



NPC[®]

MERCHANT SERVICES AGREEMENT

Welcome to National Processing Corporation (“NPC”). Please carefully complete the enclosed Application and read the attached Card Processing Agreement and other additional forms, as applicable to you. Execute the original copy and return it to NPC. **Keep a Copy of the entire Application and the Agreements for your records.** Your Application is subject to NPC/Bank’s underwriting review process. NPC/Bank’s acceptance of this Application will be made in a manner authorized in the attached Agreements.

Thank you for choosing NPC. If you have any questions, please contact NPC Customer Service at 888-208-7231.

Columbus Bank and Trust Company, Georgia
Member Bank for Visa and MasterCard
1125 First Avenue, 2nd Floor Uptown Center, Columbus, GA 31901
706-649-4900

INSTRUCTIONS FOR COMPLETING THE APPLICATION
ALL INFORMATION INDICATED BELOW MUST BE COMPLETED BEFORE SUBMITTING THE APPLICATION.

1. APPLICATION TYPE

- **NEW MERCHANT—** Indicate if you are a new Merchant of NPC.
- **ADDITIONAL LOCATION—** If you decide to submit additional locations in the future, complete a new Application and return the form to NPC. If more than one location is initially being implemented, please complete the Multiple Locations Addendum.

If you decide to change any of your existing information in the future, please contact NPC for the required documentation, at 888-208-7231

2. MERCHANT BUSINESS INFORMATION

- Include all information pertaining to the legal entity executing the Application and Agreements. Also list all "d/b/a" names used in the business.
- **LEGAL BUSINESS NAME AND MANAGEMENT INFORMATION**
 - Include all information pertaining to the corporate or parent ownership of the merchant, if different from the information listed in Section #2. If the information is the same as the information in Section #2, you will need only to indicate "Same as above."
- **OWNER/OFFICER INFORMATION**
 - Provide all the requested Owner/Officer information. If the Merchant operates as a proprietorship, partnership or closely held corporation, then information about the Owner(s) must be supplied.
- **MERCHANT BANK ACCOUNT INFORMATION**
 - Indicate the financial institution in which NPC/Bank is to settle your funds. **An imprinted, encoded, voided check (not a temporary check) or Verification of Account Letter from your deposit bank must be attached to the Application to initiate distribution of your funds.**

3. BUSINESS CERTIFICATION

CERTIFICATION OF MERCHANT'S CARD PROCESSING ACTIVITY

- Indicate your anticipated percentage of cards presented and cards not present, and indicate your anticipated percentage of MO/TO (Catalog) (percentage of Mail-order or Telephone Order transactions), Internet (percentage of Internet transactions), Card Swiped and Hand Entered transactions.
- Provide your current Processor name, the reason for the change, your current/previous Merchant # and submit 3-6 months current processing statements if required.
- Indicate whether your business is seasonal and the inactive months, if applicable.
- Provide your average ticket and monthly and annual volumes over a 12-month period, for all locations, make sure to note the individual locations' information on the Multiple Locations Addendum.

TRADE REFERENCE

- Provide a Trade Reference for NPC/Bank to verify credit information.

CERTIFICATION OF MERCHANT'S BUSINESS

- **YEARS/MONTHS IN BUSINESS—** Indicate the number of years the business has been in operation.
- **YEARS UNDER CURRENT OWNERSHIP—** Indicate the number of years the business has been operating under the current ownership.
- **BUSINESS TYPE—** Indicate the type of goods sold.
- **FORM OF OWNERSHIP—** Indicate the ownership status.
- **BUSINESS ENVIRONMENT—** Indicate the business environment of the business location.

4. ADDITIONAL INFORMATION

FOR USE BY ACCOUNT EXECUTIVE ONLY

5. EQUIPMENT AND PROCESSING SPECIFICATIONS (COMPLETE WITH SALES REPRESENTATIVE)

MERCHANT TYPE

- Indicate processing type using options provided

TERMINAL TELEPHONE LINE & MERCHANT TRAINING INFORMATION

- Indicate whether type of service requested is tone or rotary (dial), or if using a non-tone or rotary solution, then select "IP".
- Indicate whether NPC is to train the Merchant and, if applicable, the training information.

EQUIPMENT INFORMATION

- Please complete the information for the terminals, equipment and miscellaneous items.

OPTIONAL PRINT LINES FOR THE RECEIPT IN THE HEADER/FOOTER

- Indicate 1st and 2nd lines of receipt header.
- Provide site address for equipment delivery if different than the address in Merchant Business Information section.

6. MERCHANT SERVICES AND RELATED FEES

- **CARD TYPE—** Indicate which card types you will be submitting through NPC/Bank.
 - **Check Services:** If you elect to receive Check Services, indicate whether you are requesting Check Verification Services, Check Guarantee, Electronic Check Verification Services, or Electronic Check Guarantee Services. If you are requesting Check Services, you must execute a separate agreement with the provider.
 - **Debit:** If you elect to receive on-line Debit services, you will receive access to the Debit Networks that NPC makes available. On-line Debit requires a terminal, printer and pin pad for processing.
- **ACCOUNT NUMBER:**
 - **American Express:** To be completed by NPC.
 - **Discover Card:** If you will be submitting Discover Card through NPC/Bank, you must provide your Discover Card Merchant Number for each location. If you do not have a signed agreement with Discover Card, you may receive your Discover Card Merchant Number from NPC. In this case, you will need to execute an appropriate agreement with Discover Card.
 - **JCB:** If you will be submitting JCB through NPC/Bank, you must provide your JCB Merchant Number for each location. If you do not have a signed agreement with JCB, you will need to contact JCB at 1-800-366-4522 and execute an appropriate agreement with JCB.
 - **Private Label:** If you will be submitting Private Label through NPC/Bank, please contact your NPC Representative for detailed instructions.

7. PERIODIC SERVICE FEES AND SERVICE OPTIONS

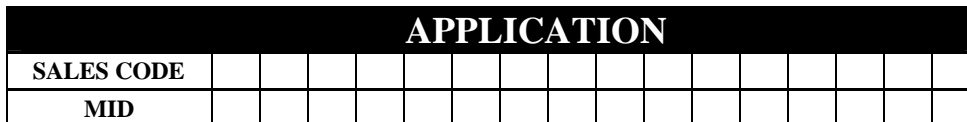
- A check for all applicable Membership, Application and Reprogramming fees must be included with these Agreements. Do not sign Application unless all "blocks" are completed with the applicable fee or an "X" signifying that no such fee applies to your account.

The Application must be fully executed and initialed where indicated. Please retain a copy of the entire Application (including the attached Agreements) for your files.

TO RETURN YOUR APPLICATION - Please return the following items to NPC at the address indicated below. If you have questions, please contact NPC Customer Service.

1. NPC's copy of the Application
2. If applicable, a check made payable to "NPC" for purchased equipment and all applicable fees
3. If applicable, a check made payable to the rental or leasing company for rented or leased equipment
4. A voided check for the bank account in which NPC/Bank is to deposit your funds
5. Current 3 months processing statements from your existing processor

EMAIL, FAX or MAIL TO - NPC
4601 Commerce Crossings Dr., Suite 200
Louisville, KY 40229
ATTN: Customer Service
FAX: 877-822-1248
EMAIL: npcapp@npcrm.net



**Columbus Bank and Trust
Company, Georgia**
1125 First Avenue, 2nd Floor Uptown
Center, Columbus, GA 31901
706-649-4900

Pursuant to requirements by law, including the USA PATRIOT ACT, National Processing Corporation ("NPC") / Columbus Bank and Trust Company ("Bank") is obtaining information and will take necessary actions to verify the identity of the individual(s) and entity(ies) listed herein.

New Merchant <input type="checkbox"/> Additional Location <input type="checkbox"/> Location # _____ of _____ If more than one (1) retail location, please complete the Multiple Locations Addendum.	MCC (For Internal Use Only) ____ ____ ____ ____
	Store # _____

(If P. O. Box, Physical Location Is Also Needed)

LEGAL BUSINESS NAME _____ CONTACT NAME _____

DBA NAME _____

PHYSICAL ADDRESS (INCLUDE CITY, COUNTY, STATE AND ZIP) _____

MAILING ADDRESS (INCLUDE CITY, COUNTY, STATE AND ZIP) _____

PRIMARY TELEPHONE () _____ ALTERNATE TELEPHONE () _____ FAX () _____

E-MAIL ADDRESS _____ CUSTOMER SERVICE PHONE # () _____

INTERNET WEBPAGE ADDRESS _____ FEDERAL TAX ID (FEIN) _____

(If different than above-listed information)

NAME _____ CONTACT NAME _____
 ADDRESS _____
 CITY _____ STATE _____ ZIP _____
 TELEPHONE () _____ ALTERNATE TELEPHONE () _____
 FAX () _____ E-MAIL ADDRESS _____
☐ Statements to be sent to corporate/parent rather than primary address listed above.

Information on the individual(s) signing the Application must be provided below (Owners listed below must total at least 25% ownership)

1. FIRST NAME, MI, LAST NAME _____ ☐ OWNER (% Ownership _____)

TITLE _____ DATE OF BIRTH: _____ ☐ OFFICER

HOME ADDRESS _____ CITY _____ STATE _____ ZIP _____

HOW LONG AT PRESENT ADDRESS _____ OWN ☐ RENT ☐ DRIVERS LICENSE # _____ STATE ISSUED _____

TELEPHONE _____ SOC. SEC. # _____ * OWNER SINCE (MM/YY) _____

2. FIRST NAME, MI, LAST NAME _____ ☐ OWNER (% Ownership _____)

TITLE _____ DATE OF BIRTH: _____ ☐ OFFICER

HOME ADDRESS _____ CITY _____ STATE _____ ZIP _____

HOW LONG AT PRESENT ADDRESS _____ OWN ☐ RENT ☐ DRIVERS LICENSE # _____ STATE ISSUED _____

TELEPHONE _____ SOC. SEC. # _____ * OWNER SINCE (MM/YY) _____

*Note: You must provide your SSN if (a) the merchant is a proprietorship or general partnership and you are an owner or general partner, (b) you are a guarantor of Merchant's obligations under the Agreement or (c) you are a key officer or owner of a closely held entity. By providing your SSN and signing this Application, you, in your individual capacity, unconditionally authorize NPC/Bank to obtain your consumer credit report. Our privacy policy is available upon request.

MERCHANT BANK ACCOUNT INFORMATION

☐ Imprinted Check Attached ☐ Verification of Account Letter from Bank Attached

An Imprinted, Encoded, Voided check or Verification of Account Letter from Bank must be attached. If not provided, the account cannot be set up.

FINANCIAL INSTITUTION _____ CONTACT NAME _____

STREET ADDRESS _____ LENGTH OF RELATIONSHIP _____

CITY _____ STATE _____ ZIP _____ PHONE () _____

TRANSIT/ABA # | | | | | | | | ACCOUNT # | | | | | | | | | | | | | |

The above-listed account will be the Settlement Account as set forth in the Merchant Services Agreement.

PATRIOT ACT REQUIREMENTS

To help the government fight the funding of terrorism and money laundering activities, the USA Patriot Act requires all financial institutions to obtain, verify and record information that identifies each person (including business entities) who opens an account. What this means for you: When you open an account, we will ask for your name, physical address, date of birth, taxpayer identification number and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

National Processing Corporation is a registered ISO/MSP of Columbus Bank and Trust Company, Columbus GA.

CARD PROCESSING AGREEMENT

This CARD PROCESSING AGREEMENT ("Agreement") is among the Merchant identified in the attached Application and its accompanying documentation (which documents are incorporated herein and constitute a part of this Agreement as if fully set forth herein), Columbus Bank and Trust Company, with its principal office in Columbus, Georgia ("Bank") and National Processing Corporation, a Delaware corporation headquartered in Louisville, Kentucky ("NPC"). NPC is engaged in the business of processing and transmitting electronic data of a financial, banking or economic nature, including but not limited to card transactions. Bank is a member of Visa® U.S.A., Inc. ("Visa") and MasterCard® International Inc. ("MasterCard"). In this Agreement, the words "you" and "your" mean the Merchant and the words "we," "our" and "us," unless the context clearly requires otherwise, refer collectively to Bank and NPC. We may allocate our rights and obligations hereunder as between ourselves as we deem appropriate in our sole discretion, and Bank or NPC may jointly or individually assert or exercise any rights or remedies provided to us hereunder. During the term of this Agreement and unless we otherwise specifically agree in writing, this will be a "requirements contract" which means we and you agree that we (directly or through others providing services on our behalf) will be the sole providers of all services 1) necessary to authorize, process and settle all of your Visa and MasterCard credit and off-line debit Card transactions, 2) necessary to process and settle all of your online debit Card transactions, 3) necessary to authorize, process and settle all of your point of sale Electronic Benefit Transfer ("EBT") transactions, and 4) specified in the Application for any other Cards specified therein. Notwithstanding the foregoing, we will not process any Visa or MasterCard Card transactions beyond the authority of a U.S. member of Visa and MasterCard.

1. Definitions. In this Agreement, the following definitions apply and are capitalized throughout:

"Application" - both the Application as attached to this Agreement when first executed by you and approved by us and any supplemental versions of the Application that you and we agree upon when you open additional locations or when you otherwise request additional or different services.

"Authorization" - the process whereby a Card transaction for a specified dollar amount is approved by the card-issuing bank or its approved agents for processing.

"Card" - means a credit, off-line debit card, online debit card or EBT card bearing the service mark of Visa or MasterCard or issued by any of the other card issuers or Networks specified in the Application as being covered by this Agreement. Unless otherwise agreed in writing, "Card" includes online debit cards, such as an Interlink or Maestro debit cards that generally require use of the holder's PIN. "Card" will also mean all international point of sale payment cards bearing one of the Electron Program Marks and governed by the Visa International Operating Regulations.

"Cardholder" - the person to whom the Card has been issued and/or the authorized user. For the purposes of this Agreement, the term "Cardholder" will also include any Recipient as defined herein below.

"Card Issuer(s)" - American Express, Diners Club/Carte Blanche, Discover Financial Services, Inc. (the issuer of Discover Cards and certain other cards), JCB, Visa, MasterCard, and any other card issuers designated on the Application.

"Card Organization(s)" - a card organization such as Visa or MasterCard that promulgates operating rules and operates an interchange system for exchanging charges and credit vouchers among you, Card Issuers and us. In the case of online debit Cards and EBT Cards, "Card Organization" includes Debit Networks and EBT Networks, respectively. i.

"Chargeback" - the return of any Card transaction, even without notice to you or without consent from you, upon occurrences permitted by the Card Organizations. A Chargeback is initiated by a Cardholder or a Card Issuer, for transmittal to and payment by you under the Rules. For the purposes of online debit Card transactions, the term "Chargebacks" in this Agreement will also be construed as "Chargebacks/adjustments."

"Debit Network(s)" - the telecommunications and processing system of each shared electronic funds transfer network for which we have sponsorship through Carrollton Bank that is used by network members to allow their Cardholders to purchase goods and services using the member bank's propriety debit card at a point of sale. The term includes all Debit Networks as specified by us from time to time. Bank is not NPC's sponsoring member into the Debit Networks and as such has no liability to you for such sponsorship. To the extent applicable to Debit Network Cards or Debit Network Card transactions, any reference to the terms "Bank", "we", "our" and "us" means NPC only.

"Electronic Benefits Transfer (EBT)" - the electronic transfer of government benefit funds to individuals through the use of Card technology with POS terminals.

NPC MSA (11-14-06)

"EBT Network(s)" - the system of each shared electronic funds transfer network that is used by network members to assist government agencies in the distribution of benefits to eligible Recipients, whether such benefits are the delivery of services or the transfer of funds or information.

"Initial Term" - the initial term of the Agreement as set forth in Section 17.

"ISO/MSP" - independent sales organization/member service provider.

"Manuals/Instructions" - various manuals and instructions regarding Chargebacks, terminal processing and other operational compliance matters supplied to you or available on the Internet.

"Merchant Provider(s)" - any and all of the third parties engaged by you.

"MO/TO/IO" - mail order/telephone order/Internet order

"PIN" - Personal Identification Number.

"Recipient" - the recipient of United States Department of Agriculture, Food and Nutrition Services ("FNS") food stamp benefits ("FS Benefits") and/or Temporary Assistance to Needed Families ("TANF") benefits and/or other government delivered cash assistance benefits

"Renewal Term" - the successive three-year periods following the Initial Term of the Agreement.

"Rules" - any and all relevant portions of the rules and regulations adopted by a Card Organization, Debit Network and/or EBT Network. Some Rules are available to you on the Internet (see Section 3).

"Settlement Account" - the bank account(s) you designate for us to debit and credit for Card transactions and related amounts.

"State" - a State participating in an EBT Project.

"System Enhancements" - any system enhancements, custom reports, special files, terminal applications or related service enhancements that are different from or in addition to the system, services and reports we agreed to provide to you as of the effective date of this Agreement.

"Third Party Service Providers" - means equipment lessors, rental vendors, check service vendors, fleet card vendors, including gift and loyalty card vendors and other companies whose services you obtain through the coordination or setup of NPC, whether or not private labeled by NPC.

2. Acceptance of Cards.

a) You may elect to accept:

- (i) A. all MasterCard cards, including consumer credit and business cards and off-line debit cards (you must maintain a policy that does not discriminate among customers seeking to make purchases with any MasterCard card),
- B. MasterCard consumer off-line debit cards only (you must maintain a policy that does not discriminate among customers seeking to make purchases with an off-line debit MasterCard card),
- C. MasterCard consumer credit and business cards only (you must maintain a policy that does not discriminate among customers seeking to make purchases with any MasterCard credit card), or
- D. No MasterCard cards;

and

- (ii) A. all Visa cards, including consumer credit and business cards and off-line debit cards,
- B. Visa consumer off-line debit cards only (includes mandatory acceptance of all Visa consumer debit card products),
- C. Visa consumer credit and business cards only (includes, to the extent required by the Visa Rules, mandatory acceptance of all Visa credit and commercial products including Visa business check cards), or
- D. No Visa cards;

The above-referenced acceptance options apply only to U.S. transactions. The Visa and MasterCard rules and regulations require merchants accepting any Card product bearing a Visa or MasterCard symbol to continue to accept both debit and credit card products issued by non-U.S. Members. You may selectively reject or decline transaction requests for Card account numbers that are within a product category not accepted by you. Should you submit a transaction outside of the Card or product categories regularly accepted by you, there is no requirement for us to reject the transaction. If

you elect limited acceptance as set forth on the Application, any transaction submitted into interchange outside of the selected Card or product category will be assessed the standard interchange reimbursement fee applicable to that product or any other applicable fee set forth on the application. Your initial election will be made in your Application. If you wish to modify your election and we agree to said modification, then you will provide us sixty (60) days advance notice of your intent to change said election in writing, and you will be responsible for any Card Organization charges assessed as a result of your limited acceptance and any and all costs incurred by us as a result of your election.

b) You must honor any valid and applicable Visa and MasterCard Cards, including credit, off-line debit and online debit Cards, properly tendered for use, as well as any properly tendered Electron Card or EBT Card, without imposing any special conditions not required by any Rules. However, if you do not deal with the public at large (for example, if your business is a private club), you are required to honor a valid Card only if presented by a Cardholder who has purchasing privileges or a membership with you. You may present Card transactions to us only for the activities and in the volumes described on the Application, including the percentage of MO/TO/IO transactions. Any Card transaction volume exceeding the volume indicated on the Application by more than twenty five percent (25%) must be approved in writing by our authorized officer before you submit Card transactions to us. You must submit any Card transaction drafts and records to us no later than five (5) calendar days or three (3) banking days (whichever is earlier) (and no later than two (2) business days for Electron Cards) after you complete Card transactions (unless you are entitled to any special extension of these deadlines). These are outside deadlines, and faster time frames are required to qualify for incentive programs, if applicable. Unless otherwise specifically provided in this Agreement or the applicable requirements of Visa or Visa International, all provisions of this Agreement applicable to Visa Cards also will apply to Electron Cards. Electron Card transactions are permitted only in face-to-face transactions when the Card and the Cardholder are present. You must process any Electron Card transactions through an electronic data capture terminal that obtains an electronic Authorization response and prints a transaction receipt. You agree to check the valid date and expiration date of each Card presented. You have a zero "floor limit", which means you agree to process only Card transactions for which you have received an Authorization. Obtaining an Authorization will not assure payment to you for a Card transaction. The fact that an Authorization is obtained by you will not affect our right thereafter to revoke Authorization of a Card transaction or to charge back the transaction to you, except if prohibited by the Rules. In no event will the fact that an Authorization is obtained by you be deemed to be our representation or warranty, either express or implied, that the particular Card transaction is in fact a valid, authorized or undisputed transaction entered into by the Cardholder. If you are approved to utilize batch Authorization by us, you may obtain batch Authorization for certain sales after such sales have occurred, provided, however, that Authorization for each transaction is obtained by end of the calendar day upon which such sale was initiated and that you do not presort the batch by account number or BIN. Further, you explicitly agree that you will be responsible for any fines, fees, Chargebacks, assessments, and declined or disputed transactions that may result from using a batch Authorization process.

Unless we otherwise agree in writing, you may not accept Card transactions for services or products that will be delivered or provided more than thirty (30) days from the date you submit any portion of said transaction for settlement. You may not process transactions using your own, personal or business Cards or those of your employees, officers, spouses, etc. Transactions of this type can be considered advances of cash and are not permissible under this Agreement or the Rules and regulations. You acknowledge that we may use an ISO/MSP operating under applicable Rules and regulations. ISO/MSP is an independent contractor and not an agent of NPC/Bank. ISO/MSP has no authority to execute the Agreement on our behalf or to alter the terms hereof without our prior written approval. Any alteration of the terms of this Agreement must be initiated and approved by us.

You will be responsible for the quality and accuracy of all data provided to us. We may, at our option, return to you for correction before processing any data submitted by you which is incorrect, illegible or otherwise not in proper form. If you do not provide your data to us in accordance with our specified format and schedule, we will use reasonable efforts to reschedule and process the data as promptly as possible, but related expenses incurred by us will be charged to you.

We will make the services selected by you operational and available to you upon a mutually agreed upon implementation plan. You agree to cooperate with us and provide us with all necessary information and assistance required for us to successfully make the services operational and available to you. You agree that, except as otherwise contemplated herein or otherwise permitted by us, you will use the services provided by us only for

your own internal and proper business purposes and will not resell, directly or indirectly, any of the services or any portion thereof to any third party.

c) With respect to MasterCard transactions: (i) For purposes of the Agreement and performance of the Agreement by NPC; (1) NPC is the exclusive agent of Bank; (2) Bank is at all times entirely responsible for, and in control of, NPC's performance; and (3) Bank must approve, in advance, any fee to or obligation of the Merchant arising from or related to performance of the Agreement; (ii) the Agreement is not effective and may not be modified in any respect without the express written consent of Bank; (iii) NPC may may not have access, directly or indirectly, to any account for funds or funds due to a Merchant and/or funds withheld from a Merchant for Chargebacks arising from, or related to, performance of the Agreement. Bank may not assign or otherwise transfer an obligation to pay or reimburse a Merchant arising from, or related to, performance of the Agreement to NPC; (iv) NPC may not subcontract, sublicense, assign, license, franchise, or in any manner extend or transfer to any third party, any right or obligation of NPC set forth in the Agreement without Bank's consent; and (v) Bank is responsible for the merchant processing program and for the Merchant's participation in such program.

3. Manuals/Instructions. We will provide or make available to you the Manuals/Instructions and may from time to time otherwise advise you of requirements imposed by the Rules by providing you with relevant portions or summarizations thereof of the rules, regulations, releases, interpretations and other requirements of Visa, MasterCard and any other issuers of Cards, including Debit and EBT Networks, which you accept as specified in the Application. The Manuals/Instructions include the Operating Rules, which are set forth in Exhibit 1, which exhibit is attached hereto and incorporated herein. You agree to follow the procedures in the Manuals/Instructions in connection with each Card transaction and to comply with all requirements of the Rules. Unless the context clearly requires otherwise, references to this Agreement include the Manuals/Instructions and the Rule provisions. If there is any conflict between the terms of this Agreement and the Manuals/Instructions, the terms of this Agreement will govern, except to the extent the Manuals/Instructions specifically provides that a particular provision in it overrides any conflicting provision in this Agreement. Additional information is available at the Visa web site (download the "Card Acceptance & Chargeback Cycle Management Guide" under the "Operations & Risk Management" section at <http://www.usa.visa.com/business/accepting Visa>) and the MasterCard web site (download the "Merchant Rules" under the "Accept MasterCard" section at <http://www.mastercardmerchant.com>).

4. Merchant Representations. You represent that (a) you have the full power and authority to sell the products and services you offer and to display the advertisements you use; (b) no products or services offered by you constitute a violation of any applicable law and you will not accept a Card for any illegal transaction; (c) you will prominently and unequivocally inform each Cardholder of your identity at all points of the interaction between the Cardholder and you so that the Cardholder can readily distinguish you from any other party such as a supplier of goods or services to you; (d) the products and services offered by you and the name of your business do not infringe upon the rights of any other person, including, without limitation, trademark, copyright, confidentiality or patent rights; and (e) you will not sell, market or display any products or services that would jeopardize the Bank's reputation.

For each Card transaction submitted to us, you represent and warrant that: (a) the transaction represents obligations of the Cardholder for the amounts in the transaction (including tax, but without any surcharge except for a surcharge, if any, that is authorized by the Rules) and only for merchandise actually sold or rented or services actually rendered by you (except for any delayed delivery or advance deposit authorized by the Rules and this Agreement) and does not involve any element of credit for any other purpose, (b) the transaction represents a bona fide sale/rental of merchandise and/or services not previously submitted and, except as otherwise provided in the Rules, does not represent a refinancing of any prior obligation (including any obligation otherwise owed to you by a Cardholder, or arising from the dishonor of a personal check), (c) the price charged for the transaction is not subject to any dispute, setoff or counterclaim, (d) the transaction does not result from any transaction outside of your normal course of business, as described in the Application, and (e) you have no knowledge or notice of any fact, circumstances or defense which would indicate that the transaction was fraudulent or not authorized by the Cardholder or which would otherwise impair the validity or collectibility of the Cardholder's obligation or relieve the Cardholder from liability for the transaction.

5. Additional Cards. Our sole responsibility for transactions involving Cards issued by American Express, Diners Club/Carte Blanche, Discover Financial Services, Inc. (the issuer of Discover Cards and certain other cards) and JCB will be to provide the services which we have agreed to provide, as specified in the Application.

3. BUSINESS CERTIFICATION

CERTIFICATION OF MERCHANT'S CARD PROCESSING ACTIVITY

<div><div><div><div><div></div><div></div><div></div><div></div></div><div>% Card Presented</div></div><div><div><div></div><div></div><div></div><div></div></div><div>% Card Not Present</div></div></div><div>MUST EQUAL 100% TOTAL</div></div>		<div><div><div><div></div><div></div><div></div><div></div></div><div>% Card Swiped</div></div><div><div><div></div><div></div><div></div><div></div></div><div>% MO/TO (Catalog)</div></div></div> <div><div><div><div></div><div></div><div></div><div></div></div><div>% Hand Entered (Manually Keyed)</div></div><div><div><div></div><div></div><div></div><div></div></div><div>% Internet</div></div></div> <div>All four % must equal 100%</div>	
Internet Merchants only: Do you use digital certificates? <input type="checkbox"/> YES <input type="checkbox"/> NO (if yes, provide the name of the issuer, digital certificate #s and expiration dates, and the ownership status (shared or individual) in Section 4 below)		Is Merchant's business seasonal? <input type="checkbox"/> YES <input type="checkbox"/> NO If yes, list inactive months: _____	
Has Merchant previously processed MC/VS? <input type="checkbox"/> YES <input type="checkbox"/> NO If yes, name of previous processor: _____		Last 3 months consecutive statements are attached? <input type="checkbox"/> YES <input type="checkbox"/> NO	
Current Previous (circle one) BANKCARD PROCESSOR NAME		Does a third party vendor have access to your transaction data or cardholder information? <input type="checkbox"/> YES <input type="checkbox"/> NO (if yes, provide the name, address, phone #, fax #, email, contact name and an explanation of the data to which they have access in Section 4 below)	
If current/previous processor is NPC, list Merchant ID # _____			
Average MC/VS Ticket – Primary Location \$ _____		Projected monthly Visa/MC Sales: \$ _____	
Projected monthly check sales \$ _____		Occasional Higher Tickets To: \$ _____	
		Total Annual Volume – All Locations \$ _____	
		Total Projected Monthly Sales from All Payment Types: \$ _____	

TRADE REFERENCE

TRADE REFERENCE		CONTACT NAME/PHONE #	
STREET ADDRESS		CITY	
STATE	ZIP	ACCOUNT NUMBER	

CERTIFICATION OF MERCHANT'S BUSINESS

YEARS/MONTHS IN BUSINESS		YEARS UNDER CURRENT OWNERSHIP		BUSINESS TYPE	
HOW LONG AT THIS LOCATION		REFUND POLICY (Check One): <input type="checkbox"/> No refund <input type="checkbox"/> Refund in 30 days or less <input type="checkbox"/> Merchandise exchange only <input type="checkbox"/> Other _____			
FORM OF OWNERSHIP (Mandatory) <input type="checkbox"/> Sole Proprietor <input type="checkbox"/> Partnership <input type="checkbox"/> Government <input type="checkbox"/> Limited Partnership <input type="checkbox"/> Assoc. / Estates / Trusts <input type="checkbox"/> Medical or Legal Corp. <input type="checkbox"/> Tax Exempt Organization <input type="checkbox"/> International Organization <input type="checkbox"/> Limited Liability Company <input type="checkbox"/> Corporation (Privately traded) <input type="checkbox"/> Corporation (Publicly traded) Symbol: _____				BUSINESS ENVIRONMENT (Check All That Apply) <input type="checkbox"/> Storefront <input type="checkbox"/> Kiosk <input type="checkbox"/> Seminar <input type="checkbox"/> Office <input type="checkbox"/> In Home <input type="checkbox"/> MO/TO <input type="checkbox"/> Door to Door <input type="checkbox"/> Trade Show/ Flea Market <input type="checkbox"/> Job/Service Site <input type="checkbox"/> Internet <input type="checkbox"/> Business to Business <input type="checkbox"/> Other _____	

ACCOUNT EXECUTIVES USE ONLY — SITE VERIFICATION

Specifically describe the Merchant's business so it would be very clear to one who has never seen or heard of the Merchant. Be careful to include complete descriptions of the products/services the Merchant is providing. _____

The Merchant is open and actively conducting business with customers? ☐ YES ☐ NO If "No", please explain _____

The Merchant has a quantity and type of inventory consistent with the described business, products/services? ☐ YES ☐ NO If "No", please explain: _____

The Merchant's facilities and equipment are consistent with the described business, products/services? ☐ YES ☐ NO If "No", please explain: _____

☐ I hereby certify that I have inspected the Merchant's main business location identified in this application.
I have personally confirmed the identity of the person listed in the Business Ownership & Management Section, and I have witnessed their signing of the Merchant Services Agreement. I represent and warrant that the information set forth in the application is true and accurate.

ACCOUNT EXECUTIVE PRINTED NAME	ACCOUNT EXECUTIVE SIGNATURE	DATE
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4. ADDITIONAL INFORMATION

5. EQUIPMENT AND PROCESSING SPECIFICATIONS

MERCHANT TYPE

TYPE: _____ 1= Retail 2= Restaurant 3= Internet/Wireless 4= MO/TO 5= Supermarket 6= Small Ticket/QSR 7= Lodging* 8= Other: _____

* If Merchant is a Lodging Merchant, does the Merchant utilize check in/check out? ☐ Yes ☐ No If MOTO, provide Customer Service phone number: _____

TERMINAL TELEPHONE LINE & MERCHANT TRAINING INFORMATION

TYPE OF SERVICE (TERMINAL/PC) <input type="checkbox"/> Tone <input type="checkbox"/> Rotary <input type="checkbox"/> IP	CALL WAITING ON TERMINAL LINE? <input type="checkbox"/> Yes <input type="checkbox"/> No	ROLL OVER LINES? <input type="checkbox"/> Yes <input type="checkbox"/> No	# / #S TO GET OUTSIDE LINE	MERCHANT'S TIME ZONE <input type="checkbox"/> East <input type="checkbox"/> Central <input type="checkbox"/> Alaska <input type="checkbox"/> Mountain <input type="checkbox"/> Pacific <input type="checkbox"/> Hawaii
FOR ACCOUNT EXECUTIVE USE ONLY:		NPC TO TRAIN MERCHANT? <input type="checkbox"/> Yes <input type="checkbox"/> No		NPC TO REPROGRAM TERMINAL? <input type="checkbox"/> Yes <input type="checkbox"/> No

Except to the extent the Application specifies that we will provide settlement services for any of these additional Card transactions, we will provide Authorization and/or processing services only, and all settlement and Chargeback obligations and similar financial responsibilities arising from your transactions involving Cards other than Visa and MasterCard will be governed exclusively by your agreement with the respective Card Issuer and you must not seek Authorization for or submit for processing or settlement any transactions involving Cards other than Visa and MasterCard unless you have in effect a valid agreement with the applicable Card Issuer, except to the extent we have agreed to provide settlement services with respect to your JCB, Diners Club/Carte Blanche or Discover Card transactions. You must notify us immediately upon termination of any issuer agreement. Upon such termination, we will have no further obligation to provide any services to you for transactions involving the Cards covered by the terminated issuer agreement (except to the extent we have agreed to provide settlement services with respect to your JCB, Diners Club/Carte Blanche or Discover Card transactions). We do not warrant or bear any responsibility for any Card Issuer or for its performance of any obligations to you. If any agreement with a Card Issuer requires such Card Issuer's consent for us to perform the services contemplated by this Agreement, you are responsible for obtaining that consent.

a) If the Application indicates that we will provide settlement services with respect to your Diners Club/Carte Blanche Card transactions, you will not have a separate agreement with such Card Issuer; instead, we will provide you with all specified services for such Card transactions solely pursuant to this Agreement (and any provisions from the Manuals/Instructions or any updates thereto). In addition, the following special provisions apply (notwithstanding any contrary provision in this Agreement) to your JCB or Diners Club/Carte Blanche Card transactions to be settled by us:

a) For Diners Club/Carte Blanche: (i) you must retain original sales records and credit records for at least ninety (90) days after the transaction and must retain microfilm or legible copies of sales records and credit records for at least seven (7) years after the transaction; and (ii) you must not accept a Card embossed "for local use only" outside the territory in which it was issued.

b) For JCB: (i) you must retain original sales drafts and credit vouchers for at least 120 days after the transaction and must retain microfilm or legible copies of sales drafts and credit vouchers for at least three (3) years after the transaction; (ii) for purposes of your Chargeback liability with respect to JCB Card transactions, an Authorization obtained on a transaction does not override any Chargeback reason which may apply to the item; (iii) if you process JCB Card transaction data electronically, your account number must be included in the JCB Card transaction data transmitted to us, in addition to the other information required to be included on each sales draft or credit voucher; (iv) if you are a lodging merchant, JCB Cardholders must be allowed to cancel reservations at resort establishments until 4:00 p.m. on the scheduled arrival date; and (v) by contracting for JCB settlement services, you authorize JCB to publish your name, address and telephone number in JCB solicitation materials.

6. Access to Debit Networks and Use of Services. In entering into this Agreement and performing services for you with respect to online point of sale debit transactions, we will provide you with access and sponsorship or will cause you to be provided with access and sponsorship to the point of sale Debit Networks specified by us. Any penalties incurred by you for failure to comply with Debit Network Rules will be your responsibility. You assume exclusive responsibility for the consequences of any oral or written instructions you may give to us, for your failure to properly access the services in the manner prescribed by us, and for your failure to supply accurate input information. You will be responsible for auditing, balancing, verifying and reconciling any out-of-balance condition, and for notifying us of any errors in the foregoing after receipt of the applicable report from us. You will reject all incorrect reports or output within two (2) Business Days after receipt of the reports or output.

Except as otherwise provided in this Agreement, you will be responsible for the supervision, management and control of your use of our systems, including without limitation (1) implementing sufficient procedures to satisfy its requirements for the security and accuracy of the input you provide, and (2) implementing reasonable procedures to verify reports and other output from us within the time frames specified hereinabove. You agree that you will use the services in accordance with such reasonable rules as may be established by us from time to time as set forth in any materials furnished by us to you.

Notwithstanding the right of NPC/Bank to debit funds from the Settlement Account for erroneous deposits made by Third Party Service Providers, this Agreement does not govern the deposit to or withdrawal of funds by Third Party Service Providers. If you have contracted for services with Third Party Service Providers coordinated by NPC or its agents, NPC is not a NPC MSA (11-14-06)

party to those contracts and NPC has no control over your contractual relationship with those companies. Third Party Service Providers will provide their own statements and you are responsible for notifying them of any discrepancies or errors. NPC and Bank are not responsible or liable for any errors made in connection with establishing and maintaining such account relationships with Third Party Service Providers, and you waive, indemnify and hold harmless NPC and Bank against all such claims. You are responsible for ensuring that all account numbers are correct. You must notify the Third Party Service Providers of any changes, including, but not limited to, changes in ACH information, address and account information.

7. EBT Transactions. If elected by you on the Application, you wish to purchase from us and we wish to sell to you certain services necessary for the authorization, processing and settlement of point of sale EBT transactions submitted to the EBT Networks and which transactions are initiated through you in connection with the authorization, providing and/or issuance of United States Department of Agriculture, Food and Nutrition Services ("FNS") food stamp benefits ("FS Benefits") and/or Temporary Assistance to Needed Families ("TANF") benefits and/or other government delivered cash assistance benefits ("Cash Benefits" with FS Benefits, "Benefits") to benefit recipients in the EBT Project areas ("Recipients") supported by us through the applicable gateway through the use of a State-issued Benefit Security Card ("EBT Card") issued by a state participating in the EBT Project and benefit recipients of other states not within the Project area ("Other Recipients"). You agree to provide and/or issue Benefits at each of your locations to the Recipient as hereinafter provided and in accordance with the procedures specified by us, the applicable EBT Network or State's EBT rules and regulations as amended from time to time and all applicable laws governing the issuance and/or provision of Benefits. You will provide each Recipient a receipt for each Benefit issuance transaction undertaken by you. You will be solely responsible for your issuance of Benefits other than in accordance with authorizations received from us.

You will provide us, upon execution of this Agreement, with a complete list of all of your locations in the continental United States where you desire to accept EBT Cards, with correct and complete mailing addresses and complete telephone numbers, in location number order. You will provide an updated list at our request or as changes occur. All locations from which you accept EBT Cards will be subject to this Agreement and will be included on the lists provided from time to time by you to us.

You will honor any valid EBT Card properly tendered for use when it is presented with a valid personal identification number (PIN). You will not engage in acceptance practices or procedures that discourage the use of any valid EBT Card. You will not complete any point-of-sale EBT Card transaction that has not been authorized. You will ensure that if Recipient enters a valid PIN, you will not require another form of identification from Recipient unless you have grounds to suspect fraud.

You will provide and/or issue Benefits to Recipients, in accordance with the policies and Rules in the amount authorized through your point-of-sale terminal, with PIN Pad and printer ("Equipment"), upon presentation by Recipient of an EBT Card and Recipient entry of a valid PIN. You agree that in the event of failure of the Equipment to print Benefit issuance information as approved and validated as a legitimate transaction, you will comply with our procedures and rules for authorization of Benefits in such instance.

If you have agreed to Cash Benefits, you agree to maintain adequate cash on hand to issue and/or provide confirmed Cash Benefits and will issue and/or provide Cash Benefits to Recipients in the same manner and to the same extent cash is provided to your other customers. You will not require, and will not in the advertising suggest, that any Recipient must purchase goods or services at your facilities as a condition to the issuance and/or provision of Cash Benefits to such Recipient, unless such condition applies to other customers as well. You will not designate special checkout lanes restricted to use by Recipients, provided that if you designate special checkout lanes for electronic debit, or credit cards and/or other payment methods such as checks or other than cash, Recipients may be directed to such lanes so long as other customers are directed there as well.

If you support the issuance and/or provision of FS Benefits through manual benefit issuance procedures during the period of time when normal benefit issuance is not possible, then the following limitations will apply to manual issuance and/or provision of FS Benefits by you.

- (i) You must receive an authorization number for the amount of the purchase via telephone at the time of sale.
- (ii) Specified Recipient, clerk and sales information, including the telephone authorization number, must be entered properly and legibly on the manual sales draft form.
- (iii) The manual sales draft must be submitted to the applicable EBT Network for processing within ten (10) calendar days following the date of authorization or any such earlier period of time specified in any applicable Rules or regulations.

(iv) Except as otherwise specifically provided by any applicable Rules or laws, you will not be reimbursed and will be solely responsible for all manual transactions when you fail to obtain an authorization number at the time of sale or otherwise fail to process the manual transactions in accordance with any applicable Rules or laws.

(v) Except as otherwise specifically provided by any applicable Rules or laws, you may not "resubmit" a manual sales draft for payment if insufficient funds exist at the time that the manual sales draft is presented for processing and payment.

You agree to comply with all applicable laws and Rules in the performance of your obligations under this Agreement, including without limitation, laws pertaining to delivery of goods and services to Benefit Recipients and Benefit Recipient confidentiality, and the federal Civil Rights Act of 1964, Rehabilitation Act of 1973, Americans with Disabilities Act of 1990, Clean Air Act, Clean Water Act, Energy Policy and Conservation Act, Immigration Reform and Control Act of 1986, and regulations issued by the Department of Agriculture pertaining to Food Stamp Program regulation.

You agree to comply with Quest Operating Rules issued by the National Automated Clearing House Association ("NACHA") as approved by FNS or the Federal Reserve Bank and such other Rules and regulations as may be applicable to the providing and/or issuance of Benefits by you hereunder. You agree to comply with all additional procedures specified by the State or EBT Networks, regarding lost EBT Cards, forgotten PINs, discrepancies in Benefits authorized and similar matters.

You will not accept any EBT Card for any purpose other than the providing and/or issuance of Benefits, including without limitation as security for repayment of any Recipient obligation to you. In the event of any violation of this provision, you will be obligated to reimburse the State for any Benefits unlawfully received by either Recipient or you.

You agree to separately maintain records of EBT transactions as may be reasonably requested or required by the State or its designated agent and to promptly make such records available for audit upon request to representatives of the State or its designated agent, or other authorized State or Federal government agency during normal business hours.

To assure compliance with this Agreement, the State, its designated agent, or other authorized State or Federal governmental agency, will at all times have the right to enter, during normal business hours, your premise to inspect or evaluate any work performed under this Agreement, or to obtain any other information required to be provided by you or otherwise related to this Agreement.

You agree to maintain and preserve all financial records or documentation arising hereunder during the course of this Agreement and for a period of three (3) years following Benefit provision and/or issuance, or for such additional period as applicable regulations or law may require. Records involving matters in litigation will be kept for a period of not less than five (5) years following the termination of the litigation.

If you provide or issue FS Benefits under this Agreement, you represent and warrant to us that you are a FNS authorized retailer and you are not currently disqualified or withdrawn from redeeming food stamps or otherwise disqualified or withdrawn by FNS. You agree to secure and maintain at your own expense all necessary licenses, permits, franchises, or other authorities required to lawfully effect the providing and/or issuance and distribution of Benefits under this Agreement, including without limitation, any applicable franchise tax certificate and non-governmental contractor's certificate, and covenants that you will not issue Benefits at any time during which you are not in compliance with the requirements of any applicable law.

Your authority to issue Benefits may be suspended or terminated by the State or its agents or contractors, in their sole discretion, effective upon delivery of a notice or suspension or termination specifying the reasons for such suspension or termination if there will be (i) any suspension, injunction, cessation, or termination of our ability to provide EBT processing services, or (ii) failure by you, upon not less than thirty (30) days prior written notice, to cure any breach by you of the provisions of these terms and conditions, including without limitation, your failure to support the issuance of Benefits during your normal business hours consistent with your normal business practices, your failure to comply with issuance procedures, your impermissible acceptance of an EBT card, or your disqualification or withdrawal of the FS program.

8. Availability of Terminals. You will take all reasonable steps necessary to ensure that all point-of-sale devices and PIN pads will be available for use by the Cardholders of each Debit and EBT Network to which you are being provided access as set forth on the Application for the Cardholders online debit Card transactions and such devices and PIN pads will function in a reliable manner.

9. Age-Restricted Products. If you are engaged in the sale of age-restricted products such as alcoholic beverages, tobacco products, adult-

content material or adult Web sites, gaming transactions, weapons and/or any other applicable age-restricted products or services, you must comply fully with all local, state and federal laws governing the distribution of age-related products. You certify herein that you will implement age verification procedures governing the sale of such products, including age verification of each customer against an official government records database before entering certain transactions into the credit card payment system. For face-to-face sales, you will require the signature of the Cardholder. To verify legal age, you will also require the Cardholder to present a valid, government-issued photo identification card in the same name and address as the Cardholder. For sales made via mail, telephone and/or the Internet, you will (1) only deliver age-restricted products to the name and address listed as belonging to the Cardholder, and (2) require, without exception, the signature of the Cardholder, as well as presentation of a valid, government-issued photo identification card in the same name and address as the Cardholder to verify legal age upon delivery of the merchandise. Failure to abide by all applicable age verification laws may result in fines and/or loss of merchant card services privileges, as well as termination of your account with us.

10. Settlement of Card Transactions. All credits to the Settlement Account, as well as any other payments to you, are provisional and are subject to our final audit and checking. We may debit or credit your Settlement Account for any deficiencies and overages or may deduct such amounts from settlement funds due to you. We may, within our sole discretion, delay your settlement payments for up to seven (7) days, which period will begin after the settlement payments are received by us. In this event, you acknowledge that we will, and you expressly authorize us to, delay your settlement payments for up to seven (7) days. This delay of your settlement funds does not preclude us from exercising our right to establish a reserve/security account or to suspend payments pursuant to Section 17 of this Agreement. The settlement payments will begin to be credited to your Settlement Account, less any monies owed us, on the next business day following expiration of this rolling delay period. This rolling delay of the settlement payments will be ongoing and continue as long as we are providing your processing services.

Except as otherwise set forth in this Agreement, if we receive your sales records or other transaction records by the applicable cut off time established by us, we will initiate a transfer of applicable settlement funds received from Visa and MasterCard, less any monies owed us, through the ACH to your Settlement Account once we receive said funds from Visa and MasterCard; this will generally occur by 8:00 P.M. Eastern time on the following banking day after we process the applicable transactions.

This Agreement is a contract whereby we are extending financial accommodations to you within the meaning of Section 365(c) of the Bankruptcy Code. We are not liable for any delays in receipt of funds or errors in debit and credit entries caused by unaffiliated third parties including, but not limited to, the Card Organizations, Debit Networks, EBT Networks, a clearing house or your financial institution.

To the extent the Automated Clearing House (ACH) settlement process is used by us to effect debits or credits to your Settlement Account for the services elected by you on the Application, you hereby agree to be bound by the terms of the operating rules of the National Automated Clearing House Association, as are in effect from time to time. You hereby authorize us to initiate credit and debit entries and adjustments to your Settlement Account through the ACH settlement process and/or through direct instruction to (or such other arrangements as we deem appropriate with) the financial institution where your Settlement Account is maintained for amounts due to us under this Agreement and under any agreements with us or our affiliates for any related equipment and related services, as well as for any credit entries in error. You hereby authorize and direct the financial institution maintaining your Settlement Account to effect all such debits and credits to your account initiated by us. This authority will remain in effect until we provide written notice to the financial institution maintaining your Settlement Account that all monies due from you to us or our affiliates for any related equipment or services have been paid in full. For the duration of the Agreements, you will be solely liable for all fees and charges assessed by your financial institution, including all overdraft and NSF charges, and you irrevocably release us and hold us harmless from the same fees and charges, regardless of cause.

All sales and credits accepted by us are subject to audit and verification by us and you agree that we may debit or credit your Settlement Account for any inaccuracies, and we will have the right to charge you for any improper sales slips and return them to you.

11. Fees; Adjustments; Collection of Amounts Due From You.

- a) **CREDIT AND OFF-LINE DEBIT CARD TRANSACTIONS ONLY:** Our fees and other charges to you for the services and any supplies we provide will be calculated pursuant to this Section, the Application, or any subsequent amendment to this Agreement. Fees and charges for related services and equipment will be specified on the Application. We will charge you a fee

EQUIPMENT INFORMATION

PROVIDER CODES†: NPC= NPC SOF= Sales Office BNK= Bank MER= Merchant ‡ NPC SHIPS EQUIPMENT ONLY IF NPC IS SELECTED AS THE PROVIDER.										
PAYMENT METHOD CODES: L= Lease P= Purchase				PROCESSOR CODE (SETTLEMENT PROVIDER): VSN= Vital/TSYS						
APPLICATION CODES: RET= Retail RTIP = Retail + Tip RST= Restaurant HOT= Hotel CAV= Cash Advance QSR= Quick Service Restaurant MTO= Mail/Telephone Order										
EQUIPMENT SPECIFICATIONS AND PROVIDER: Please provide complete specifications for merchant set up and for all equipment, regardless of provider.										
ITEM	PROVIDER CODE	QTY	EQUIPMENT TYPE	PMT. METHOD	PROCESSOR CODE	APPLICATION CODE	TERMINAL MEMORY	AUTO CLOSE	AUTOCLOSE TIME	
TERMINALS ONLY										
T1					VSN			<input type="checkbox"/> Yes <input type="checkbox"/> No		
T2					VSN			<input type="checkbox"/> Yes <input type="checkbox"/> No		
PRINTERS, PIN PADS, READERS, ETC.										
T1										
T2										
MISCELLANEOUS ITEMS FROM NPC: Stackers, Imprinters, Cables, Etc.										
	NPC									
	NPC									
If Merchant accepts and processes Internet transactions, 1. Provide the name of Merchant's Internet service provider _____ 2. Identify Gateway: _____										
THIS SECTION IS MANDATORY IF REQUESTING DEBIT CARD SERVICE					THIS SECTION IS MANDATORY FOR PC TERMINAL SOFTWARE					
WILL MERCHANT OFFER CASH BACK? <input type="checkbox"/> YES <input type="checkbox"/> NO AMOUNT \$ _____					SOFTWARE NAME		VERSION #		PUBLISHED BY	
OPTIONAL PRINT LINES FOR THE RECEIPT IN THE HEADER/FOOTER										
1 ST LINE OF RECEIPT HEADER (up to 20 characters)					1 ST LINE OF RECEIPT FOOTER (up to 20 characters)					
2 ND LINE OF RECEIPT HEADER (up to 20 characters)					2 ND LINE OF RECEIPT FOOTER (up to 20 characters)					
SHIPPING INFORMATION <input type="checkbox"/> Same as mailing address listed in Section 2. <input type="checkbox"/> Ship to the address listed below. <input type="checkbox"/> Ship COD (If COD, shipping address MUST be sales office.)										
NO P. O. BOXES – MUST BE PHYSICAL ADDRESS										
COMPANY _____					ATTN: _____			PHONE: _____		
ADDRESS _____					CITY _____			STATE _____ ZIP _____		
6. MERCHANT SERVICES AND RELATED FEES					SOF Use Only : <input type="checkbox"/> SPQ <input type="checkbox"/> SIP If either option is chosen, an additional form must be submitted with Application.					
AMERICAN EXPRESS INFORMATION		CHECK THE BOX FOR EACH REQUESTED SERVICE			Discount Rate (%)	Inquiry Fee	Split Dial	Is Service currently established? If "Yes" provide account number.		
IF MERCHANT <i>DOES NOT</i> HAVE AN EXISTING AMERICAN EXPRESS ACCOUNT NUMBER, THIS SECTION <i>MUST BE COMPLETED</i> TO ACCEPT AMEX. Estimated annual AMEX Volume\$ _____ Estimated average AMEX Ticket\$ _____ FLAT FEE (\$5.00 Monthly) OR GROSS PAY (Monthly or Daily) Franchise Cap # _____ DISCOVER INFORMATION (FOR INTERNAL USE ONLY) Discover Franchise Code # _____		<input type="checkbox"/> Visa® Credit Qualified Rate ^{*,1,2}				\$	N/A			
		<input type="checkbox"/> MasterCard® Credit Qualified Rate ^{*,1,2}								
		<input type="checkbox"/> Visa Off-Line Debit Qualified Rate ^{*,1,2,†} (no PIN)				\$	N/A			
		<input type="checkbox"/> MasterCard Off-Line Debit Qualified Rate ^{*,1,2,†} (no PIN)								
		<input type="checkbox"/> American Express® ^{1,3}				\$	<input type="checkbox"/> YES			
		<input type="checkbox"/> Discover® ^{1,3} (Discover Fee of \$.10 per item plus the indicated discount rate. A one-time \$25.00 Discover membership fee may be collected via a separate ACH by Discover.)				\$	N/A			
		<input type="checkbox"/> J C B® ^{1,3}				\$	N/A			
		<input type="checkbox"/> CrossCheck (separate agreement required) ³								
		<input type="checkbox"/> Online Debit (PIN) ³		NPC Processing Fee	N/A	\$	N/A			
				Debit Network Fee	N/A	\$				
		<input type="checkbox"/> EBT ³		<input type="checkbox"/> Food Stamps <input type="checkbox"/> Cash Benefits <input type="checkbox"/> Both		\$		FCS# _____		
Purchasing Card (Level 2) <input type="checkbox"/> Yes <input type="checkbox"/> No <i>To receive the optimal processing fee available, Purchasing Card transactions require additional data elements to be entered at the point of sale.</i>		<input type="checkbox"/> Other Service ³				\$	N/A			
* The following surcharge may be assessed in addition to the Qualified rate as described in Section 11 of the Card Processing Agreement: Qualified Rewards/World Surcharge _____ Mid-Qualified Surcharge _____ Non-Qualified Surcharge _____										
DISCOUNT ASSESSED <input type="checkbox"/> Daily <input type="checkbox"/> Monthly Additional surcharge for monthly discount _____ %				[†] OFF LINE DEBIT PER ITEM FEE SURCHARGE \$0.05 per off line debit transaction OFF LINE DEBIT PER ITEM FEE SURCHARGE (SUPERMARKETS ONLY): \$0.31 per off line debit transaction.						
¹ Possible fee adjustments are explained in Section 11 of the Card Processing Agreement. ² If Merchant accepts a card type other than the type(s) selected above and there is no rate listed for said card type, Merchant will be charged a qualified rate of 3.5% for each submitted transactions outside Merchant's election, in addition to the Inquiry Fee and any Mid-Qualified or Non-Qualified Surcharge, if applicable. ³ These services will be provided to Merchant and funded by independent third party service providers not by NPC or Bank. Neither NPC nor Bank make any warranty with respect to these services.										
MERCHANT INITIALS X _____										

daily for the services to be provided by us to you under this Agreement as stated in this Section and the Application. The fees with respect to Card transactions will be a percentage of the gross amount of a Card transaction or an inquiry fee for each Card transaction. The discount fees shown in the Application will be calculated based on the gross amount of all Visa and MasterCard transactions submitted to us. The inquiry fee will be assessed on every communication attempt from your point-of-sale device. Further, you will pay, in accordance with this Agreement, all fees, cost escalations, assessments, tariffs, penalties, fines or other items that may be charged, assessed or imposed under this Agreement and/or the Rules. The Visa and MasterCard interchange fees and assessments, which are separately specified on the Application if your processing fee is stated as a per transaction dollar amount, or are part of the processing fee if it is stated as a percentage of the dollar volume of transactions, are based on the current interchange rates and assessments set by Visa and MasterCard. Any increases in these interchange fees and assessments will be passed through to you either as part of the separately stated interchange fees and assessments or as part of any percentage-based processing fee. You acknowledge that whenever your transactions fail to qualify for any reduced interchange fees, we will process such transactions at the applicable interchange fees as set by the applicable Card Organization, and you will pay us the corresponding interchange fees (or any percentage-based processing fee based on the corresponding interchange fees). You acknowledge that the fees specified in the Application, as they may be updated or amended from time to time, are basic fees, the lowest discount fee you can achieve, and will apply only to Card transactions which exactly meet certain processing criteria or "qualify" for basic fees according to the Rules. Criteria for determining qualification will include, but not be limited to, whether a Card transaction is: (1) hand entered (the required data is not electronically captured by a point-of-sale device reading the information encoded in or on a Card); (2) voice authorized; (3) not authorized; (4) transmitted for processing within twenty-four (24) hours of the Card transaction; or (5) deemed "Non-Qualifying" by the Rules, such as, but not limited to, Card transactions involving foreign Cards or Cards issued as business, commercial, purchasing or government Cards. **In the event that Card transactions submitted to us for processing only partially qualify or do not at all qualify for the qualified discount rate quoted in accordance with the Application and/or the Rules, you may be assessed and agree to pay an additional Non-Qualified or Mid-Qualified Surcharge if set forth on the Application.** Also, if your average ticket size and/or annualized Visa and MasterCard Card volume falls below the amount shown in the Application for any three (3) month period, we may adjust our fees as we deem appropriate, and you will pay us the corresponding adjustments.

- b) **ONLINE DEBIT CARD TRANSACTIONS ONLY:** We will charge the NPC processing fee set forth on the attached Application for each debit transaction submitted to each Debit Network regardless of whether such transaction is approved, declined, or determined invalid. In addition, you will be assessed for each debit transaction a Debit Network fee, which is a blended fee based on the transaction fees assessed by the various Debit Networks. The current Debit Network fee set forth on the attached Application is based upon Debit Network fees currently in effect and upon certain sponsorship arrangements made by us with a Debit Network Sponsor ("Sponsor") for your sponsorship needed to participate in each applicable Debit Network. You agree that should any Debit Network or Sponsor raise or lower its interchange fees or other charges, we will have the right to adjust your fees to reflect the increase or decrease in such fees or charges. You agree to pay for all Debit Network or Sponsor setup fees, Chargeback fees and adjustment fees, including but not limited to, late fees which may be imposed by Debit Networks and Sponsors. Any taxes so imposed will be exclusive of the taxes based on our net income. We will charge you the daily/monthly fees as set forth on the Application for the services to be provided pursuant to this Agreement and such other fees as set forth thereon, and such amounts will be payable as provided for in the Application, this Section and Section 17. Said fees may be collected hereunder in accordance with the terms and provisions of the Application, this Section and Section 17.
- c) **EBT TRANSACTIONS ONLY:** We will charge you a fee for each EBT Card transaction as set forth on the attached Application regardless of whether said transaction is approved, declined or determined invalid.

You acknowledge that the aforesaid fees set forth on the attached Application are based upon certain EBT Network, State, gateway and access fees currently in effect, and upon certain sponsorship arrangements made by us with an EBT Network for your sponsorship needed to participate in the EBT project and to certain other States not within the EBT Project area.

You agree that should any State or U.S. government entity or any of a State's or U.S. government's designated agents charge a fee or assess any charges on or in connection with EBT Card transactions, then we will have the right to adjust our fees to you to reflect the increase in such fees or charges.

You agree to pay for all gateway and access fees, EBT Network fees, setup, adjustment or chargeback fees which may be imposed by us, an EBT Network or a State participating in the EBT Project.

You agree to pay any taxes imposed on us as a result of the services furnished to you on the transactions under and subject to this Agreement during the term of this Agreement, and such taxes will be added to the charges owed to us and will be deducted from the settlement monies owed to us in accordance with the Agreement terms or immediately paid by you to us upon receipt of issuance. Any taxes so imposed will be exclusive of the taxes based on our net income.

We will charge you the daily/monthly fees as set forth on the Application for the services to be provided pursuant to this Agreement and such other fees as set forth thereon and such amounts will be payable as provided for in Section 10. Said fees may be collected hereunder in accordance with the terms and provisions of this Section, Section 17, and the Application.

- d) **ALL CARD TRANSACTIONS:** You will pay any applicable excessive Chargeback handling fees or fines imposed by the applicable Card Organization due to your excessive Chargeback volume and any other fees or fines imposed by the applicable Card Organization for your acts or omissions or related to your submission of transactions for processing to us. **If your total Visa and MasterCard Chargeback items in any line of business exceed 0.5% of your total Visa and MasterCard transactions in such line of business, you will pay us, for all Visa and MasterCard Chargebacks in excess of such 0.5% threshold during such month in your applicable line(s) of business, the excessive Chargeback fee shown on the Application, in addition to the regular Chargeback fees due to us and any applicable Chargeback handling fees or fines imposed by the applicable Card Organization.** You agree to reimburse us for any fees, fines, charges, and/or penalties assessed against you or us arising from your obligations under this Agreement. At our option, we may deduct any Chargebacks, adjustments, fees, charges, obligations and other amounts you owe us pursuant to any provisions of this Agreement from any settlements due to you, or we may debit your Settlement Account for any such amounts you owe us, or we may invoice you, in which case you must pay us for the invoiced amounts within thirty (30) days of the date of our invoice or such shorter time as may be specified. Except for amounts we elect to collect by invoice, if there are insufficient funds available to be withheld or debited to pay amounts you owe, you must immediately reimburse us upon demand. You authorize us to debit your Settlement Account, or any other account we are otherwise authorized to debit, for any amounts due pursuant to this Agreement, or due us or any of our affiliates for any related services.

If you believe that any adjustments should be made to your Settlement Account based on debits or credits we have made to your Settlement Account, including missing credits, or if you have any other questions or concerns regarding services or regarding any report or statement provided by us, you must notify us in writing within forty-five (45) days after the debit or credit in question was made or is missing, such services are performed, or such report or statement is provided. If you fail to notify us within such time period, we will not be responsible for investigating or effecting any required adjustments. If you notify us after such time period, we may, in our discretion, assist you in investigating whether any adjustments are appropriate and whether any amounts are due to or from other parties, but we will not have any liability to effect any such adjustments. Any voluntary efforts by us to assist you in investigating such matters will not create any obligation to continue such investigation or assist with any investigation in response to any future notices of possible adjustments that are not timely submitted.

Pursuant to Section 24, we may amend the fees and charges for services and supplies provided under this Agreement. You agree to pay any taxes imposed on the services furnished to you on the transactions under and subject to this Agreement, and such taxes will be added to the charges owed to us and will be deducted from the settlement monies due to you in accordance with the Agreement terms. Any taxes so imposed will be exclusive of the taxes based on our net income. You will pay us any extra or special charges imposed by third parties plus our reasonable handling charge for any supplies that we provide, and, if applicable, an overnight shipping charge. You will also pay us any extra or special charges imposed by third parties, plus our handling charge, if any transactions processed or initiated hereunder are charged back, reversed or rejected (including Chargeback fees and fines and ACH reject fees). We may charge you interest at our then current rate for any amounts that are not timely paid by you.

At the time we investigate possible fraud or suspicious account activity, we will charge you an investigative fee of up to fifty dollars (\$50.00).

Several factors affect the best rate you may achieve on any given transaction, including but not limited to, the type of Card used, the number of days between the sale and the date you submit the transaction to us, obtaining authorization, capturing all transaction data, submitting the transaction in the correct format, and proper functioning of your point-of-sale terminal, software, and communications lines. Further, the Card Organizations change the transaction qualification criteria from time to time, and your terminal or software may not meet the new criteria. We make no representation or warranty that your transactions qualify for any given rate, and we disclaim all responsibility and liability for a transaction's failure to so qualify. You will release and hold us harmless from any loss, cost or damage, including legal fees and court costs, resulting from transaction's failure to qualify for a particular rate. In addition, Card transactions that do not meet the necessary criteria for payment are subject to complete denial, reversal and/or chargeback.

12. Chargebacks, Etc. We may charge back to you any transaction amount (commonly referred to as "Chargeback"), and you will reimburse us for any related losses we incur, when it appears that the transaction is subject to charge back by the Card Issuer or Cardholder in accordance with the Rules or applicable law.

13. Retention of Records; Retrieval Requests. You will retain legible images (on microfilm or otherwise) or legible copies of your Card transaction drafts or sales records for a period of at least eighteen (18) months from the date of the transaction or such other period as may be required by law or the Rules. You will submit to us a legible copy of a Card transaction draft or sales record if any Card Issuer requests such retrieval.

Your deadline for providing us a legible copy of the requested Card transaction draft or sales record will be ten (10) days after the date of the Card Issuer's retrieval request, as specified in the notice from us.

14. Confidentiality and Data Security.

- a) You will treat this Agreement, all Manuals/Instructions and any other information provided by us as confidential and will not disclose to any third parties the terms of this Agreement, the provisions of the Manuals/Instructions, any information received from Card Organizations, or any other such information; provided, however, that these restrictions will not apply to information: (a) rightfully obtained by you on a non-confidential basis from an entity or person other than us and our agents and representatives, which entity or person was not subject to a duty of confidentiality, (b) rightfully and independently known by you on a non-confidential basis prior to its disclosure by us or (c) generally available to the public other than through any disclosure by or fault of you or your agents or representatives. In accordance with state and federal law, as well as our applicable policies, we may participate in sharing relevant information among other financial institutions, regulatory authorities, law enforcement agencies and other entities authorized by such law/policies. If you provide and/or issue EBT Benefits in more than one State pursuant to this Agreement, the laws of the State in which the Benefits were issued will apply to information arising out of that transaction.

We may disclose to our affiliates information about you and your activities so that they may consider you for, and if they desire, offer to you their products and services. You agree that we may share information about our experience with you among our subsidiaries and affiliates, such as information about transactions

and experiences between us and you. In addition, we may share with our affiliates and subsidiaries information contained in any applications, financial statements or other documents provided by you in connection with these or other transactions, and information we may obtain about you from outside sources.

All NPC Systems are and will remain the exclusive property of NPC or licensors of such NPC Systems, as applicable (except as may expressly provided to the contrary in this Agreement). NPC System(s) will be defined for the purposes of this Agreement as software and related documentation; software technical formats and specifications; hardware and related documentation, formats and specifications; technical and business information relating to inventions and present and future products and product lines; intellectual property; know-how; and any other information that is identified by us as a NPC System. You acknowledge that NPC System(s) and the electronic funds transfer systems operated by each Card Organization or its provider and all technical and operational data, specifications, marketing materials and manuals, including the Rules and any other information regarding such systems, are proprietary and unique and subject to the confidentiality provisions of this Agreement. You will have no ownership interest or other rights in any NPC System. Upon the expiration or termination of this Agreement, you will return all copies of all manuals or other items relating to the NPC System(s) which are in your possession and certify to us in writing that you have retained no material relating to the NPC System(s).

- b) Unless you obtain consents from the applicable Card Organizations, Card Issuers and Cardholders, Recipients and/or States you must not use, disclose, sell or disseminate any Cardholder information obtained in connection with a Card transaction (including the names, addresses and Card account numbers of Cardholders) for any purpose other than authorizing, completing and settling Card transactions and resolving any Chargebacks, retrieval requests or similar issues involving Card transactions, except pursuant to a court or governmental agency request or order. You will promptly advise the State or its designated agent of all requests made to you for information described above relating to EBT Card transactions. You must use proper controls for secure storage of, and limit access to, and must render unreadable prior to discarding, all records containing Cardholder account numbers, Card imprints and Cardholder signatures. You must not retain or store magnetic stripe data after a transaction has been authorized. If you store any electronically captured Cardholder signature, you may reproduce such signature only upon our request. In addition, you agree to dispose/destroy of all consumer Cardholder information that you may obtain in connection with this Agreement in accordance with the Rules and the Law, including without limitation, the terms of the Gramm-Leach-Bliley Act and other regulations dealing with the privacy and protection of non-public consumer information. You must notify us of the identity of any and all third parties engaged by you ("Merchant Provider(s)") who will have access to Cardholder data and you may allow Merchant Providers access to that data only for purposes authorized under the Rules. You and Merchant Providers must have proper security measures in place for the protection of Cardholder data, and you must comply with and assure that Merchant Providers comply with the Card Organizations' Payment Card Industry ("PCI") Data Security Standard, which may also be referred to as the Visa Cardholder Information Security Program ("CISP") and the MasterCard Site Data Protection Program ("SDP"). You must have written agreements with Merchant Providers requiring that compliance. Any fees, fines or penalties from non-compliance will be passed through to you. During any term of this Agreement, you will immediately notify us of any suspected or confirmed loss or theft of any transaction information, including any loss or theft from a Merchant Provider. As required under the Rules, you are responsible for demonstrating your and Merchant Providers' compliance with the CISP, SDP and PCI programs, and providing reasonable access to your locations and ensuring the Merchant Providers provide reasonable access to their locations to verify your and their ability to prevent future security violations. You will indemnify us against any and all costs, expenses, damages and/or losses resulting from such breach of security, or loss or theft of transaction information. In addition, in the event of a suspected or confirmed loss or theft of information, you agree, at your cost, to provide all information requested by us, a Card Organization, financial institutions or local, state or federal officials in connection with such event and to cooperate in any ensuing investigation. Any information

7. PERIODIC SERVICE FEES AND SERVICE OPTIONS *

Voice Authorization Fee (per attempt)	Monthly Minimum	Paper Statement Fee (per statement) Yes <input type="checkbox"/> No <input type="checkbox"/> Fee: _____	Electronic Statement Fee (per month) (for fax and web) Yes <input type="checkbox"/> No <input type="checkbox"/> Fee : _____	Monthly Debit Access Fee
Other	Monthly Wireless Fee	Bankcard Chargeback Fee (per c/b)	Annual Fee	Training Fee
Internet Setup Fee	Internet Monthly Fee	Pin Pad Encryption Fee	Reprogramming Fee (per terminal)	Check Service Setup Fee
Application Fee	Excessive Chargeback Fee (per c/b) \$25.00	Retrieval Fee (per retrieval)	Other	Other

*MasterCard allows issuers to collect a handling fee for specific authorization chargebacks: 07-Warning Bulletin File, 08-Requested/Required Authorization Not Obtained or Declined and 47-Fraudulent Transaction/Exceeds Floor Limit/Not Authorized. This fee is in addition to any other fees assessed by NPC/Bank or the Card Organizations and will be processed separately from the chargeback. Issuers may collect this fee on each submission of the chargeback for certain Merchant Industry types. Industry types excluded from the handling fee must be processed with the appropriate codes to avoid such fee.

Brick and mortar Merchants will be assessed any applicable monthly recurring charges, including but not limited to the Monthly Minimum charge stated in this Part 7 of the Application, once their terminal is capable of accepting charges; Internet Merchants will be assessed recurring monthly charges, including but not limited to the Monthly Minimum charge stated in Part 7 of the Application, upon approval of their Application regardless of the operational status of their website.

¹This fee is assessed monthly for certain terminal applications which require specialized support and licensing. Please contact your NPC Account Representative for additional details.

If this Agreement is terminated for any reason prior to the expiration of the then current term, you will be subject to a **\$250.00 Early Deconversion Fee** as set forth in the Agreement. You agree to pay us an Account Administration Fee of \$25.00, or our then current rate, for administrative services, including but not limited to changing your Settlement Account information or processing returned ACH items. Other non-recurring charges or additional special fees may be charged to your account as permitted within the attached Agreements.

8. GENERAL PROVISIONS

The initial term of the Agreements is thirty-six (36) months.

APPLICABLE ONLY IF MERCHANT ACCEPTS AMERICAN EXPRESS: I authorize American Express Travel Related Services Company, Inc (American Express") to verify the information on this Application and to receive and exchange information about me, including, requesting reports from consumer reporting agencies. If I ask American Express whether or not a consumer report was requested, American Express will tell me, and if American Express received a report, American Express will give me the name and address of the agency that furnished it. I understand that upon American Express' approval of the business entity indicated above to accept the American Express Card, the Terms and Conditions for American Express' Card Acceptance ("Terms and Conditions") will be sent to such business entity along with a Welcome Letter. By accepting the American Express card for the purchase of goods and/or services, I agree to be bound by the Terms and Conditions. **APPLICABLE ONLY IF MERCHANT ACCEPTS DISCOVER:** By signing below, I represent that the information I have provided on this application is complete and accurate. I hereby request that Discover Card acceptance be added to my Merchant Application. I understand that the Terms and Conditions for Discover Card Acceptance (Terms and Conditions) will be sent to the business indicated above upon approval by Discover Financial Services, Inc. for this business entity to accept the Discover Card. By accepting the Discover Card for the purchase of goods and/or services, I agree to be bound by the Terms and Conditions.

MERCHANT REPRESENTS THAT THE MERCHANT HAS CHOSEN FOR ITSELF ANY SERVICES, EQUIPMENT OR THIRD PARTY SELECTED IN CONNECTION WITH THE AGREEMENTS AND MERCHANT'S DECISION WAS SOLELY BASED ON THE MERCHANT'S OWN CRITERIA AND ANALYSIS. MERCHANT NOW AND FOREVER EXPRESSLY DISCLAIM ANY RELIANCE UPON PROMISES OR REPRESENTATIONS, UNLESS SPECIFICALLY INCORPORATED HEREIN IN WRITING, MADE BY NPC/BANK, SALES REPRESENTATIVES OR OTHERS RESPECTING THE FUNCTIONALITY, OPERABILITY, COMPATIBILITY, ETC. OF THE EQUIPMENT OR SERVICES. MERCHANT AGREES TO HOLD NPC/BANK HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, DAMAGES AND LIABILITIES ARISING OUT OF THE NEGLIGENCE OR WILLFUL MISCONDUCT, ACTS AND/OR OMISSIONS BY MERCHANT OR ANY THIRD PARTY ENGAGED BY MERCHANT, INCLUDING THE EMPLOYEES AND/OR AGENTS OF MERCHANT OR SUCH THIRD PARTY.

The completed Application and the Card Processing Agreement (collectively the "Agreements"), any forms checked below and the Manuals/Instructions constitute the entire agreement between the parties with respect to the subject matter and supersede any prior agreements or understandings. By signing below or by submitting transaction data, Merchant affirms its understanding and acceptance of the terms and conditions of the Agreements, which are all incorporated herein by reference as if fully set forth here, and that Merchant has received a complete copy of the Agreements. Merchant acknowledges that: (a) no handwritten changes have been made to the printed text of the Agreements and (b) the parties may produce and rely on a copy or electronically stored image of the Agreements for all legal purposes as provided in the Agreements. Further, Merchant expressly warrants that the information provided in the Application is true, accurate and complete, and that NPC/Bank may rely upon the same, without further investigation, for all purposes.

The undersigned entity(ies) and individuals further unconditionally authorize NPC, Bank, or either of their agents to investigate the information and references contained herein, and to obtain additional information about the Merchant and such individual(s) from credit bureaus and other lawful sources (including persons and companies named in this Application), and including obtaining reports from consumer reporting agencies on individuals signing below as an owner or general partner of Merchant or providing their Social Security Number on the Application (if such an individual asks NPC/Bank whether or not a consumer report was requested, NPC/Bank will tell such individual and, if NPC/Bank received a report, NPC/Bank will give such individual the name and address of the agency that furnished it). By providing your SSN and signing this Application, you, in your individual capacity, unconditionally authorize NPC/Bank to obtain your consumer credit report.

The undersigned further authorizes NPC/Bank to provide to any governmental, administrative or regulatory entity, as well as any vendor or affiliate of NPC/Bank, including the applicable referrer, Independent Sales Organization, Member Service Provider, or Associated Sales Group, any information about Merchant, whether independently obtained by NPC/Bank or provided by Merchant, that NPC/Bank deems reasonably necessary or connected to the provision of services contemplated in the Agreements, upon request from such entity, vendor or affiliate or in compliance with applicable law, including the USA PATRIOT Act.. If Merchant is a franchisee or member of a corporate association, and Merchant is receiving preferential pricing and/or other benefits as a result of Merchant's relationship with said entity, then upon the request of said entity, NPC/Bank may provide such entity any information about Merchant that NPC/Bank deems reasonably necessary or connected to the provision of services contemplated in the Agreements.

IN WITNESS WHEREOF, the parties cause the Application and applicable Agreements to be executed by their duly authorized owners and/or officers:

IMPORTANT DISCLOSURE

MEMBER BANK (ACQUIRER) INFORMATION:

Columbus Bank and Trust Company
1125 First Avenue
Columbus, GA 31901 ph: 706-649-4900

IMPORTANT MEMBER BANK (ACQUIRER) RESPONSIBILITIES:

(1) A Visa Member is the only entity approved to extend acceptance of Visa products directly to a Merchant. (2) A Visa Member must be a principal (signer) to the Merchant Agreement. (3) The Visa Member is responsible for educating Merchants on pertinent Visa Operating Regulations with which Merchants must comply. (4) The Visa Member is responsible for and must provide settlement funds to the Merchant. (5) The Visa Member is responsible for all funds held in reserve that are derived from settlement.

IMPORTANT MERCHANT RESPONSIBILITIES: (1) Ensure compliance with cardholder data security and storage requirements. (2) Maintain fraud and chargebacks below thresholds. (3) Review and understand the terms of the Card Processing Agreement. (4) Comply with Visa Operating Regulations.

The responsibilities listed in this Important Disclosure section do not supersede the terms of the Card Processing Agreement and are provided to ensure the Merchant understands some important obligations of each party and that the Visa Member (Acquirer) is the ultimate authority should the Merchant have any problems.

("MERCHANT") (Business Name - print or type)

Signature: _____

Name (print or type): _____

Title (print or type): _____

Date: _____

NATIONAL PROCESSING CORPORATION ("NPC")

Signature: _____

Name (print or type): _____

Title (print or type): _____

Date: _____

("MERCHANT") (Business Name - print or type)

Signature: _____

Name (print or type): _____

Title (print or type): _____

Date: _____

COLUMBUS BANK AND TRUST COMPANY ("BANK")

Signature: _____

Name (print or type): _____

Title: _____

Date: _____

By signing below, the individual(s) represents that he or she is an owner or senior officer of the Merchant, that he/she will benefit from the services and financial accommodations provided to the Merchant business, and that he/she consents to the terms of the attached and incorporated Agreements. In order to induce NPC/Bank to enter into the Agreements, each Guarantor hereby personally guarantees Merchant's full performance under the Agreements, and amendments or extensions thereof, including all fee, cost, and chargeback liabilities and indemnity obligations whenever so incurred by Merchant. If there is more than one Guarantor, each such Guarantor shall be jointly and severally liable. NPC/Bank may proceed against any Guarantor with or without joining or first proceeding against the Merchant entity or any other persons. Each Guarantor waives every kind of notice to which the undersigned might be entitled and agrees that the undersigned's liability shall not be affected by any act or omission of NPC/Bank, or indulgence granted by NPC/Bank, respecting Merchant. The undersigned individual(s) further unconditionally authorizes NPC, Bank, or either of their agents to investigate the information and references contained herein, and to obtain additional information about the Guarantors from credit bureaus and other lawful sources (including persons and companies named in this the Application), and including obtaining reports from consumer reporting agencies on such individual(s). If an undersigned individual asks NPC/Bank whether or not a consumer report was requested, NPC/Bank will tell such person and, if NPC/bank received a report, NPC/Bank will give such person the name and address of the agency that furnished it.

GUARANTOR

Signature: _____

Name (print or type): _____

Date: _____

GUARANTOR

Signature: _____

Name (print or type): _____

Date: _____

provided in response to such investigation will (as between you and us) be considered our confidential information. You agree that we may release to the Card Organizations, financial institutions and/or local, state or federal officials, any information you provide to us in connection with a suspected or confirmed loss or theft of transaction information. The requirements of this provision apply to Cardholder data regardless of the medium in which the information is contained and regardless of whether you process transactions via Internet, mail, phone, face-to-face or any other method. Additional information regarding data security may be found at the Card Organization websites.

- c) If you receive a password from NPC to access NPC's database, you will: i) keep the password confidential; ii) not allow any other entity or person to use the password or gain access to NPC's database; iii) be liable for any/all actions taken by any user of the password; and iv) promptly notify NPC if you believe the confidentiality of NPC's database or your information has been compromised by use of the password.
- d) You are responsible for insuring your Merchant Identification Number ("MID") is kept confidential. When a change to a Merchant account is required, you will disclose your MID to our representative as confirmation that the person requesting the change has authority. If the person requesting the change discloses the proper MID, we will assume that person has the proper authority to make the change. You will be fully liable for any changes to your account after disclosure of the MID. We may request from you additional information to further verify your identity in our sole discretion.

15. Advertising. You must display Visa, MasterCard and any other applicable Card Issuer, Debit and EBT Network decals and program marks on promotional materials we furnish, and if applicable the Electron symbol, in equal prominence near the point-of-sale devices and as otherwise required by the Rules. You acknowledge that you will not acquire any right, title or interest in or to any Visa, MasterCard, Debit or EBT Network or other applicable Card Issuer marks by virtue of this Agreement. Further, you must not indicate that Visa, MasterCard, or any other Card Organization or State endorse your goods or services and must not continue using such materials after termination of this Agreement. Any use of a color reproduction, facsimile, replica or picture of a Card Organization Card for advertising purposes other than media advertising is prohibited unless the reproduction, facsimile, replica or picture is proportionately larger or smaller in length and width by at least 10% of the standard dimensions for Card Organization Cards. You will promptly cease all use of a program's marks upon termination of your participation in the applicable Card Organization or upon notification from us or any State or Card Organization to cease use of said marks. No right, title or interest in the service marks have been transferred or is being transferred to this Agreement, except the non-exclusive right to use said marks as provided in this Agreement.

16. Assignment. Subject to the following provisions, this Agreement is binding upon successors and assigns and inures to the benefit of the parties and their respective permitted successors and assigns. You may not assign or transfer this Agreement, by operation of law or otherwise, without our prior written consent. For purposes of this Agreement, any transfer of voting control of you or your parent will be considered an assignment or transfer hereof. No assignee for the benefit of creditors, custodian, receiver, trustee in Bankruptcy, debtor in possession, sheriff or any other officer of a court, or other person charged with taking custody of your assets or business, will have any right to continue, assume or assign this Agreement. We may assign or transfer this Agreement and our rights and obligations under this Agreement and we may delegate our duties under this Agreement, in whole or in part, to any third party, without obtaining your consent.

17. Term; Default; Reserve/Security Account.

- a) This Agreement is binding upon the earlier of (i) its execution by all parties as evidenced by signatures on the Application or (ii) the settlement by us of (A) any Card transaction submitted by you to us pursuant to this Agreement if you are a new customer that does not already have an agreement with us for Card transaction services or (B) any Card transaction submitted by you thirty (30) or more days after your receipt of this Agreement if you are one of our existing customers whose current agreement with us for Card transaction services is being replaced by this Agreement. Unless otherwise agreed by the parties, the Initial Term of the Agreement will be three (3) years. The Agreement will continue in full force thereafter for successive three-year periods on the same terms and conditions expressed herein, unless any party gives one hundred twenty (120) days advance written notice of termination to the other parties to be effective no earlier than the expiration of the Initial Term or any Renewal Term, or as otherwise set forth herein.

b) We may terminate this Agreement upon thirty (30) days' written notice to you, with or without cause. In addition, if any of the following events (each a "Default") occurs, we may terminate this Agreement immediately without notice and exercise all of our other rights and remedies under this Agreement and applicable law: (i) a material adverse change in your business, financial condition, business procedures, products or services, a sale of all or a substantial portion of your assets, or a change in control of your business (directly or indirectly); (ii) any information provided on the Application was false or misleading, (iii) irregular Card sales, excessive Chargebacks, illegal activity or any other circumstances which, in our discretion, may increase our potential exposure for your Chargebacks or otherwise present a financial or security risk to us; or (iv) a default by you in any material respect in the performance or observance of any term, covenant, condition or agreement in this Agreement, or in any other agreement with us or any of our affiliates, including the non-payment of any fees due to us; (v) any non-compliance by you with the terms of the Agreement or the Rules, or any reasonable belief by us, as applicable, that you may fail to comply with the terms of the Agreement, which failure would constitute a substantial risk to us, (vi) if you are disqualified or withdrawn from the Benefit issuance program(s) indicated on the Application, (vii) there is an overdraft for five (5) consecutive days in your Settlement Account, (viii) any guaranty is revoked, (ix) your business name and/or the names of your principals is listed on the MATCH (Membership Alert To Control High Risk Merchants) System and/or other security/credit alert systems, or (x) you file a voluntary petition or complaint seeking relief under any federal or state bankruptcy or other debt relief statute, an involuntary petition under any federal or state bankruptcy or other debt relief statute is filed against you, you generally become unable to pay your debts or trade obligations as they become due, or you make a general assignment for the benefit of creditors. If an order of relief is entered against you in a case commenced under Title 11 of the United States Code and you are given the right to assume or reject this Agreement, you must do so within sixty (60) days after the entry of such order of relief; if you fail to do so, we may terminate this Agreement immediately upon written notice to you. If, during any six (6) month period (the "Measurement Period") the average size or the total amount of your Card transactions is more than 20% lower than the amount stated in the Application for (i) your average Card transaction size or (ii) one-half of your annual Card volume, then we may terminate this Agreement by giving you at least thirty (30) days' advance notice; any such notice must be sent to you within thirty (30) days after the end of the applicable Measurement Period.

We may, upon receipt of verbal or written instructions from any Card Organization to which we are providing access hereunder, immediately cease to provide to you, including your clients, access to such Card Organization. We will use reasonable efforts to promptly notify you of such interruption in Card Organization access.

c) The provisions of this Agreement that govern processing of Card sales and credits and settlement will continue to apply even after this Agreement is terminated, until all Card transactions are settled or resolved, and the provisions of Sections 10, 11, 12, 13, 14, 16, 17, 18, 20, 21, 22, and 23 will survive any termination. Upon termination, all amounts payable to us will be due and payable in full without demand or other notice of any kind (all of which you agree to expressly waive) and you must immediately send us all the data relating to Card sales and credits made up to the date of termination. We will not be liable to you for any direct or consequential damages you may suffer as a result of the termination of this Agreement.

d) If this Agreement is terminated at any time other than upon expiration in accordance with Section 17 (a), we will be entitled to recover, and you will pay on demand, any and all losses (including consequential damages, loss of profits, costs, expenses and liabilities) incurred by us in connection with termination. You will be responsible for all collection and legal fees and expenses we incur in the collection of any delinquent amounts you may owe us. You also acknowledge that we will incur costs and expenses to provide certain routine services following termination of the Agreement, similar to those provided during the term of this Agreement, including processing Chargebacks relating to transactions that initially occurred prior to termination, providing monthly statements to you to report any such Chargebacks or other adjustments and responding to telephone calls and other inquiries. **Therefore, notwithstanding any terms or conditions to the contrary contained elsewhere, if this Agreement is terminated prior to expiration of any term, you agree to pay us an Early Deconversion Fee for each location as set forth on the Application to cover our routine post-termination services.** Whether or not we charge an Early Deconversion Fee for our services, you will remain liable for Chargebacks and other adjustments as provided in Section 17(e) and for other costs, damages,

losses, expenses and liabilities incurred by us in connection with an early termination of this Agreement. You authorize us to debit your Settlement Account for, or deduct from any settlement funds otherwise owed to you, the Early Deconversion Fee, plus any and all losses (including costs, expenses and liabilities) incurred by us in connection with termination. If your settlement funds or the balance in your Settlement Account is insufficient to cover the Early Deconversion Fee and all such losses, you agree to pay us such amounts immediately on receipt of invoice.

e) After any termination of this Agreement, you will continue to bear total responsibility for any and all Chargebacks, credits and adjustments and all other amounts then due, or which later become due, to us under this Agreement or to either of us or any of our affiliates for any related equipment or related services. In connection with termination, we may require that a reserve/security account be established and maintained by you or on your behalf with us (or otherwise for our benefit) in an amount equal to:

(i) our reasonable estimate of your dollar volume of incoming Chargebacks, for a nine (9) month period and your credits (for returns or otherwise) for a two (2) month period (which may be based on actual volume during the preceding 270 days for Chargebacks and 60 days for credits or 9 times your average monthly dollar volume of incoming Chargebacks and 2 times your average monthly dollar volume of credits, as determined during a recent 12-month period or any shorter term of this Agreement) or such higher amount that we deem necessary and sufficient to cover our potential liability for Chargebacks and credits; plus

(ii) our reasonable estimate of all fees, charges, obligations and other amounts that may be owed to us or we reasonably expect to be owed to us under or in connection with this Agreement at or following termination (including all adjustments needed to reconcile any discrepancies, to reflect increased interchange fees because of failure to comply with intended rates or interchange fees, or otherwise), any and all fines assessed against you or us or which may be assessed against you or us, any and all fines assessed against you or us in relation to Compliance Cases (as defined in the Rules) directly or indirectly attributable to you, any other fees and charges not collected by us prior to termination, and damages and other amounts due under Section 17(e) upon premature termination; plus

(iii) our reasonable estimate of all uncollected fees (including, but not limited to, debit adjustment fees and Authorization fees), charges, obligations and other amounts (including damages and other amounts due upon premature termination) payable to either of us or to any of our affiliates for related equipment or related services.

f) Without exercising (and without waiving) our right to terminate this Agreement immediately without notice and exercise our rights and remedies, if any of the events in Section 17(b) occur, we may, in our sole discretion, (i) require you to establish a reserve/security account with us during the term of this Agreement equal to the same amount as set forth in Section 17(e) and/or (ii) change processing or payment terms to suspend for any reasonable period of time required credits or other payments of any and all amounts now due or to become due to you pursuant to this Agreement. Should processing or payment terms be changed, we will notify you within a reasonable time after effecting a suspension of credits or other payments, stating our reason for such suspension. If you have accepted and processed fraudulent transactions, we will not be obligated to pay you for such transactions and will have full recourse against you for all such aforementioned transactions. We will also have the right to assess fees and recover all costs associated with the investigation of any suspected fraudulent activity. We will have no liability to you for any losses, either direct or indirect, which you may suffer as a result of any such suspension of funds disbursement or failure to pay for transactions.

g) In connection with the termination of this Agreement or any other event entitling us to require a reserve/security account from you (and continuing thereafter until the reserve is released pursuant to Section 17(h)), we may use any funds otherwise due to you, or we may debit your Settlement Account for funds, to establish and maintain on your behalf (or restore/supplement) the balance of your funds in a reserve/security account containing your funds equal to the amount set forth in Section 17(e). Your reserve/security funds required by Section 17 may be held in a commingled reserve/security account for the reserve/security funds of our customers, without involvement by an independent reserve agent.

h) The requirement to maintain a reserve/security account will not limit our right to debit or withhold ongoing settlement payments as recoupment for Chargebacks, potential Chargebacks, adjustments, fees, fines, charges, obligations and other amounts due hereunder. Your funds in the reserve/security account may be used to settle Chargebacks, adjustments, fees, charges, obligations and other amounts described in Section 17(e), whether arising before, on or after termination and whether such obligations or other amounts are liquidated, fixed, contingent, matured or unmatured, whenever there are not sufficient settlement funds due to you to cover such Chargebacks, adjustments, fees or other charges or obligations. We will refund any of your unused funds remaining in such reserve/security account to you generally no later than 280 days after termination of this Agreement, and if we receive a written request from you within thirty (30) days thereafter, we will provide you with an accounting of any of your funds debited or credited from or to such account. If your funds in the reserve/security account are not sufficient to cover the Chargebacks, adjustments, fees, charges, obligations and other amounts due from you, or if your funds in such account have been released, you agree to promptly pay us such sums upon request.

i) You acknowledge that we may monitor your daily Card transaction activity. You agree that we may upon reasonable grounds divert into a reserve/security account the disbursement of your funds and/or temporarily suspend processing under this Agreement. Reasonable grounds will include, but not be limited to, the following: suspicious or unusual transaction activity; material variance in the nature of your business, type of product and/or service sold, average ticket size, monthly volume or swiped/keyed percentages, from such disclosures made by you in this Agreement; you do not authorize transactions; we receive excessive retrieval requests against your prior activity; excessive Chargebacks are debited against your prior activity; you do not deliver product or render full service on or before the transaction date; or you key a foreign card transaction. If your funds are diverted by us or we have temporarily suspended processing under this Agreement, such diversion or suspension will be for any reasonable period of time required by us to fully investigate your account activity and resolve, to our sole satisfaction, your subject transaction or activity. We will maintain any funds diverted in a non-interest bearing account, which may be a commingled account. We will have no liability for any losses, either direct or indirect, which you may attribute to any diversion of funds, or suspension of processing.

j) In the event you fail to establish or maintain any required reserve/security account, we may immediately terminate this Agreement and may exercise any other rights we have under this Agreement.

k) If this Agreement is terminated for any of the reasons specified as cause by the Rules, including, but not limited to, fraud, counterfeit paper, prohibited Card transactions, excessive Chargebacks, highly suspect activity or non-payment of fees, you acknowledge that we may be required or may elect to report your business name and the names of your principals together with other identifying information to the MATCH (Membership Alert To Control High Risk Merchants) System and other security/credit alert systems. You expressly agree and consent to such reporting in the event this Agreement is so terminated and, furthermore, will hold us harmless against any claims that arise as a result of such reporting.

18. Security Interest and Setoff Rights. To secure your obligations to us and our affiliates under this Agreement and any other related agreements described below, you irrevocably grant to us a lien against and security interest in any funds pertaining to the transactions contemplated by this Agreement now in our possession or that may come into our possession, whether due or to become due to you, together with the proceeds thereof, the Settlement Account, the reserve/security account and any other deposit account held by you with Bank or any other financial institution, whether now existing or established in the future, and in the proceeds of all those accounts, and any of your property held by us. Any such funds may be commingled with other funds, and need not be maintained in a separate account. In addition to any rights granted under applicable law and not by way of limitation of such rights, you authorize us at any time and from time to time, without notice or demand (any such notice and demand being expressly waived) to set off, to appropriate and to apply any and all such funds against and on account of your obligations (including damages and other amounts due under Section 17(d) upon premature termination) under or in connection with this Agreement and any other agreement with us or any of our affiliates for any related equipment or related services, whether such obligations are liquidated, unliquidated, fixed, contingent, matured or unmatured. You agree to execute and deliver to us such instruments and documents we may reasonably request to perfect and confirm the lien, security interest and right of setoff set forth in this Agreement. In addition, your signature on the Application also will be considered your signature agreeing to any master control agreement as defined in Article 9 of the

Uniform Commercial Code among you, us and any other bank, under which agreement we, you and any other bank agree to the disposition of funds in the Settlement Account, the reserve/security account or any other deposit account without further consent by you, provided that the control agreement will not obligate you to pay additional fees to the Bank or to the other bank.

19. Financial and Other Information. You and your undersigned official will provide us upon request financial statements and other information about your business and principal owner(s) and officer(s) and your compliance with the terms of this Agreement. You and your undersigned official(s) and any Guarantor(s) authorize us to obtain from third parties financial and credit information about you, your undersigned official(s) and any Guarantor(s), respectively, in connection with our determination whether to accept this Agreement and our continuing evaluation of the financial and credit status of you, your undersigned official(s) and any Guarantor(s). Upon request, you will provide to us or our representatives reasonable access to your facilities and records for the purpose of performing any inspection and/or copying of your books and/or records we deem appropriate.

You will provide us with written notice of your intent to liquidate, substantially change the basic nature of your business, transfer or sell any substantial part (25% or more) of your total assets, or change the control or ownership of your business or of any other entity that controls your business, thirty (30) days prior to such liquidation, change, transfer or sale taking place. You will also notify us of any judgment, writ, warrant of attachment, execution or levy against any substantial part (valued at 25% or more) of your total assets not later than three (3) days after you obtain knowledge of any such judgment, writ, warrant of attachment, execution or levy.

20. Indemnification. All disputes between you and the Cardholder will be settled between you and the Cardholder. You must ensure that the Cardholder understands that you are responsible for the transaction, for any related customer service, dispute resolution, and performance of terms and conditions of transaction. You agree to indemnify and hold us and any third party providing services hereunder (Providers and Sponsors) and each Card Organization and said Card Organization's participants harmless from and against all losses, liabilities, damages and expenses (including attorneys' and collection fees and expenses) resulting from any breach of any covenant or agreement or any misrepresentation by you under this Agreement, or arising out of your or your employees' negligence, fraud or willful misconduct in connection with your Card transactions, use of our services, or otherwise arising from your provision of goods and services to Cardholders. In addition, you agree to indemnify and hold us and any Providers, Sponsors, States, and each Card Organization and said Card Organization's participants harmless from and against all losses, liabilities, damages and expenses (including attorneys' and collection fees and expenses) resulting from you, or your employees', agents', or representatives' (1) failure to abide by a requirement of this Agreement, (2) violation of any applicable law or regulation or order, (3) misuse of any protected mark of a Card Organization, (4) effecting transactions with the use of a lost stolen, counterfeit, or misused Card, or (5) conduct of your business. Further, you agree to indemnify and hold us harmless from and against all losses, liabilities, damages and expenses (including attorneys' and collection fees and expenses) we may incur pursuant to any Rule resulting from your action or inaction, including but not limited to, all losses and expenses we may incur as a result of any action you institute against any Card Organization or Card Issuer following a Chargeback. Further, you agree to indemnify and hold us harmless from and against all losses, liabilities, damages and expenses (including attorneys' and collection fees and expenses) resulting from our compliance with the verbal or written instructions of any Card Organization. You agree to hold us harmless for any activity arising out of the negligence or willful misconduct, acts and/or omissions of any third party engaged by you including the employees and/or agents of said third party.

If providing any of the services to you hereunder violates, or in our reasonable opinion is likely to violate, any applicable laws or governmental regulations, or should we receive instructions from a governmental agency having authority over your business instructing us to cease providing any or all of said services, or should you cease operations, then we may, upon oral notice to you, immediately cease providing the affected services to you.

We agree to indemnify and hold you harmless from and against all losses, liabilities, damages and expenses (including reasonable attorneys' fees and expenses) resulting from any breach of any covenant or agreement or any misrepresentation by us under this Agreement or arising out of our or our employees' gross negligence or willful misconduct in connection with this Agreement.

IN NO EVENT WILL WE BE RESPONSIBLE FOR ANY INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES WHICH YOU MAY INCUR AS A RESULT OF ENTERING INTO OR RELYING UPON THIS AGREEMENT OR TERMINATION OF THIS AGREEMENT,

EVEN IF WE HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OCCURRING.

21. Performance of Duties. Each party will be excused from performance under this Agreement, except for any payment obligations, for any period and to the extent that the party is prevented from performing, in whole or in part, as a result of delays caused by the other party or any act of God, war, civil disturbance, court order, labor dispute, third party nonperformance or other cause beyond its reasonable control, including failures, fluctuations, or nonavailability of electrical power, heat light air conditioning, or telecommunications equipment. Such nonperformance will not be a default or a ground for termination as long as reasonable means are taken to expeditiously remedy the problem causing such nonperformance. Notwithstanding the foregoing, during any period when our performance is hindered or precluded by reason of any of the aforesaid causes, your obligations to make payments hereunder will be reduced on an equitable basis. If you elect not to implement the redundant configuration recommended by us for connectivity to us, we will have no liability if the connectivity fails and you agree to indemnify and hold us harmless from any and all resulting losses, liabilities, damages and expenses resulting therefrom. None of the following will be liable or deemed to be in default for any delay or failure to perform under this Agreement or for any interruption in the services resulting, directly or indirectly, from any cause beyond its reasonable control: any State, NACHA, EBT Network, a State's designated agent, or us.

22. Governing Law; Miscellaneous.

a) This Agreement is governed by and will be construed in accordance with the laws of the Commonwealth of Kentucky without regard to conflicts of law provisions, regardless of where you may conduct business, except that Section 23 will be governed by the Federal Arbitration Act. If any part of this Agreement is not enforceable, the remaining provisions will remain valid and enforceable. In performing its obligations under this Agreement, each party agrees to comply with all laws and regulations applicable to it. A waiver by us of any of the covenants, conditions, or agreements to be performed by you or any breach thereof will not be construed to be a waiver of any succeeding breach or of any other covenant, condition or agreement contained in this Agreement.

b) WE MAKE NO WARRANTIES TO YOU, EXPRESSED OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. Our sole liability to you or any third party for any claims, notwithstanding the form of such claims (e.g. contract, negligence or otherwise), arising out of the delay of, or interruption in the services provided or to be provided by us hereunder, will be to use reasonable efforts to commence or resume the services as promptly as reasonably practicable. Should we be required to defend a claim brought by you and we prevail, we will be entitled to reimbursement from you, and you agree to pay us all costs, attorneys' fees and any other expenses incurred in connection with those proceedings. No action, regardless of form, arising out of or related to this Agreement may be brought by you more than one (1) year after the cause of action has accrued.

c) You agree to comply with all applicable federal, state, and international laws and governmental rules and regulations relating to the operation of your business.

d) We, in providing services, are acting as an independent contractor and do not undertake by this Agreement or otherwise to perform any of your regulatory or contractual obligations. We have the sole right and obligation to supervise, manage, contract, direct, procure, perform or cause to be performed, all work to be performed by us under this Agreement.

e) You agree to comply with the Rules. The Rules are incorporated into this Agreement by reference as if they were fully set forth in this Agreement. You further agree to comply with all applicable state, federal and local laws, rules and regulations, as amended from time to time ("Laws"), including but not limited to laws and regulations regarding anti-money laundering compliance, in completing Card transactions, submitting them to us, performing your obligations under this Agreement and otherwise conducting your business. You will assist us in complying in a complete and timely manner with all Laws and Rules now or hereafter applicable to any Card transaction or this Agreement. You will execute and deliver to us all such instruments we may from time to time reasonably deem necessary. It is your responsibility to know all applicable Laws and the Rules that apply to your acceptance of Cards and for ensuring that your equipment complies with all Laws and Rules. You agree to indemnify, defend and hold us harmless from and against any loss, cost or damage (including reasonable legal fees and court costs) incurred as a result of your failure to comply with applicable Laws or Rules.

f) You will be liable for and will indemnify and reimburse us for all attorneys' fees and other costs and expenses paid or incurred by us in the enforcement of this Agreement, or in collecting any amounts due from you to us or to any agent of ours, or resulting from any breach by you of this Agreement.

g) NPC and Bank are not a party to, and have no liability with respect to, your contractual relationships with third party service providers.

23. Dispute Resolution and Arbitration. If the parties disagree as to any matter governed by this Agreement, the parties will promptly consult with one another in an effort to resolve the disagreement. If such effort is unsuccessful, any controversy or claim arising out of or relating to this Agreement, or the breach thereof, will be settled by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Arbitration shall take place on an individual basis without resort to any form of class action. The arbitrator(s) will have the right to render equitable, as well as other, awards and relief. The parties agree that the underlying agreement between the parties involves interstate commerce, and that, notwithstanding any choice of law provision in Section 22 of this Agreement, any arbitration hereunder will be governed by the Federal Arbitration Act.

24. Amendments. We may change this Agreement, the Manuals/Instructions, or other operating procedures by giving you at least fifteen (15) days advance notice. However, in the event of changes in the Rules or due to security or risk control reasons, certain changes may become effective upon shorter notice. In addition, we may from time to time notify you in writing or through other means of requirements that must be satisfied to qualify for various incentive programs. Any Card sales made by you after the effective date of such change will constitute consent to the new terms.

Notwithstanding the foregoing, we will use reasonable efforts to notify you at least thirty (30) days in advance of any fee changes. Following such notification by us of any amendment of the fees referenced herein and for thirty (30) days thereafter, you may terminate this Agreement upon written notice to us without the obligation to pay us any penalties for early deconversion. However, any Card sales made by you on or after thirty-one (31) days following such notice to you will constitute consent to the new terms.

25. Notices. All notices hereunder (unless involving normal operational matters, including requirements for various incentive programs) must be in writing and will be deemed given (a) if sent by mail, on the third business day after being mailed first-class mail to the specified address; (b) if sent by courier, when delivered; or (c) if sent by facsimile, when transmission is confirmed; in any case, if to you at the address appearing in the Application, and if to us, notice must be sent to c/o NPC at 4601 Commerce Crossings Dr., Suite 300, Louisville, Kentucky, 40229, Attention: Customer Services, Fax: (a) ACH/DDA changes (281) 257-7763, (b) Account Closes (877) 497-4347 and (c) other issues (800) 247-2368, and you may also provide a copy directly to Bank at 1125 First Avenue, 2nd Floor Uptown Center, Columbus, GA 31901, or to such other address as we or you may have specified in a written notice to the other. We may include a notice with or on your statement. As an alternative, we may make any notices available by electronic means such as on our Internet web site and notify you how it may be accessed, including notification by electronic mail. If we make a notice available by electronic means, we also will provide a toll-free telephone number where you may order a paper copy with postage paid by us. You agree to read all notices affecting this Agreement that we send or make available to you.

26. Certain Rights of Card Organizations. The parties acknowledge that the Rules give the Card Organizations, including all applicable Debit and EBT Networks, the States, the State EBT Service Provider, and certain governmental entities participating in the EBT Project, certain rights to investigate you and to require termination or modification of this Agreement with respect to transactions involving said Card Organization's systems.

27. Systems Enhancements. If, after the effective date of this Agreement, you request us to perform or provide any System Enhancements and we subsequently agree to provide you such System Enhancements, we will use reasonable efforts to provide such System Enhancements if you pay us the additional fees charged by us for such System Enhancements. Any subsequent changes that we must make in your Systems Enhancements to accommodate changes in applicable Laws or the Rules will be at your expense.

28. Signature; Electronic Contracting; General Provisions. Your signature, a facsimile copy of your signature, a digitally stored image of your signature, or a unique digital signature on or captured within (as applicable) the Application attached to this Agreement serves as the signature for this Agreement. The parties to this Agreement expressly acknowledge and agree that the parties to this Agreement may choose to contract via electronic means and that such contracts will have the same force and effect as if conducted via conventional form. Notwithstanding anything to the contrary elsewhere in this Agreement or in other agreements you may have with us, it is expressly acknowledged and understood that all such electronic contracting is and will be conducted pursuant to the provisions of Kentucky Revised Statutes §369.010 et seq. The parties to this Agreement also expressly acknowledge and agree that any duplicate original (whether digital, photographic, or otherwise) or electronic record of this Agreement will have the same force and effect as the original form of this Agreement. You indicate, by signing the Application or by submitting sales data, your acceptance of and agreement to the terms and conditions of this Agreement. This Agreement will become effective only if and when we note our acceptance of it or process sales data that you submit. In addition, if, after the effective date of this Agreement, you elect to accept other card types, by submitting sales data for said card type (after approval by us and the Card Issuer, if applicable) you indicate your acceptance to the pricing and conditions associated with accepting said Card types.

29. Telephone and Mail Orders; Electronic Commerce; Recurring Sales or Other Preauthorized Orders or Sales. You may not accept MO/TO/IO transactions unless you have specifically informed us of the percent of MO/TO/IO transactions to be conducted and we have specifically authorized you to accept such transactions. Acceptance of such transactions without authorization from us will constitute a breach of this Agreement. If you accept and we authorize you to accept telephone or mail orders or electronic commerce transactions or recurring sales or other preauthorized orders or sales, you must comply with all requirements of the Rules regarding mail order, telephone order, electronic commerce, recurring sales and other preauthorized orders or sales, including but not limited to, the Rules contained in the Manuals/Instructions.

You acknowledge and agree that you will only submit Electronic Commerce Card transactions in U.S. Dollars that arise from a Cardholder's purchase over the Internet. You will be responsible for obtaining any operational consents required of the Card Issuers to comply with procedures or practices contemplated by both you and us under this Agreement. If software is to be purchased by you, you will be responsible for sublicensing fees and all other fees for software and the software program utilized by you that enables you to connect to and maintain communication between you, the Internet and us. You will, at all times, maintain in effect a Sublicense Agreement for any such software. You agree to use any such software and the software program properly and for the purposes for which it was intended.

EXHIBIT A

Operating Rules

All capitalized terms not defined below will have the meanings ascribed in the Merchant Services Agreement.

Good Business Practices That Will Help Reduce Your Processing Costs

- Use an imprinted sales ticket with signature for all “key entered” transactions. This will assist you with issues such as chargebacks.
- Close and settle your sales transactions daily. This will help reduce those instances where “Mid-Qualified” or “Non-Qualified” discount rates are assessed.
- Balance your Settlement Account, processing statements from NPC, Bank, Card Organizations, and Third Party Service Providers, and your sales slips to assure that you are receiving anticipated funds in a timely fashion, as more fully described below. Because of the number of parties involved in the processing of credit card and other electronic transactions, the only way to ensure that you receive all funds is by balancing each day’s sales tickets against daily ACH deposits.
- Respond within the acceptable time frame to retrievals and/or chargebacks in order to assure the most favorable outcome possible.
- Do not call the voice authorization center for services other than authorization.
- Settle disputes with your customers before they reach “chargeback” status. A chargeback is like a returned check, it is expensive and time consuming.
- Read your Merchant Services Agreement and these Operating Rules closely and thoroughly.
- Shipping products overseas without a card present should be closely monitored. You have little ability to prevent a chargeback in this type of situation.
- You should carefully reconcile sales tickets against deposits daily, particularly in the following situations: installation of new equipment, new downloads, adding new products to your terminal, power outages, change in your Settlement Account.

1. Honoring Cards

- A. Merchant shall honor all Cards when presented in accordance with these Operating Rules for the purchase of goods or services or in processing a request for credit resulting from such a transaction, by an authorized holder of a Card.
- B. Cardholder Identification. You will identify the Cardholder and check the expiration date and signature on each Card. You will not honor any Card if: (i) the Card has expired; (ii) the signature on the sales draft does not correspond with the signature on the Card; or (iii) the account number embossed on the Card does not match the account number on the Card’s magnetic stripe (as printed in electronic form) or the account number is listed on a current Electronic Warning Bulletin file. Unless permitted under the Laws and Rules, you will not require a Cardholder to provide personal information, such as a home or business telephone number, a home or business address, a driver’s license number, a social security number, fingerprint, or photocopy of the Card, as a condition for honoring a Card.
- C. Responsibility for Transactions. Merchant is responsible for ensuring that the Cardholder understands that the Merchant is responsible for the transaction, including goods or services that are the subject of the transaction, and for related customer service, dispute resolution, and performance of the terms and conditions of the transaction. A Merchant must prominently and unequivocally inform the Cardholder of the identity of the Merchant at all points of interaction so that the Cardholder readily can distinguish the Merchant from any other party such as a supplier of goods or services to the Merchant.
- D. Card Recovery. You will use your reasonable, best efforts to recover any Card: (i) on Visa Cards, if the printed four digits above the embossed account number do not match the first four digits of the embossed account number; (ii) if you are advised by Bank (or its designee), the issuer of the Card or the designated voice authorization center to retain it; (iii) if you have reasonable grounds to believe the Card is counterfeit, fraudulent or stolen, or not authorized by the Cardholder; or (iv) for MasterCard Cards, the embossed account number, indent printed account number and/or encoded account number do not agree, or the Card does not have a MasterCard hologram on the lower right corner of the Card face. This obligation upon you in no way authorizes a breach of the peace or any injury to persons or property, and you will hold NPC and Bank harmless from any claim arising from any injury to person or property or other breach of peace.
- E. Surcharges. You will not add any amount to the posted price of goods or services you offer as a condition of paying with a Card, consistent with the Laws and the Rules. Provided you are in compliance with the Rules, this paragraph does not prohibit you from offering a discount to induce a person to pay by cash, check or similar means rather than by using a Card.
- F. Return Policy. You will properly disclose to the Cardholder, at the time of the transaction and in accordance with the Rules, any limitation you have on accepting returned merchandise.
- G. No Claim Against Cardholder. You will not have any claim against, or right to receive payment from a Cardholder unless Bank or NPC refuses to accept the sales draft or revokes its prior acceptance of the sales draft (after receipt of a chargeback or otherwise). You will not accept any payments from a Cardholder relating to previous charges for merchandise or services included in a sales draft, and if you receive such payment, you will promptly remit them to Bank. You may not reimburse a Cardholder in cash or check for any transaction.
- H. Disputes With Cardholders. All Disputes between you and any Cardholder relating to any transaction will be settled between you and the Cardholder. Neither NPC nor Bank bears any responsibility for such transactions. You shall not require a Cardholder to waive his or her rights to dispute the transaction as a condition of the sale.
- I. Employee Actions. You are responsible for your employees’ actions while in your employ.
- J. Prohibitions on Card Acceptance. You may not do any of the following: (i) establish minimum or maximum sale amounts as a condition for honoring Cards; (ii) require a Cardholder to complete a postcard or similar device that includes the Cardholder’s account number, expiration, signature or any other account-related data in plain view when mailed; (iii) add any tax to a transaction, unless applicable law expressly requires you to impose a tax, and in such event the tax amount must be included in the transaction amount and not

collected separately; (iv) request or use an account number for any purpose other than as payment for goods or services, except as permitted by the Rules; (v) disburse funds in the form of travelers cheques, if the sole purpose is to allow cardholder to make a cash purchase of goods or services from MERCHANT; (vi) permit a Cardholder to purchase travelers cheques, or other similar item, if the sole purpose is to allow the Cardholder to make a cash purchase of goods or services from Merchant; (vii) accept a Card to collect or refinance an existing debt that has been deemed uncollectible; (viii) enter into interchange a transaction that represents collection of a dishonored check; (ix) require a Cardholder to waive his/her rights to dispute a transaction as a condition of sale; (x) engage in any acceptance practice that discriminates against or discourages the use of MasterCard Cards in favor of any other acceptance brand; (xi) accept Cardholder payments for previous Card charges incurred at the Merchant location; (xii) submit for payment into interchange any transaction that may in the sole discretion of MasterCard or Visa, damage the goodwill of MasterCard or Visa or reflect negatively on the MasterCard or Visa brands; (xiii) add any surcharge to a transaction; (xiv) enter into interchange any transaction receipt for a transaction that was previously charged back to Bank and subsequently returned to you, irrespective of Cardholder approval (you may pursue payment from the customer outside of the Visa/MasterCard system); (xv) accept a Card for the purchase of scrip; or (xvi) accept a Visa Electron Card or a Visa TravelMoney Card for manual cash disbursement.

- K. You and any agent or Merchant Provider engaged by you, must not, in the event of your or their failure, including bankruptcy, insolvency, or other suspension of business operations, sell, transfer, or disclose any materials that contain Cardholder account numbers, personal information or transaction information to third parties. You must, and must cause your agents and Merchant Providers to: (a) return this information to NPC/Bank, or (b) provide acceptable proof of destruction of this information to NPC/Bank.

- L. Security Features. You are required to examine the Card security features prior to completing a sale. You should examine the Card to be sure there has been no tampering to the signature panel. Specific Card security features are as follows:

- i. Visa:
 - a. The “DOVE” hologram should appear to fly when tilted.
 - b. All Visa account numbers begin with a “4” and can be up to 19 digits long.
 - c. The first four digits of the embossed account number match the four digits printed on the account number of the Card.
 - d. The “V” to the right of the expiration date should be a special letter (a “Flying V” not a normal “V”).
- ii. MasterCard:
 - a. The MasterCard Global hologram or the Debit MasterCard hologram and the MasterCard brand mark stacked within a retaining line, or the MasterCard brandmark without a retaining line if the hologram is on the back.
 - b. All MasterCard account numbers are 16 digits long.
 - c. The first four digits of the embossed account number match the four digits printed on the account number of the Card. The last four digits of the account number are embossed over the hologram.

When an Electronic Cash Register or Electronic Draft Capture terminal reads the magnetic stripe on the Card, you must check the Card account number on the terminal (if displayed) against the account number embossed on the Card or follow such other security check as is mandated by NPC/Bank from time to time. If the Card is read with a terminal that displays the Card number and the sales draft is printed, you shall verify that the account number displayed on the terminal and the printed card numbers on the sales draft match the embossed numbers on the face of the Card. In the event that they do not match, the sale must not be completed. Failure to follow these checks and procedures will expose you to chargebacks. If the terminal is programmed to require you to key the last 4 or more digits of each Card used for a sale, and the terminal indicates that the numbers keyed are not the same as those present on the Card, the sale must not be completed.

2. Authorization.

- A. Required on all Transactions. You will obtain a prior authorization via electronic terminal or similar device before completing any transaction, including MO/TO transactions. You will follow any instructions received during such authorization process. Upon receipt of authorization, you may consummate only the transaction authorized and must note on the sales draft the authorization number. Where authorization is obtained, you will be deemed to warrant the true identity of the customer as the Cardholder. If you receive a negative authorization response, you may not complete the sale and may be requested to recover the Card, if you can do so by reasonable and peaceful means. If you do recover the Card, you should notify the voice authorization center and ask for further instructions. Transactions will be deemed invalid on Cards that are expired, whether or not an authorization has been obtained. For electronic commerce transactions, you must attempt to obtain the Card expiration date and forward it as part of the authorization request. You may not, after receiving a negative response or decline on an authorization request, split the sale amount into multiple transactions in order to obtain a valid authorization for each one so that the separate transactions total the original dollar amount of the sale.
- B. Effect. Authorizations are not a guarantee of acceptance or payment of the Card transaction and will not waive any provision of this Agreement or otherwise validate a fraudulent transaction or a transaction involving the use of an expired Card.
- C. Unreadable Magnetic Stripes. If you authorize and present Card transactions electronically and your terminal is unable to read the magnetic stripe on the Card, you will obtain an imprint of the Card and the Cardholder’s signature on the imprinted draft before presenting the sales draft to Bank and NPC for processing.
- D. Procedures. If an unsigned Card is presented at the point of sale, you must request that Cardholder provide proof of identification and sign the card before completing the sale. Details of the identification provided must be placed on the sales draft unless prohibited by local law. If the Cardholder refuses to do so, the sale must not be completed. In any of the following cases, you shall obtain authorization from the voice authorization center, designated or approved by NPC or Bank, before completing a sales transaction:
 - i. paper merchants whose sales exceed your floor limit as established by NPC or Bank, or amended from time to time;

- ii. an unsigned Card is presented;
- iii. if you believe the Card may be counterfeit or stolen or that the sale is in some other manner suspicious or unusual, you should state to the voice authorization clerk, "This is a Code 10" and await further instruction; or
- iv. in any other circumstances established by NPC or Bank or stated in the Rules and/or this Agreement.

3. Sales Drafts.

- A. Forms. You will use a sales draft to document each Card transaction. Each sales draft will be legibly imprinted with: (i) Merchant's name, identification number, and city and state; (ii) the information embossed on the Card presented by the Cardholder (either electronically or manually); (iii) the date of the transaction (iv) a brief description of the goods or services involved; (v) the transaction authorization number; (vi) the total amount of the sale (including any applicable taxes) or credit transaction; and (vii) adjacent to the signature line, a notation that all sales are final, if applicable. If you use an electronic terminal to print sales drafts, the account number must be truncated on the cardholder copy of the sales draft. This means that only the last 4 digits of the account number may appear. The entire expiration date must be suppressed on receipts provided to cardholders.
- B. Signatures. Sales drafts must be signed by the Cardholder. The requirement for the Cardholder's signature on the sales draft will only be waived if the Card transaction is a valid MO/TO or electronic commerce card transaction, which fully complies with the requirements set forth in this Agreement, or if otherwise permitted by the Rules.
- C. Delivery and Retention of Sales Drafts. You will deliver a complete and legible copy of the sales draft or credit voucher to the Cardholder at the time of the transaction. You shall store all sales drafts and transaction records in a limited access area for at least 1 year after the date of sale. You will retain the Merchant copy of the sales draft or credit memorandum for at least 12 months following the date of completion of the transaction for Visa card transactions and at least 18 months following the date of completion of the transaction for MasterCard transactions (or such longer period as the Rules may require), which documentation must be maintained in a secure manner in accordance with your obligations under the Merchant Services Agreement. Unless specifically permitted by NPC/Bank, goods and services purchased must be delivered to Cardholder at the time of sale. You shall not disclose a Cardholder's account information or any other personal information to third parties other than your agents for the purpose of completing the transaction or as specifically required by the Laws or by the Rules.
- D. Electronic Transmission. If you utilize electronic authorization and/or data capture services, you will enter the data related to a sales or credit transaction into a computer terminal or magnetic stripe reading terminal no later than the close of business on the date the transaction is completed. If you provide your own electronic terminal or similar device, such terminals must meet NPC/Bank's requirements for processing transactions. Information regarding a sales or credit transaction transmitted with a computer or magnetic stripe reading terminal will be transmitted by you to NPC/Bank or its agent in the form NPC/Bank from time to time specifies or as required under the Laws or Rules. If Bank or NPC requests a copy of a sales draft, credit voucher, or other transaction evidence, you will provide it within 3 business days following the request. If your terminal cannot successfully read the magnetic stripe, you must imprint the Card, even if it is a key entered transaction. You must imprint the Card on the same sales draft containing the remainder of the transaction information and the Cardholder signature. Failure to obtain a signed and imprinted sales draft when a transaction is not captured by swiping through a magnetic stripe reader will expose you to a chargeback regardless of the authorization that may or may not be received. Failure to read the magnetic stripe on the Card may result in a discount rate tier downgrade.
- E. Daily Settlement of Transactions. You must Batch Out each POS terminal every day. Failure to Batch Out daily will delay the deposit of funds. "Batch Out" is the process by which you total and settle all transactions, on each POS terminal, which occurred before midnight (12:00 a.m.) and transmit the information to NPC/Bank. In all cases, Merchant must present the record within 3 business days after the transaction date, unless otherwise permitted by the Rules. Transactions contained in an untimely Batch Out may be refused, held for a 180 day period or become subject to chargeback. Merchant is responsible for resubmitting a Batch Out or ticket if the POS terminal fails to properly Batch Out or if sales ticket data does not process through the normal payment cycle. NPC/Bank is not liable to Merchant for amounts it did not collect, including but not limited to amounts collected by Third Party Service Providers.

4. Chargebacks.

Failure to comply with the Rules will reduce NPC or Bank's ability to reverse chargebacks and increase the likelihood of your receiving a chargeback. You may be subject to a chargeback on sales for a minimum period of 180 days from the date the sale was entered into the Card Organization's processing system. NPC/Bank may hold funds from your account for 180 days to cover any chargebacks. We will mail all chargeback documentation to the address provided by you. You agree to respond promptly to all chargebacks. If NPC or Bank elects, at its discretion, to take action on chargebacks after the Card Organization time limits have expired, such action shall be done at additional cost. You will not redeposit sales that have been previously charged back and not represented. This restriction applies whether or not the Cardholder consents to such activity. If you receive a chargeback for an international Cardholder, you are responsible for any currency conversion differences in the dollar amount. You will be charged the fee indicated on the Application for each chargeback.

5. Chargeback Reasons.

- A. Summary. The summary of reasons for chargebacks include, but are not limited to, any one of the following:
 - i. an invalid Card account number submitted by you;
 - ii. neither the Cardholder nor a person authorized by the Cardholder received the goods or services requested;
 - iii. the Cardholder received the good or services but disputes the quality;
 - iv. the Cardholder never received credit for a returned item or a canceled order;
 - v. the Cardholder was charged incorrectly;
 - vi. the amount of the sale exceeded the floor limit and an authorization was not obtained or was denied;
 - vii. the sale was authorized but not for the correct amount;
 - viii. the authorization code provided is invalid;
 - ix. the Card was expired at the time of the sale or had not reached its effective date;

- x. the sales draft was not signed. An exception will be made where MO/TO sales are permitted by NPC/Bank;
- xi. the Card Issuer has information that a Merchant fraud has occurred;
- xii. the Card account number and the amount of sale is missing from sales draft or is illegible;
- xiii. the sales draft bears the imprint of a Card which to the Card Organizations is a counterfeit Card because the Card is not embossed in accordance with the standards set forth in the Rules, even if the sale was authorized.

6. Chargeback Monitoring Programs.

- A. If you exceed a 0.5% chargeback to interchange ratio for all incoming chargebacks for a particular location you are considered an excessive chargeback merchant and may be subject to Visa and MasterCard's monitoring programs. You are responsible for monitoring your monthly chargeback percentage and developing chargeback reduction plans as required by Visa and MasterCard. Excessive chargeback activity for an unreasonable period of time may result in termination of this Agreement. You must pay Bank or NPC for any fine or charge levied by the Card Organizations on Bank, NPC or Merchant as a result of your chargeback activity. This section may be amended from time to time as a result of action by the Card Organizations.
- B. Other Monitoring Programs. If you are identified by certain Card Organization monitoring programs, NPC or Bank's ability to reverse chargebacks may be severely restricted. Certain monitoring programs review the number of lost, stolen and counterfeit Cards accepted by you in the normal course of business and the percentage of Cards used for sales that were not read electronically by terminals or electronic cash registers. The purpose of these programs is to reduce the use of lost, stolen, fraudulent, and counterfeit Cards. In the event that you are identified under these programs as exceeding the acceptable threshold value of such Cards, you may become liable for chargebacks and sales on lost, stolen, or counterfeit Cards regardless of the Card acceptance procedures followed, and this Agreement may be terminated by NPC or Bank.
- C. Excessive Activity. Your presentation to NPC/Bank of Excessive Activity will be a breach of this Agreement and cause for immediate termination. "Excessive Activity" means, during any monthly period, and for any one of Merchant's terminal identification numbers or Merchant Identification Numbers, chargebacks and/or retrieval requests in excess of 0.5% of the average monthly dollar amount of your Card transactions or returns in excess of 3% of the average monthly dollar amount of sales drafts. You authorize, upon the occurrence of Excessive Activity, Bank and NPC to take additional actions as either of them may deem necessary, including but not limited to suspension of processing privileges or creation or maintenance of a Reserve Account in accordance with this Agreement.

7. Credits.

- A. Credit Memoranda. You will issue a credit memorandum, instead of making a cash advance, a disbursement or a cash refund on any Card transaction. Bank will debit the Settlement Account for the total face amount of each credit memorandum submitted to NPC/Bank. You will not submit a credit relating to any sales draft not originally submitted to NPC/Bank, nor will you submit a credit that exceeds the amount of the original sales draft. You will, within the time period specified by applicable law, provide NPC/Bank with a credit memorandum or credit statement for every return of goods or forgiveness of debt for services which were the subject of a Card transaction.
- B. Revocation of Credit. Bank or NPC may refuse to accept any sales draft or revoke its prior acceptance of a sales draft in the following circumstances: (i) the transaction giving rise to the sales draft was not made in compliance with this Agreement, the Laws and the Rules; (ii) the Cardholder disputes his/her liability to Bank for any reason, including but not limited to those chargeback rights enumerated in the Rules; or (iii) the transaction giving rise to the sales draft was not directly between you and the Cardholder. You will pay Bank or NPC, as appropriate, any amount previously credited to you for a sales draft not accepted by Bank or NPC or, where accepted, is subsequently revoked.
- C. Returns. If you agree to credit a Cardholder for any merchandise or service that was the subject of a sale, you must provide a credit transaction receipt using the same Card as in the original sale. Such credit shall not exceed the original sale amount. You shall not make any cash refund on sales. You may limit the acceptance of returned merchandise or establish a policy to make price adjustments for any sale provided proper disclosure is made and purchased goods and services are delivered to the Cardholder at the time of the sale. Proper disclosure means the words "NO REFUND," "EXCHANGE ONLY," or "IN STORE CREDIT ONLY" are printed in large letters near the signature line on all copies of the sales draft prior to obtaining the Cardholder's signature on the sales draft. You may stipulate other special circumstances or terms of the sale on the sales draft. For each credit transaction, you must be able to provide NPC or Bank with evidence of the original purchase.
- D. Fraud and Factoring. You will not present for processing or credit, directly or indirectly, any transaction not originated as a result of a Card transaction directly between you and a Cardholder or any transaction you know or should know to be fraudulent or not authorized by the Cardholder. Perpetrators of fraudulent transactions may be referred to law enforcement officials. You will not sell or disclose to third parties Card account information other than in the course of performing your obligations under this Agreement. You will not deposit any sales draft representing the refinancing of an existing obligation of a Cardholder. You agree that NPC/Bank may, within its sole discretion, suspend the disbursement of sales draft funds for any reasonable period of time required to investigate suspicious or unusual deposit activity. NPC and Bank will have no liability for any losses you may attribute to any suspension of funds disbursement. You further agree that engaging in the aforementioned activity may result in the incurrence of research fees and may be grounds for termination of this Agreement.

8. Other Types of Transactions.

- A. Mail Order and Telephone Order. You may not solicit or accept mail orders or telephone orders or any transaction in which the Cardholder and Card are not present ("MO/TO") without prior written authorization from NPC/Bank. MO/TO transactions completed without prior written consent of NPC or Bank will be a breach of this Agreement and cause for immediate termination in addition to any other remedies available under the Laws and the Rules. You may be required to use an address verification service ("AVS") on MO/TO transactions and are encouraged to use AVS even if not required. AVS is not a guarantee of payment and the use of AVS will not waive any provision of this Agreement or validate a fraudulent transaction. You will obtain the expiration date of the Card for a MO/TO transaction and submit the expiration date when obtaining authorization of the Card transaction. For MO/TO transactions, you

will type or print legibly on the signature line of the sales draft the following applicable words or letters: mail order or "MO" or telephone order or "TO". If you are specifically authorized by NPC or Bank to accept MO/TO sales, no sale shall be submitted for processing prior to the shipping of the product or the provision of services purchased by the Cardholder. If you supply goods and/or services under a preauthorization order, you shall not charge a Cardholder for goods after receiving notice from a Cardholder that the authorization for goods or services is canceled. The shipping documents indicating the address the goods were shipped to and a signature of an individual (even Cardholder) will not normally be sufficient to reverse an Unauthorized Purchaser reason code. You assume the risk associated with accepting MO/TO sales transactions.

- B. **Recurring/Quasi Cash Transactions.** You may not accept transactions where the goods or services are performed periodically without NPC/Bank's consent. If you receive such consent, you must obtain a written request from the Cardholder for such goods and services to be charged to the Cardholder's account, the frequency of the recurring charge and the duration of time during which such charges may be made. You will not complete any recurring transaction after receiving: (i) a cancellation notice from the Cardholder, (ii) notice from NPC or Bank indicating that you may not accept such transaction, or (iii) a response that the Card is not to be honored. You must print legibly on the sales draft the words "Recurring Transaction". You shall not accept sales for processing that are classified as "QuasiCash Transactions" including but not limited to the sale of casino gaming chips, money orders, opening deposits on financial or other accounts, wire transfer money orders, or the issuance of scrip. You shall not accept a Card or use a Visa and MasterCard processing terminal to issue script exchangeable for cash, products, or services as a result of a sale. You must not submit for payment into interchange any transaction that represents the refinancing or transfer of an existing Cardholder obligation that is deemed to be uncollectible, or that arises from the dishonor of a Cardholder's personal check.

- C. **Multiple Sales Drafts.** You will include a description and total amount of goods and services purchased in a single sales transaction on a single sales draft or transaction record, unless: (i) partial payment is entered on the sales draft or transaction record and the balance of the transaction amount is paid in cash or by check at the time of transaction, or (ii) a sales draft represents an advance deposit in a Card transaction completed in accordance with this Agreement and the Rules. If the total amount of both sales drafts exceeds the floor limit, authorization must be obtained. The use of multiple Cards for one purchase is permissible as long as an individual sales draft is used for each Card. The use of multiple sales on one Card, for one purchase, is not permitted.

- D. **Deposits.**

i. **Prior Consent.** You will not accept for payment by Card any amount representing a deposit or partial payment for goods or services to be delivered in the future without the prior written consent of NPC/Bank. The acceptance of a Card for payment or partial payment of goods or services to be delivered in the future without prior consent will be deemed to be a breach of this Agreement and cause for immediate termination in addition to any other remedies available under the Laws or Rules.

ii. **Acceptance.** If you have obtained prior written consent, then you will complete such Card transactions in accordance with this Agreement, the Rules, and the Laws. Cardholders must execute one sales draft upon making a deposit with a Card and a second sales draft upon paying the balance. You will note upon the sales draft the words "deposit" or "balance" as appropriate. You will not deposit the sales draft labeled "balance" until the goods have been delivered to Cardholder or you have fully performed the services.

- E. **Future Delivery.** You will not present any sales draft or other memorandum to Bank or NPC for processing (whether by electronic means or otherwise) which relates to the sale of goods or services for future delivery without NPC/Bank's prior written authorization. If Bank or NPC have previously given such consent, you represent and warrant to Bank and NPC that you will not rely on any proceeds or credit resulting from such transactions to purchase or furnish goods or services. You will maintain sufficient working capital to provide for the delivery of goods or services at the agreed upon future date independent of any credit or proceeds resulting from sales drafts or other memoranda taken in connection with future delivery transactions. You will note upon the sales draft the words "delayed delivery".

- F. **Electronic Commerce Transactions.**

i. **Electronic Commerce.** You must obtain the consent of NPC/Bank to process electronic commerce ("EC") transactions, and you may process such transactions only if the transactions comply with the Payment Card Industry Security Standard requirements set forth below. If you submit EC transactions without NPC/Bank's consent, NPC/Bank may immediately terminate this Agreement. You understand that transactions processed via EC are high risk and subject to a higher incidence of chargebacks. A Merchant must not refuse to complete an EC transaction using a MasterCard card solely because the Cardholder does not have a digital certificate or other secured protocol. You are liable for all chargebacks and losses related to EC transactions, whether or not: a) EC transactions have been encrypted; and/or b) you have obtained the consent of NPC/Bank to engage in such transactions. Encryption is not a guarantee of payment and will not waive any provision of this Agreement or otherwise validate a fraudulent transaction. You are responsible for contracting with a third party payment engine, payment gateway or other Internet service provider. You must ensure that such third parties transmit sales drafts to NPC and Bank in an acceptable format and in compliance with the Rules, including but not limited to PCI. All communication costs related to EC transactions are your responsibility. You understand that NPC/Bank will not manage the EC telecommunications link and that it is your responsibility to manage that link. All EC transactions will be settled by Bank into a depository institution of the United States in U.S. currency.

ii. **Requirements.** For goods to be shipped on EC transactions, you may obtain authorization up to 7 calendar days prior to the shipment date. You need not obtain a second authorization if the sales draft amount is within 15% of the authorized amount provided that the additional amount represents shipping costs. The transaction receipt for EC transactions, must include the following information, in addition to the information set forth in Paragraph 3.A. above: (1) your customer service phone number, (2) the terms and conditions of the sale, if restricted, (3) the exact date the free trial period ends, if offered, and (4) your cancellation policies. Further, your website must contain all of the following information: a) complete description of the goods or services offered, b) returned merchandise and refund policy, c) customer service contact, including electronic mail address and/or telephone number, d) transaction currency (such as U.S. or Canadian dollars), e) export or legal restrictions, if known, f) delivery policy, g) your consumer data privacy policy and h) your security method for transmission of payment data. If you store

Cardholder account numbers, expiration dates, and other personal Cardholder data in a database, you must follow Card Organization guidelines on securing such data. In addition, if you accept eCommerce recurring transactions, you must provide a simple and easily accessible online cancellation procedure.

iii. **Cardholder Information Security Program.** If you accept EC transactions, you must: install and maintain a working network firewall to protect data accessible via the Internet, keep security patches up-to-date, encrypt stored data and data sent over open networks, use and update anti-virus software, restrict access to data by business "need-to-know", assign a unique ID to each person with computer access to data, not use vendor-supplied defaults for system passwords and other security parameters, track access to data by unique ID, regularly test security systems and processes, maintain a policy that addressed information security for employees and contractors, and restrict physical access to Cardholder information.

iv. **Physical Address.** If you accept EC transactions, your website must include the physical address of your permanent establishment, along with your country of domicile, either:

- On the same screen view as the checkout screen used to present the total purchase amount, or
- Within the sequence of webpages the Cardholder accesses during the checkout process.

- G. **Third Party Service Provider Transactions.**

i. **Authorization.** Upon your request, NPC will provide access to authorization and/or data capture services for third party service provider transactions, such as American Express, Discover and JCB. You must enter into a separate agreement with such third party service providers and must abide by the terms and conditions of such third party service providers. Neither NPC nor Bank are responsible for funding such transactions. The terms of this Agreement will apply to third party service providers. NPC may notify you in writing of the fees applicable to third party service provider transactions. Third party service providers separately invoice Merchants for their services, and their fees are not necessarily included in this Agreement (including the Merchant Application). Any applicable fees and charges for third party services will be disclosed by the applicable third party service provider and may be subject to adjustment in accordance with the third party service provider's terms and conditions. Additionally, NPC charges a transaction fee for such transactions in addition to those fees charged by third party service providers (see the Application). Your acceptance of cards, bearing the symbols of organizations other than the Debit Networks or the Card Organizations, such as Discover, American Express or JCB, and transmission of such card transactions to NPC/Bank will constitute your agreement to the terms of this Agreement with regard to such cards. Termination of your Agreement with NPC/Bank does not automatically terminate your agreement with the third party service providers.

ii. **Information.** NPC and Bank reserve the right and you agree and consent to allow NPC and Bank to share your credit report and credit history with all third party service providers. Changes made to this Agreement, such as address or ACH changes, do not automatically make the same changes for the third party service provider. You must contact the third party service provider to make the changes. NPC/Bank is neither liable nor responsible for such changes. If false data is provided to NPC/Bank or the Settlement Account has had any suspected fraudulent activity, NPC/Bank reserves the right to share such false or suspected fraudulent information with other financial entities and processors.

iii. **Statements.** You must reconcile your sales tickets for each third party service provider's transactions against deposits to your bank account daily. Each third party service provider provides its own statement, and you are responsible for reviewing each statement and resolving all issues regarding the transactions directly with that third party service provider. Each third party service provider sets its own rates and fees for its services, and may adjust such rates and fees in accordance with your agreement with such third party service provider. NPC and Bank are not liable or responsible for these transactions and have no legal access to such transactions.

9. **Cash Transactions.**

You shall not receive money from a Cardholder and subsequently prepare a credit voucher for the purpose of depositing to the Cardholder's account. Cash disbursement by you to a Cardholder is not permitted. Additionally, you shall not make any cash advance to an employee, principal, or family member of Merchant, who is a Cardholder. You will not accept sales from Cardholders where the primary purpose of the transaction is for the provision of working capital to business and not the purchase of goods and/or services from the business.

10. **Third Parties.**

- A. **Services.** You may be using special services or software provided by a third party to assist you in processing transactions, including authorizations and settlements, or accounting functions. You are responsible for ensuring compliance with the requirements of any third party in using their products. This includes making sure you have and comply with any software updates. NPC/Bank has no responsibility for any transaction until that point in time when NPC/Bank receives data about the transaction.

- B. **Use of Terminals Provided by Others.** You will notify NPC immediately if you decide to use electronic authorization or data capture terminals or software provided by any entity other than NPC or its authorized designee ("third party terminals") to process transactions. If you elect to use third party terminals, you agree (i) the third party providing the terminals will be your agent in the delivery of Card transactions to Bank via a data processing network, and (ii) to assume full responsibility and liability for any failure of that third party to comply with the Rules or this Agreement. Neither Bank nor NPC will be responsible for any losses or additional fees incurred by you as a result of any error by a third party agent or a malfunction in a third party terminal.

11. **Vehicle Rental Authorization Procedures.**

- A. **Estimate.** A special authorization procedure is available if you estimate the transaction amount based upon Cardholder's intended rental length at time of rental, the applicable rental rate, tax, and/or mileage rates. Such estimated transaction amount shall not include ancillary charges representing amounts to cover potential vehicle damages or insurance deductible when Cardholder waives insurance at time of rental.

- B. **Procedures.** Special terminal downloads may be required in order to qualify for certain rates on Vehicle Rental transactions. You shall record on the sales draft

the date, amount, and all authorization approvals obtained. You shall disclose to Cardholder the amount authorized at the time of rental. Subsequent Authorization:

- i. If no authorization was obtained at the time of rental and you, based upon Cardholder's actual charges, later estimate that the transaction amount will exceed the applicable floor limit, you may obtain an Authorization approval code for the new estimated amount.
- ii. You may obtain authorization for additional amounts (above any amount not authorized) on the car rental pickup date or prior to the car rental return date. Additional authorization is not necessary if the sales transaction does not exceed the sum of the authorized amounts plus 15% of the sum of the authorized amounts.

12. Paper Processing Merchants.

Paper processing merchants shall authorize by using the established floor limits. Any Merchant that wishes to accept a sales transaction that is under the established floor limits, and that is not authorized, is liable for the resulting chargebacks from those Card numbers listed on the Electronic Exception File. In the case of a Merchant depositing paper drafts, such drafts shall be deposited with NPC or Bank within 5 days of the sale date.

13. Travel and Entertainment ("T&E") Merchants.

A merchant whose primary function is to provide travel related services shall be referred to as a Travel & Entertainment ("T&E") Merchant. These include, but are not limited to, car rental, lodging, and central reservation services. A T&E Merchant may process delayed or amended charges if the Cardholder has consented to be liable for those charges. These charges may NOT include charges for loss, theft, or damage.

14. T&E Services.

A. Services: T&E Merchants may participate in any of the following Visa T&E Services:

- Priority CheckOut Service
- T&E Advance Deposit Service
- T&E Cash Disbursement Service
- Visa Reservation Service

B. Visa Priority CheckOut Service:

You agree to:

- i. accept all Visa Cards in accordance with this Agreement;
- ii. have Cardholder complete, sign, and return a Priority CheckOut Agreement ("PCO Agreement") which includes the Cardholder's mailing address;
- iii. complete a sales draft which includes the total sales amount and the words "Priority CheckOut" on the signature line;
- iv. review the completed PCO Agreement and ensure the account number matches the account number on the sales draft if applicable;
- v. comply with normal authorization and deposit requirements;
- vi. at the Cardholder's request, you must mail the sales draft copy, the itemized bill, and the signed PCO Agreement to the Cardholder within 3 business days of the Cardholder's departure; and
- vii. you must retain the itemized bill and signed PCO Agreement for a minimum of 6 months after the transaction date.

C. T&E Advance Deposit Service:

You agree to:

- i. accept all Visa Cards in accordance with this Agreement;
- ii. obtain the Cardholder name, account number, expiration date on the Card, telephone number, mailing address, scheduled date of arrival/embarkation/rental, and intended length of stay/term/rental;
- iii. determine the advance deposit amount, which is the cost of the intended length of stay, cost of the cruise, or cost of the intended term of rental, not to exceed 14 days;
- iv. apply the deposit amount to the total obligation;
- v. provide: (1) reservation confirmation code to the Cardholder advising that it be retained, (2) advance deposit amount, and (3) cancellation policy requirements;
- vi. advise the Cardholder the accommodations will be held according to the reservation and provide written confirmation if requested;
- vii. advise the Cardholder that you will retain the deposit amount if the Cardholder has not canceled the reservation within the specified time frames;
- viii. you must not charge for a no show transaction;
- ix. complete the sales draft including advance deposit amount, Cardholder name, mailing address, telephone number, account number, expiration date, the words "Advance Deposit" on the signature line, confirmation code, scheduled date of arrival/embarkation/rental, and the date and time the cancellation privileges, if any, expire without forfeiture;
- x. follow normal authorization procedures;
- xi. mail a sales draft copy and cancellation policy to the Cardholder within 3 business days of the sales date;
- xii. accept all Cardholder cancellations within the time limits specified by you;
- xiii. upon cancellation, you shall complete a Credit Transaction Receipt with the information set out in (ix) above and include the cancellation code. You must deposit the Credit Transaction Receipt within 5 days of the transaction date and mail a copy to the Cardholder within 3 days of the transaction date of the Credit Transaction Receipt;
- xiv. for a Lodging Merchant, if the reserved accommodations are unavailable, you must provide the Cardholder the following services without charge: (1) refund the entire advance deposit amount, (2) a copy of the Credit Transaction Receipt to the Cardholder, (3) comparable accommodations at an alternate establishment for the number of nights specified in the reservation not to exceed 14 nights or until the reserved accommodations become available, (4) two three-minute telephone calls, (5) message forwarding to the alternate establishment, (6) transportation to the alternate establishment and return to the original establishment and, if requested, daily transportation to and from the alternate establishment and your location; and
- xv. for a Car Rental Merchant if the reserved vehicle is unavailable, you must provide the Cardholder the following services without charge: (1)

refund the entire advance deposit amount, and (2) provide a comparable vehicle for the number of days specified in the reservation, not to exceed 14 days or until the reserved vehicle becomes available.

xvi. for a Cruise Line Merchant if the reserved accommodations are unavailable, and no comparable accommodations are available on the ship, the Merchant may offer: (1) a comparable cruise within the same approximate sailing dates and number of sailing days specified in the reservation, (2) any extra nights' accommodations or air fare to a different port city necessitated by the Cardholder's acceptance of alternate accommodations. The Merchant must refund the entire T&E deposit amount, if comparable accommodations are not available or the Cardholder does not accept the offered accommodations. The Merchant must provide a credit receipt to the Cardholder and the Merchant must provide all of the following without charge, (1) one night's hotel accommodation, if required, (2) transportation to the hotel as well as the airport, (3) Airline transportation to the airport nearest the Cardholder's residence, (4) reasonable out-of-pocket expenses incurred by the Cardholder because the guaranteed accommodations were not available.

D. T&E Cash Disbursement Service: You may make cash disbursement to a registered Visa Gold or Platinum Cardholder under the following conditions:

i. Cardholder indicates at registration the intent to pay for services with a Visa Card;

ii. Before disbursement, you review positive identification, and, if permitted by applicable law, record type and number on the sales draft;

iii. You complete an 80 column Cash Disbursement sales draft or a 51 column Cash Disbursement T&E sales draft that includes the Cardholder's positive identification or a Cash Disbursement Record;

iv. You do not disburse more than \$250.00 during the Cardholder's stay. Cash availability may limit cash disbursements; and

v. You must not include any additional fees or charges except taxes or charges imposed by law on the transaction amount.

E. Visa Reservation Service: Any Merchant who accepts Cards to guarantee reservations must do so in accordance with the following requirements:

i. You must accept all Visa Cards in accordance with this Agreement;

ii. You must obtain the Cardholder's account number, expiration date, and name embossed on the Card. You must quote to Cardholder the rate of reserved accommodation, Merchant's name and address, and the Confirmation Code advising that it be retained. Advise the Cardholder that if he/she has not checked in by checkout time the following day after his/her scheduled arrival date or the reservation was not properly canceled, the Cardholder will be billed for one night's lodging plus applicable taxes. If requested, you will provide a written confirmation with the above information including the Visa reservation service provisions relating to the Cardholder's obligation, and any other reservation details;

iii. You must accept all cancellations prior to the specified time. The Merchant must not require more than 72 hours cancellation notification prior to the scheduled arrival date. But, if the Cardholder makes the reservation within 72 hours of the scheduled arrival date, the cancellation deadline must be no earlier than 6:00 p.m. on the arrival date. If you require that the Cardholder cancel before 6:00 p.m. on the arrival date, you must mail the cancellation policy to the Cardholder;

iv. If the reservation is properly canceled, you must provide a cancellation code and advise the Cardholder to retain it. If requested, you must mail a confirmation of cancellation that includes the Cardholder name, account number, card expiration date, cancellation code, and details related to the canceled reservation;

v. If Cardholder has not claimed or canceled the accommodation by the specified time, the room(s) must be held available in accordance with the reservation until checkout time the following day. You may then complete a sales draft for 1 night's lodging plus applicable tax, indicating the Cardholder's account number, expiration date, and name embossed on the Card and the words "No Show" on the Cardholder signature line. You must obtain an authorization code for the no show transaction;

vi. If guaranteed accommodations are unavailable, you must provide Cardholder with comparable accommodations as described in Section 14.C.xiv above. These services shall be provided at no cost to Cardholder.

15. Preauthorized Health Care Transactions

A. Order Form. Merchants accepting Preauthorized Health Care Transactions must have the Cardholder complete an order form containing the following:

- i. a request for the services to be charged to the Cardholder's account;
- ii. assignment of insurance benefits to you;
- iii. authorization for you to charge the Cardholder's account for only that portion of the bill subsequent to your receipt of any applicable insurance payment;
- iv. duration of time, not to exceed 1 year, for which permission is granted; and
- v. if the Preauthorized Health Care Transaction is renewed, the Cardholder must provide an updated order form.

B. Procedures. Merchants accepting Preauthorized Health Care Transactions must:

- i. retain a copy of the order form during the period it is in effect;
- ii. provide a copy of the order form upon NPC or Bank's request; and
- iii. type or print the words "Preauthorized Health Care" on the signature line of the sales draft; and
- iv. submit a sales draft within 90 days of the service date and request authorization for the amount due upon receipt of notice of adjudication from Cardholder's insurance company.

C. Cancellation. You must not complete a Preauthorized Health Care Transaction after receiving a decline response or a notice of cancellation from Cardholder, NPC or Bank.

16. Visa Supermarket Program

A merchant that wishes to participate in the Visa Supermarket Incentives Program must first obtain a Supermarket Incentives Agreement with NPC/Bank.

17. Electron Card Program

You may accept Electron Cards. If a Merchant chooses to accept Electron Cards, it must accept all Electron Cards when properly presented and process all transactions as Electron Card transactions.

18. Automated Fuel Dispenser

A. Procedures.

- i. When an Automated Fuel Dispenser ("AFD") transaction takes place, the Card must be presented and the entire, unaltered contents of either Track 1 or Track 2 of the magnetic stripe must be read and transmitted along with a value of "90" in the POS entry mode code field.
- ii. The Merchant name, city, state, and zip code of the station location where the transaction took place must be included in any authorization and clearing message.
- iii. A transaction receipt must be produced and the transaction must be cleared within 2 days of the transaction date.
- iv. You must obtain an authorization for the exact amount of the transaction or use the status check procedure which requires you to request an authorization for no more than \$1.00.
- v. You must use the status check procedure if the floor limit is zero and the actual transaction amount is no more than \$50.00.
- vi. You must have an established self-service terminal operating plan on file with NPC or Bank and must establish a velocity check program that monitors the volume and frequency of account transactions.
- vii. The transaction ratio of chargebacks to total Visa Interchange for Merchant must not exceed an average of 0.30% for the previous 6 months.
- viii. The transaction ratio of fraud to total Visa Interchange for Merchant must not exceed an average of 0.40% for the previous 6 months.
- ix. Under no circumstances should you use an arbitrary estimation of the transaction amount to obtain an authorization.
- x. An AFD must not dispense scrip.
- xi. Terminals at automated fuel dispensers do not qualify for the Qualified Rate set forth on the Merchant Application. In order to qualify for the Automated Fuel Dispenser Transaction Rate, the authorization must be obtained within 1 day of the transaction date and the sale must be for less than \$75.00 for Visa transactions and less than \$100.00 for MasterCard transactions.

B. Programming. NPC/Bank is not responsible for programming or reprogramming of fuel dispensers.

19. Small Ticket/Quick Payment Service

You may be eligible for the Visa Small Ticket and/or MasterCard Quick Payment Service programs (collectively the "Quick Pay Program") if you meet the criteria set forth herein. Visa and MasterCard may add to, delete, or otherwise modify their respective criteria for the Quick Pay Program at any time with or without notice, and all such additions, deletions or modifications shall take effect immediately. In order to qualify for the applicable Quick Pay Program, Visa and/or MasterCard may require you to be registered with and/or approved prior to participation in the Quick Pay Program. Your participation will not be effective until all required approvals or acceptances have been received from Visa and/or MasterCard, as applicable. You acknowledge and agree that any transactions that occur before such required approvals or acceptances are obtained or that do not meet all the requirements set forth herein, may not be processed at the best rate. You may not participate in any portion of the Quick Pay Program unless you fall into one of the following industries: local commuter, taxis & limos, bus lines, tolls & bridge fees, restaurants, fast foods, news dealers & news stands, quick copy services, parking lots, laundries, car washes, motion picture theaters, video tape, convenience stores, drug stores, dry cleaners and service stations. To qualify for the Quick Pay Program, your transactions must meet the following criteria: you must fall within one of the permitted industries, the transaction must fall below the applicable limits (\$15.00 for Visa; \$25.00 for MasterCard), the transaction must settle within 2 business days of the transaction date, you must prominently display at least one sign advising a transaction receipt is available upon request if you participate in the Visa program, a tip cannot be reported on the transaction, the Card and Cardholder must be present, the terminal cannot be unattended and the entire magnetic stripe contents must be read. For any transaction that meets all of the criteria set forth in this paragraph, the following applies: you are not required to provide the Cardholder with a receipt, unless the cardholder requests one, in which case a receipt must be provided; a Cardholder signature is not required; and you will not be liable for chargebacks to which you properly respond on transactions falling below the floor limits for the following reason codes: (1) MasterCard – (i) non-receipt of requested item, (ii) requested item illegible, (iii) Fraudulent transaction – no cardholder authorization and (iv) Requested/Required authorization not obtained; and (2) Visa transactions – Fraud Transaction Card Present Environment.

20. Equipment

If you enter into a lease or rental agreement for the use of credit card processing equipment, you understand that such agreement is separate and apart from the Merchant Services Agreement and is subject to the terms and conditions of the lease or rental agreement. Neither NPC nor Bank is a party to such leases and neither is affiliated with the third party institutions. Such leases are typically non-cancelable 48-month leases. Termination of your Merchant Services Agreement with NPC/Bank does NOT automatically terminate your equipment lease, it only terminates your processing agreement with Bank with respect to Visa and MasterCard processing and any other electronic transactions that are settled through the Bank as designated on your monthly statement from the Bank. You acknowledge that you have selected the equipment set forth on the Merchant Application based upon your own independent evaluation and you are not relying upon any warranty or representation of any third party, including but not limited to the representations of a sales representative, regarding the equipment. NPC/Bank is not responsible for and is not able to provide customer service for equipment, such as POS devices, installed by and/or operated by any third party. Merchant should contact the third party for service of this equipment. Merchant shall not allow any third party to install, remove, or modify any terminal software application of NPC or Bank without the express written consent of NPC or Bank.

21. Imprinters.

You must be in possession of a working imprinter, a supply of blank sales drafts and an accurate imprinter plate showing your DBA name, city, state, and Merchant Identification Number. If you are not in possession of the above equipment, you must contact NPC to obtain such equipment. Failure to use the equipment and supplies listed above will seriously increase your liability for chargebacks. You must obtain an imprint of a Card when a Card will not swipe. Obtaining an imprint of a Card will greatly reduce your chance of a chargeback.

22. Merchant Identification Number.

You are responsible for ensuring that your Merchant Identification Number ("MID") is kept confidential. When a change to your Settlement Account is required, you must disclose your MID to the NPC representative as confirmation that the person requesting the change has authority to do so. If the person requesting the change discloses the proper MID, NPC or Bank shall assume that person has the proper authority to make the change. You shall be fully liable for any changes to your Settlement Account after disclosure of the MID. NPC or Bank may request from you additional information to further verify your identity.

23. Use of Third Party Terminals and/or Software. If you elect to use the terminal of a third party provider of software (such as POS or Accounting System vendors) to capture and transmit to NPC or Bank, you assume full responsibility and liability for any failure of such third party provider to comply with the Rules. The third party provider is the source for information regarding authorizations and reversals that may be needed by NPC or Bank. Certain reversals require authorization information to reverse. You are responsible for obtaining this information from the third party provider. NPC and Bank are not liable for sales that were not received by them. In addition, NPC/Bank will not be liable for third party software or clearing of Card Organization transactions.

THE FOLLOWING RULES APPLY TO PIN-DEBIT CARD TRANSACTIONS ONLY; CARD ACCEPTANCE PROCEDURES

1. Honoring PIN-Debit Cards. You shall not require Cardholders to provide personal information (such as telephone number or address) as a condition for honoring a PIN-Debit Card, unless required by the Rules. You may not require or request the Cardholder's signature or any other means of verifying the Cardholder's identity. You shall place the PIN Entry Device in an area accessible by all Cardholders and that will reasonably prevent others, including Merchant employees, from observing the PIN.

2. PIN-Debit Card Sales Drafts.

- A. Procedures. You shall deliver to the Cardholder at the time of a sale a true and completed copy of the sales draft evidencing a sale involving use of a PIN-Debit Card ("PIN-Debit Sales Draft"). The PIN-Debit Sales Draft must comply with the Rules and Laws. The following information must be included on the PIN-Debit Sales Draft: (i) the PIN-Debit Card account number; (ii) your DBA name; (iii) your city and state; (iv) the amount of sale; and (v) the sale date. A PIN-Debit Sales Draft shall be made available to the Cardholder at each terminal. You may not require or request the Cardholder to provide or disclose their PIN in any oral or written manner to the Merchant. You shall not impose any fee or charge for a PIN-Debit Card transaction without the prior written consent of NPC or Bank. If surcharging is approved by NPC, it must be a separate line item on the PIN-Debit Sales Draft and must be in compliance with all Debit Networks' rules and federal and state laws and regulations. You shall not process any sale if an authorization code is not received through the electronic terminal. When a denial to an authorization request is received, the POS transaction shall not be completed unless completed as a store and forward transaction or resubmission transaction. A sale shall not be completed if you know or should know that the sale is fraudulent or not authorized by the Cardholder.
- B. Reversal. A sale may be reversed or voided electronically, but only if such reversal/void is entered prior to midnight of the calendar day on which the sale was initiated. To effect a reversal or void, Cardholder must reenter the PIN, the magnetic stripe reader must read the card, and you must transmit the trace number and the exact dollar amount of the sale to be reversed or voided. A reversal or void must be initiated at the same Merchant identified on the PIN-Debit Sales Draft at which the original sale was initiated, but it need not be initiated at the same POS terminal.
- C. Returns. All returns shall be processed in accordance with your normal procedures except that you or Cardholder shall not attempt to reverse a previously approved POS transaction unless otherwise permitted in accordance with the Debit Network Rules. Any sale known by you to be erroneous should be canceled and re-billed in the Cardholder's presence.
- D. Balance Inquiry. Balance inquiries may be performed only by the Cardholder at a Cardholder-operated terminal and shall at all times require the Cardholder to enter the PIN and use the magnetic stripe reader.

3. Distribution and Storage of Information. You shall not disclose a Cardholder's account information or any other personal information to third parties other than to your agents for the purpose of completing the sale or as specifically required by law or by the Rules. You shall store in a limited access area for at least 1 year after the date of sales all transaction records, and you shall make and retain for at least 2 years the original or legible microfilm copies of both sides of all transaction records. Prior to discarding, you shall destroy or make unreadable all material containing Cardholder account numbers. There are no voice authorizations for PIN-Debit Card transactions and no manually imprinted PIN-Debit Sales Drafts. You may not store the Cardholder's PIN in any manner.

4. Promotional Materials. You will adequately display promotional materials to inform the public that PIN-Debit Cards will be honored by you. All uses by you of decals, signs, printed and broadcast materials and other promotional materials must be in conformity with the requirements of the Debit Networks, NPC, and Bank. You will not at any time do, or cause to be done, any act or deed in any way impairing or intended to impair NPC or Bank's exclusive right, title and interest in and to its respective protected marks.

5. Reversals. You agree to pay NPC or Bank for any Debit Network fees, fines or charges imposed on you, NPC or Bank. Such reimbursement will be accomplished by the debit of the sum(s) involved from your Settlement Account. If NPC or Bank elects, at its discretion, to take action on reversals after the Debit Network time limits have expired, such action shall be done at additional cost. Upon request of a Debit Network, processor, NPC, or Bank, you will retrieve and forward to NPC or Bank, within the time frame required, either the original or a readable copy of the terminal journal tape or duplicate transaction receipt for the transaction in question and, if requested, will give the Debit Network such information from such transaction records as it requests by telephone. You will, on request of the Debit Network, cooperate fully with the Debit Network and the Card issuing participant in order that the participant may comply with the error resolution procedures.

6. Your Name and Address. All forms submitted to NPC or Bank must bear both your corporate and "Doing Business As" ("DBA") name.

7. Equipment.

- A. Use. You shall take all necessary steps to ensure that all POS Terminals and PIN Entry Devices operated in all of your locations:
- i. are placed in an area accessible by all Cardholders;
 - ii. are available for use whenever you are open for business;
 - iii. will function with minimal error, meeting all applicable technical specifications and security regulations; and
 - iv. will require the Cardholder to enter the Cardholder's PIN at or near the check out location when initiating a POS transaction.
- B. Standards. A PIN Entry Device must meet the ANSI standard format X9.8, 1995 or newer requirements, as they are released. A PIN Entry Device must comply with the PCI requirements for POS and PED equipment. Terminals must have a magnetic stripe reader capable of reading Track 2 on the PIN-Debit Cards. PINs used in conjunction with any store and forward transaction or your resubmission must be encrypted and stored within a tamper-resistant security module. If your authorization system is capable of store and forward, it must comply with the Debit Networks' rules and regulations regarding this capability. NPC or Bank, the Issuer and the Debit Networks shall not be liable for any losses suffered by you arising from the use of the store and forward function. A

PIN must never be logged in any form as a function of software either in the clear or encrypted.

8. Supply of Information. You must submit all information requested by the Debit Networks, NPC or Bank, including but not limited to lists and mailing addresses of terminals. You shall not sell, purchase, provide, or exchange account number information in any form, including but not limited to, transaction receipts, carbon copies of transaction receipts, mailing lists, tapes, to any third party other than to your agents for the purpose of assisting you in your business, or to the Debit Networks, NPC or Bank, or pursuant to a government request.

9. Left PIN-Debit Cards. PIN-Debit Cards that are inadvertently left at your location must be held under dual control during the time they are retained. PIN-Debit Cards inadvertently left at your location may be returned to the Cardholder by you under the following conditions: (A) the Card was inadvertently left by the Cardholder at an on-premise location, (B) the Cardholder requests the Card within 1 business day, and (C) the Cardholder provides 2 forms of current identification, at least 1 of which is a photo identification. If the Cardholder has not requested the Card within 1 business day, the Card should be destroyed by cutting it in half through the stripe.