits Transfer Services are a Non-Bank Service. This Schedule adds the EBT Services to your Agreement with us for Wells Fargo Merchant Services. The terms of the Agreement and this Schedule apply to these EBT Services. If anything in this Schedule conflicts with the Agreement, this Schedule will control. These EBT Services are a Service under the Agreement and is provided by Processor and not by Bank. Bank is not a party to this Schedule and is not liable to Customer in connection with the Services or this Schedule.

Capitalized words or phrases not defined in this Schedule use the definitions given to them in the Agreement.

The parties agree to the following:

1. Description of EBT Services

- 1.1 Processor will provide Customer with electronic interfaces with EBT networks for the processing, settlement, and switching of EBT transactions initiated through state-issued EBT Cards at Customer's POS Terminal.
- 1.2 Customer will use the EBT Services when providing (a) the United States Department of Agriculture, Food and Nutrition Service (**FNS**) Supplemental Assistance Program Benefits (**Food Stamp Benefits**) operated under the authority of the Food Stamp Act of 1964; (b) Women, Infants and Child Benefits (**WIC Benefits**); and (c) other government-delivered Cash Benefits to EBT benefit recipients (together, the **EBT Programs**).
- 1.3 Your use of the EBT Services confirms your receipt of, and agreement to be bound by, the terms and conditions of this EBT Services Schedule.

2. EBT Rules and Compliance

- 2.1 All procedures Processor periodically establishes and provides regarding acceptance of EBT Cards and the provision of the EBT Programs to its recipients.
- 2.2 The Quest Rules issued by the National Automated Clearing House Association, as approved by the Financial Management Service of the U.S. Treasury Department (including any Rules that amend or replace the Quest Rules).
- 2.3 All other laws, Rules, regulations, and procedures applicable to the acceptance of EBT Cards and the provision of the EBT Programs. This includes laws pertaining to:
 - (a) delivery of the EBT Programs to EBT benefit recipients;
 - (b) EBT benefit recipient confidentiality;
 - (c) the federal Civil Rights Act of 1964;
 - (d) Rehabilitation Act of 1973;
 - (e) Americans with Disabilities Act of 1990;
 - (f) Clean Air Act;
 - (g) Clean Water Act, Energy Policy, and Conservation Act;
 - (h) Immigration Reform and Control Act of 1986;
 - (i) regulations issued by the Department of Agriculture pertaining to Food Stamp Programs; and
 - (j) any additional procedures specified by each state regarding lost EBT Cards, forgotten PINs, discrepancies in authorized benefits, or providing information to EBT recipients about the EBT Programs (for example, telephone numbers and addresses of the state or other appropriate agencies that issue and manage the EBT Programs).

- 2.4 Customer authorize Processor to initiate and receive settlement for EBT Card transactions on Customer's behalf in accordance with the EBT Rules.
- 2.5 Customer will comply with EBT Rules in accepting EBT Cards and providing the EBT Programs to EBT benefit recipients. This includes providing the EBT Programs during normal business hours, in a manner consistent with normal business practices and using equipment to provide those Services (including POS terminals, PIN pads, and printers) that meet EBT standards (Authorized Terminal).
- 2.6 Customer will provide the EBT Programs to EBT benefit recipients only in the amount authorized through Customer's Authorized Terminal. An EBT benefit recipient must present an EBT Card and enter a valid PIN. You will provide a receipt from the Authorized Terminal for each EBT transaction Customer submit.
- 2.7 If the Authorized Terminal does not print or confirm the requested EBT Programs transaction to be approved and validated as legitimate, you will comply with the procedures in the EBT Rules for Authorization of the EBT Programs.
- 2.8 Customer is solely responsible for the provision of the EBT Programs that do not receive timely Authorizations from the applicable EBT Programs provider.
- 2.9 Customer will not resubmit any EBT Card transaction except as specifically permitted by the EBT Rules and procedures.
- 2.10 Customer will not accept any EBT Card for any purpose other than providing the EBT Programs.
- 2.11 If any transactions are submitted in violation of the EBT Rules and Customer or EBT benefit recipient unlawfully receive EBT Programs, Customer will be obligated to reimburse the particular state or us.
- 2.12 Customer will not dispense cash for Food Stamp Benefits.
- 2.13 By accepting EBT Cards to provide the EBT Programs to EBT benefit recipients, Customer agrees to accept EBT Cards for the EBT Programs from all states.

3. Acceptance of Cash Benefits

- 3.1 Customer agrees to issue Cash Benefits and provide cash back or cash only transactions.
- 3.2 Customer will maintain adequate cash on hand to issue confirmed Cash Benefits. Customer will issue Cash Benefits to EBT benefit recipients in the same manner and to the same extent cash for all customers.
- 3.3 Customer will not require EBT benefit recipients to buy goods or services as a condition to receiving Cash Benefits, unless this condition applies to non-EBT benefit recipients.
- 3.4 Customer will not designate special checkout lanes for EBT benefit recipients unless Customer also designates those same special checkout lanes for debit or Credit Cards and/or other payment methods.

4. Manual EBT Vouchers

- 4.1 Customer will manually accept EBT Cards when Customer's Authorized Terminal is not working or the EBT system is not available. Customer will not impose any additional cost to EBT benefit recipients for manually accepting EBT Cards. Customer will only submit manually accepted EBT Cards as specifically provided in the EBT Rules and in accordance with this Schedule.
- 4.2 Customer will request and receive a telephone and/or voice Authorization number for the full amount of the attempted purchase from the applicable EBT Programs provider while the EBT benefit recipient is physically present to sign the manual EBT voucher. Customer will not provide the EBT Programs to any EBT benefit recipient that does not remain physically present to sign the manual EBT voucher.
- 4.3 Customer will manually provide the EBT Programs only in the amount authorized by the applicable EBT Programs provider.

- 4.4 If, due to EBT host failure, EBT benefit availability for a particular EBT benefit recipient cannot be determined at the time Customer request a voice Authorization, the maximum authorized manual transaction and benefit will be \$40.00 or the state specific floor limit as stated in the most current version of the EBT Rules.
- 4.5 Customer will enter the following properly and legibly on the manual EBT voucher: (a) the name of the EBT benefit recipient; (b) the name of the sales clerk; and (c) all purchase information, including the Authorization number.
- 4.6 Customer will obtain the signature of the EBT benefit recipient on the manual EBT voucher.
- 4.7 Customer will provide a copy of the manual EBT voucher to the EBT benefit recipient at the time of the sale and will keep one copy for Customer's records.
- 4.8 Customer will clear all manual EBT voucher sales on your Authorized Terminal within 10 Business Days after the date of the applicable voice Authorization. If Customer fails to do so, the manual EBT voucher will expire and you will not be reimbursed for that voucher.
- 4.9 Customer will not receive payment of any manual EBT voucher until Customer clears that manual EBT voucher through Customer's Authorized Terminal.
- 4.10 Customer will not mail manual EBT vouchers and will only clear manual EBT vouchers through your Authorized Terminal.
- 4.11 Customer will not "re-submit" any manual EBT voucher for the same transaction that Customer has not received an Authorization number for.
- 4.12 Customer will not be reimbursed (unless as otherwise provided in the EBT Rules) and will be solely responsible for all manual EBT vouchers that Customer does not obtain Authorization number for from the applicable EBT Programs provider, or otherwise fails to process in accordance with this Schedule.

5. Required Licenses and Warranties

- 5.1 Customer will secure and maintain at your own expense all necessary licenses, permits, franchises, or other authorities required to lawfully effect the issuance and distribution of EBT Cards, and otherwise operate the EBT Programs, including any franchise tax certificate and non-governmental contractor's certificate.
- 5.2 Customer will not accept EBT Cards or provide the EBT Programs at any time during which Customer does not comply with the requirements of any EBT Rules.
- 5.3 Customer warrants and represent to Processor that you are an FNS authorized merchant and not currently disqualified or withdrawn from redeeming the EBT Programs coupons or vouchers, and that Customer has not at any time been previously disqualified or withdrawn by FNS.

6. Termination

- 6.1 In addition to our rights under the Agreement, we may terminate or suspend this schedule:
 - (a) if Customer is disqualified or withdrawn from the Food Stamps Program, Customer's authority to issue the EBT Programs, including Cash Benefits, is also terminated. Disqualification or withdrawal is a breach of this Schedule and the Agreement generally, and Processor may immediately terminate this Schedule and the Agreement.
 - (b) with respect to the issuance of Cash Benefits only, Customer's authority to issue Cash Benefits may be suspended or terminated immediately at the sole discretion of Processor, the state, and/or the particular state's EBT Programs provider. This will be effective upon delivery to Customer of a Notice of suspension or termination that states the reasons. The Notice will state whether the suspension or termination is due to:
 - 1) Processor's authority to provide the EBT Programs to that state is suspended or terminated;

- 2) Processor's investigation of Customer, its agents or employees committing, participating in, or having knowledge of fraud or theft in connection with the dispensing of the EBT Programs; and
 - 3) Customer's failure to cure, after not less than 30 days' prior written notice, a breach of this Schedule.
- 6.2 If Customer fails to cure any breach stated in the Notice, Customer may appeal the suspension of termination to the applicable state for determination in its sole discretion.
- 6.3 If a state or its EBT Program provider suspends or terminates Customer's authority to accept any the EBT Programs and Customer successfully appeal the suspension or termination, Customer agrees Processor is not obligated to reinstate EBT Processing Services.
- 6.4 The provision of the EBT Processing Services under this Schedule will terminate if Processor contract with any applicable state's EBT Program provider terminates.
- 6.5 Customer will give Processor prompt notice if Customer choose to stop accepting EBT Cards and providing the EBT Programs, or if Customer is unable to comply with terms of this Schedule.

7. Confidentiality of EBT System Information

- 7.1 All information related to EBT benefit recipients, applicants for the EBT Programs and/or the issuance of the EBT Programs is confidential information.
- 7.2 Regarding confidential information, Customer will:
- (a) implement appropriate measures designed to:
 - ensure the security and confidentiality of all non-public individually identifiable information or materials regarding customers (NPII);
 - protect against any anticipated threats or hazards to the security or integrity of NPII;
 - protect against unauthorized access to or use of NPII that could result in substantial harm or inconvenience to any EBT benefit recipient or applicant; and
 - ensure the proper disposal of NPII; and
 - (b) take appropriate actions to address incidents of unauthorized access to NPII, including notifying Processor within 24 hours of learning of the unauthorized access to NPII.
- 7.3 Customer agrees neither Customer nor its agents will disclose confidential information without prior written approval of the applicable state.
- 7.4 The use of confidential information obtained by Customer under this Schedule, including about the performance of Customer's duties under this Schedule, will be limited to purposes directly connected with those duties.

8. EBT Services Marks

- 8.1 Customer will adequately display any applicable state's service Marks or other licensed Marks, including the Quest Marks, and other materials Processor supplies (together **Protected Marks**) in accordance with the standards set by each applicable state.
- 8.2 Customer will not use the Protected Marks of any the EBT Programs provider without prior written approval of that EBT Programs provider.
- 8.3 Customer will use the Protected Marks only to indicate Customer's location(s) that provide the EBT Programs and will not indicate that Processor, any state, or its the EBT Programs provider, endorse Customer's goods or services.

- 8.4 Customer's right to use and display such Protected Marks continues only so long as this Schedule remains in effect or until you are notified by us, any state, or that state's EBT Programs provider that Customer is to cease use or display of the Protected Mark(s).

9. EBT Fees

Customer will pay the fees for the Electronic Benefits Transfer Services as set forth in the Pricing Terms Schedule. If you did not select the EBT Services on your initial Application, your Pricing Terms Schedule maybe amended to add any applicable EBT Services fees.

10. Issuance Records

- 10.1 Customer will make available the informational materials as may be required by the state, a state's EBT Programs provider, or any applicable EBT Rules pertaining to the issuance of the EBT Programs.
- 10.2 Customer will retain all EBT-related records (including manual EBT vouchers) in the manner required by the EBT Rules or otherwise reasonably requested by Processor for three years following the date of the applicable EBT transaction, or for such additional period as may be required by the EBT Rules.
- 10.3 Customer will retain all EBT-related records involving matters in litigation for a period of not less than three years following the termination of the applicable litigation.
- 10.4 Customer will make all EBT-related records available for audit upon request to representatives of the state or its EBT Program provider, or other authorized state or federal government agency, during normal business hours.
- 10.5 Copies of any documents in Media other than paper (e.g. microfilm, etc.) related to this Schedule may be substituted for the originals to the extent permitted under applicable EBT Rules, and provided legible paper copies can be reproduced within a reasonable time after such records are requested.
- 10.6 To assure compliance with this Schedule and the Agreement, each state, its EBT Program provider, or other authorized state or federal government agency, will at all times, upon advance notice (except in the case of suspected fraud or other similar activity), have the right to enter Customer's premises during normal business hours to (a) inspect or evaluate any work performed under this Schedule or the Agreement; or (b) obtain information required to be provided by Customer or otherwise related to this Schedule or the Agreement.

11. Miscellaneous

- 11.1 Customer will (a) promptly notify Processor of any errors or disputes; and (b) fully cooperate with Processor and any other participants in the EBT system in the resolution of errors and disputes regarding EBT transactions processed.
- 11.2 Customer will train and permit Customer's employees to receive training regarding the issuance of the EBT Programs.
- 11.3 If any of these terms and conditions conflict with the EBT Rules or federal or state policy, these terms and conditions are subject to reasonable amendment by Processor, a state, or its EBT Program provider to address the conflict upon 20 days' written notice to Customer.
- 11.4 Nothing contained in this Schedule will preclude a state from commencing appropriate administrative or legal action against Customer or for making any referral for such action to any appropriate federal, state, or local agency.
- 11.5 Any references to "state" in this Schedule means the state in which Customer accepts the EBT Programs. If Customer accepts the EBT Programs in more than one state, then the reference to state will mean each such state severally, not jointly.

Equipment Purchase and Rental Services Schedule

Equipment Purchase and Rental Services are a Non-Bank Service. The terms of the Agreement and this Schedule apply to the Equipment Purchase and Rental Services. If anything in this Schedule conflicts with the Agreement, this Schedule will control. The Equipment Purchase and Rental Services are a Service under the Agreement and are provided by Processor and not by Bank. Sales and rentals of Equipment are made by Processor and not by Bank. Bank is not a party to this Schedule and is not liable to Customer (you) in connection with the Services or this Schedule.

Capitalized words or phrases not defined in this Schedule use the definitions given to them in the Agreement.

The parties agree to the following:

1. Terms of Equipment Purchase or Rental

This Schedule governs any Equipment that is sold to you or that is rented to you on a month-to-month basis by Processor under your Agreement, subsequent purchase or rental agreements, and/or other documentation provided in connection with the purchase or rental of Equipment (Equipment Documents). The Equipment is being sold or rented to you for use in your business and is not being sold or rented to you for household or personal use.

2. Equipment

- 2.1 Equipment means Equipment purchased or rented by you under the Equipment Documents and as referred to in the Terms and Conditions.
- 2.2 You may purchase or rent Equipment on a repeat basis by contacting Customer Service. Processor does not accept any Customer-prepared purchase orders or forms.
- 2.3 Processor will ship Equipment to the location you designate. You are responsible for ensuring the accuracy and completeness of all information, data, and instructions that you provide to Processor in connection with Equipment. Processor will rely on this information when shipping the Equipment, unless Processor reasonably doubts an instruction's contents or its compliance with the Agreement or any laws. By accepting Equipment at the location you designate, you agree to pay the monthly rental charge specified in the Equipment Documents and as provided in this Schedule.
- 2.4 Title to purchased Equipment (and risk of its loss) will transfer to you when Processor delivers the purchased Equipment to the carrier that is responsible for shipping it to you.
- 2.5 Your use of or receipt of Equipment confirms your agreement to be bound by, the terms and conditions of this Equipment Purchase and Rental Services Schedule.

3. Purchased Equipment; Rental Equipment; and Supplies

- 3.1 **Purchased Equipment.** Processor agrees to sell to you, and you agree to accept and buy from Processor the Equipment identified in the Equipment Documents throughout the term of this Schedule as being purchased by you (Purchased Equipment), free and clear of all liens and encumbrances (subject to Section 6). Software (as defined in Section 10) will not be sold to you outright, but will be provided to you pursuant to, and subject to the conditions of Section 10 of this Schedule. Maintenance and repair of Purchased Equipment is your responsibility. If your Equipment becomes inoperable, Processor may provide you with replacement Equipment and applicable replacement fees may apply.
- 3.2 **Rental Equipment.** Processor agrees to rent to you and you agree to accept and rent from Processor the Equipment identified in the Equipment Documents as being rented to you (Rental Equipment), according to the terms and conditions of this Schedule. In addition, any Equipment ordered by and rented to you during the term of this Agreement shall constitute Rental Equipment and be governed by the terms of this Schedule.
- 3.3 **Supplies.** You may order supplies from Processor and pay the purchase price for ordered supplies, plus shipping and handling charges, including all applicable tax. Separate charges will apply for supply orders.

4. Fees; Payment of Amounts Due

- 4.1 You will pay Processor the fees for Equipment and Supplies as set forth in the Agreement. If you did not purchase or rent Equipment on your initial Application, your Agreement may be amended to add any applicable Equipment Purchase and Rental Services fees and terms.
- 4.2 You will pay, or reimburse Processor for, all applicable taxes (such as sales, use, excise, franchise, or other taxes or tariffs) imposed on Processor for the Equipment. You are not responsible for paying any of Processor's income or employment taxes related to the Equipment.
- 4.3 You hereby authorize Processor to collect all amounts due from you under this Schedule by initiating Debit entries for such amounts to the Settlement Account you designated in your Agreement.
- 4.4 You will also pay, or reimburse Processor for amounts equal to any taxes, levies, shipping fees, duties or assessments, however designated, levied or based on such charges, or on this Schedule or the Equipment and related supplies or any services, use or activities, including state and local sales, use, property, privilege and excise taxes, exclusive of taxes based on our net income.

5. Default; Remedies

An Event of Default occurs when any of the following applies:

- (a) If any debit of your Settlement Account initiated by Processor for rent or other charges due are rejected when due;
- (b) you otherwise fail to pay Processor any amounts due when due;
- (c) if you default in any material respect in the performance or observance of any obligation or provision in this Schedule;
- (d) or if any other default occurs under this Agreement.

Upon the occurrence of any Event of Default, Processor may effective immediately and without notice, either:

- (a) terminate the period of rental and our future obligations under this Schedule, repossess the Equipment and proceed in any lawful manner against you for collection of all charges that have accrued and are due and payable, in which case this Schedule shall terminate as soon as your obligations to Processor are satisfied; or
- (b) accelerate and declare immediately due and payable all monthly rental charges for the remainder of the applicable rental period and proceed in any lawful manner to obtain satisfaction of the same.

6. Security Interest; Financing Statements

You grant to Processor a security interest in (a) all Purchased Equipment and the related Software to secure payment of the purchase price; and (b) all Rental Equipment and the related Software to secure payment of the monthly payments therefore and authorize Processor to file financing statements with respect to the Equipment and the Software in accordance with the Uniform Commercial Code, signed only by Processor or signed by Processor as your attorney-in-fact.

7. Equipment Warranty

- 7.1 Processor provides a one-year warranty beginning on the date that Processor or its designee ships you the purchased Equipment, or title for the Equipment to you.
- 7.2 The warranty does not:
 - (a) apply to any Software, peripherals, materials, supplies, or accessories used in connection with the Equipment;

- (b) cover damage to accidents or misuse of the Equipment, including: damage resulting from smashed or cracked units or screens; extraneous materials in the interior of the unit (such as soil or dust); contact with liquids; missing unit covers; fire damage; melted or burnt units; cosmetic damage (such as scratches, dents, or broken plastic on ports); improper or inadequate maintenance by you (or your vendors or users); other visible damage; or your breach of the Agreement; or
 - (c) apply to defects or damage resulting from Software, interfaces, or supplies that Processor does not provide; negligence, accident, or acts of nature (including, flood or lightning damage); loss or damage in transit; improper site preparation by you (or your vendors or users); failure to follow written instructions on proper use of the Equipment; unauthorized modification or repair of the Equipment; or normal wear and tear.
- 7.3 **Except as specifically stated in this Schedule, Processor rejects all warranties (express or implied) related to the Equipment, respectively; including warranties of merchantability, fitness for a particular purpose, non-infringement, accuracy, and uninterrupted or error-free operation.**
- 7.4 If a replacement is required, refer to Section 9.
- 7.5 You may not transfer Processor's warranty to any third parties.
- 7.6 Processor do not have any obligation to make Software and/or Equipment compatible for use with any other processing systems. In the event that you terminate this Agreement and begin processing with another provider, you acknowledge that the Equipment and/or Software you purchased or rent from us or subsequently purchase or rent from us, may not be compatible with any other processor's systems.

8. Site Preparation; Installation and Maintenance

You will prepare the installation site(s) for the Equipment, the power supply circuits and phone lines, in conformance with the manufacturer's and Processor's specifications and will make the site(s) available to Processor by the confirmed shipping date. You will support the installation in accordance with Processor's requirements.

- (a) Upon request, you must allow Processor (or our agents) reasonable access to the premises where authorization terminals or other communications equipment (e.g., printers) are or will be located.
- (b) Any alterations required for installation of authorization terminal(s) or other communications equipment will be done at your expense.
- (c) Only Processor or our agents can alter or modify authorization terminal(s) or other communications Equipment owned by Processor.
- (d) If a terminal or printer appears to be defective, you must immediately call the POS Help Desk.
- (e) You are responsible for safeguarding authorization terminals or other Equipment from loss, damage, unauthorized use, misuse or theft. Processor should be notified immediately regarding any damage to or loss of communications equipment.
- (f) If necessary, Processor will assist you in obtaining replacement Equipment. If you fail to return any defective Equipment, you may be responsible for its replacement value and for any legal and/or collection costs incurred by the Equipment owner in connection with recovering Equipment.
- (g) You are responsible for keeping all communication Equipment free of any claims, liens and legal processes initiated by creditors.
- (h) The cost of comparable new Equipment, as well as any associated legal and/or collection costs incurred by Processor or the owner of the Equipment, will be assessed to you for each piece of Equipment not returned upon termination of the Agreement by either party, or upon request for the return of the Equipment for any reason.

- (i) You may not relocate, remove, disconnect, modify or in any way alter any Equipment used in connection with the services Processor is providing to you without first obtaining Processor's permission.
- (j) You must provide Processor with 30 days prior written notice to request the relocation of any Equipment.
- (k) Should you require additional Equipment, you must contact your Account Manager or Customer Service (there may be additional costs or fees charged to you in connection with any new Equipment ordered, including download fees).

9. Use and Return of Equipment; Equipment Insurance

- (a) It is your responsibility to ensure that Equipment is operated by competent and qualified personnel in accordance with any operating instructions furnished by us or the manufacturer and in connection with the Services. You will not use the Equipment, or permit the Equipment to be used, in any manner or for any purpose for which the Equipment is not designed or reasonably suited.
- (b) You will not permit any physical alteration or modification of the Equipment without Processor's prior written consent.
- (c) You will not change the installation site of the Equipment without Processor's prior written consent.
- (d) You will not assign your rights or obligations under this Schedule, or pledge, lend, create a security interest in, directly or indirectly create, incur, assume or allow to exist any other consensually or judicially imposed liens or encumbrances on, or part with possession of, or sublease the Rental Equipment to any other person, firm or organization without Processor's prior written consent. Any such assignment, delegation, sublease, pledge, security interest or lien in the absence of such consent shall be void.
- (e) You will comply with all governmental laws, rules and regulations relating to the use of the Equipment. You are also responsible for obtaining all legally required permits for the Equipment.
- (f) Processor or our representatives may, at any time, enter your premises for purposes of inspecting, examining or repairing the Equipment.
- (g) You will promptly deliver Rental Equipment, any attachments and parts at your cost upon termination of applicable rental period(s) or following any action by Processor as a result of default pursuant to Section 6. Rental Equipment must be returned in the same operating order, repair, condition and appearance that it had upon delivery to you, reasonable wear and tear excepted.
- (h) You agree to pay Processor the fair market value, as determined by the Processor, for any Rental Equipment that you fail to return by the 10th Business Day to Processor after (i) termination of the applicable rental period, or (ii) any action by Processor pursuant to Section 6. Processor may collect such amounts in the manner provided in Section 4 and to the extent we are unable to do so, you agree to pay us the amounts owed promptly.
- (i) Except for Purchased Equipment that has been paid for in full, the Equipment will remain Processor's personal property and will not under any circumstances be considered to be a fixture affixed to your real estate. You will permit Processor to affix suitable labels or stencils to the Equipment indicating Processor's ownership.
- (j) You will keep the Rental Equipment adequately insured against loss by fire, theft and all other hazards (comprehensive coverage). The loss, destruction, theft of or damage to the Rental Equipment shall not relieve you from your obligation to pay the full purchase price or rent payable.
- (k) Except for Purchased Equipment that has been paid in full, the Equipment will be kept at the address indicated in the Equipment Documents and will not be removed from there without Processor's prior written consent (except where normal use of the Equipment requires temporary removal).
- (l) In order to return equipment, you should:

- Call Customer Service for the address of the location to send the equipment.
- The following information must be included within the shipping box:
 1. Your name, complete address and phone number.
 2. Name of person to contact if there are any questions.
 3. Your Merchant Account Number.
 4. Serial number of the terminal (found on the underside of the terminal).
- Please maintain proof of delivery documents for your records, and the serial number from the bottom of the terminal.
- Rental fees may be continued until equipment is returned.

Payment acquisition and processing equipment and Software sourced from Servicers or from a third party, is subject to obsolescence due to factors such as inability to accommodate required security and functional updates or due to model discontinuation by the manufacturer and unavailability of spare parts. You acknowledge and understand that obsolete point of sale equipment will need to be replaced by non-obsolete and compliant point of sale equipment in the event of equipment failure, or as requested by Servicers to bring you into compliance with Card Organization rules. You will be responsible for any costs associated with upgrading to non-obsolete and compliant equipment.

10. Software License

Processor or certain parties retain all ownership and copyright interest in and to all software, computer programs, related documentation, technology, know-how and processes embodied in or provided in connection with the Equipment (collectively Software). You will have only a nonexclusive, non-transferable, revocable license to use the Software in your operation of the Equipment for purposes set forth in the Agreement. Nothing in this Schedule confers any title or ownership of any Software to you or will be construed as a sale of any rights in Software to you. You agree to accept and be bound by all applicable terms and conditions of use and other license terms applicable to the Software. You will not reverse engineer, disassemble or decompile the Software. You will not give any third party access to the Software without our prior written consent. Your obligations under this Section will survive the termination of this Equipment Agreement.

Global ePricing Services Schedule

The terms of the Agreement and this Schedule apply to the Global ePricing Services. If anything in this Schedule conflicts with the Agreement, this Schedule will control.

The parties agree to the following:

1. Definitions

Capitalized terms used in this Schedule will have the meanings given to such terms as set forth in this Section or as defined the Schedule or elsewhere in the Agreement.

- (a) Foreign Currency means a currency other than the Local Currency.
- (b) FX Exchange means, in connection with GeP Sales Transactions, the conversion of a Foreign Currency to the Local Currency.
- (c) GeP Intellectual Property Rights means any and all (a) patents and any divisions, reissues, reexaminations, substitutes, continuations, continuations-in-part, or extensions of patents, filed or pending applications for patents; (b) or for any divisions, reissues, reexaminations, substitutes, continuations, continuations-in-part, or extensions of patents; (c) trademarks, service marks, logos, trade dress, trade names, corporate names, Internet domain names and addresses and general use e-mail addresses; (d) copyrights, whether registered or unregistered; and (e) any other rights in the nature of intellectual property (whether registered or unregistered) and all applications for the same, anywhere in the world, including trade secrets, know-how, confidential or proprietary information, database rights, rights against unfair competition and goodwill.
- (d) GeP Licensed Technology means any materials provided by us, or a third party as directed by Processor in connection with the GeP Services, including but not limited to training materials, online training, online guides, or user guides regarding the GeP Services and those several rights, assets and body of information and the GeP Intellectual Property Rights subsisting therein. For the avoidance of doubt, GeP Licensed Technology shall include know-how and software made available by us to Licensee and shall be considered specifications to which the dedicated software shall be conformed.
- (e) GeP Sales Transaction means a card not present transaction between you and a Cardholder in which you present the Transaction Price in a card not present environment and the Cardholder authorizes (i) the Transaction Price to be submitted to a Card Association for settlement, and (ii) that the Cardholder's account will be charged for the Transaction Price.
- (f) GeP Services means any merchant pricing of goods and services in a Foreign Currency and the activity undertaken by Processor and/or a GeP Service Provider to authorize, process, and settle transactions initiated by Cardholders using a card type approved by Processor for use with GeP Sales Transactions in a card not present environment established and maintained by a merchant domiciled in the United States or United States territories, or other countries permitted by Processor.
- (g) Licensee for the purposes of this Schedule shall mean you or your employees or agents, making use of the GeP Licensed Technology or GeP Intellectual Property Rights in order to utilize the GeP Services.
- (h) Local Currency means the currency associated with your domicile utilizing the GeP Service and approved by Processor. For merchants domiciled in the US, the Local Currency is US Dollars.
- (i) Transaction Price means the price for a product or service you sold in a card not present environment as you quoted to a Cardholder in a Foreign Currency.
- (j) Settlement Rate means the then-current Foreign Currency exchange rate and any applicable markup used from time to time to convert the net funding amount into the Local Currency.

2. Services

- 2.1 Processor agrees to provide GeP Services to you with respect to GeP transactions on the terms and conditions set forth in this Schedule. The type of GeP Sales Transactions and list of supported Foreign Currencies provided upon request and may be modified from time to time by Processor in its sole discretion. Card types approved by Processor for GeP Sales Transactions are Visa, Mastercard and (as applicable), American Express, provided that Processor in its sole discretion may modify the card types approved for GeP Sales Transactions from time to time.
- 2.2 For the purposes of this Schedule, Wells Fargo Bank, N.A. is the GeP Sponsor Bank. You expressly acknowledge and agree that: (a) for the purposes of processing your GeP Sales Transactions, Processor, in its sole discretion and without notice to you, may delegate sponsorship rights and obligations under the Agreement with respect to GeP Sales Transactions to one or more sponsor banks other than GeP Sponsor Bank, (b) Processor may use the services of other third parties to provide GeP Services (each, a GeP Service Provider); (c) Processor may change GeP Sponsor Banks from time to time in their sole discretion; and (d) some or all of the GeP Services may be modified from time to time by Processor in its sole discretion.
- 2.3 You acknowledge that you are solely responsible for all aspects of a GeP Sales Transaction (other than the performance of GeP Services hereunder), including without limitation, obtaining the Cardholder's agreement to a GeP Sales Transaction, and complying with all Card Association Rules applicable to you and all merchants with respect to GeP Sales Transactions.
- 2.4 You acknowledge that Dynamic Currency Conversion as defined by Card Association Rules is not permitted nor provided under GeP Services.
- 2.5 Settlement between Processor and you of GeP Sales Transactions shall be made in the Local Currency on the basis of the Settlement Rate and the Transaction Price of the GeP Sales Transaction under the process defined by the Card Association. You are subject to any and all FX Exchange rate exposure in connection with all GeP Sales Transactions in the GeP Services.**
- 2.6 Refunds, credits, returns and Chargebacks are treated as independent GeP Sales Transactions and the Settlement Rate used for refund, credit, return and Chargeback transactions are determined using the prevailing Settlement Rate at the time the GeP Sales Transaction is processed. GeP Sales Transaction exposure in connection with refunds, credits, returns or Chargebacks are borne by you.

3. Intellectual Property

We reserve all right, title, interest, or license (express or implied) to the GeP or associated intellectual property that it provides to you in connection with the GeP Services. Except as allowed under this Schedule, you will not otherwise use, reverse engineer, decompile, distribute, lease, sublicense, sell, modify, copy or create derivative works from the GeP Services or associated intellectual property.

4. Disclaimer of Warranty

We, our Affiliates and any third party related to the Services, disclaim all representations or warranties, express or implied, made to you or any other person or Entity. This disclaimer expressly disclaims any warranties regarding quality, suitability, merchantability, fitness for a particular purpose, non-infringement or otherwise of any services or any goods provided incidental to the Services provided under the Agreement, including those provided by a third party. There are no warranties that the Services will be completely accurate, error-free or will be available without interruption.

TransArmor Services Schedule

TransArmor Services are a Non-Bank Service. This Schedule adds the TransArmor Services to your Agreement with us for Wells Fargo Merchant Services. The terms of the Agreement and this Schedule apply to these TransArmor Services. If anything in this Schedule conflicts with the Agreement, this Schedule will control. These TransArmor Services are a Service under the Agreement and is provided by Processor and not by Bank. Bank is not a party to this Schedule and is not liable to Customer in connection with the Services or this Schedule.

Capitalized words or phrases not defined in this Schedule use the definitions given to them in the Agreement.

The parties agree to the following:

1. Services

1.1 Processor will provide the Customer with an encryption key or other encryption capability that will encrypt (make unreadable) Card data when submitting an Authorization request from the Customer's POS Terminals to Processor's systems. During the period when the transaction is being transmitted to Processor for Authorization processing, Card number and full Magnetic Stripe data (track data and expiration date), will be encrypted. Processor will then generate a Token or retrieve a Multi-Pay Token assigned to the Card number and return the Token or Multi-Pay Token to the Customer in the Authorization response. These encryption and tokenization Services are the TransArmor Services. A Token is an alpha-numeric value that:

- (a) is randomly generated when a Card number is initially submitted by the Customer for Authorization processing;
- (b) becomes associated with the Card within Processor's systems; and
- (c) may not be retrieved by Processor within its systems in connection with processing future transactions involving the same Card number when submitted by the Customer for Authorization processing.

A Multi-Pay Token is a specific alpha-numeric value that is: (a) randomly generated when a Card number is requested to be registered by the Customer as the Customer's specific Token upon receipt of Cardholder approval to register the Card number; (b) becomes associated with the Customer and the Card within Processor's systems; (c) can be stored by the Customer in the Customer's systems in lieu of the Card number; (d) can be used to initiate a transaction submitted by the Customer that registered the Token for Authorization processing for Cardholder initiated or recurring payments; (e) may be retrieved by the Customer within its systems in connection with processing future transactions involving the same Card number or Registered Token when submitted by the Customer for Authorization processing; and (f) is returned to the Customer from Processor's systems as part of the Register PAN response and/or Authorization response. As an option to assist Customer with PCI scope reduction, Customer may elect to subscribe to First Data Merchant Service, LLC's PCI Council validated TransArmor Point to Point Encryption (P2PE) listed solution that provides encryption of Card data.

1.2 The TransArmor Service applies only to Card transactions sent from the Customer to Processor for Authorization and interchange settlement pursuant to this Schedule, and specifically excludes electronic check transactions, STAR contactless transactions read in contactless mode, and other Card types that are not capable of being Tokenized. Processor and the Customer may agree to include additional transaction types in the TransArmor Service when made available by Processor. If the Customer enters Card data into a point of sale device that does not support the TransArmor Service, this Card data will not be encrypted during the period when the transaction is being transmitted to Processor for Authorization processing and the Customer assumes all risk associated with its transmission if Card data is stolen during transmittal to Processor's systems.

1.3 Your use of the TransArmor Service confirms your receipt of, and agreement to be bound by, the terms and conditions of this TransArmor Service Schedule.

2. PCI DSS Limitations

- 2.1 Use of the TransArmor Service will not, on its own, cause the Customer to be compliant with, or eliminate the Customer's obligation to comply with PCI DSS or any other Network Rules. The Customer must demonstrate and maintain a current PCI DSS compliance certification. The Customer's compliance must be validated either by a Qualified Security Assessor (QSA) with corresponding Report on Compliance (ROC) or by successful completion of the applicable PCI DSS Self-Assessment Questionnaire (SAQ) or Report on Compliance (ROC); and, if applicable to Customer's business, passing quarterly network scans performed by an Approved Scan Vendor. Customer must successfully meet the above requirements to obtain PCI DSS compliance validation; provided, however, Customer is not required to perform quarterly network scans, if Customer uses a validated P2PE solution (e.g., TransArmor P2PE) in accordance with the P2PE Instruction Manual accompanying the validated P2PE solution.
- 2.2 Use of the TransArmor Service is not a guarantee against an unauthorized breach of Customer's point of sale systems or any facility where the Customer processes or stores transaction data (together, Customer Systems).

3. Intellectual Property

Processor reserves all right, title, interest, or license (express or implied) to the TransArmor Services, Token, Multi-Pay Token, or associated intellectual property that it provides to the Customer in connection with the TransArmor Services. Except as allowed under this Agreement, the Customer will not otherwise use, reverse engineer, decompile, distribute, lease, sublicense, sell, modify, copy or create derivative works from the TransArmor Services, Token, Multi-Pay Token, TransArmor P2PE solution or associated intellectual property.

4. TransArmor Limited Warranty

Subject to the terms of this Schedule, Processor warrants that the Token or Multi-Pay Token, as applicable, returned to the Customer as a result of using the TransArmor Service cannot be used to initiate a financial sale transaction by an unauthorized Entity or person outside the Customer Systems. This warranty is the TransArmor Limited Warranty. To be eligible for the TransArmor Limited Warranty, the Customer must maintain a processing relationship with Processor and be in compliance with all the terms of the Agreement, this Schedule, and any other agreements relating to Cards that are eligible for the TransArmor Service that impact the security of Tokens or Multi-Pay Tokens. Subject to the Agreement's terms, including its limitations of liability, Processor will indemnify the Customer for direct damages, including third party Claims, resulting from Processor's breach of the TransArmor Limited Warranty; which is (a) the Customer's express and sole remedy for Processor's breach of the TransArmor Limited Warranty, and (b) Processor's entire liability for its breach of the TransArmor Limited Warranty. The TransArmor Limited Warranty is void if (a) the Customer uses the TransArmor Service in a manner not contemplated by, or in violation of, the Agreement, this Schedule, or any other agreement relating to Cards that are eligible for the TransArmor Service; or (b) the Customer is grossly negligent or engages in intentional misconduct.

5. Fees

Customer will pay the fees for the TransArmor Services as set forth in the Pricing Terms Schedule or TransArmor Pricing Addendum. If you did not select the TransArmor Service or you select a different version of the TransArmor Service than was selected on your initial Application, your Pricing Terms Schedule maybe amended to add any applicable TransArmor Service fees.

6. TransArmor Rules and Procedures

- 6.1 The Customer must ensure that all third parties and software used by the Customer in connection with the Customer's payment Card processing are compliant with PCI DSS.
- 6.2 The Customer must deploy the TransArmor Service (including implementing any upgrades to such service within a commercially reasonable period of time after receipt of such upgrades) throughout the Customer's Systems including replacing existing Card numbers on the Customer's Systems with Tokens or Multi-Pay Tokens, as applicable. Full Card numbers must never be retained, whether in electronic form or hard copy.

- 6.3 The Customer must use the Token or Multi-Pay Token, as applicable, in lieu of the Card number for all activities subsequent to receipt of the Authorization response associated with the transaction, including settlement processing, retrieval processing, Chargeback and adjustment processing, and transaction reviews.
- 6.4 Any point of sale device, gateway, or value-added reseller used by the Customer in connection with the TransArmor Service must be certified by Processor for use with the TransArmor Service.
- 6.5 If the Customer sends Batch files containing completed Card transaction information to/from Processor, the Customer must utilize the service provided by Processor to enable such files to contain only Tokens or Multi-Pay Tokens, as applicable, or truncated information.
- 6.6 The Customer must utilize truncated report viewing and data extract creation within reporting tools provided by Processor.
- 6.7 The Customer will only use the TransArmor Service for the Customer's internal business purposes in a manner consistent with the Agreement and this Schedule.
- 6.8 The Customer will use only unaltered version(s) of the TransArmor Service and will not use, operate, or combine the TransArmor Service or any related software, materials or documentation, or any derivative works thereof, with other products, materials, or services in a manner inconsistent with the uses contemplated in this Schedule.
- 6.9 The Customer must obtain a Cardholder's written or electronic consent to store a Multi-Pay Token to represent the Cardholder's Card number for future purchases.
- 6.10 The Customer must store the Multi-Pay Token in the Customer Systems in lieu of the Card number for all Cardholder profile records.
- 6.11 The Customer must require Cardholders to log into their Cardholder profile in order to initiate a transaction with the Registered Token. This login must require use an industry-standard protocol.
- 6.12 If the Customer ends its processing relationship with Processor, the Customer must permanently delete all Tokens or Multi-Pay Tokens, as applicable, from all Customer Systems within 90 days after termination or expiration of the processing relationship.
- 6.13 Customer use of the TransArmor P2PE Solution must comply with: (a) Processor's requirements outlined in the P2PE implementation Manual; and (b) PCI Council requirements in Customer's use of the TransArmor P2PE service for Customer Systems to be P2PE validated, including but not limited to Customer's use of Processor' approved validated key injection facilities. Additionally, Customer is also responsible to keep track of all Customer Systems for the following states: (a) in secure storage awaiting deployment; (b) deployed/in service; (c) disabled/out for repair; (d) decommissioned and returned for secure destruction; and (e) in transit; and to regularly manage Customer Systems inventory at the minimum of once per year to maintain P2PE validation.

Wireless Services Schedule

Wireless Services are a Non-Bank Service. This Schedule adds Wireless Services to your Agreement with us for Wells Fargo Merchant Services. The terms of the Agreement and this Schedule apply to Wireless Services. If anything in this Schedule conflicts with the Agreement, this Schedule will control. Wireless Services is a Service under the Agreement and is provided by Processor and not by Bank. Bank is not a party to this Schedule and is not liable to Customer in connection with the Service or this Schedule.

Capitalized words or phrases not defined in this Schedule use the definitions given to them in the Agreement.

The parties agree to the following:

1. Description of Wireless Services

Wireless Services include intra-LATA two-way wireless transmissions of data using radio base stations and switching facilities between your Equipment terminals and our front-end platforms for the Authorization and Capture of Credit and Debit Card transactions. The parties acknowledge that a third party provider has developed and provides the Wireless Services to Processor through a separate agreement. Your use of the Wireless Services confirms your receipt of, and agreement to be bound by, the terms and conditions of this Wireless Services Schedule.

2. Purchase of Wireless Services

To use the Wireless Services Customer will need a certified POS Terminal, and agree to:

- (a) Obtain all licenses, permits or other authorizations required by the Federal Communications Commission or any other regulatory authority for the operation of the Equipment used for the Wireless Services. Customer will promptly provide Processor with all information we may reasonably request with respect to matters relating to the rules and regulations of the FCC.
- (b) Processor reserves the right to make changes in the configuration of the Wireless Services, rules of operation, accessibility periods, Customer identification procedures, type and location of equipment, allocation and quantity of resources utilized, programming languages, administrative and operations algorithms and designations of the control center serving you at the particular address. In addition, Processor reserves the right to schedule interruptions of service for maintenance activities.

3. Software Licenses

Processor grants Customer a non-exclusive, non-transferable limited sublicense to use any Software (defined below) solely in connection with Customer's use of the Wireless Services. In this Schedule, Software means all software used in, for or in connection with the Equipment, the Wireless Services or access to them in any form. This includes source code, object code and microcode, and any computer programs and documentation relating to or describing the software. The only right Customer obtains to the Software is the right to use the Software under the terms of this Schedule.

4. Wireless Services Fees

Customer will pay the fees for the Wireless Services as set forth in the Pricing Terms Schedule. If you did not select the Wireless Services on your initial Application, your Pricing Terms Schedule maybe amended to add any applicable Wireless Services fees.

5. Third Party Beneficiaries

Third party provider is a third party beneficiary of this Schedule and may enforce its provisions as if a party this Schedule.

COVER PAGE

ATTACHMENT A3 – WELLS FARGO OPERATING RULES

Operating Rules

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About the Operating Rules

Payment acceptance solutions are an essential part of your business. To help make accepting payments as convenient as possible for you, we created the Operating Rules. It's a quick reference to some of the processing guidelines you'll encounter on a day-to-day basis. You'll also find best practices to help you prevent fraud, reduce Chargebacks, and properly handle payments, refunds and exchanges.

The Operating Rules are organized into three parts to help you find the information you need. At the end of the guide, you'll also find information specific to processing WEX®, Voyager®, American Express®, and Discover® payments.

If you have questions about processing payments, please contact customer service at the number listed on your merchant services statement. Your customer service team is here to make things easier so let us know what we can do to help.

Card Organization customer service information can be found on each of the Card Organization's web sites:

American Express® americanexpress.com/us/merchant/merchant-regulations.html

Discover® <https://www.discoverglobalnetwork.com/en-us/faq>

Mastercard® mastercard.us/en-us/business/overview/support/rules.html

Visa® usa.visa.com/support/consumer/visa-rules.html

Member bank contact information: Wells Fargo Bank, N.A., PO Box 6079, Concord, CA 94524 or call 1-800-451-5817

Important member bank responsibilities:

- the only Entity approved to extend acceptance of Card Organization products directly to a merchant;
- must be a principal (signer) to the Agreement;
- responsible for educating merchants on pertinent Visa and Mastercard Rules with which merchants must comply, but this information may be provided to you by Processor;
- responsible for and must provide settlement funds to the merchant; and
- responsible for all funds held in reserve that are derived from settlement.

Important merchant responsibilities:

- ensure compliance with cardholder data security and storage requirements;
- maintain fraud and chargebacks below Card Organization thresholds;
- review and understand the terms of the Agreement; and
- comply with Card Organization Rules and applicable law and regulations.

Part 1

The first step of a transaction actually begins before a customer even decides to make a purchase. This part of the Operating Rules outlines steps you'll need to take to help ensure customers are informed of their payment options and understand the terms of sale. You'll also find tips and important reminders for validating Cards in order to help reduce the risk of fraud. Finally, specific procedures for accepting debit and EBT payments are outlined.

1. Use of Card Organizations' Brands

You must:

- prominently display relevant trademarks of the Card Organizations at each of your locations, in catalogs, on websites and on other promotional material; and
- only use the official trademarks of ours and of the Card Organizations in the official format.

You must not:

- indicate that we or any Card Organization endorses your goods or services;
- use the trademarks of any Card Organization after your right to accept the Cards of that Card Organization has ended or that Card Organization has notified you to stop using their trademarks;
- use the trademarks of ours or of the Card Organizations in any way that injures or diminishes the goodwill associated with the trademarks; and
- use our trademarks or the trademarks of the Card Organizations in any manner, including in any advertisements, displays, or press releases, without our prior written consent.

For special rules applying to the treatment of the American Express brand, please refer to Appendix 2.

2. Point of Sale (POS) Reminders

You must clearly and conspicuously:

- disclose all material terms of sale prior to obtaining an Authorization;
- at all points of interaction inform Cardholders which entity is making the sales offer, so that the Cardholders can clearly distinguish you from any other party involved in the interaction; and
- disclose any discount/incentive for customers to pay with cash, check, Credit Card or Debit Card and so on;
 - any such discount/incentive must be offered to all customers with no special treatment for any Card brand or card issuing bank.

If you accept orders via the internet, your website must include the following information in a prominent manner:

- a complete description of the goods or services offered;
- details of your (a) delivery policy; (b) consumer data privacy policy; (c) cancellation policy; and (d) returns policy;
- the transaction currency (US dollars, unless permission is otherwise received from Servicers);

- the customer service contact, including email address and telephone number;
- your address, including country;
- the transaction security used on your website;
- any applicable export or legal restrictions;
- your identity at all points of interaction with the Cardholder; and
- the date on which any free trial period ends.

If you limit refund/exchange terms or impose other specific conditions for Card sales, you must clearly print (in 1/4" letters) the words "No Exchange, No Refund," etc. on the Sales Draft near or above the Cardholder's signature, both on the Cardholder's copy and your copy.

During a liquidation or closure of any of your outlets, locations or businesses, you must post signs clearly visible to customers stating that "All Sales Are Final," and stamp the Sales Draft with a notice that "All Sales Are Final."

3. Validating the Cards

Card Present Transactions

- This section applies to any transaction where the Cardholder is present at the time of the sale. At the point of sale you must check the Card to:
 - verify that the Card is legitimate and valid;
 - verify that the Card is not visibly altered or mutilated;
 - capture Card data using the POS Terminal by swiping the Card (Magnetic Stripe), tapping/waving the Card (Contactless Payment) or inserting the Card (Chip Card);
 - ensure that the Cardholder either enters their PIN using the keypad or provides their signature if needed;
 - verify that the signature is identical to the name and signature on the Card (if a signature is provided);
 - verify the Card's valid from date (if applicable) and the expiration date;
 - verify that the Card number and expiration date on the Card are the same as on the transaction receipt and the number displayed on the POS Terminal;
 - verify that the name on the transaction receipt is the same as the name on the front of the Card (if applicable); and
 - ensure that the Cardholder appears to be the person shown in the photograph (for Cards with a photograph of the Cardholder).

If the signature panel on the Card is blank, you must:

- review positive identification bearing the Cardholder's signature (for example, a current passport or driver's license) to validate the Cardholder's identity; and
- require the Cardholder to sign the signature panel of the Card prior to completing the transaction.

Card Not Present Transactions

This section applies to any transaction where the Cardholder is not present, such as mail, telephone, internet and ecommerce. You may only conduct internet transactions if you have notified us in advance and received approval.

You must:

- obtain the Card account number, name as it appears on the Card, expiration date of the Card, and the Cardholder's statement address;
- use the AVS;
 - if you do not have AVS, contact customer service immediately;
- provide a copy of the Sales Draft to the Cardholder at the time of delivery with the following clearly printed
 - last four digits of the Cardholder's account number;
 - date of transaction;
 - description of the goods and services;
 - amount of the transaction (including shipping, handling, insurance, etc.);
 - Cardholder's name, billing address and shipping address;
 - Authorization code;
 - name and address (city and state required); and
 - for mail orders write "MO" and for telephone orders write "TO" on the Cardholder's signature line;
- obtain proof of delivery of the goods or services to the address designated by the Cardholder or, if the Cardholder collects the goods or services in person, obtain an imprint of the Card and the Cardholder's signature;
- notify the Cardholder of delivery time frames and special handling or cancellation policies;
- ship goods within seven days from the date on which Authorization was obtained;
 - if delays are incurred after the order has been taken, notify the Cardholder and obtain fresh Authorization of the transaction;
- use any separate Merchant Identification Numbers provided to you for internet orders in all your requests for Authorization and submission of Charges; and
- provide at least one month prior written notice to your acquirer of any change in your internet address.

It is strongly suggested that, if feasible, you obtain and keep a copy on file of the Cardholder's signature authorizing you to submit telephone and mail order transactions.

You must not:

- exceed the percentage of your total payment Card volume for Card Not Present sales, as set out in your application;

- submit a transaction for processing until after the goods have been shipped or the service has been provided to the Cardholder - the only exception to this is where the goods have been manufactured to the Cardholder's specifications and the Cardholder has been advised of the billing details;
- accept Card account numbers by electronic mail; and
- require a Cardholder to complete a postcard or other document that displays the Cardholder's account number in clear view when mailed or send any mailing to a Cardholder that displays personal information in clear view.

If a disputed Charge arises for a transaction conducted over the internet or electronically, a Chargeback may be exercised for the full amount.

For Discover transactions, please refer to Appendix 3 for the Discover protocol for internet transactions.

Address Verification Service

AVS and other fraud mitigation tools (such as Verified by Visa®, Mastercard® Secure Code, Card Validation Codes and Card Identification) do not guarantee against Chargebacks; but, if used properly, AVS helps to reduce the risk of fraud by confirming whether certain elements of the billing address provided by your customer match the billing address maintained by the Card issuing bank. AVS also may help you avoid incurring additional interchange expenses. AVS is a separate process from obtaining an Authorization and will provide a separate response. A transaction may be authorized regardless of the AVS response. It is your responsibility to monitor the AVS responses and use the information provided to help avoid accepting high-risk transactions.

Customer Activated Terminals (CAT) and Self Service Terminals

Self-service transactions initiated by the customer at an unattended CAT and Self Service Terminals have specific requirements for processing. You must contact Customer Service for approval and further instructions before conducting CAT or Self Service Terminal transactions.

4. Transaction Guidelines

Only present for payment valid Charges that arise from a transaction with a bona fide Cardholder.

You must not:

- set a minimum transaction amount of more than \$10 for any credit Cards or of any amount for Debit Cards;
- set a maximum transaction amount for any Credit Cards;
- establish any special conditions for accepting a Card;
- accept any direct payments from Cardholders for goods or services which have been included on a Sales Draft;
- require a Cardholder to supply any personal information for a transaction such as phone number, address or driver's license number unless (a) instructed by the Voice Authorization Center; (b) presented an unsigned Card; or (c) processing a Card Not Present Transaction ;
- submit any transaction representing the refinance or transfer of an existing Cardholder obligation which is deemed uncollectible, for example, a transaction that has been previously charged back, or to cover a dishonored check;

- submit Sales Drafts or Credit Drafts transacted on the personal Card of an owner, partner, officer or employee of your business establishment or of a guarantor who signed your application form, unless such transaction arises from a bona fide purchase of goods or services in the ordinary course of your business; and
- carry out Factoring, that is, the submission of Authorization requests or Sales Drafts for Card transactions transacted by another business.

5. Security

You are responsible for maintaining the security of your POS Terminals and for instituting appropriate controls to prevent employees or others from submitting Credits that do not reflect bona fide returns or reimbursements of earlier transactions. Please comply with the data security requirements shown below.

You must:

- install and maintain a secure firewall configuration to protect data;
- protect stored data;
- encrypt transmission of data sent across open/public networks, using methods indicated in the Payment Card Industry Data Security Standard (PCI DSS) which is available at www.pcisecuritystandards.org;
- use and regularly update anti-virus software and keep security patches up-to-date;
- restrict access to data by business “need to know”;
 - assign a unique ID to each person with computer access to data and track access to data by unique ID;
- regularly test security systems and processes;
- maintain a policy that addresses information security for employees and contractors;
- restrict physical access to Cardholder information;
- destroy or purge all media containing obsolete transaction data with Cardholder information;
- keep all systems and media containing Card account, Cardholder, or transaction information (whether physical or electronic) in a secure manner so as to prevent access by, or disclosure to any unauthorized party; and
- use only those Services and devices that have been certified as PCI-DSS compliant.

You must not:

- use vendor-supplied defaults for system passwords and other security parameters;
- transmit Cardholder account numbers to Cardholders for internet transactions;
- store or retain Card verification Codes (three digit codes printed in the signature panel of most Cards and a four digit code printed on the front of an American Express Card) after final transaction Authorization; and
- store or retain Magnetic Stripe data, PIN data, Chip data or AVS data - only Cardholder account number, Cardholder name and Cardholder expiration date may be retained subsequent to transaction Authorization.

For internet transactions, copies of the transaction records may be delivered to Cardholders in either electronic or paper format.

6. TransArmor Services

If you are receiving TransArmor Services from us, the important information listed below applies to you.

You must:

- comply with the Card Organization Rules, including PCI DSS;
- demonstrate and maintain your current PCI DSS compliance certification;
 - Compliance must be validated either by a Qualified Security Assessor (QSA) with corresponding Report on Compliance (ROC) or by successful completion of the applicable PCI DSS Self-Assessment Questionnaire (SAQ) or Report on Compliance (ROC), as applicable to your business;
 - if applicable to your business, passing quarterly network scans performed by an approved scan vendor, all in accordance with Card Organization Rules and PCI DSS;
- confirm that all third parties and software that you use for payment processing comply with the PCI DSS;
- deploy the data protection solution (including implementing any upgrades to such service within a commercially reasonable period of time after receipt of such upgrades) throughout your systems including replacing existing Card numbers on your systems with tokens;
- use the token in lieu of Card numbers for **all** activities subsequent to receipt of the Authorization response, including settlement processing, retrieval processing, Chargeback and adjustment processing, and transaction reviews;
- confirm that any POS Terminal, gateway or VAR is certified by us for use with the data protection solution;
 - if you are uncertain whether your equipment is compliant, contact a customer service representative at 800-275-5305;
- use the service to enable Batch files sent to/from TransArmor to contain only tokens or truncated information;
- use truncated report viewing and data extract creation within reporting tools provided by us;
- follow rules or procedures we may provide to you from time to time regarding your use of the data protection solution; and
- promptly notify us of a breach of any these terms.

You must not:

- retain full Card numbers, whether in electronic form or hard copy;
- use altered version(s) of the data protection solution; and
- use, operate or combine the data protection solution or any related software, materials or documentation, or any derivative works thereof with other products, materials or Services in a manner inconsistent with the uses contemplated in this section.

7. PIN Debit Cards and Online PINless Debit

When accepting Debit Cards, you'll need to follow the specific requirements for each debit network, as well as, the general requirements set out in this section.

You must:

- read the account number electronically from the Magnetic Stripe/Chip for transactions authenticated with a PIN;
- request another form of payment from the Cardholder if the Magnetic Stripe and Chip are unreadable; and
- obtain a signature if PIN authentication is not supported or available.

You must not:

- process a Credit Card transaction in order to provide a refund on a Debit Card transaction;
- complete a Debit Card transaction without:
 - entry of the PIN by the Cardholder (and no one else); or
 - signature by the Cardholder (and no one else), unless the transaction is a “no-signature” signature debit transaction or a PINless Transaction specifically supported by the debit network;
- accept the PIN from the Cardholder verbally or in written form; and
- manually enter the account number for PIN debit transactions. Signature debit transactions may be key entered if you are unable to swipe the Card.

The debit network used to process your debit transaction will depend upon, among other things, our own business considerations, the availability of the debit network at the time of the transaction, and whether a particular Debit Card is enabled for a particular debit network.

The debit network used to route your transaction may or may not be the lowest cost network available. We may in our sole discretion:

- use any debit network available to us for a given transaction (including any of our affiliated PIN debit networks); and
- add or remove debit networks available to you based on a variety of factors including availability, features, functionality and our own business considerations.

You are responsible for securing your devices and for implementing appropriate controls to prevent employees or others from submitting Credits and voids that do not reflect actual returns or reimbursements off prior transactions.

You may offer cash back to your customers when they make a PIN Debit Card purchase. You may set a minimum and maximum amount of cash back that you will allow. If you are not currently offering this service, your POS Terminal may require additional programming to begin offering cash back as long as it is supported by the debit network.

You must reconcile your accounts for each location daily and notify us within 24 hours of any issues.

An adjustment is a transaction that is initiated to correct a Debit Card transaction that has been processed in error. For signature debit transactions (including “no-signature” signature debit transactions), both the Cardholder and the Card issuing bank have the right to question or dispute a transaction. If these questions or disputes are not resolved, a Chargeback may occur. You are responsible for all adjustment and Chargeback fees that may be charged by a debit network.

An adjustment may be initiated for many reasons, including:

- the Cardholder was charged an incorrect amount, whether too little or too much;
- the Cardholder was charged more than once for the same transaction;
- a processing error may have occurred that caused the Cardholder to be charged even though the transaction did not complete normally at the point of sale; or
- a Cardholder is disputing the goods or services provided.

All parties involved in processing adjustments and Chargebacks are regulated by timeframes that are specified in the operating rules of the applicable debit network, the Electronic Funds Transfer Act, Regulation E, and other applicable law.

8. Electronic Benefit Transfer (EBT) Transactions

We offer electronic interfaces to EBT networks for the processing, settlement and switching of EBT transactions initiated through the use of a state-issued EBT Card at your POS Terminal so that EBT recipients may receive EBT benefits.

EBT benefits may comprise of:

- United States Department of Agriculture, Food and Nutrition Service (FNS);
- Supplemental Nutrition Assistance Program (SNAP);
- Women, Infants and Children Benefits (WIC Benefits); or
- government delivered cash.

If you accept EBT transactions or provide EBT benefits you must:

- provide EBT benefits to EBT recipients in accordance with applicable law and the procedures set out in the Quest rules, in the amount authorized through your terminal, upon presentation by an EBT recipient of an EBT Card and such EBT recipient's entry of a valid PIN;
- use POS Terminals, PIN pad and printers or other equipment that meet required standards (including those set out in the Quest rules) during your normal business hours and in a manner consistent with your normal business practices;
- comply with the procedures set out in the Quest rules for Authorization of EBT benefits if your terminal fails to print EBT benefit issuance information as approved and validated as a legitimate transaction;
- provide a receipt for each EBT transaction to the applicable EBT recipient;
- provide EBT benefits for EBT recipients from all states;
- notify us promptly if you plan to stop accepting EBT Cards and providing EBT benefits or if you are unable to comply with this section or the Quest rules;
- adequately display any applicable state's service Marks or other licensed Marks, including the Quest Marks, and other materials supplied by us in accordance with the standards set by the applicable state;
- use any Marks only to indicate that EBT benefits are issued at your location(s);

- maintain adequate cash on hand to issue EBT service provider authorized Cash Benefits; and
- issue Cash Benefits to EBT recipients in the same manner and to the same extent cash is provided to your other customers.

You must not:

- accept EBT Cards or provide EBT benefits at any time other than in compliance with this section or the Quest rules;
- designate and direct EBT recipients to special checkout lanes restricted to use by EBT recipients unless you also designate and direct other customers to special checkout lanes for Debit Cards, Credit Cards or other payment methods such as checks other than cash;
- resubmit any EBT Card transaction except as specifically permitted by the applicable Quest rules and procedures;
- accept any EBT Card for any purpose other than providing EBT benefits, including without limitation accepting an EBT Card as security for repayment of any EBT recipient obligation to you. If you violate this requirement, you will be obligated to reimburse the state or us for any EBT benefits unlawfully received by either you or an EBT recipient to the extent permitted by law;
- dispense cash for FNS, SNAP and WIC Benefits;
- disclose individually identifiable information relating to an EBT recipient or applicant for EBT benefits without prior written approval of the applicable state;
- use the Marks of any EBT service provider without prior written approval from such EBT service provider;
- indicate that we, any state, or its EBT service provider endorse your goods or services; and
- require, or in your advertising suggest, that any EBT recipient must purchase goods or services from you as a condition to receiving Cash Benefits, unless such condition applies to other customers as well.
- You must take sole responsibility for the provision of any EBT benefits other than in accordance with Authorizations received from the EBT service provider.

If an authorized terminal is not working or the EBT system is not available you must:

- manually accept EBT Cards and manually provide EBT benefits in the amount authorized through the applicable EBT service provider to the EBT recipients at no cost to the EBT recipients upon presentation by an EBT recipient of their EBT Card;
- obtain an Authorization number for the amount of the purchase from the applicable EBT service provider while the respective EBT recipient is present and before you provide the EBT recipient with any FNS, SNAP and WIC benefits, or Cash Benefits, as applicable;
- properly and legibly enter the specified EBT recipient, clerk and sales information, including the telephone Authorization number, on the manual Sales Draft; and
- clear all manual vouchers Authorizations on your point of sale terminal within 14 days after the date of applicable voice Authorization. If a voucher expires before it has been cleared by your terminal for payment, no further action can be taken to obtain payment for the voucher.

You must not:

- attempt to voice authorize a manual EBT transaction if the EBT recipient is not present to sign the voucher
 - the EBT recipient must sign the voucher;
 - you must give a copy of the voucher to the EBT recipient at the time of Authorization and retain one copy for your records;
- re-submit a manual Sales Draft for payment for a transaction if you have not received an Authorization number; and
- mail vouchers requesting payment.

You must take sole responsibility for (and you will not be reimbursed in respect of) a manual transaction if you fail to obtain an authorization number from the applicable EBT service provider in accordance with this section or otherwise fail to process the manual transaction in accordance with the Quest rules, except as specifically provided in the Quest rules.

Part 2

This part of the Operating Rules reviews essential elements of a transaction, including Authorizations, issuing refunds and exchanges, and handling special transactions like recurring payments. You'll also find information about Chargebacks and processes to put in place to avoid Chargebacks. Feel free to contact customer service with any questions that arise as you review this information.

9. Authorizations

General

- You must obtain an Authorization Approval Code from us for all transactions.
- A positive Authorization response remains valid for the timeframe set out in section 19.
- An Authorization Approval Code only indicates the availability of funds on an account at the time the Authorization is requested. It does not indicate that the person presenting the Card is the rightful Cardholder, nor is it a promise or guarantee that you will not be subject to a Chargeback or adjustment.
- You must not attempt to obtain an Authorization Approval Code from anyone other than us, unless we have authorized you to use a third party Authorization system as set out in section 9. An Authorization Approval Code from any other source may not be valid.
- If you use AVS, you must review the AVS response separately from the Authorization response and make your own decision about whether to accept the transaction. A transaction may receive an Authorization Approval Code from the Card issuing bank even if AVS is unavailable or reflects that the address provided to you does not match the billing address on file at the Card issuing bank.
- If you receive a Referral response to an attempted Authorization, you must not:
 - submit the transaction without calling for and receiving a voice Authorization; and
 - attempt another Authorization on the same Card through your POS Terminal.
- You must not attempt to obtain multiple Authorizations for a single transaction. If a sale is declined, do not take alternative measures with the same Card to obtain an approval of the sale from other Authorization sources. Instead, request another form of payment.

- If you fail to obtain an Authorization Approval Code or if you submit a Card transaction after receiving a decline (even if a subsequent Authorization attempt results in an Authorization Approval Code), your transaction may result in a Chargeback and it may be assessed fines or fees by the Card Organizations for which you will be responsible. Fees currently range from \$25 to \$150 per transaction.
- You will be charged for a request for an Authorization Approval Code (where applicable), whether or not the transaction is approved.
- For Card present transactions, it is highly recommended that you use your electronic Authorization device to swipe Magnetic Stripe Cards, tap/wave contactless Cards, or insert Chip Cards.

Card Not Present transactions

It is strongly suggested that you obtain the three digit Card Verification Code on the back of the Card (or the four digit verification code on the front of American Express cards) and that you include this code with each Card Not Present Authorization request unless the transaction is a recurring transaction.

For recurring transactions, submit the Card Verification Code only with the first Authorization request and not with subsequent Authorization requests.

For American Express Card Not Present transactions, please also refer to Appendix 2.

For Discover Card Not Present transactions, please also refer to Appendix 3.

Authorization via telephone (other than terminal/electronic device users)

- You must call your designated Voice Authorization Center toll free number and enter the Authorization information into the VRU using a touch tone phone or hold for an authorization representative.
- If the Voice Authorization Center asks you to obtain identification from the Cardholder before issuing an approval code, you must clearly write the appropriate identification source and numbers in the space provided on the Sales Draft.
- If the Voice Authorization Center asks you to confiscate a Card, do not take any action that will alarm or embarrass the Card presenter, and send the Card to Rewards Department, P.O. Box 5019, Hagerstown, MD 21740. You may be paid a reward for the return of the Card.
- If the sale is declined, please remember that our operators are only relaying a message from the Card issuing bank. The fact that a sale has been declined must not be interpreted as a reflection of the Cardholder's creditworthiness. You must instruct the Cardholder to call the Card issuing bank.

Authorization via electronic devices

- If you use an electronic terminal to obtain Authorization Approval Codes, you must obtain the Authorization Approval Codes for all sales through this equipment.
- If your terminal malfunctions, please refer to your Quick Reference Guide or call the POS Help Desk. Please remember to check your terminal periodically because most terminal problems are temporary in nature and are quickly corrected.
- If a terminal is moved or if wires are disconnected, causing malfunction, call the POS Help Desk immediately and follow their instructions. You may be responsible for any service charges incurred for reactivation of the terminal.

- Until the terminal becomes operable, you must call your designated Voice Authorization Center toll free number and enter Authorization information into the VRU using a touchtone phone. During this time, each transaction must be imprinted using an Imprinter.

Third party Authorization systems

If you have contracted to use one of our Authorization Services, you must not use another third party Authorization system without notifying customer service. Otherwise, we will be unable to successfully research and defend any Authorization related Chargebacks on your behalf. This delay will significantly decrease your time to research and provide proof of Authorization, thus reducing your opportunity to reverse a Chargeback.

If you use another Authorization network:

- you will be responsible for the downgrade of any transactions to a higher cost interchange that result from any mismatch of information to our systems and those of third party Authorization networks;
- liability resulting from discrepancies with that network must be resolved between you and that network;
 - we will not research Chargebacks resulting from Authorization Approval Codes obtained from another Authorization service organization and such Chargebacks will be passed through to you for resolution; and
- if an Authorization provided by a third party Authorization system is challenged in a Chargeback, you must obtain proof (for example, third party Authorization logs) from the Authorization source and submit it to us within the time frame specified on the Chargeback documentation.

Call the following for other Card types, each of which is available 24 hours per day; seven days per week:

American Express Direct	1-800-528-2121	
JCB, International*	1-800-522-9345	<i>*For YEN and CAD currency only</i>
TeleCheck	1-800-366-5010	
Voyager	1-800-987-6589	
WEX	1-800-842-0071	

You must enter manually all approved sales that have been authorized in this manner as “post-Authorization” transactions into the terminal, once the terminal becomes operational. You must enter all Credit Card transactions into the terminal for data capture. If you receive a Referral and subsequently receive an approval, you may be subject to a Chargeback. You must imprint the Card using an Imprinter to reduce the risk of such a Chargeback.

For specific procedures on electronic data capture, refer to the Terminal Operating Instructions/Users Guide. If the terminal malfunctions for more than 24 hours, contact customer service for further instructions on processing your transactions.

Automated dispensing machines

You must produce records for all transactions originating with automated dispensing machines or Limited Amount Terminals. Such records must include the last four digits of the Cardholder account number, merchant's name, terminal location, transaction date, identification of transaction currency, transaction type (purchase), Authorization code, and amount.

For Discover transactions, please refer to Appendix 3 for instructions on how to cancel an Authorization.

Partial Authorization and Authorization reversal

Partial Authorization provides an alternative to a declined transaction by permitting a Card issuing bank to return an Authorization approval for a partial amount. This amount is less than the transaction amount requested because the available Card balance is not sufficient to approve the transaction in full. The Cardholder is able to use the funds remaining on the Card to pay for a portion of the purchase and select another form of payment (in other words, another payment Card, cash, check) for the remaining balance of the transaction.

For Mastercard transactions, partial Authorization is optional for Batch authorized e-commerce transactions, mail order, telephone order transactions and recurring payment transactions. For Discover transactions, partial Authorization support is optional for Card Not Present transactions. If you support partial Authorizations, a partial Authorization indicator must be included in each Authorization request.

You must submit an Authorization reversal if the Authorization is no longer needed, a partial amount of the total authorized is submitted for the settled transaction, or the Cardholder elects not to complete the purchase. The transaction sent for settlement must be no more than the amount approved in the partial Authorization response. If you wish to support partial Authorization functionality, you must contact customer service for additional rules and requirements.

10. Special Types of Transactions

Payment by installments

If a Cardholder makes a deposit toward the full amount of the sale price and pays the balance on delivery, please follow the procedures set out in this section.

You must:

execute two separate Sales Drafts and obtain an Authorization for each Sales Draft on each transaction date;

- indicate on each Sales Draft whether it is for the deposit or the balance of payment, as well as the Authorization date and approval code;
- submit and seek Authorization of each delayed delivery transaction under the same Merchant Identification Number and treat deposits on the Card no differently than you treat deposits on all other payment products;
- complete Address Verification for each “balance” Authorization; and
- obtain proof of delivery upon delivery of the services/merchandise purchased.

You must not:

- submit sales data to us relating to the “balance” until the goods have been completely delivered or the services fully provided.

If delivery occurs after the timeframes set out in section 19, you must obtain a new Authorization for the unprocessed portion of the transaction prior to delivery. If the transaction is declined, contact the cardholder and request another form of payment. For example: On January 1, a cardholder orders \$2,200 worth of furniture and you receive an Authorization for the full amount; however, only a \$200 deposit is processed leaving a \$2,000 balance remaining on the furniture. An Authorization reversal must be processed for \$2,000. When the goods are available to ship, the \$2,000 transaction balance must be reauthorized.

Advance payment charges

If you permit or require cardholders to make advance payment charges for the following types of goods or services, please follow the procedures set out in this section:

- custom-orders (for example, orders for goods to be manufactured to a customer's specifications);
- ticketing for events or entertainment (for example, sporting events, or concerts);
- tuition, room, board, and other mandatory fees (for example, library or other students services fees at universities);
- tickets for airlines, rail lines, cruise lines, lodging, and other travel-related services (for example, tours or guided expeditions);
- vehicle rentals; or
- in store merchandise not immediately available (for example, merchandise pre-purchased for an upcoming sale event or merchandise on layaway).

For all advance payment transactions:

- state your full cancellation and refund policies;
- clearly disclose your intention to receive advance payment; and
- before you request an Authorization, obtain written consent from the Cardholder to bill the Card for an advance payment charge, including:
 - a detailed description of the goods or services to be provided;
 - his or her agreement to all of the terms of the sale including price, any cancellation or refund policies; and
 - the expected delivery date of the goods or services.

You must:

- obtain an Authorization approval;
- complete a Sales Draft; and
- if you cannot deliver the goods or services (for example, because custom-ordered merchandise cannot be fulfilled) and cannot make other arrangements, do immediately issue a Credit for the full amount of the advance payment charge.

For Card Not Present Transactions involving an advance payment:

- do ensure that the Sales Draft contains the words "Advance Payment"; and

- within 24 hours of the advance charge being authorized, do provide the Cardholder with written confirmation (for example, by email or facsimile) that advance payment charge has been made, the written confirmation must include (a) a detailed description of the goods or services to be provided; (b) the amount of the Charge; (c) the confirmation number (if applicable); (d) the details of any cancellation or refund policies; and (e) the expected delivery date of the goods or services.

Recurring transactions

If you process recurring transactions and charge a Cardholder's account periodically for goods or services (for example, yearly subscriptions, annual membership fees, etc.), please follow the procedures set out in this section.

You must:

- obtain written Cardholder approval for goods or services to be charged on a recurring basis to the Cardholder's account that at least specifies:
 - the Cardholder's name, address, account number and expiration date;
 - the transaction amounts;
 - the timing or frequency of recurring charges;
 - the duration of time for which the Cardholder's approval is granted; and
 - for Discover transactions, the total amount of recurring charges to be billed to the Cardholder's account, (including taxes and tips) and your Merchant Identification Number;
- obtain an Authorization for each transaction;
- include the Recurring Payment Indicator in each Authorization request, and as applicable, each Batch submission entry;
- indicate on the Sales Draft "Recurring Transaction" (or "P.O." for MasterCard transactions) in lieu of the Cardholder's signature; and
- include a toll-free customer service number for Discover recurring transactions that the Cardholder can call to cancel his/her approval for the recurring transaction or to obtain other assistance relating to the recurring transaction.

You must not:

- include partial payments for goods or services purchased in a single transaction;
- impose a finance charge in connection with the recurring transaction or preauthorized order; and
- complete a recurring transaction after receiving a cancellation notice from the Cardholder or Card issuing bank or after a request for Authorization has been denied.

It is highly recommended that you obtain the three digit Card Verification Code on the back of the Card (or the four digit verification code on the front of American Express cards), include the number with the first Authorization request. This is not required for subsequent Authorization requests.

A positive Authorization response for one recurring transaction is not a guarantee that any future recurring transaction Authorization request will be approved or paid.

If the recurring transaction is renewed, you must obtain from the Cardholder a new written request for the continuation of such goods or services to be charged to the Cardholder's account.

If you or we have terminated your right to accept Cards, you must not submit Authorization requests or sales data for recurring transactions that are due after the date of such termination.

For American Express transactions please also see Appendix 2.

Stored payment credentials

If you store information (including, but not limited to, an account number or payment token) to process future purchases on behalf of the Cardholder, follow the procedures set out in this section.

You must ensure that you:

- include the appropriate data values when a payment credential is being stored for the first time;
- include the appropriate data values when a payment credential is being used to initiate a stored credential transaction;
- include the appropriate data values when a payment credential is being used to identify an unscheduled credentials on file transaction;
- submit a valid Authorization if an amount is due at the time the payment credential is being stored; and
- submit an Authorization verification if no payment is due at the time the payment credential is being stored.

You must not:

- store a payment credential if either the first payment transaction or account verification is declined.

Card checks

If you accept card checks, you must treat checks from all the Card Organizations that you accept equally

(for example, if you accept Mastercard and American Express, your check acceptance policy must treat checks for both of these Card Organizations equally). You should handle these card checks like any other personal check drawn upon a bank in the United States.

11. Sales Drafts

You must:

- prepare a Sales Draft for each transaction and provide a copy of the Sales Draft or transaction receipt to the Cardholder at the time the Card transaction is completed;
 - an exception is eligible transactions participating in any of the 'no signature required' programs;
- only collect transaction data provided directly to you by the Cardholder;
- include all of the following information on a single page document constituting the Sales Draft

- the Cardholder's account number;
 - Cardholder's signature, if required by the applicable Card Organization;
 - date of the transaction;
 - the total amount of the transaction, including any taxes to be collected, in the approved currency of the sale;
 - description of the goods or services involved in the transaction --if there are too many items, combine them into one description to ensure that all information is contained on a single page (for example, "clothing" instead of "tie, shirt, blouse");
 - description of your merchandise return and Credit/refund policy;
 - a valid Authorization Approval Code;
 - your Doing Business As (DBA) name and location (city and state required) and Merchant Identification Number;
 - the Merchant Identification Number is optional but if provided for Discover, include only the last four digits; and
- if the Card has a Magnetic Stripe and the POS Terminal fails to read the Magnetic Stripe, or if you are required to obtain a voice Authorization, you must also use a manual imprinting machine to make a clear impression of the Card on the same side of the signed Sales Draft. If you work in the face-to-face sales environment, you may include the Card Verification Code in the Authorization request for US domestic key-entered transactions in lieu of taking a manual Card imprint, except for Discover.

You must not:

include the Card expiration date or any more than the last four digits of the Card number in the copy of the Sales Draft which you provide to the Cardholder; or

- alter the Cardholder account number when imprinting Sales Drafts, circle or underline any information on the Sales Draft or alter a Sales Draft in any way after the transaction has been completed and signed;
 - stray marks and other alterations on a Sales Draft may result in it becoming unreadable or illegible.

If you participate in the Visa's "no signature required" program, Visa Easy Payment Service (VEPS), Quick Payment Service or Small Ticket, you are only required to provide the Cardholder with the completed Sales Draft when requested by the Cardholder.

If you are operating under certain merchant category codes (MCC) approved by a Card Organization, you are not required to:

- provide a transaction receipt, unless requested by the Cardholder; and
- obtain the Cardholder's signature provided that you transmit the full track data in the Authorization request and the sale amount is below the applicable program floor limit:
 - STAR - \$50 or less; and
 - Visa - \$25 or less, with the exception of grocery stores (MCC 5411) and discount stores (MCC 5310) for which the floor limit is \$50.

12. Refunds

You must:

- provide clear instructions to your customers regarding returns, including the following:
 - customer service telephone number;
 - reference number for the return;
 - expected processing time for the Credit; and
 - return address, preferably on a pre-formatted shipping label (if applicable);
- document your cancellation policy and terms and conditions on the contract the Cardholder signs, or on your website, as applicable;
- create a Credit Draft containing the following information for every refund:
 - account number;
 - Cardholder's name;
 - your name, city, state and Merchant Identification Number. Merchant Identification Number is optional but if provided for Discover, only include the last four digits
 - transaction type;
 - a description of the goods or services;
 - transaction date of the Credit; the total amount of the Credit;
 - for Discover transactions, the approved currency used and the signature of your authorized representative or employee; and
- submit all Credit Drafts to us within the timeframes set out in section 19;
- submit each Credit under the establishment where the Credit originated;
- provide full refunds for the exact dollar amount of the original transaction including tax, handling charges, etc., and in no circumstances provide a refund amount for more than the original Card sale amount;
- write clearly all amounts and other handwritten information - stray marks on the Credit Draft will render it illegible;
- if the Card cannot be swiped for any reason, imprint the Credit Draft with the same Card used by the Cardholder to make the original purchase when applicable; and
- ensure that the Cardholder signs the Credit Draft, give the Cardholder the appropriate copy, and deposit the Credit Draft immediately.

You must not:

- circle or underline any information on the Credit Draft;
- Credit an account that differs from the account used for the original transaction;

- include the Card expiration date or any more than the last four digits of the Card number in the copy of the Credit Draft which you provide to the Cardholder;
- give cash, check Credit refunds or other consideration for Card sales, with the exception of the following types transactions only:
 - VEPS Transaction;
 - the recipient of the gift is not the Cardholder ; or
 - Visa prepaid Card transaction if the Cardholder states that the Visa prepaid Card has been discarded;
 - attempted Authorization of the refund to the original Card was declined;
- intentionally submit a sale and an offsetting Credit at a later date solely for the purpose of debiting and crediting your own or a customer's account; and
- process a Credit transaction after a Chargeback has been received.

Your website must communicate your refund policy to your customers and require your customers to select a “click-to accept” or other affirmative button to acknowledge the policy. The terms and conditions of the purchase must be displayed on the same screen view as the checkout screen that presents the total purchase amount, or within the sequence of website pages the Cardholder accesses during the checkout process.

For American Express transactions, please also refer to Appendix 2.

13. Exchanges

For an even exchange, no additional paperwork is necessary and you may simply follow your standard company policy.

For an uneven exchange, you must complete a Credit Draft, and follow the procedures outlined in section 11 for the total amount of the goods returned. The Cardholder's account will be credited for that amount. Then, complete a new Sales Draft for the total amount of any new goods purchased.

14. Chargebacks, Retrievals and Other Debits Chargebacks

Both the Cardholder and the Card issuing bank have the right to question or dispute a transaction. If such questions or disputes are not resolved, a Chargeback may occur. You are responsible for all Chargebacks, our Chargeback fees and related costs arising from your transactions. As a result, we will debit your Settlement Account or settlement funds for the amount of each Chargeback.

Due to the short time frames and the supporting documentation necessary to successfully and permanently reverse a Chargeback in your favor, we strongly recommend that:

- you adhere to the guidelines and procedures outlined in this guide;
- if you do receive a Chargeback, investigate, and if you dispute the Chargeback, submit the appropriate documentation within the required time frame;
- whenever possible, contact the Cardholder directly to resolve the dispute (except with respect to a Discover Cardholder with whom direct contact regarding the dispute is prohibited by Discover Card Organization
- Rules); and

- if you have any questions, call customer service.

You must not process a Credit transaction once a Chargeback is received, even with Cardholder Authorization, as the Credits may not be recoverable and you may be financially responsible for the Credit as well as the Chargeback. Instead, the Card issuing bank will Credit the Cardholder's account.

Chargeback process

If the Card issuing bank submits a Chargeback, we will send you a Chargeback notification, which may also include a Transaction Documentation Request. Due to the short time requirements imposed by the Card Organizations, it is important that you respond to a Chargeback notification and Transaction Documentation Request within the time frame set out in the notification.

Upon receipt of a Transaction Documentation Request, you must immediately retrieve the requested Sales Draft(s) using the following guidelines:

- make a legible copy, centered on 8-1/2 x 11-inch paper (only one Sales Draft per page);
- write the case number from the Transaction Documentation Request on each copy/page;
- if applicable, make copies of a hotel folio, car rental agreement, mail/phone/internet order form, or other form of receipt;
- if a Credit transaction has been processed, make a copy of the Credit Draft;
- letters are not acceptable substitutes for Sales Drafts;
- submit legible copies of the Sales Drafts and Credit Drafts to Processor's electronic chargeback or dispute management system; you may also fax or mail legible copies to Processor, but you may incur additional fees for each response submitted; and
- if you fax your response, please (a) set your fax machine to print your fax number and name on the documents that you send, and (b) set the scan resolution on your fax machine to the highest setting. We can use this information to help determine where the documentation received originated from if additional research is required, and the higher resolution setting improves the clarity of characters and graphics on the documentation transmitted and helps reduce the number of illegible fulfillments and Chargebacks.

We strongly recommend that you also include a detailed rebuttal letter along with all pertinent documents when responding to a transaction request or Chargeback notification (for example, rental agreement, imprinted portion of the invoice or Sales Draft; the portion signed by the Cardholder; and the area where the Authorization Approval Codes, with amounts and dates, are located).

If the information you provide is both timely and, in our sole discretion, sufficient to warrant a re-presentation of the transaction or reversal of the Chargeback, we will do so on your behalf. However, a re-presentation or reversal is ultimately contingent upon the Card issuing bank and/or Cardholder accepting the transaction under applicable Card Organization Rules. Re-presentation or reversal is not a guarantee that the Chargeback has been resolved in your favor.

If we do not receive a clear, legible and complete copy of the transaction documentation within the timeframe specified on the request, you may be subject to a Chargeback for "non-receipt" for which there is no recourse.

If you do not dispute the Chargeback within the applicable time limits as set by the Card Organization Rules, you will forfeit your reversal rights. Our only alternative, which is available for Visa and MasterCard only, is to attempt a good faith collection from the Card issuing bank on your behalf for non-fraud Chargeback reason codes. This process can take up to six months and must meet the Card issuing bank's criteria (for example, at or above a set dollar amount). Good faith collection attempts are not a guarantee that any funds will be collected on your behalf. Card issuing banks normally charge good faith collection fees, which are deducted from the transaction amount if accepted in addition to any processing fees that are charged by us.

The Card issuing bank may charge a handling fee which will be debited from your Settlement Account or settlement funds if a Transaction Documentation Request results from a discrepancy between the Sales Draft and the transmitted record regarding any of the following:

- the name of your business;
- the city, state, or country listed for your business; and
- the transaction date.

Visa: If we reverse the Chargeback and re-present the transaction to the Card issuing bank, the Card issuing bank, at its sole discretion, may elect to submit the matter for arbitration before Visa. Visa currently charges a \$250 filing fee and a \$250 review fee. Whether or not a decision is made in your favor, you will be responsible for all such fees and charges and any other applicable fees and charges imposed by Visa. Such fees and charges will be debited from your Settlement Account or settlement funds, in addition to the Chargeback.

STAR: If we reverse the Chargeback and re-present the transaction to the Card issuing bank, the Card issuing bank, at its sole discretion, may elect to submit the matter for arbitration before STAR. Whether or not a decision is made in your favor, you will be responsible for all fees and charges relating to that arbitration and any other applicable fees and charges imposed by STAR. Such fees and charges will be debited from your Settlement Account or settlement funds, in addition to the Chargeback.

Mastercard: If we reverse the Chargeback and re-present the transaction to the Card issuing bank, the Card issuing bank, at its sole discretion, may elect to resubmit the Chargeback. In such event, at our discretion, we will debit your Settlement Account or settlement funds for the Chargeback. However, if you feel strongly that it is an invalid Chargeback, we may, on your behalf and at your request, submit the matter for arbitration before Mastercard. Mastercard currently charges a \$150 filing fee and a \$250 review fee. Whether or not a decision is made in your favor, you will be responsible for all such fees and charges, and any other charges imposed by Mastercard. Such fees and charges will be debited from your Settlement Account or settlement funds, in addition to the Chargeback.

Discover: If Discover rejects our re-presentation request and you feel strongly that the Chargeback is invalid, we may, at our discretion and on your behalf and at your request, submit the matter for dispute arbitration before Discover. Fees for re-presentation requests and matters submitted to Discover for arbitration are charged to acquirers by Discover. We, in turn, may charge you fees for these items.

American Express: You may request a Chargeback reversal if the Chargeback was applied in error, provided that (a) you have responded to the original inquiry within the specified timeframe set out in your dispute notification, and (b) you have provided all supporting documentation to substantiate the error.

Chargeback reasons

The following section outlines the most common types of Chargebacks. This list is not exhaustive. Within each group, we have included recommendations on how to reduce the risk of Chargebacks. These are recommendations only, and do not guarantee that you will eliminate Chargebacks.

Chargebacks due to Authorization description

Proper authorization procedures were not followed and valid Authorization was not obtained. Likely scenarios include:

- Authorization not obtained;
- Authorization was declined;
- transaction processed with an expired Card and Authorization was not obtained;
- transaction processed with an invalid account number and Authorization was not obtained; and
- Card Recovery Bulletin (CRB) or exception file was not checked (transactions below floor limit).

Recommendations to reduce Chargeback risk due to invalid Authorization:

- you obtain valid Authorization on the day of the transaction;
 - if you receive the following responses:
 - “decline” you should request another form of payment from the Cardholder;
 - “Referral” you should follow the VRU procedures to obtain a valid Authorization and obtain an imprint of the Card; and
 - “pick-up” means that the Card issuing bank is asking for the Card to be returned, you must not accept the Card for payment and, in addition, you may retain the Card and send it to us so that we can arrange for its return to the Card issuing bank;
- you must not exceed any predetermined thresholds for specific POS Terminal types as specified by each Card Organization; and
- you must ship goods within the timeframe set out in section 19, after you have obtained Authorization.

Chargebacks due to cancellation and returns description

Credit was not processed properly or the Cardholder has canceled or returned items.

Likely scenarios of Chargebacks due to cancellations and returns include:

- Cardholder received damaged or defective merchandise;
- Cardholder continued to be billed for canceled recurring transaction; and
- Credit transaction was not processed.

Recommendations to reduce Chargeback risk due to cancellation and returns include:

- you issue Credit to the Cardholder on the same account as the purchase in a timely manner;

- you do not issue Credit to the Cardholder in the form of cash, check or in-store/merchandise Credit as we may not be able to recoup your funds if the transaction is charged back;
- for recurring transactions ensure customers are fully aware of the conditions:
 - cancel recurring transactions as soon as notification is received from the Cardholder or as a Chargeback, and issue the appropriate Credit as needed to the Cardholder in a timely manner; and
 - notify the Cardholder within 10 days (domestic) and 15 days (international) in advance of each billing, to allow the Cardholder time to cancel the transaction;
- provide proper disclosure of your refund policy for returned/canceled merchandise, or services to the Cardholder at the time of transaction.
- Card present, Cardholder signed the Sales Draft containing disclosure;
 - if applicable, the words “NO EXCHANGE, NO REFUND,” etc. must be clearly printed in 1/4-inch lettering on the Sales Draft near or above the Cardholder signature:
- ecommerce, provide disclosure on your website on the same page as check out;
 - Require the Cardholder to click to accept prior to completion; and
- Card Not Present, provide the cancellation policy at the time of the transaction;
- for any Travel & Entertainment (T&E) transaction, provide cancellation numbers to Cardholders when the services are canceled;
- ensure delivery of the merchandise or services ordered to the Cardholder; and
- participate in recommended fraud mitigation tools.

Chargebacks due to fraud description

Transactions that the Cardholder Claims are unauthorized; the account number is no longer in use or is fictitious, or the merchant was identified as “high risk.”

For Visa transactions, to ensure that you preserve your Chargeback rights, you must:

- complete a Retrieval Request and provide a sales slip that contains all required data elements; and
- respond to all Retrieval Requests with a clear legible copy of the transaction document that contains all required data elements within the specified timeframe.

Likely scenarios of Chargebacks due to fraud include:

- multiple transactions were completed with a single Card without the Cardholder's permission;
- a counterfeit Card was used and proper acceptance procedures were not followed;
- Authorization was obtained; however, full track data was not transmitted; and
- the Cardholder states that they did not authorize or participate in the transaction.

Recommendations to reduce Chargeback risk due to fraud include:

- obtain an Authorization for all transactions;

- for recurring transactions ensure customers are fully aware of the conditions:
 - cancel recurring transactions as soon as notification is received from the Cardholder or as a Chargeback, and issue the appropriate Credit as needed to the Cardholder in a timely manner;
 - notify the Cardholder within 10 days (domestic) and 15 days (international) in advance of each billing, allowing the Cardholder time to cancel the transaction;
 - American Express customers have the option to receive written notification of the recurring transaction at least 10 days prior to submitting, or any time the Charge amount exceeds a maximum amount that has been set by the Cardholder; and
- if you are utilizing an electronic device to capture Card data, swipe, dip or wave all Card transactions through your electronic Authorization device to capture Cardholder information;
 - when applicable, ensure the displayed Cardholder number matches the number on the Card.

You should avoid keying the Card data into your electronic Authorization device unless you are unable to capture the Card data through one of the above method. Otherwise, you should, imprint the card using a valid imprinting device that will capture the embossed Card and merchant information. You must write on the manually imprinted draft all pertinent information relating to the transaction (transaction date, dollar amount, Authorization code and merchandise description) and obtain the Cardholder signature.

Do not alter the imprint on the draft in any way. You are not protected from this type of Chargeback by manually entering the information into the POS Terminal.

Do not imprint on the back of a signed Sales Draft. The imprint must be on the transaction document that contains all transaction elements to prove the Card was present at the time of the transaction.

- Obtain the Cardholder signature for all transactions; ensure the signature on the Sales Draft matches the signature on the back of the Card.
- Process all transactions one time and do not Batch out transactions multiple times.
- Educate staff on procedures to eliminate POS fraud.

Recommendations to reduce Chargeback risk for Card Not Present Transactions include:

- ensure delivery of the merchandise or services ordered to the Cardholder;
- ensure you ship to the AVS confirmed address (bill to and ship to must match);
- obtain Authorization for all transactions;
- ensure merchant descriptor matches the name of the business and is displayed correctly on the Cardholder statement;
- ensure descriptor includes correct business address and a valid customer service number;
- refer to Appendix 2 for American Express fraud mitigation tools; and
- participate in recommended fraud mitigation tools:
 - Verified by Visa
 - Mastercard Secure Code

- American Express Safekey
- AVS; and
- use of Card Verification Code.

While transactions utilizing these tools may still be disputed, the service may assist you with your decision to accept certain Cards for payment.

Chargebacks due to Cardholder disputes Description

Goods or services not received by the Cardholder, Merchandise defective or not as described.

Likely scenarios of Chargebacks due to Cardholder disputes include:

- services were not provided or merchandise was not received by the Cardholder;
- Cardholder was charged prior to merchandise being shipped or merchandise was not received by agreed upon delivery date or location;
- Cardholder received merchandise that was defective, damaged, or unsuited for the purpose sold, or did not match the description on the transaction documentation/verbal description presented at the time of purchase;
- Cardholder paid with an alternate means and their Card was also billed for the same transaction;
- Cardholder canceled service or merchandise and their Card was billed;
- Cardholder billed for a transaction that was not part of the original transaction document;
- Cardholder Claims to have been sold counterfeit goods; and
- Cardholder Claims the merchant misrepresented the terms of sale.

Recommendations to reduce Chargeback risk for Cardholder disputes include:

- provide services or merchandise as agreed upon and described to the Cardholder; clearly indicate the expected delivery date on the sales receipt or invoice;
- contact the Cardholder in writing if the merchandise or service cannot be provided or is delayed, and offer the Cardholder the option to cancel if your internal policies allow;
- if the Cardholder received defective merchandise or the merchandise received was not as described; resolve the issue with the Cardholder at first contact;
- if the merchandise is being picked up by the Cardholder, have them sign for the merchandise after inspecting that it was received in good condition;
- do not charge the Cardholder until the merchandise has been shipped, according to the agreed upon terms, and a signed proof of delivery from the Cardholder is obtained;
- if unable to provide services or merchandise, issue a Credit to the Cardholder in a timely manner;
- accept only one form of payment per transaction;
- ensure the Cardholder is only billed once per transaction;

- do not bill Cardholder for loss, theft or damages unless authorized by the Cardholder; and
- ensure that a description of the service or merchandise provided is clearly defined.

Chargebacks due to processing errors description

Error was made when transaction was processed or it was billed incorrectly.

Likely scenarios of Chargebacks due to processing errors include:

- the transaction was not deposited within the Card Organization specified timeframe;
- the Cardholder was issued a Credit Draft. However, the transaction was processed as a sale;
- the transaction was to be processed in a currency other than the currency used to settle the transaction;
- the account number or transaction amount used in the transaction was incorrectly entered;
- a single transaction was processed more than once to the Cardholder's account;
- the Cardholder initially presented the Card as payment for the transaction, however, decided to use an alternate form of payment; and
- a limited amount or self-service terminal transaction was processed for an amount over the pre-determined limit.

Recommendations to reduce Chargeback risk for processing errors include:

- process all transactions within the Card Organization specified timeframes;
- ensure all transactions are processed accurately and only one time;
- if a transaction was processed more than once, immediately issue voids, transaction reversals or Credits;
- ensure that Credit transaction receipts are processed as Credits and sale transaction receipts are processed as sales;
- ensure all transactions received a valid Authorization Approval Code prior to processing the transaction;
- also obtain a legible magnetic swipe or imprinted Sales Draft that is signed;
- do not alter transaction documentation or make any adjustments unless the Cardholder has been contacted and agrees to modifications of the transaction amount; and
- ensure limited amount, self-service and automated fuel dispenser terminals are set properly to conform to the predetermined limits.

Chargebacks due to non-receipt of information description

Failure to respond to a Retrieval Request or the cardholder does not recognize the transaction.

Likely scenarios of Chargebacks due to non-receipt of information include:

- the transaction documentation was not provided to fulfill the Retrieval Request;
- the Retrieval Request was fulfilled with an illegible Sales Draft or was an invalid fulfillment (incorrect Sales Draft or the Sales Draft did not contain required information that may include signature); and

- the Cardholder does not recognize or is unfamiliar with the transaction due to the merchant name or location not matching the name or location where the transaction took place.

Recommendations to reduce Chargeback risk for non-receipt of information include:

- provide a clear and legible copy of the Sales Draft that contains all required data elements within the required timeframe that is specified on the Retrieval Request;
- ensure that the most recognizable merchant name, location and customer service phone number is provided on all transactions;
- retain copies of all transaction documentation for the required timeframe that is specified by each Card Organization; and
- develop efficient methods to retrieve transaction documentation to maximize ability to fulfill requests.

15. Suspect/Fraudulent Transactions

If the Card being presented or the behavior of the person presenting the Card appears to be suspicious or you otherwise suspect fraud, you must immediately call the Voice Authorization Center and ask to speak to a Code 10 operator. Answer all their questions and follow their instructions.

While not proof that a transaction is fraudulent, there are considerations you should make to help prevent fraudulent transactions that could result in a Chargeback.

Does the Cardholder:

- appear nervous/agitated/hurried;
- appear to be making indiscriminate purchases (for example, does not care how much an item costs, the size, etc.);
- make purchases substantially greater than your usual customer (for example, your average transaction is \$60, but this transaction is for \$360);
- insist on taking the merchandise immediately (for example, no matter how difficult it is to handle, is not interested in free delivery, alterations, etc.);
- appear to be purchasing an unusual amount of expensive items or the same items;
- take an unusual amount of time to sign the Sales Draft, or look at the back of the Card as he signs;
- talk fast or carry on a conversation to distract you from checking the signature;
- take the Card from a pocket instead of a wallet;
- repeatedly come back, in a short amount of time or right before closing time, to make additional purchases;
- cause an unusual, sudden increase in the number and average sales transactions over a one-to three-day period;
- tell you he has been having some problems with his Card issuing bank and request that you call a number (that he provides) for a “special” handling or Authorization;
- have a previous history of disputed Charges;

- place orders to be shipped to an address other than the billing address, or use anonymous/ free email domains; or
- place orders sent to zip codes or countries where you show a history of fraudulent claims.

A legitimate card should:

- have characters the same size, height, style and all within alignment;
- have “valid from” (effective) and “valid thru” (expiration) dates consistent with the sale date; and
- have a chip on the front and/or a Magnetic Stripe on the back on the Card.

A counterfeit card may:

- appear to be re-embossed (the original numbers or letters may be detected on the back of the Card);
- have a damaged hologram;
- have a damaged chip; or
- have an altered signature panel (for example, appear discolored, glued or painted, or show erasure marks on the surface).

We also recommend that you are vigilant for any Cardholder who behaves as follows, specifically in relation to prepaid Cards:

- frequently makes purchases and then returns the goods for cash;
- uses prepaid Cards to purchase other prepaid Cards; or
- uses large numbers of prepaid Cards to make purchases.

Gift Cards, jewelry, video, stereo, computer and camera equipment, shoes and men's clothing are typically fraud-prone because they can easily be resold. Also be suspicious of high dollar amounts and transactions with more than one fraud prone item, (for example, two laptops, three gold chains, etc.).

Part 3

In this part of the guide you'll find helpful information about what to do if a Card is left at your business, how long you must retain copies of records, how to return equipment and important transaction timeframes. This is also where you'll find additional guidelines for specific industries including:

- Lodging
- Vending machines
- Travel & Entertainment
- Telecommunications
- Restaurants
- Petroleum

If you'd like additional information about anything you've read in the Operating Rules, please contact customer service.

16. Lost/Recovered Cards

If a Card is left behind and remains unclaimed, you should call the appropriate Card Organization's customer service team via the number below and they will instruct you on how to handle it:

Visa	1-800-336-8472
Mastercard	1-800-826-2181
Discover	1-800-DISCOVER (1-800-347-2683)
American Express	1-800-992-3404

17. Retention of Records

You must securely retain legible copies of all Sales Drafts and Credit Drafts or any other transaction records for the following periods:

- **Mastercard, Visa, and STAR:** 13 months from the transaction date. Five years for healthcare Sales Drafts and Credit Drafts.
- **Discover:** The longer of (a) 365 days or (b) the resolution of any pending or threatened disputes, Claims, disagreements or litigation involving the Card transaction. You must also keep images or other copies of Sales Drafts for no less than three years from the date of the Discover transaction.
- **American Express:** 24 months from the date on which you submitted the Sales Draft or Credit Draft to us. You must provide all Sales Drafts and Credit Drafts or other transaction records requested by us within the shortest time limits established by Card Organization Rules.

18. Return of Equipment

To return POS Terminal that you do not own, you must call customer service for the address of the location to send the device. You must include the following information in the shipping box:

- your name, address and phone number;
- the name of the person to contact if there are any questions;
- your Merchant Identification Number;
- the lease number (if applicable); and
- the serial number of the POS Terminal (found on the underside of the POS Terminal).

You must return the POS Terminal in a manner that can be tracked. Reference the lease number (if applicable) on the return packaging.

19. Timeframes Authorizations

A positive (approved) Authorization response remains valid for:

- seven days for Mastercard electronic processed transactions;
- 10 days for Visa, Discover, and STAR electronic processed transactions

- with exception of 30 days for Visa and Discover, or 20 days for STAR for car rental, airline and passenger railway, lodging, and other Travel & Entertainment (T&E) categories;
- seven days for American Express electronic processed transaction
 - with exception of 30 days for the Travel & Entertainment (T&E) industries.

Delayed deliveries

If delivery is more than:

- seven days (Mastercard, Visa, American Express, and STAR transactions);
- 10 days (Discover); or
- after the original transaction date and the initial Authorization request, you must reauthorize the unprocessed portion of the transaction prior to delivery.

Refunds

You must submit all Credit Drafts to us within five days of determining that a Credit is due.

20. Additional Provisions for Specific Industries Merchants in the lodging industry

There are additional rules and requirements that apply to merchants in the lodging industry for practices including, but not limited to, guaranteed reservations and charges for no shows, advance deposits, overbookings, and priority checkout. If you are a lodging merchant and wish to participate in the Card Organization lodging services programs, please contact your sales representative or relationship manager for details and the appropriate Card Organization requirements. You must provide the Cardholder with written confirmation of a guaranteed reservation.

The confirmation must contain:

- Cardholder's name as it appears on the Card, if present;
- Card number, truncated where required by applicable law to you or us and Card expiration date if present, unless prohibited by applicable law to you or us;
- reservation confirmation number;
- anticipated arrival date and length of stay;
- the cancellation policy in its entirety, inclusive of the date and time the cancellation privileges expire; and
- any other pertinent details related to the reserved accommodations.

If a Cardholder requests a cancellation in accordance with your cancellation policy and specified time frames, you must provide the Cardholder with a cancellation number and instructions to retain a record of it.

If a Cardholder requests a written confirmation of the cancellation, you must provide this confirmation to the Cardholder within three Business Days of such request.

The cancellation confirmation must contain:

- the Cardholder's reference that Charges were placed on the Card, if applicable, or a guarantee that a "no-show" Charge will not be placed on the card;
- the Cardholder's name as it appears on the card, if present;
- the Card number, truncated as required by applicable law to you or us;
- the Card expiration date, if present, unless prohibited by applicable law to you or us;
- the reservation cancellation number;
- the date of cancellation;
- the name of your employee that processed the cancellation; and
- any other pertinent information related to the reserved accommodations.

Pre-Authorization for Travel & Entertainment (T&E) and restaurant merchants

If you are a business engaged in providing travel and entertainment services (for example, car rentals, hotels, motels, etc.) or a restaurant business, and engage in the practice of pre-Authorization, you must comply with the following general procedures:

- a hotel, motel, or car rental merchant may obtain an estimated Authorization at the time of check-in;
- restaurants must not add an estimated tip amount to the Authorization request beyond the value of the goods provided, or services rendered, plus any applicable tax;
- you must notify the Cardholder of the dollar amount you intend to pre-authorize;
- if the customer decides to use another form of payment (for example, cash, check, etc.) you must promptly submit an Authorization or promptly call the Voice authorization Response Unit to delete the Authorization hold;
 - provide the Cardholder's account number, original dollar amount and date of the transaction, and the Authorization code;
 - if a new transaction takes place, a new imprinted and signed Sales Draft for the exact amount and a new Authorization code for that amount must be obtained;
- **vehicle rental providers may not include potential vehicle damage or insurance deductibles in pre-authorizations;**
- if you receive a decline on a transaction, you must wait 24 hours before attempting to reauthorize;
 - if you reauthorize prior to this time frame and receive an approval, you may be subject to a Chargeback and a fine imposed by the Card Organizations;
- hotels, motels, and car rental merchants are allowed up to a 15% variance above the amount authorized;
 - if the final amount Charged to the Cardholder exceeds the original estimate by more than 15% above the pre-Authorization, you must authorize any additional amounts, and all incremental Authorization codes must be written in the Authorization area along with the date of Authorization and the amount authorized;

- pre-Authorization for certain establishments services, are allowed up to a 20% (instead of 15%) variance above the amount authorized;
 - if the final amount exceeds the amount pre-authorized by more than 20%, you must authorize the additional amount;
 - estimating the Authorization amount to include a tip is prohibited;
 - the Authorization request must include only the amount associated with the bill presented to your customer; and
- you must obtain an Authorization for the initial estimated Charges and then monitor the Charges to ensure that the actual Charges made do not exceed the estimated Charges;
 - if the actual Charges exceed the amount of the initial estimated Authorization (and any subsequent estimated Authorizations), then you must secure a positive Authorization for the additional amount;
 - subsequent Authorizations must only be for the additional amount of total Charges, and must not include any amounts already authorized;
- the estimated amount of any pre-Authorization for lodging accommodations must be based on (a) the intended length of stay; (b) the room rate; (c) applicable taxes and service Charges; and (d) other miscellaneous Charges as dictated by experience;
- if an Authorization request is declined, no Charges occurring after that date will be accepted for that Cardholder; and
- you do not need to obtain a final Authorization if the total sum of Charges (the final amount) does not exceed 20% of the previously authorized Charges. You must record the dates, authorized amounts, and their respective Authorization Approval Codes on the Sales Draft(s).

Merchants operating vending machines

For Mastercard, if you are operating vending machines under MCC 5499 (Miscellaneous Food Stores-Convenience Stores, Markets, Specialty Stores), you need not provide a receipt at the time a transaction is conducted. However, if a vending machine cannot provide a printed receipt, you must disclose and post instructions advising Cardholders how a receipt may be obtained.

Telecommunication service providers

You must contact customer service for approval and further instructions, rules and requirements before conducting telecommunication transactions.

Telecommunication Card Sales occur when a telephone service provider is paid directly using a Card for individual local or long-distance telephone calls, with the exception that prepaid telephone service Cards are not and do not give rise to telecommunication Card Sales.

The petroleum industry

For Visa, Mastercard, STAR, American Express, and Discover transactions, merchants operating in the petroleum industry that conduct Card sales at Automated Fuel Dispensers (AFDs), may submit an Authorization request for \$1 to verify the validity of the Card presented. Under such circumstances, you must submit an Authorization advice message for the actual amount of the Card sale within 60 minutes of completion of fuel delivery regardless of whether you previously received a partial Authorization response or a positive Authorization response for any other amount. If you do not complete the Card sale following receipt of an approved Authorization response for any amount, a request to cancel the Authorization request must be submitted within 60 minutes of the completion of fuel delivery.

Appendix 1 - Additional provisions for WEX and Voyager

WEX Cards

If you participate in the WEX Full Service Program, the following terms and conditions will apply:

You must ensure that you:

- provide, at your own expense, all equipment necessary to permit the electronic acceptance of the WEX Cards, including the operation and maintenance of the equipment, telecommunication link, and provision of all networking services;
- include in any request for Authorization the following information:
 - WEX Cardholder account number;
 - vehicle number;
 - Card expiration date;
 - driver identification number;
 - the amount of the transaction;
 - the date and time of the transaction;
 - the quantity of goods sold, unit price, and product code (the “Authorization Request Data”); and
 - an Authorization number or other approval code from WEX for all manual WEX Card sales (in other words, sales facilitated by a Card Imprinter);
- ensure that the product detail of each transaction is accurate including:
 - the type of goods sold;
 - quantity of goods sold;
 - unit price/price per gallon (if applicable);
 - taxes; and
 - any coupons presented;
- ensure that the product detail outlined equals the total amount of the sale when calculated (in other words, product quantity x unit price must equal the product amount. The sum of all product amounts including taxes minus any coupons must equal the total transaction amount);
- complete a WEX Card sale only upon the receipt of an Authorization approval message;
- provide a copy of the receipt for a WEX Card sale upon the request of the Cardholder, to the extent permitted by applicable law
 - the receipt must not include the full account number or driver identification number;
- require the Cardholder to sign a receipt when a WEX Card sale is not completed by an island Card reader;
- take all commercially reasonable efforts to protect manual WEX Card sales data from fraud or misuse;

- securely maintain a record of all WEX Card sales (including the Authorization request data) for a period of one year;
 - you must produce such records upon the reasonable request of WEX;
- notify us of any errors contained in a settlement report within 45 days of receipt of such report;
 - we will not accept reprocessing requests for WEX transactions older than 90 days;
- allow WEX to audit records, upon reasonable advance notice, related to the WEX Full Service; and
- retransmit WEX Card sales data when reasonably requested to do so.

You must not:

- submit a WEX Card sale for processing unless a WEX Card is presented at the time of the sale;
- accept a WEX Card if an expired Card / decline message is received;
- submit a WEX Card sale for processing until the goods have been delivered or services performed;
- accept a WEX Card if it appears to be invalid or expired or there is reasonable belief that the WEX Card is counterfeit or stolen;
- divide the price of goods and services purchased in a single WEX Card sale among two or more sales receipts;
- permit a WEX Card sale when only partial payment is made by use of the WEX Card and the balance is paid with another bank Card; and
- remove fuel tax at the point of sale is not permitted. For all payment system product codes that are taxable, the transaction dollar amount and price per gallon (PPG) must contain the sum of the fuel cost and PPG inclusive of all applicable Federal, State, County, Local and other fuel taxes.

You acknowledge and agree that your sole remedies with respect to the WEX Full Acquiring services will be against us and not WEX, except to the extent that WEX knows of any fraud related to the WEX Cards and fails to provide notice of such fraud or WEX commits fraud in respect to the WEX Full Acquiring Services.

Voyager Cards

- You must check Fleet Cards for any printed restrictions at the point of sale.
- You must establish a fair policy for the exchange and return of merchandise.
- You must promptly submit Credits to us for any returns that are to be credited to a Voyager Cardholder's account.
- You must not give any cash refunds to any Voyager Cardholder in connection with a sale, unless required by law.

In addition to the information set out in section 11 (Sales Drafts), you must include the information below on a single page document constituting the Sales Draft for Voyager transactions.

- All Authorization request data for Voyager Card sales must include the following:
 - Voyager Cardholder account number,

- Card expiration date,
 - driver identification number;
 - the amount of the transaction, date and time of the transaction; and
 - quantity of goods sold, unit price, and product code (the “Authorization Request Data”).
- All manual Voyager Card sales (in other words, sales facilitated by a Card Imprinter) must include:
 - the Authorization Request Data;
 - an Authorization number or other approval code from Voyager; and
 - the type of goods sold, quantity of goods sold, unit price/price per gallon (if applicable), taxes; and
 - any coupons presented within the product.

The product detail outlined must equal the total amount of the sale when calculated, in other words:

- product quantity x unit price must equal product amount; and
- the sum of all product amounts including taxes minus any coupons must equal the total transaction amount.

You must not remove fuel tax at the point of sale. For all payment system product codes that are taxable, transaction dollar amount and price per gallon (PPG) must contain the sum of the fuel cost and PPG inclusive of all applicable Federal, State, County, Local and other fuel taxes.

If there is an increase of 15% or more compared to the previous month in the number of Voyager transaction Authorization calls that are not due to our or Voyager system outages, we may, at our discretion, deduct telephone charges from the settlement of your Voyager transactions. Fees will not exceed \$0.25 (25 cents) per call.

Settlement of Voyager transactions will generally occur by the fourth banking day after we process the applicable Card transactions. We will reimburse you for the dollar amount of sales you submit for a given day, reduced by the amount of Chargebacks, tax exemptions, discounts, Credits, and the fees set out in the Agreement. You must notify us of any errors contained with the settlement reports within 30 calendar days of receipt of such report. Neither we nor Voyager will be required to reimburse you for sales submitted more than 60 calendar days from the date of purchase.

For daily transmission of sales data, you must securely maintain true and complete records for a period of not less 36 months from the date of the generation of the data. You may store records on electronic Media, if secure. You are responsible for the expense of retaining sales data records and Sales Drafts.

Appendix 2 - Additional provisions for American Express transactions

American Express OptBlue® Program

For merchants participating in the American Express OptBlue® Program, you should review the operating guide made available to you www.americanexpress.com/merchantopguide.

Treatment of the American Express Marks

Whenever payment methods are communicated to customers, or when customers ask what payments are accepted, you must indicate your acceptance of the American Express Card and display the American Express Marks (including any Card application forms provided to you) as prominently and in the same manner as any other payment products.

You must not use the American Express Marks in any way that injures or diminishes the goodwill associated with the Mark, nor (without our prior written consent) indicate that American Express endorses your goods or services.

You must only use the American Express Marks as permitted. You must cease using the American Express Marks upon termination of your acceptance of American Express Cards.

For additional guidelines on the use of the American Express Marks, please contact customer service.

Treatment of American Express Cardholder Information

Any and all Cardholder information is confidential and the sole property of the Card issuing bank, American Express or its affiliates. Except as otherwise specified, you must not disclose Cardholder Information, nor use nor store it, other than to facilitate transactions at your establishments in accordance with the terms on which you are authorized to accept American Express Cards.

Authorization for Card Not Present transactions

If you process a Card Not Present transaction you must obtain the following information:

- the Card number;
- the Card expiration date;
- the Cardholder's name as it appears on the Card;
- the Cardholder's billing address; and
- the delivery address if different from the billing address. In addition, for internet transactions you must:
 - use any separate Merchant Identification Numbers (Seller ID) established for your internet orders in all of your requests for Authorization and Submission of Charges;
 - provide us with at least one month's prior written notice of any change in your internet address; and
 - comply with any additional requirements that American Express provides from time to time.

American Express has the right to Chargeback for any Card Not Present Transaction that the Cardholder denies making or authorizing. However, American Express will not Chargeback for any Card Not Present Transaction based solely upon a Claim by a Cardholder that he or she did not receive the disputed goods if you have:

- verified the address to which the goods were shipped was the Cardholder's full billing address; and
- provided proof of delivery signed by the Cardholder or an authorized signer of the Card indicating the delivery of the goods or services to the Cardholder's full billing address.

American Express will not be liable for actual or alleged fraudulent transactions over the internet and will have the right to Chargeback for those Charges.

If a disputed transaction arises involving a Card Not Present transaction that is an internet electronic delivery transaction, American Express may exercise a Chargeback for the full amount of the transaction and place you in any of its Chargeback programs.

Sales Drafts (also known as Charge Record)

For each transaction submitted:

- electronically - you must create an electronically reproducible Sales Draft; and
- on paper - you must create a Sales Draft containing all of the following required data:
 - full Card number and expiration date, and if available, Cardholder name;
 - the date the transaction was incurred;
 - the amount of the transaction, which must be the total price for the purchase of goods and services (plus applicable taxes and gratuities) purchased on the Card;
 - the Authorization approval;
 - a clear description of the goods and services purchased by the Cardholder;
 - an imprint or other descriptor of your name, address, Merchant Identification Number and, if applicable, store number;
 - the words "No Refunds" if you have a no refund policy, and your return and cancellation policies; and
 - Cardholder's signature (if a Card Present transaction), or the words "telephone order," "mail order," "internet order," or "signature on file," as applicable (if a Card Not Present Transaction).

In the Sales Draft (and a copy of the customer's receipt) you must:

- include your return and cancellation policies; and
- mask truncated Card number digits with replacement characters such as "x," "*" or "#," and not blank spaces or numbers.

If the Cardholder wants to use more than one Card for payment of a purchase, you may create a separate Sales Draft for each Card used. However, if the Cardholder is using a single Card for payment of a purchase, you must not divide the purchase into more than one transaction, and you must not create more than one Sales Draft.

Refunds

To issue a refund you must:

- compare the last four digits on the Sales Draft against the Card presented (when applicable);
- issue the Credit in the currency in which the original transaction was submitted to us; and
- issue the Credit to the Card used to make the original purchase. If the Credit is for the return of a gift by someone other than the Cardholder who made the original purchase, you must apply your usual refund policy.

If the Cardholder indicates that the Card on which the purchase was originally made is no longer active or available:

- for all cards except prepaid Cards - advise the cardholder that you must issue the Credit to that Card; and if the Cardholder has questions, advise him or her to call the customer service number on the back of the Card in question; and
- for prepaid Cards - apply your usual refund policy for returns.

In the Credit Draft delivered to the Cardholder you must mask truncated Card number digits with replacement characters such as “x,” “*” or “#,” and not blank spaces or numbers.

Your refund policy for Card transactions must be at least as favorable as your refund policy for purchases made with other payment products or other payment methods.

If you issue a Credit, American Express will not refund the discount or any other fees or assessments previously applied on the corresponding transaction. The discount on Chargebacks will not be refunded.

Fraud mitigation tools

American Express offers fraud mitigation tools for both Card Present and Card Not Present transactions to help verify that a transaction is valid. These tools help you mitigate the risk of fraud at the point of sale, but are not a guarantee that a transaction is in fact valid or bona fide, or that you will not be subject to a Chargeback.

For optimal use of the tools, please visit American Express' Fraud Prevention Information at www.americanexpress.com/fraudinfo.

Recurring transactions

For recurring transactions you must offer the Cardholder the option to receive written notification for the recurring transaction(s) at least 10 days prior to submitting, or any time the transaction amount exceeds a maximum amount that has been set by the Cardholder. You must clearly and conspicuously disclose all material terms of the option, including, if applicable, the fact that recurring billing will continue until the option is canceled by the Cardholder. If the material terms of the option change after submission of the first recurring transaction, you must promptly notify the Cardholder in writing of such change and obtain the Cardholder's express written consent to the new terms prior to submitting another recurring transaction.

For recurring transactions you must:

- periodically verify with Cardholders that their information (for example, Card number, expiration date, billing address) is still accurate. This will improve the likelihood of obtaining an approval to an Authorization request;
- retain evidence of consent to receive updated Card account information from the Card issuing bank for 24 months from the date you submit the last recurring transaction;
- ensure that your process for cancellation of recurring transactions is simple and expeditious; and
- within 24 hours of incurring the first recurring billing transaction, provide the Cardholder written confirmation (for example, email or facsimile) of such transaction, including all material terms of the option and details of your cancellation/refund policy.

If your recurring transaction amounts vary, you must offer the Cardholder the right to receive written notification of the amount and date of each recurring transaction:

- at least 10 days before submitting each transaction; and
- whenever the amount of the transaction exceeds a maximum recurring transaction amount specified by the Cardholder.

For more information about processing prepaid Cards:

- call the customer service number on the back of the Card in question; and
- see American Express Card Organization Rules regarding “additional Authorization requirements.”

No Signature Program

You may participate in the No Signature Program under which you are not required to request a signature from Cardholders on the transaction record provided that: your business is classified in an industry that accepts in-person Charges, with the exception of the following categories:

- merchants who do not conduct in-person Charges (in other words, internet, mail order or telephone order);
- prohibited merchants or prohibited transactions (or both) as defined in American Express Card Organization Rules regarding “risk evaluation”;
- high-risk Merchants (for example, internet electronic services or nightclubs/lounges) as defined in American Express Card Organization Rules regarding high risk merchants;
- merchants placed in our Fraud Full Recourse Program (see American Express Card Organization Rules regarding “Chargeback programs”).

The transaction:

- amount must meet the threshold established in American Express' country specific policy;
- must include the appropriate indicator to reflect that the Card and the Cardholder were present at the point of sale; and
- must include a valid approval.

Under the American Express No Signature Program, Chargebacks will not be exercised for such Charges based solely on your failure to obtain the Cardholder's signature at the point of sale.

If a disproportionate number of disputed Charges under the No Signature Program occur, you must cooperate to reduce the number of disputed Charges. If such efforts fail, you may be placed in American Express Chargeback programs, or your participation in the No Signature Program may be modified or terminated.

Travelers Cheques

Travelers Cheques are available in various denominations and currencies. The denominations in US dollars range from \$20 to \$1000. You must exercise caution when presented with a Travelers Cheque in a denomination of \$500 or greater. The higher denominated Travelers Cheques are rarely sold, and so more likely to be counterfeit.

To accept a Travelers Cheque, watch your customer countersign in the lower left corner of the Travelers Cheque, and compare the countersignature to the signature in the upper left corner of the Travelers Cheque. If the signature and countersignature are a reasonable match (they look alike, but may not be identical), you may accept the Travelers Cheque and there is no need to obtain any identification.

If you suspect that the countersignature may be false, or you did not watch the customer countersign, ask your customer to turn the Travelers Cheque over and sign again across the left-hand side (in the same manner one typically endorses a check). Once signed, take the Travelers Cheque and fold up the bottom right-hand corner so that you can compare the original signature with the new one. If the signatures are not the same, or you have any questions regarding the validity of the Travelers Cheque, call American Express customer service.

If you suspect that the Travelers Cheque may be fraudulent, verify that it is authentic by performing the smudge test:

- turn the Travelers Cheque over (non-signature side);
- wipe a moistened finger across the denomination;
 - on the right side of the Travelers Cheque, the ink should not smudge; and
 - on the left side of the Travelers Cheque, the ink should smudge.

You can obtain online Authorization at www.americanexpress.com/verifyamextc. You are not required to obtain Authorization before accepting a Travelers Cheque.

High CV Merchants

You acknowledge that you will be converted from the American Express US Enhanced Acquisition Program to a direct Card acceptance relationship with American Express if and when you become a 'High CV Merchant' in accordance with the American Express Card Organization Rules. As part of this acknowledgment you agree that upon conversion: (a) you will be bound by American Express' then-current agreement for Card acceptance; and (b) American Express will set pricing and other fees payable by you for Card acceptance.

A High CV Merchant is a Program Merchant with Estimated Annual Charge Volume (ECV) of greater than (a) United States currency (USD) \$1,000,000 in the United States excluding Puerto Rico and the US Virgin Islands or (b) USD \$1,000,000 in Puerto Rico and the US Virgin Islands. Where a Program Merchant prospect has more than one Establishment, then the ECV of (a) all Establishments operated under the same tax identification number (TIN) in a region shall be aggregated or (b) all Establishments operated under different TINs but as a unified business enterprise in a region shall be aggregated. For clarification purposes, a `unified business enterprise' shall include Establishments that are owned, operated, or affiliated to a single business entity.

Marketing opt-outs

You agree that when providing your contact information to us that you may receive messages from American Express, including important information about American Express products, Services, and resources available to your business. These messages may be sent to the phone numbers, email addresses or fax numbers that you provide. If you provide a wireless phone number, you agree that you may be contacted at that number and the communications sent may include autodialed short message service (SMS or "text") messages or automated or pre-recorded calls. If you provide a fax number, you agree that you may be sent fax communications. American Express may otherwise use and share your information for business purposes and as permitted by applicable law. American Express uses reasonable administrative, technical and physical security measures to protect your information consistent with the sensitivity of the information.

You may opt out of newsletters or messages about products, Services and resources for different forms of communications by contacting us, via inbound telephone, email, facsimile, website and any other means identified by us, or by exercising the opt-out options that may be described or offered in emails, SMS messages, faxes or other communications. If you opt out, you may still receive messages from American Express regarding Services and programs designed to enhance the value of the American Express Network.

Protecting American Express Card member information

These merchant data security requirements apply to all of your equipment, systems, and networks on which encryption keys, Cardholder data and/or sensitive authentication data are stored, processed, or transmitted.

Standards for protection of Cardholder data and sensitive authentication data

You must, and you must ensure that all of your employees, agents, representatives, subcontractors, Processors, service providers, providers of POS Terminals or systems or payment processing solutions, and any other party to whom you may provide Card member information access, will:

- store American Express Cardholder data only to facilitate transactions for your acceptance of American Express Cards;
- comply with the current version of the PCI DSS, no later than the Effective Date for implementing that version; and
- use, when deploying new or replacement PIN entry devices or payment applications (or both), only those that are PCI-approved.

You must protect all Sales Drafts and Credit Drafts retained in accordance with these data security provisions. You must use these records only for purposes of your acceptance of American Express Cards and you must safeguard the records accordingly.

Data incidents

If you discover a data incident, you must:

- notify us immediately and in no case later than 24 hours after such discovery;
- conduct a thorough forensic investigation of each data incident; this must be conducted by a PCI forensic investigator (PFI) if the data incident involves 10,000 or more unique Card numbers (or otherwise at our request);
- promptly provide to us all compromised Card numbers and the forensic investigation report of the data incident;
- work with us to rectify any issues arising from the data incident, including consulting with us about your communications to Card members affected by the data incident and providing (and obtaining any waivers necessary to provide) to us all relevant information to verify your ability to prevent future data incidents; and
- at our request, provide validation by a Qualified Security Assessor (QSA) that the deficiencies have been remediated.

Forensic investigation reports must:

- include forensic reviews, reports on compliance, and all other information related to the data incident;
- identify the cause of the data incident;
- confirm whether or not you were in compliance with the PCI DSS at the time of the data incident; and
- verify your ability to prevent future data incidents by providing a plan for remediating all PCI DSS deficiencies.

American Express has the right to disclose information about any data incident to Card members, Issuers, other participants on the American Express network, and the general public as required by applicable law, by judicial, administrative, or regulatory order, decree, subpoena, request, or other process; in order to mitigate the risk of fraud or other harm; or otherwise to the extent appropriate to operate the American Express network.

Periodic validation of your systems

You must take steps to validate under PCI DSS annually and quarterly the status of your equipment, systems and networks (and their components) on which Cardholder data and sensitive authentication data are stored, processed or transmitted.

Step 1 - Enroll in a compliance program

You must submit applicable periodic validation documentation to us. Please contact us for more information regarding data security compliance requirements.

Step 2 - Determine merchant level and validation requirements

Most merchant levels are based on the volume of transactions submitted by establishments. You will fall into one of the merchant levels specified in the following table as designated by American Express:

Merchant level	Definition	Validation documentation	Requirement
1	2.5 million transactions or more per year; or any merchant that American Express otherwise deems a level 1 merchant	Annual on-site security assessment report and quarterly network scan	Mandatory
2	50,000 to 2.5 million transactions per year	Annual self-assessment questionnaire (SAQ) and quarterly network scan	Mandatory
3	Less than 50,000 transactions per year	Annual SAQ and quarterly network scan	Strongly recommended
3*	Less than 50,000 transactions per year and designated a level 3 merchant by American Express	Annual SAQ and quarterly network scan	Mandatory

American Express may require certain level three merchants to enroll in American Express' compliance program. Such merchants must enroll no later than 90 days following receipt of such notice from us. All other level three merchants need not submit validation documentation, but must comply with all other provisions of these data security provisions.

The validation documentation which you must send to us is as follows:

Annual onsite security assessment	Annual self assessment questionnaire	Quarterly network scans
<p>This is a detailed onsite examination of your equipment, systems, and networks (and their components) where Cardholder data or sensitive authentication data (or both) are stored, processed, or transmitted.</p> <p>You must:</p> <ul style="list-style-type: none"> - ensure that the annual onsite security assessment is performed by (a) a QSA, or (b) you and certified by your chief executive officer, chief financial officer, chief information security officer or principal; - submit the AOC section of the SAQ annually to us, and include copies of the full SAQ upon request; and - ensure that the AOC certifies compliance with all requirements of the PCI DSS. 	<p>This is a process using the PCI DSS self-assessment questionnaire (SAQ) that allows self-examination of your equipment, systems, and networks (and their components) where Cardholder data or sensitive authentication data (or both) are stored, processed, or transmitted.</p> <p>You must:</p> <ul style="list-style-type: none"> - ensure that the SAQ is performed by you and certified by your chief executive officer, chief financial officer, chief information security officer or principal; - submit the AOC section of the SAQ annually to us, and include copies of the full SAQ upon request; and - ensure that the AOC of the SAQ certifies compliance with all requirements of the PCI DSS. 	<p>The quarterly network scan is a process that remotely tests your internet-connected computer networks and web servers for potential weaknesses and vulnerabilities.</p> <p>You must:</p> <ul style="list-style-type: none"> - ensure that the quarterly network scan is performed by an approved scanning vendor (ASV); - complete and submit the ASV scan report attestation of scan compliance (AOSC) or executive summary of findings of the scan (and copies of the full scan, on request) quarterly to us; - ensure that the AOSC or executive summary certifies - that (a) the results satisfy the PCI DSS scanning procedures, (b) no high risk issues are identified, and (c) the scan is passing or compliant.

Step 3 - Send the validation documentation to participant Compliance and validation are completed at your expense. By submitting validation documentation to us, you represent and warrant to us that you are authorized to disclose the information contained in it and are providing the validation documentation without violating any other party's rights.

Merchants not compliant with PCI DSS

If you are not compliant with the PCI DSS, then you must:

- complete and submit an AOC including “Part 4. Action Plan for Non-Compliant Status” to us;
- designate a remediation date, not to exceed 12 months following the date of the AOC, for achieving compliance; and

- provide us with periodic updates of your progress toward remediation under the “Action Plan for Non-Compliant Status.”

Non-validation fees and termination of right to accept Cards

We have the right to impose non-validation fees on you and terminate your right to accept Cards if you do not fulfill these requirements or fails to provide the mandatory validation documentation to us by the applicable deadline.

We will notify you separately of the applicable deadline for each annual and quarterly reporting period. If we do not receive your mandatory validation documentation, then we have the right to terminate your right to accept Cards and to impose non-validation fees on you.

Periodic validation of level EMV merchants

Your merchant level may be classified as EMV if you submit 50,000 (or more) American Express Card transactions per year, of which at least 75% are made by the Card member with the physical Card present at a point of sale system compliant with EMV specifications and capable of processing contact and Contactless Payment transactions on a Chip-enabled device. If you are classified as merchant level EMV, you may submit the annual EMV attestation (AEA) instead of other validation documentation, in which case you must submit the AEA annually to us. Even if you fall into merchant level one or two, if you are classified as merchant level EMV, you only need to submit the AEA, and not the other merchant level one and two validation documentation.

The AEA involves a process using PCI DSS requirements that allows self-examination of your equipment, systems, and networks (and their components) where Cardholder data or sensitive authentication data (or both) are stored, processed or transmitted.

The AEA must:

- be performed by you;
- be certified by your chief executive officer, chief financial officer, chief information security officer, or principal; and
- certify that you meet the requirements for merchant level EMV.

Appendix 3 - Mastercard Authorization Confirmation

Mastercard Authorization Requirements

A Mastercard pre-authorization must meet all of the following requirements:

- The authorization is requested for an estimated amount (final authorization amount is unknown).
- The authorization amount may be adjusted when the final transaction amount is greater than the original authorized amount.
- The authorization must be cleared or reversed within 30 days.

A Mastercard final authorization must meet all of the following requirements:

- The final authorization amount is known.
- The authorization must be cleared or fully reversed within 7 days.
- The clearing amount must equal the authorized amount when the authorization is approved in full.
- The clearing currency code must equal the authorized currency code.

By acknowledging that you have received these Operating Rules, you expressly agree that you acknowledge that you have read and accept the Mastercard Authorization Confirmation. If you have any questions regarding your Mastercard authorization type, please call Customer Service at **1-800-451-5817**.

Appendix 4 - Special provisions for Discover

Discover protocol for internet Transactions

Each internet Discover Card transaction accepted by you and submitted to us must comply with Discover standards, including Discover standards governing the formatting, transmission and encryption of data, referred to as the “designated protocol”.

You are permitted to accept only those internet Discover Card transactions that are encrypted in accordance with the designated protocol. As of the date of these procedures, the designated protocol for the encryption of data is Secure Socket Layer (SSL).

We may, at our discretion, withhold settlement until security standards can be verified. However, the designated protocol, including any specifications with respect to data encryption, may change at any time upon 30 days advance written notice. You are not permitted to accept any internet Discover Card transaction unless the transaction is sent by means of a browser that supports the designated protocol.

Authorizations: Card Not Present Transactions

For Discover Card Not Present transactions, you must also verify the name and billing address of the Discover Cardholder using AVS.

Discover procedure for request for cancellation of Authorization

If a Discover Card sale is canceled or the amount of the transaction changes following your receipt of Authorization for the sale, you must process an Authorization reversal via your POS Terminal or, for voice-approved Authorizations, call your Authorization Center directly and request a cancellation of the Authorization. An Authorization may be canceled at any time within 10 days of your receipt of the Authorization, but must be canceled before the sales data relating to the transaction is submitted to us, after which the Authorization cannot be changed.

For an Authorization cancellation, you must provide us with the following information, in this order:

- the Discover merchant number used in the Authorization;
- the Card number;
- the original amount of the Authorization being canceled;
- the new amount of the total transaction (if any);
- the original Authorization code for the Authorization being canceled;
- the expiration date of the Card; and
- a brief reason for the Authorization cancellation.

Discover Cash Over Transactions

Cash Over Transactions are only available for Discover.

You may issue cash over in connection with a Discover Card sale, provided that you comply with the terms on which you are authorized to accept Cards, including the following requirements:

- you must deliver to us a single Authorization request for the aggregate total of the goods/ services purchase amount and the cash over amount of the Card sale. You may not submit separate Authorization requests for the purchase amount and the cash over amount;
- the Sales Draft must include both the purchase amount and the cash over amount, and you may not use separate Sales Drafts for the purchase amount and cash over amount;
- cash over may only be offered with a Card Present Card sale that includes a purchase of goods or services by the Cardholder
 - you must not issue cash over as a stand-alone transaction
 - if you offer cash over, you may require the total amount of a Card sale with a credit product, including cash over, to meet a minimum transaction amount of up to \$10;
 - you must not assess or charge fees of any type or amount, including any surcharges, on Cash Over Transactions; and
 - you must not include in Cash Over Transactions any of the fees or charges applicable to cash advances;
- cash over may not be dispensed in connection with Credits, cash advances, or any Card sale for which you are unable to electronically capture Track Data using the POS device; and
- the maximum amount of cash that you may issue as cash over is \$100.

Cash over may not be available in certain markets. Contact us for further information.

EXHIBIT B – PRICING TERMS SCHEDULE

COVER PAGE

Wells Fargo Merchant Services, L.L.C. ("WFMS") Pricing Terms for CCWRD

Proposal Date: 10/20/2022

Form# 046

Sales Consultant: Todd Reed

Credit Card Volume	\$527,100	Communications Method	IPN
Average Transaction Size	\$207	Internet Gateway	
Number of Locations	3	Pricing Option	Interchange + Auth
Anticipated Interchange (11) Levels	Utility	024 048/053/324/972	
MCC Code	4900	MCC Code Description	UTILITIES-ELECTRIC,GAS,WATER
American Express® Industry Type	Services & Professional Services		
Discover® Network Card Program	Yes		

Credit Card Processing Fees (1)

Interchange Plus the following fees:
 \$0.40 On Each Authorization/EDC attempt (as defined below) (3)

Electronic Benefits Transfer (EBT) & PIN Debit Processing Fees

NOT APPLICABLE

One Time Total Fees	\$1,050.00
Monthly Total Fees	\$10.00
Annual Total Fees	\$0.00
Other Fees based on your account activity	See Other Fees based on your account activity table below

The above table is for your convenience only and is not intended to set forth all fees that may be associated with your merchant account. Regardless of your transaction volume you will be responsible for the One Time Total Fees, Monthly Total Fees, Annual Total Fees, Other Fees based on your account activity (as set forth in the table above) and Processing Solution Fees. The fees associated with the table above are defined below.

Please review this entire pricing summary, along with the Additional Services page, for a comprehensive list of your fees.

Applicable Fee Schedules:

Payment Networks Qualification Matrix <https://www.wellsfargo.com/biz/interchangeplus>
 Payment Networks Pass-Through Fees <https://wellsfargo.com/biz/merchantpassthroughfees>
 Merchant Statement Fee Description Glossary <https://www.wellsfargo.com/interchangefeeeglossary>

Dues, assessments and pass-through fees are disclosed in the schedules referenced above.

Fee schedules are updated periodically. To obtain the current applicable fee schedules, as well as a glossary of fee descriptions that may appear on your merchant statement, please refer to the URLs above for more information. If you have questions or cannot access the schedules, please contact your Merchant Card Representative and request that a copy of the applicable fee schedules be mailed or faxed to you.

As noted in your Merchant Agreement, Payment Networks change their rates/fees from time to time. They are likely to revise rates/fees in April and October, but this timing is subject to change. To learn more about impacts to fee schedules resulting from Payment Network changes, please visit the URLs above or request an updated schedule.

Initial Below

 Principal Name 1 Principal Name 2 Principal Name 3 Principal Name 4

One Time Fees			
Set-Up Fees		\$0.00	per location
Equipment Installation Fee		\$0.00	
Terminal Reprogramming Fee (Terminal)	# of Terminals: 0	\$0.00	per terminal
Integrated Terminal Swap Fee for PIN Injection	# of Terminals: 7	\$150.00	per terminal
Swap Fee for PIN Injection	# of PIN Pads: 0	\$0.00	per PIN Pad
Card Imprinter Option	# of imprinters: 0	\$0.00	per imprinter
Rush Shipping Option		\$0.00	
One Time Total Fees		\$1,050.00	

Monthly Fees			
Monthly Service Fee		\$0.00	per location
Statement Billing Fee (Paper Statement) (7)		\$10.00	
PCI Compliance Service Program Fee (8)		\$0.00	per location
Monthly Total Fees		\$10.00	

Annual Fees			
Annual Fee		\$0.00	per location
Annual Compliance Support Fee (5)		\$0.00	per location
Annual Total Fees		\$0.00	

Other Fees based on your account activity			
Authorization/EDC Fee – Visa, Mastercard, Discover Network Card (Credit and Non-PIN Debit) (3)		\$0.40	per attempt
Authorization/EDC Fee – American Express (Credit and Prepaid) (3)		\$0.40	per attempt
American Express EDC and Discover EDC Authorization (6)		N/A	per attempt
American Express EDC and Discover EDC Capture Fee		N/A	per attempt
Electronic Address Verification Service Fee		\$ 0.05	per attempt
Voice Authorization Fee		\$0.75	per attempt
Voice (Manual) Address Verification Fee		\$2.00	per attempt
Monthly Minimum Processing Fee(9)		\$0.00	per month
Incoming Chargeback Fee(2)		\$15.00	per incoming chargeback
Incoming/Outgoing Exception Chargeback Fee(2)		\$15.00	per exception chargeback
Chargeback Fax / Mail Fee(18)		\$10.00	per Fax / Mail response
Non-validation PCI Compliance Fee (8)		\$0.00	per location, per month
GeP Services Fee Visa/Mastercard (refunds, credits, returns and chargebacks are independent transactions)		1% per transaction	
GeP Services Fee American Express(refunds, credits, returns and chargebacks are independent transactions)		0% per transaction	
Other Fees based on your account activity Total Fees		Based on account activity	

Initial Below

Principal Name 1 Principal Name 2 Principal Name 3 Principal Name 4

Processing Solutions			
Type	Quantity	Financing Method	Total w/o TAX
First Data FD130	7	CUSTOMER OWNED	\$0.00

(1) Clients may elect to participate in the Discover Network Card program or the Discover EDC program, but not both. Under the “Discover Network Card program,” Clients receive all Discover-related authorization, processing and settlement services from WFMS. Under the “Discover EDC program,” Clients enter into a direct agreement with Discover, and WFMS provides only authorization and capture services related to Discover Network Cards. Clients may also elect to participate in the American Express program or the American Express EDC program, but not both. Under the “American Express program,” Clients receive all American Express-related authorization, processing and settlement services from WFMS. Under the “American Express EDC program,” Clients enter into a direct agreement with American Express, and WFMS provides only authorization and capture services related to American Express Cards. In all cases, any services provided by WFMS for Discover and American Express transactions are subject to the terms of Client’s Agreement with WFMS.

(2) Client acknowledges and understands that an authorization only indicates the availability of the Cardholder's credit at the time the authorization is requested. It does not warrant that the person presenting the card is the rightful Cardholder, nor is it an unconditional promise or guarantee that Client will not be subject to a chargeback or debit. A chargeback fee applies to all chargebacks processed by WFMS.

(3) Authorization/EDC Fee applies to Visa and Discover Network Card credit authorizations, all Visa, Mastercard, Discover Network Card and American Express approvals (pre-authorizations, authorizations and authorization reversals), denials, batch inquiries, batch entry transactions and includes any transaction fees and capture fees. This fee does not apply to Discover EDC and American Express EDC.

(5) The Annual Compliance Support Fee will be assessed and deducted from Client's Settlement Account at each anniversary date after the effective date.

(6) American Express EDC/Discover EDC Authorization Fees apply to all approvals (pre-authorizations, authorizations and authorization reversals), denials, batch inquiries and batch entry transactions.

(7) The monthly Statement Billing Fee can be waived if Client elects to access the monthly statement through Business Track or the Clover Dashboard instead of receiving a paper copy by mail. Once enrolled online, please contact Customer Service at 1-800-451-5817 to request that paper statements no longer be mailed. If online access is terminated by Client or as a result of at least 180 days of online inactivity, paper statements will be reinstated with the applicable monthly Statement Billing Fee. For information about online enrollment, please see Additional Services or contact Customer Service.

(8) The monthly PCI Compliance Service Program Fee and Non-validation PCI Compliance Fee are part of the mandatory PCI Compliance Service Program. These fees apply to Level 3 and Level 4 Clients who utilize, a card not present, a gateway or value added reseller (VAR). The program includes access to SecureTrust, a PCI Compliance solution to help Client comply with the Payment Card Industry Data Security Standards (PCI DSS) requirements. Clients are required to register and complete a PCI DSS certification process by visiting <https://pci.securetrust.com/wellsfargo>. If Client does not comply or fails the PCI DSS certification process, Client will be charged a monthly Non-validation PCI Compliance Fee until the account becomes compliant.

(9) If the total discount fee billed to the Client for Visa, Mastercard, Discover Network Card and American Express transactions in one month is less than the Monthly Minimum Processing Fee, then an additional fee will be charged to the Client equal to the Monthly Minimum Processing Fee less the total discount fee.

(11) American Express charges Program Pricing fees and not interchange. Program Pricing fees and interchange fees are subject to change.

(18) If Client elects to respond to a Chargeback via fax or mail, a dispute fee will be assessed for each response submitted. Business Track Dispute Manager and Clover Disputes are available as an online option at no additional cost. If not already enrolled, Client can self-enroll by logging into BusinessTrack.com and accessing Dispute Manager or logging into their Clover Dashboard and choosing Clover Disputes.

If Client does not follow proper authorization procedures, a \$50 chargeback handling fee will be assessed on Mastercard transactions.

Initial Below

Principal Name 1 Principal Name 2 Principal Name 3 Principal Name 4

American Express may Chargeback without first sending an Inquiry any time a Cardmember disputes a charge for any reason other than actual or alleged fraud. If in any three (3) consecutive months, the monthly ratio of Chargebacks (less Chargeback Reversals) to gross Charges (less Credits) exceeds one percent (1%), then an Excessive Chargeback fee for in the amount of \$25 per Chargeback will be applied after the "excessive chargeback" threshold has been met.

Client will be responsible for any charges assessed by outside third parties that are not disclosed on the proposal. To the extent that this pricing proposal includes pricing for third party products and services, WFMS disclaims legal liability and responsibility for said products and services. Client's agreement with the third party provider shall govern Client's relationship with the third party provider. In the event that WFMS is billed for the third party's services, Client will reimburse WFMS for such services.

Client acknowledges and understands that WFMS shall have no responsibility or liability for any third party hardware or software procured and used by Client. To the extent Client has any issues, concerns or liability related to such hardware or software, Client must deal directly with the third party provider from whom Client procured the hardware or software. In no event will WFMS be responsible for any indirect, incidental or consequential damages that Client may incur as a result of using any third party hardware or software.

WFMS' proposal and associated pricing is based on the information provided. Any difference to our stated understanding may affect the proposed pricing. Without a signed agreement, this proposal expires 60 days from the proposal date stated above.

Rounding. In the event the amount being billed to Client for any line item on this pricing proposal includes a total ending in less than a full cent, WFMS will either round such amount up or down to the nearest cent.

Fees for supplies, shipping, handling and applicable sales tax may apply and are subject to change without notice. Additional information will be available upon request.

Initial Below

Principal Name 1 Principal Name 2 Principal Name 3 Principal Name 4

IRS Legal Filing Name: _____

Principal Name: _____

Title: _____

Signature: _____

Date: _____

Principal Name: _____

Title: _____

Signature: _____

Date: _____

Principal Name: _____

Title: _____

Signature: _____

Date: _____

Principal Name: _____

Title: _____

Signature: _____

Date: _____

EXHIBIT C – DISCLOSURE OF OWNERSHIP/PRINCIPALS

Purpose of the Form

The purpose of the Disclosure of Ownership/Principals Form is to gather ownership information pertaining to the business entity for use by the Board of County Commissioners (“BCC”) in determining whether members of the BCC should exclude themselves from voting on agenda items where they have, or may be perceived as having a conflict of interest, and to determine compliance with Nevada Revised Statute 281A.430, contracts in which a public officer or employee has interest is prohibited.

General Instructions

Completion and submission of this Form is a condition of approval or renewal of a contract or lease and/or release of monetary funding between the disclosing entity and the appropriate Clark County government entity. Failure to submit the requested information may result in a refusal by the BCC to enter into an agreement/contract and/or release monetary funding to such disclosing entity.

Detailed Instructions

All sections of the Disclosure of Ownership form must be completed. If not applicable, write in N/A.

Business Entity Type – Indicate if the entity is an Individual, Partnership, Limited Liability Company, Corporation, Trust, Non-profit Organization, or Other. When selecting ‘Other’, provide a description of the legal entity.

Non-Profit Organization (NPO) - Any non-profit corporation, group, association, or corporation duly filed and registered as required by state law.

Business Designation Group – Indicate if the entity is a Minority Owned Business Enterprise (MBE), Women-Owned Business Enterprise (WBE), Small Business Enterprise (SBE), Physically-Challenged Business Enterprise (PBE), Veteran Owned Business (VET), Disabled Veteran Owned Business (DVET), or Emerging Small Business (ESB). This is needed in order to provide utilization statistics to the Legislative Council Bureau, and will be used only for such purpose.

- **Minority Owned Business Enterprise (MBE):** An independent and continuing business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more minority persons of Black American, Hispanic American, Asian-Pacific American or Native American ethnicity.
- **Women Owned Business Enterprise (WBE):** An independent and continuing business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more women.
- **Physically-Challenged Business Enterprise (PBE):** An independent and continuing business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more disabled individuals pursuant to the federal Americans with Disabilities Act.
- **Small Business Enterprise (SBE):** An independent and continuing business for profit which performs a commercially useful function, is not owned and controlled by individuals designated as minority, women, or physically-challenged, and where gross annual sales does not exceed \$2,000,000.
- **Veteran Owned Business Enterprise (VET):** An independent and continuing Nevada business for profit which performs a commercially useful function and is at least 51 percent owned and controlled by one or more U.S. Veterans.
- **Disabled Veteran Owned Business Enterprise (DVET):** A Nevada business at least 51 percent owned/controlled by a disabled veteran.
- **Emerging Small Business (ESB):** Certified by the Nevada Governor's Office of Economic Development effective January, 2014. Approved into Nevada law during the 77th Legislative session as a result of AB294.

Business Name (include d.b.a., if applicable) – Enter the legal name of the business entity and enter the “Doing Business As” (d.b.a.) name, if applicable.

Corporate/Business Address, Business Telephone, Business Fax, and Email – Enter the street address, telephone and fax numbers, and email of the named business entity.

Nevada Local Business Address, Local Business Telephone, Local Business Fax, and Email – If business entity is out-of-state, but operates the business from a location in Nevada, enter the Nevada street address, telephone and fax numbers, point of contact and email of the local office. Please note that the local address must be an address from which the business is operating from that location. Please do not include a P.O. Box number, unless required by the U.S. Postal Service, or a business license hanging address.

Number of Clark County Nevada Residents employed by this firm. (Do not leave blank. If none or zero, put the number 0 in the space provided.)

List of Owners/Officers – Include the full name, title and percentage of ownership of each person who has ownership or financial interest in the business entity. If the business is a publicly-traded corporation or non-profit organization, list all Corporate Officers and Directors only.

For All Contracts – (Not required for publicly-traded corporations)

- 1) Indicate if any individual members, partners, owners or principals involved in the business entity are a Clark County full-time employee(s), or appointed/elected official(s). If yes, the following paragraph applies.

In accordance with NRS 281A.430.1, a public officer or employee shall not bid on or enter into a contract between a government agency and any private business in which he has a significant financial interest, except as provided for in subsections 2, 3, and 4.

- 2) Indicate if any individual members, partners, owners or principals involved in the business entity have a second degree of consanguinity or affinity relation to a Clark County full-time employee(s), or appointed/elected official(s) (reference form on Page 2 for definition). If YES, complete the Disclosure of Relationship Form. Clark County is comprised of the following government entities: Clark County, Department of Aviation (McCarran Airport), and Clark County Water Reclamation District. Note: The Department of Aviation includes all of the General Aviation Airports (Henderson, North Las Vegas, and Jean). **This will also include Clark County Detention Center.**

A professional service is defined as a business entity that offers business/financial consulting, legal, physician, architect, engineer or other professional services.

Signature and Print Name – Requires signature of an authorized representative and the date signed.

Disclosure of Relationship Form – If any individual members, partners, owners or principals of the business entity is presently a Clark County employee, public officer or official, or has a second degree of consanguinity or affinity relationship to a Clark County employee, public officer or official, this section must be completed in its entirety.

EXHIBIT C – DISCLOSURE OF OWNERSHIP/PRINCIPALS FORM

Business Entity Type (Please select one)						
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input checked="" type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Corporation	<input type="checkbox"/> Trust	<input type="checkbox"/> Non-Profit Organization	<input type="checkbox"/> Other
Business Designation Group (Please select all that apply)						
<input type="checkbox"/> MBE	<input type="checkbox"/> WBE	<input type="checkbox"/> SBE	<input type="checkbox"/> PBE	<input type="checkbox"/> VET	<input type="checkbox"/> DVET	<input type="checkbox"/> ESB
Minority Business Enterprise	Women-Owned Business Enterprise	Small Business Enterprise	Physically Challenged Business Enterprise	Veteran Owned Business	Disabled Veteran Owned Business	Emerging Small Business
Number of Clark County Nevada Residents Employed: 3,800						
Corporate/Business Entity Name:		Wells Fargo Merchant Services, LLC				
(Include d.b.a., if applicable)						
Street Address:		1655 Grant Street, 3 rd Floor		Website:		
City, State and Zip Code:		Concord, CA 94520		POC Name:		
Telephone No:				Email:		
Nevada Local Street Address:		6325 S. Rainbow Blvd., Suite 210		Website: Wellsfargo.com		
(If different from above)						
City, State and Zip Code:		Las Vegas, NV 89118		Local Fax No: 702-247-5630		
Local Telephone No:		702-247-5613		Local POC Name: Patrick G. Foley		
				Email: Patrick.foley@wellsfargo.com		

All entities, with the exception of publicly-traded and non-profit organizations, must list the names of individuals holding more than five percent (5%) ownership or financial interest in the business entity appearing before the Board.

Publicly-traded entities and non-profit organizations shall list all Corporate Officers and Directors in lieu of disclosing the names of individuals with ownership or financial interest. The disclosure requirement, as applied to land-use applications, extends to the applicant and the landowner(s).

Entities include all business associations organized under or governed by Title 7 of the Nevada Revised Statutes, including but not limited to private corporations, close corporations, foreign corporations, limited liability companies, partnerships, limited partnerships, and professional corporations.

Full Name	Title	% Owned (Not required for Publicly Traded Corporations/Non-profit organizations)
Wells Fargo Bank, N.A.		60%
First Data Merchant Services, LLC		40%

This section is not required for publicly-traded corporations. Are you a publicly-traded corporation? Yes No

- Are any individual members, partners, owners or principals, involved in the business entity, a Clark County, Department of Aviation, Clark County Detention Center or Clark County Water Reclamation District full-time employee(s), or appointed/elected official(s)?
 Yes No (If yes, please note that County employee(s), or appointed/elected official(s) may not perform any work on professional service contracts, or other contracts, which are not subject to competitive bid.)
- Do any individual members, partners, owners or principals have a spouse, registered domestic partner, child, parent, in-law or brother/sister, half-brother/half-sister, grandchild, grandparent, related to a Clark County, Department of Aviation, Clark County Detention Center or Clark County Water Reclamation District full-time employee(s), or appointed/elected official(s)?
 Yes No (If yes, please complete the Disclosure of Relationship form on Page 2. If no, please print N/A on Page 2.)

I certify under penalty of perjury, that all of the information provided herein is current, complete, and accurate. I also understand that the Board will not take action on land-use approvals, contract approvals, land sales, leases or exchanges without the completed disclosure form.



 Signature

Patrick Foley

 Print Name

Director/Relationship Manager

 Title

12-15-2022

 Date

EXHIBIT C – DISCLOSURE OF OWNERSHIP/PRINCIPALS FORM

List any disclosures below:
(Mark N/A, if not applicable.)

NAME OF BUSINESS OWNER/PRINCIPAL	NAME OF COUNTY* EMPLOYEE/OFFICIAL AND JOB TITLE	RELATIONSHIP TO COUNTY* EMPLOYEE/OFFICIAL	COUNTY* EMPLOYEE'S/OFFICIAL'S DEPARTMENT
NA			

* County employee means Clark County, Department of Aviation, Clark County Detention Center or Clark County Water Reclamation District.

“Consanguinity” is a relationship by blood. “Affinity” is a relationship by marriage.

“To the second degree of consanguinity” applies to the candidate’s first and second degree of blood relatives as follows:

- Spouse – Registered Domestic Partners – Children – Parents – In-laws (first degree)
- Brothers/Sisters – Half-Brothers/Half-Sisters – Grandchildren – Grandparents – In-laws (second degree)

For County Use Only:

If any Disclosure of Relationship is noted above, please complete the following:

- Yes No Is the County employee(s) noted above involved in the contracting/selection process for this particular agenda item?
- Yes No Is the County employee(s) noted above involved in any way with the business in performance of the contract?

Notes/Comments:

Signature

Print Name
Authorized Department Representative

Leadership and Governance



Our board and management are committed to sound and effective corporate governance practices.

Senior leadership team

View the profiles of our senior leadership team.

- [Muneera S. Carr](#), EVP, Chief Accounting Officer, and Controller
- [William M. Daley](#), Vice Chairman of Public Affairs
- [Derek A. Flowers](#), Senior EVP, Chief Risk Officer
- [Kyle G. Hranicky](#), Senior EVP, CEO of Commercial Banking
- [Bei Ling](#), Senior EVP, Head of Human Resources
- [Mary T. Mack](#), Senior EVP, CEO of Consumer & Small Business Banking
- [Lester J. Owens](#), Senior EVP, Head of Operations
- [Ellen R. Patterson](#), Senior EVP, General Counsel
- [Scott E. Powell](#), Senior EVP, Chief Operating Officer
- [Paul Ricci](#), Senior EVP, Chief Auditor, Internal Audit
- [Michael P. Santomassimo](#), Senior EVP, Chief Financial Officer
- [Kleber R. Santos](#), Senior EVP, CEO of Consumer Lending and Head of Diverse Segments, Representation & Inclusion
- [Charles W. Scharf](#), Chief Executive Officer and President
- [Barry Sommers](#), Senior EVP, CEO of Wealth & Investment Management
- [Saul Van Beurden](#), Senior EVP, Head of Technology
- [Jonathan G. Weiss](#), Senior EVP, CEO of Corporate & Investment Banking
- [Ather Williams III](#), Senior EVP, Head of Strategy, Digital, and Innovation

Board of Directors

View the profiles of our Wells Fargo Board of Directors. If you would like to get in touch with a board member, read [How to Contact the Board of Directors](#).

- [Steven D. Black](#), Chairman, Wells Fargo & Company
- [Mark A. Chancy](#), Retired Vice Chairman and Co-Chief Operating Officer, SunTrust Banks, Inc.
- [Celeste A. Clark](#), Principal, Abraham Clark Consulting, LLC, and Retired Senior Vice President, Global Public Policy and External Relations and Chief Sustainability Officer, Kellogg Company
- [Theodore F. Craver, Jr.](#), Retired Chairman, President and CEO, Edison International
- [Richard K. Davis](#), President and CEO, Make-A-Wish America
- [Wayne M. Hewett](#), Senior Advisor, Permira, and Chairman, DiversiTech Corporation

More resources

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- [CeCelia "CeCe" G. Morken](#), Retired CEO and President, Headspace, Inc.
- [Maria R. Morris](#), Retired Executive Vice President and Head of Global Employee Benefits business, MetLife, Inc.
- [Felicia F. Norwood](#), Executive Vice President and President, Government Business Division, Elevance Health, Inc.
- [Richard B. Payne, Jr.](#), Retired Vice Chairman, Wholesale Banking, U.S. Bancorp
- [Juan A. Pujadas](#), Retired Principal, PricewaterhouseCoopers LLP, and former Vice Chairman, Global Advisory Services, PwC International
- [Ronald L. Sargent](#), Retired Chairman and CEO, Staples, Inc.
- [Charles W. Scharf](#), Chief Executive Officer and President
- [Suzanne M. Vautrinot](#), President, Kilovolt Consulting, Inc. and Major General and Commander, United States Air Force (retired)

Code of Ethics

Wells Fargo's reputation as one of the world's great companies for integrity and principled performance depends on our doing the right thing, in the right way, and complying with the laws, rules and regulations that govern our business. We earn trust by behaving ethically and holding all team members and directors accountable for the decisions we make and the actions we take. The [Code of Ethics and Business Conduct \(PDF\)](#) serves to guide the actions and decisions of our team members, including executive officers, and directors.

Governance documents

View our governance policies and documents.

[By-Laws \(PDF\)](#)

[Governance Guidelines \(PDF\)](#)

[Related Person Transaction Policy and Procedures \(PDF\)](#)

Related documents

[Independent Study and Report: Public Benefit Corporations \(PDF\)](#)

Committees of the Wells Fargo Board

Learn more about the committees of the Wells Fargo Board of Directors.

Chair of the Board

[Steven D. Black](#)

Audit Committee

- [Theodore F. Craver, Jr.](#) (Chair)
- [Mark A. Chancy](#)
- [CeCelia "CeCe" G. Morken](#)
- [Ronald L. Sargent](#)

[Audit Committee Charter \(PDF\)](#)

Corporate Responsibility Committee

- [Celeste A. Clark](#) (Chair)
- [Wayne M. Hewett](#)
- [CeCelia "CeCe" G. Morken](#)
- [Suzanne M. Vautrinot](#)

[Corporate Responsibility Committee Charter \(PDF\)](#)

Finance Committee

- [Steven D. Black](#) (Chair)

- [Mark A. Chancy](#)
- [Theodore F. Craver, Jr.](#)
- [Juan A. Pujadas](#)

[Finance Committee Charter \(PDF\)](#)

Governance and Nominating Committee

- [Wayne M. Hewett](#) (Chair)
- [Celeste A. Clark](#)
- [Theodore F. Craver, Jr.](#)
- [Ronald L. Sargent](#)

[Governance and Nominating Committee Charter \(PDF\)](#)

Human Resources Committee

- [Ronald L. Sargent](#) (Chair)
- [Steven D. Black](#)
- [Wayne M. Hewett](#)
- [Maria R. Morris](#)

[Human Resources Committee Charter \(PDF\)](#)

Risk Committee

- [Maria R. Morris](#) (Chair)
- [Richard K. Davis](#)
- [Wayne M. Hewett](#)
- [Felicia F. Norwood](#)
- [Richard B. Payne, Jr.](#)
- [Juan A. Pujadas](#)
- [Suzanne M. Vautrinot](#)

[Risk Committee Charter \(PDF\)](#)

QSR-1022-03364

LRC-0522

EXHIBIT D – INSURANCE REQUIREMENTS

TO ENSURE COMPLIANCE WITH THE AGREEMENT DOCUMENT, PROVIDER SHOULD FORWARD THE FOLLOWING INSURANCE CLAUSE AND SAMPLE INSURANCE FORM TO THEIR INSURANCE AGENT PRIOR TO PROPOSAL SUBMITTAL.

1.0 FORMAT / TIME:

1.1 PROVIDER shall provide DISTRICT with Certificates of Insurance, per the sample format (EXHIBIT D, page 23), for coverages as listed below, affecting coverage required by this AGREEMENT within ten (10) calendar days after the award by DISTRICT. All policy certificates shall be signed by a person authorized by that insurer and who is licensed by the State of Nevada in accordance with NRS 680A.300.

2.0 RESERVED:

3.0 RESERVED:

4.0 ENDORSEMENT / CANCELLATION:

4.1 PROVIDER's commercial general liability, automobile liability insurance policy shall be endorsed to recognize specifically PROVIDER's AGREEMENT obligation of additional insured to DISTRICT. All policies must note that DISTRICT will be given thirty (30) calendar days advance notice by certified mail "return receipt requested" of any cancellations.

5.0 RESERVED:

6.0 AGGREGATE LIMITS:

6.1 If aggregate limits are imposed on bodily injury and property damage, then the amount of such limits must not be less than **\$2,000,000**.

7.0 COMMERCIAL GENERAL LIABILITY:

7.1 Subject to paragraph 6 of this attachment, PROVIDER shall maintain limits of no less than **\$1,000,000** combined single limit per occurrence for bodily injury (including death), personal injury and property damages. Commercial General Liability coverage shall be provided either on a Commercial General Liability or a Broad Form Comprehensive General Liability (including a Broad Form CGL endorsement) insurance form.

8.0 AUTOMOBILE LIABILITY:

8.1 Subject to paragraph 6 of this attachment, PROVIDER shall maintain limits of no less than **\$1,000,000** combined single limit per occurrence for bodily injury and property damage, to include, but not be limited to, coverage against all insurance claims for injuries to persons or damages to property which may arise from services rendered by PROVIDER and **any auto** used for the performance of services under AGREEMENT.

9.0 RESERVE:

9.1 Reserve

10.0 WORKERS' COMPENSATION:

10.1 PROVIDER shall obtain and maintain for the duration of AGREEMENT, a work certificate and/or a certificate issued by an insurer qualified to underwrite workers' compensation insurance in the State of Nevada.

11.0 FAILURE TO MAINTAIN COVERAGE:

11.1 If PROVIDER fails to maintain any of the insurance coverages required herein, DISTRICT may withhold payment, order PROVIDER to stop the work, declare PROVIDER in breach, suspend or terminate

EXHIBIT D – INSURANCE REQUIREMENTS

AGREEMENT, assess liquidated damages as defined herein, or may purchase replacement insurance or pay premiums due on existing policies. DISTRICT may collect any replacement insurance costs or premium payments made from PROVIDER or deduct the amount paid from any sums due PROVIDER under AGREEMENT.

12.0 ADDITIONAL INSURANCE:

PROVIDER is encouraged to purchase any such additional insurance as it deems necessary.

13.0 DAMAGES:

PROVIDER is required to remedy all injuries to persons and damage or loss to any property of DISTRICT, caused in whole or in part by PROVIDER or anyone employed, directed, or supervised by PROVIDER.

14.0 COST:

14.1 PROVIDER shall pay all associated costs for the specified insurance. The cost shall be included in the Proposal price(s).

15.0 INSURANCE SUBMITTAL ADDRESS:

15.1 All Insurance Certificates requested shall be sent to the Clark County Water Reclamation District Procurement Solutions Section.

16.0 INSURANCE FORM INSTRUCTIONS:

16.1 The following information must be filled in by PROVIDER Insurance Company representative:

16.1.1 Insurance Broker's name, complete address, contact name, phone and fax numbers.

16.1.2 PROVIDER's name, complete address, phone and fax numbers.

16.1.3 Reserved

16.1.4 Commercial General Liability (Per Occurrence)

16.1.4.1 Policy Number

16.1.4.2 Policy Effective Date

16.1.4.3 Policy Expiration Date

16.1.4.4 General Aggregate (\$2,000,000)

16.1.4.5 Products - Completed Operations Aggregate (\$2,000,000)

16.1.4.6 Personal & Advertising Injury (\$1,000,000)

16.1.4.7 Each Occurrence (\$1,000,000)

16.1.4.8 Fire Damage (\$50,000)

16.1.4.9 Medical Expenses (\$5,000)

16.1.5 Automobile Liability (Any Auto)

16.1.5.1 Policy Number

EXHIBIT D – INSURANCE REQUIREMENTS

16.1.5.2 Policy Effective Date

16.1.5.3 Policy Expiration Date

16.1.5.4 Combined Single Limit (\$1,000,000)

16.1.6 Worker's Compensation

16.1.6.1 Policy Number

16.1.6.2 Policy Effective Date

16.1.6.3 Policy Expiration Date

16.1.6.4 General Aggregate Limit

16.1.6.5 Each Occurrence Limit

16.1.7 Reserve

16.1.7.1 Reserve

16.1.7.2 Reserve

16.1.7.3 Reserve

16.1.7.4 Reserve

16.1.8 Description: CBE No. 230016 for Card Processing Services (must be identified on the initial insurance form and each renewal form).

16.1.9 Certificate Holder

16.1.9.1 Clark County Water Reclamation District
c/o Procurement Solutions Section
5857 East Flamingo Road
Las Vegas, Nevada 89122

16.1.10 Appointed Agent Signature to include license number and issuing state.

END OF AGREEMENT