

**MERCHANT PROCESSING AGREEMENT
APPLICATION AND FEE SCHEDULE**

A Registered Service Provider of Merrick Bank Corporation ("Merrick")

PRINT CLEARLY

ASSOCIATE:	ACCOUNT REP: Nancy Murphy 1030	DATE:
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Corporate/ Legal Name: City of La Crosse	Corporate/ Legal Name: City of La Crosse
Address (Physical Location): 400 La Crosse St	Mailing Address: 400 La Crosse St
City: La Crosse State: WI Zip: 54601	City: La Crosse State: WI Zip: 54601
Email Address: johnsonb@cityoflacrosse.org	Website Address: www.cityoflacrosse.org
Contact Name: Bobbi J. Johnson Title: Deputy Director of Finance	Contact Name: (Corporate Office, If Applicable) Valerie Fenske Title: Director of Finance
Business Phone #: (608) 789-7567 Fax #: (608) 789-7320	Business Phone #: (608) 789-7567 Fax #: (608) 789-7320

CHAIN MERCHANT <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Federal Tax ID Number: 39-6005490
TYPE OF BUSINESS: City Government	BUSINESS LICENSE #: _____
	NUMBER OF YEARS IN BUSINESS 20+Years

CURRENT PROCESSOR: _____	POS DEBIT: <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES	NETWORK: _____
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(Z) Star MAC (W) Star East (Q) Star West (G) Interlink (B) Maestro (K) FBT

TRADE REFERENCES:	
Company: _____	Contact: _____
Phone: _____ Fax: _____	Account Type: _____
Company: _____	Contact: _____
Phone: _____ Fax: _____	Account Type: _____

Authorized Signer (First): Bobbi J. Johnson MI: _____ Last: _____ Title: Deputy Director of Finance/Purchasing	Phone Number: (608) 789-7577	Email Address: johnsonb@cityoflacrosse.org
Alternate (First): Valerie Fenske MI: _____ Last: _____ Title: Director of Finance	Phone Number: (608) 789-7576	Email Address: fenskev@cityoflacrosse.org
Alternate (First): _____ MI: _____ Last: _____ Title: _____	Phone Number: _____	Email Address: _____

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. What this means for you: when you open an account, we may ask you for information that will allow us to identify you, including a copy of your driver's license or other identifying documents.

By checking this box, Merchant opts out of receiving future commercial marketing communications from American Express.

THE MERCHANT PROCESSING AGREEMENT IS EFFECTIVE UPON THE SIGNING BY MERCHANT AND AUTOMATED MERCHANT SYSTEMS, INC.	
Merrick Bank Corporation	Automated Merchant Systems, Inc.
By: _____ Date: 07/23/2018	By: _____ Date: 07/23/2018
135 Crossways Drive North, Suite A Woodbury, NY 11797	1071 S Sun Drive, Suite 2001 Lake Mary, FL 32746 407-331-5465

The Fee Schedule

You agree to pay all Payment Brand fees, transaction processing costs and other processing fees on debit and credit transactions as set forth herein. You authorize and direct Member Bank to charge such fees and costs to you by monthly debit through the ACH system to your designated DDA account. For a list of Merchant Interchange Rates, refer to <https://www.automatedmerchant.com/rateschedule.html>. Nothing in this Section shall be deemed to alleviate or reduce any of your other obligations under the Agreement, including, but not limited to, your responsibilities with regard to Penalties and Dispute Items and your obligation to pay early termination fees, if applicable, pursuant to Section 10 of the Payment Processing Agreement.

Non-Program Location Fees, Third Party Costs, and Dispute Item Costs

Setup Fee	Monthly Statement	Monthly Minimum	Chargebacks	ACH Rejects	Breach Assurance Program	Optional Reporting Fee
\$ _____	\$ 7.50	\$ 10.00	\$ 15.00	\$ 30.00	\$ 9.95 Per MID	\$ 8.00
Early Termination Fee See Section 10					\$100,000.00 Coverage	Per User ID

Per Transaction Fees

Visa, Mastercard, Discover, & American Express

	Auth / Decline	Capture	Interchange Markup	Non-PCI Markup	Voice Auth
Credit	\$ 0.10	\$ 0.05	0.15 %	0.00 %	\$ 0.75
Debit	\$ 0.10	\$ 0.05			
PIN	\$ 0.00	\$ 0.00	N / A	N / A	N / A

ACH Service Fees

Setup Fee	Monthly Access Fee	Transaction Fee	Transaction Return Fee	Transaction Re-deposit Fee
\$ 250.00	\$ 10.00	\$ 0.50	\$ 5.00	\$ 2.50

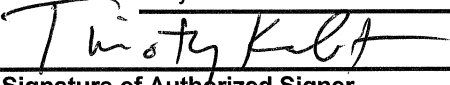
PCI Compliant Internet Gateway Third Party Costs


Gateway	Setup Fee	* Monthly Fee	* Per Transaction	* Threshold
USAePay	\$ 150.00	\$ 20.00	\$ 0.10	1000
BridgePay	Waived	Waived	\$ 0.10	0
Plug-N-Pay	\$ 150.00	\$ 15.00	\$ 0.075	200
Authorize.net	\$ 100.00	\$ 20.00	\$ 0.10	0
* TNSI Synapse	N / A	\$ 20.00	\$ 0.10	0

* Monthly Fee: includes standard features, adding features may increase the monthly fee.

* Per Transaction Fee only applies after transaction Threshold exceeded per month.

* TNSI Synapse allows supported wireless terminals to connect using GPRS / CDMA modems.

Merchant: City of La Crosse

Signature of Authorized Signer _____ Date _____
Timothy Kabat _____ Mayor
Print Name _____ Title _____


Teri Lehrke, City Clerk

7/27/18

MERCHANT SIGNATURE AUTHORIZATION

Name of Entity: City of La Crosse

The undersigned certifies and agrees to as follows:

1. The undersigned and any of the persons identified below are duly authorized to sign this Merchant Processing Agreement and bind the entity indicated above to it. If any official indicated below resigns or is replaced, that official's successor(s) in office shall be deemed to have signed this certification and the Merchant Processing Agreement. These persons also have the authority to perform the duties and functions defined in 2, 3 and 4 below.

TITLE	PRINT NAME	SIGNATURE
Deputy Director of Finance/Purchasing	Bobbi J. Johnson	
Director of Finance	Valerie Fenske	
Mayor	Timothy Kabat	<i>Timothy Kabat</i>
City Clerk	Teri Lehrke	<i>Teri Lehrke</i>

2. The persons listed below are duly authorized to act for and on behalf of the entity indicated above in any manner relating to this Merchant Processing Agreement.
3. Both AMS and Merrick Bank may rely on the authority granted in this certification and the undersigned official represents and warrants that this certification shall remain in full force and effect until revoked upon written notice to AMS.
4. The following are the names, titles and genuine signatures of the persons authorized by this certification to perform ongoing organizational processes and updates:

TITLE	PRINT NAME	SIGNATURE
Deputy Director of Finance/Purchasing	Bobbi J. Johnson	<i>Bobbi Johnson</i>
Director of Finance	Valerie Fenske	<i>Valerie Fenske</i>

I have subscribed my name as the official indicated above as of _____, _____ (date)

Signature: *Timothy Kabat* Print Name: Timothy Kabat

Title: Mayor Teri Lehrke, City Clerk

MERCHANT INQUIRY:

Has Merchant or Owners/Principals ever been terminated from accepting payment cards from any payment network for this business or any other businesses?
 NO YES (if yes, please explain) _____

How Many Chargebacks Last Year? _____ Total Amount: \$ _____

Please Mark all Card Types Accepted and Initial Here: _____ (initials) *For Details on how these transactions qualify at each level, please refer to your Merchant Operating Guide.
 Debit Cards: V/MC (consumer signature cards/ all foreign issued cards/ PIN debit cards) Other Cards: V/MC/DISC/AMEX (business credit/debit, consumer credit, & all foreign issued cards)

This is a Payment Processing Agreement entered into as of the date accepted by ISO (defined below) and is by and among Merrick Bank, a Utah state chartered bank ("Member Bank"), Automated Merchant Systems, Inc. ("AMS") and the governmental entity ("Merchant", "you", "your", "yours" and the like) that signed the attached application included with this Agreement (the "Application"). The term "Agreement", as used herein, shall include the Application, the fee schedule included with this Agreement, as applicable, (the "Fee Schedule"), the terms and conditions set forth below, and all attachments, exhibits, schedules and the like included herewith.

BACKGROUND INFORMATION

Member Bank is a member/acquirer of Visa U.S.A. Incorporated ("Visa"), Mastercard International ("Mastercard"), DFS Services, LLC ("Discover"), is authorized to process and settle certain transactions originated on the American Express Travel Related Services Company, Inc. ("American Express") payment network and is authorized to process Card transactions for such financial institutions and various other payment brands, payment networks and Card issuers (each a "Payment Brand"). For purposes of this Agreement, "Card" means an account, or evidence of an account, authorized and established by a Payment Brand or representatives thereof that merchants accept from their customers as payment for goods or services. Cards include, but are not limited to, credit cards, debit cards, stored value cards, loyalty cards, electronic gift cards, authorized account or access numbers, paper certificates and credit accounts. Member Bank and AMS have entered into an agreement whereby AMS acts as Member Bank's service provider and provides certain services to you through various third party service providers (AMS and such third party service providers shall hereinafter collectively be referred to as "ISO"). You desire to accept one or more types of Cards issued by a Payment Brand. Member Bank and ISO agree to provide services in accordance with the terms and conditions set forth below. Accordingly, the parties to this Agreement, intending to be legally bound, agree as follows:

OPERATIVE PROVISIONS

1. **Services.** Member Bank and ISO agree to provide you, at your U.S. locations identified in the Application (as defined below), transaction gateway, processing and/or settlement services (the "Services") in accordance with the terms and conditions of this Agreement. You agree to use Member Bank to sponsor, clear and settle all of your Card transactions. You will be responsible for the installation, servicing and maintenance of the point-of-sale devices and related equipment at your facilities, and will likewise be responsible for the connection of those devices to the Services in compliance with ISO's requirements. ISO hereby grants to you a limited, non-exclusive, non-transferable, revocable, royalty free right, during the Term, to use the Services, subject to the restrictions herein and any other restrictions communicated by ISO to you, solely for your internal use. ISO and its suppliers shall retain title and all ownership rights to the Services and this Agreement shall not be construed in any manner as transferring any rights of ownership or license to the Services or to the features or information therein, except as specifically stated herein. ISO is providing you with information concerning the technical requirements for allowing the Services to send and receive electronic transaction data for authorization and/or settlement from and to ISO. To utilize the Services, you must: (i) provide for your own access to the internet and pay any fees associated with such access, and (ii) provide all equipment necessary for you to make such connection to the internet, including a computer, modem and web browser. If you elect to receive transaction gateway services or certain other services from ISO, you may receive a password when registering for such services. Upon approval, that password will allow you access to those Services. You are responsible for maintaining the confidentiality of the password and account, and are fully responsible for all activities that occur under your password or account. You agree to immediately notify ISO of any unauthorized use of your password or account or any other breach of security. You shall not: (A) decompile, disassemble, reverse compile, reverse assemble, reverse translate or otherwise reverse engineer the Services; (B) circumvent any technological measure that controls access to the Services; or (C) use the Services other than pursuant to the terms of this Agreement.

2. **Payment Brand Regulations.** All Card transactions and this Agreement are subject to, and the parties agree to be bound by, applicable Payment Brand operating rules and regulations ("Payment Brand Regulations"). The Payment Brand Regulations include the Payment Card Industry Data Security Standard, the Consortium Merchant Negative File published by Discover, Discover Information Security Compliance, Visa Cardholder Information Security Program, Mastercard's Site Data Protection Program, and the American Express Data Security Requirements, as may be amended, supplemented or replaced from time to time. A copy of the American Express Data Security Requirements ("DSR") can be obtained online at www.americanexpress.com/dsr. Merchant shall abide by and fully comply with the Payment Brand Regulations, DSS, CISP, SDP, DSR, and any other security requirements. You are responsible for demonstrating your own, your agents, and your services' compliance with Payment Brand Regulations as they may be amended from time to time. ISO is not responsible for providing copies of the Payment Brand Regulations to you, and makes no representations or warranties regarding the accuracy of any summaries of Payment Brand Regulations it may provide. Most Payment Brand Regulations are available online, and ISO will provide you with specific website information upon request. You will comply with all state and federal laws and Payment Brand Regulations, including without limitation laws, rules and regulations regarding disclosure to customers on how and why personal information and financial information is collected and used. Furthermore, you shall comply with all of ISO's policies, procedures and guidelines governing the Services provided hereunder, as may be amended from time to time. You agree not to use, disclose, sell or disseminate any cardholder or card member (as used in and defined by the applicable Payment Brand Regulations, collectively, "Cardholder") information obtained in a Card transaction to any third party other than to, or authorized by, ISO. You agree not to store any Cardholder information obtained in a Card transaction unless specifically permitted to do so under applicable Payment Brand Regulations. You agree that ISO shall not be liable for any improperly processed transaction or third party, illegal or fraudulent access to your account, your IDs and passwords, end-user data or transaction data. ISO is not liable for your non-compliance or any costs of such non-compliance with any Payment Brand Regulation. If there is a conflict between this Agreement and the Payment Brand Regulations, the Payment Brand Regulations will apply. You will pay ISO and Member Bank immediately for all Payment Brand fines, charges, penalties and all other indebtedness levied by any Payment Brand, Card issuer, regulatory authority or other third party that is assessed against, charged to, directly or indirectly incurred or otherwise paid by, ISO and/or Member Bank which are attributable, at Member Bank's discretion, to your Card transaction processing or business, and any other loss, liability, assessment or fine incurred arising out of your breach of this Section (collectively, "Penalties"). You are solely responsible for the security of data residing on the servers owned, controlled or operated by you or a third party designated by you (e.g., a web hosting company or other service provider). You warrant that your servers and electronic systems are secure from breach or intrusion by unauthorized third parties and will hold ISO harmless for a breach of your systems. If there is a security breach of your system and/or access to end-user data or transaction data by an unauthorized third party, you shall immediately notify ISO upon discovery of such breach and shall take such precautions as may be necessary to prevent such breaches from occurring in the future, as required by ISO. You agree that ISO may disclose to any Payment Brand information regarding you and your transactions, and that such Payment Brand may use such information to perform its responsibilities in connection with its duties as a Payment Brand, promote the Payment Brand, perform analytics and create reports, and for any other lawful business purposes, including commercial marketing communications purposes within the parameters of the Payment Brand Regulations. A Payment Brand may use the information about you obtained in this Agreement at the time of setup to screen and/or monitor you in connection with Payment Brand marketing and administrative purposes. You agree that you may receive messages from a Payment Brand, including important information about Payment Brand products, services, and resources available to your business. These messages may be sent to your mailing address, phone numbers, email addresses or fax number. You may be contacted at your wireless telephone number and communications sent may include auto dialed short message service (SMS or "text") messages or automated or prerecorded calls.

3. **Fees.** The fees to be charged by Member Bank or ISO to you or your customers for the Services provided to Non-Program Locations are set forth in the Application and Fee Schedule (collectively, the "Fees"). ISO may change such Fees from time to time upon 10 days prior written notice to you. The Fees do not include, and you hereby agree to pay, all (i) Penalties, (ii) interchange fees, assessments and other third party charges charged to, directly or indirectly incurred or otherwise paid by, ISO and/or Member Bank which are attributable to your Card transactions (collectively, "Third Party Costs"), and (iii) chargebacks of Card transactions, refunds and related Interchange fees and assessments (collectively, "Dispute Items"). Interchange fees and assessments charged hereunder will not be credited back to you if a transaction is subsequently reversed or otherwise processed as a credit or chargeback. Third Party Costs for a given Card transaction depends on a number of factors such as the type of Card presented, specific information contained in the Card transaction, how and when the Card transaction is processed and other factors. Payment Brands and other third parties regularly add new Third Party Costs, change the rates for existing Third Party Costs, or change the qualification criteria for existing Third Party Costs. Changes in the way you accept and process Card Transactions, the volume of your Card Transactions, the products and services you provide, and numerous other factors may affect your Third Party Costs.

4. **Card Transactions.** In addition to the requirements for Card transactions set forth in the Payment Brand Regulations, you agree that you will not, unless authorized to do so under the Payment Brand Regulations, (a) deposit into any bank account owned or controlled by you ("Account(s)") any sales or credits for any Card transaction between a Cardholder and an entity other than you; or (b) make a cash disbursement to a Cardholder arising out of a Card transaction or any other use of a Card, or use your personal Card(s) to process transactions using your merchant account with ISO that would constitute a cash advance.

5. Your Bank Account

a. You shall establish, and at all times during the Term, maintain one or more Accounts with one or more banks in order to facilitate payment of amounts due from time to time under this Agreement, which banks and Accounts shall be identified in the Application. To secure the extension of credit and your obligations under this Agreement including, without limitation, your obligation to pay, to the extent applicable, Fees, Third Party Costs, Dispute Items and/or Penalties, you grant to Member Bank and ISO a security interest in your deposited sales and all funds maintained in the Account(s).

b. All credits, charges and debits in connection with Card transactions and other amounts owing under this Agreement shall be made to your Account. You authorize Member Bank, without further notice to you, to credit or debit the Account(s). Any Fees, Third Party Costs, Dispute Items and/or Penalties payable by you pursuant to the terms and conditions of this Agreement not collected by Member Bank or ISO through a debit to the Account, for whatever reason, shall be invoiced to you by Member Bank or ISO and are due upon your receipt of such invoice.

c. If you have more than one deposit account with your banks, any or all of such accounts may be treated as the Account and may be credited, charged or debited in connection with Card transactions and other amounts owing under this Agreement as Member Bank or ISO may determine; provided, that you may designate a particular Account with respect to certain amounts to be credited, charged or debited from time to time by Member Bank in connection with particular Card transactions. Member Bank agrees to comply with such designation so long as the designated Account(s) contain sufficient funds to satisfy such charges or debits.

d. If a debit or chargeback to the Account results in an overdraft, you agree to immediately deposit with your bank an amount sufficient to cover such overdraft and any related service charges or fees.

e. If you desire to change the Account, you shall notify ISO in writing at least ten (10) days prior to the effective date of the change and shall follow ISO's procedures for completing the change.

6. Display of Service Marks, Advertising and Promotional Materials

a. You shall prominently display any service marks, identification logos and any other promotional materials (collectively, the "Service Marks") the ISO furnishes to you to alert Cardholders that Cards will be honored by you. This requirement shall not apply to private clubs or other merchants that do not serve the general public or other class of merchants exempted by a Payment Brand. The Service Marks for each Payment Brand must be at least the dimension of and as prominent as any other card program mark or logo displayed.

b. You may use the Service Marks only to indicate that Cards are accepted by you for payment. You shall not state, imply or use the Service Marks to indicate that ISO or any Payment Brand endorses, sponsors, produces, offers, sells or is affiliated with any of your goods or services.

c. You shall not refer to ISO or any Card or Payment Brand in stating eligibility for your merchandise, services or membership.

d. Your use of the Service Marks of any Payment Brand shall be governed by the Payment Brand's Regulations.

e. Your right to use or display the Service Marks shall continue so long as this Agreement remains in effect, unless ISO directs that such use or display shall cease. You acknowledge that the Service Marks are the property of the applicable Payment Brand and you shall not infringe upon the Service Marks.

f. All point of sale displays or websites must include appropriate Service Marks to indicate acceptance of Cards or Payment Brand approved signage to indicate acceptance of the limited acceptance category you have selected.

7. **Term.** This Agreement will be effective as of the date it is accepted by Member Bank and ISO and will continue in effect for a term of three (3) years following such date (the "Initial Term"), unless earlier terminated as provided for below. Following the Initial Term, this Agreement will automatically renew for additional one year renewal terms (each, a "Renewal Term"), unless earlier terminated as provided for below. If either party desires not to renew the Agreement at the end of the Initial Term or any Renewal Term, such party must provide written notice to the other parties of its intent not to renew this Agreement at least ninety (90) days prior to the expiration of the Initial Term or Renewal Term, as applicable. Notwithstanding the foregoing, Member Bank may terminate this Agreement for any or no reason with 30 days' notice to you.

8. **Events of Default.** An "Event of Default" shall mean the occurrence or existence of one or more of the following events or conditions, whatever the reason for such Event of Default and whether voluntary, involuntary or effected by operation of law: (a) you fail to pay any obligation under this Agreement to Member Bank or ISO when due; (b) any representation or warranty made by you under this Agreement, the Application or any financial statement, certificate, report, exhibit or document required to be furnished by you to Member Bank or ISO pursuant to this Agreement shall prove false or misleading in any material respect as of the time when made, including any omission of material information necessary to make such representation, warranty or statement not misleading or the failure to provide required information; (c) you shall default in the performance or observance of any covenant, agreement or duty under this Agreement or any Payment Brand Regulation; (d) you are no longer allowed by a Payment Brand to accept such Payment Brand's Cards as payment or your name appears on a Payment Brand's terminated merchant file; (e) Member Bank or ISO reasonably conclude that any criminal, fraudulent, unauthorized or suspicious activity has occurred or is imminent with respect to your acceptance of Cards or your performance under this Agreement; (f) there is an unexplained material change in your processed volume, average ticket size or mode of sale; (g) Member Bank or ISO reasonably conclude that there exists a risk of an abnormal level of chargebacks or that you may not fund Fees, Third Party Costs, Dispute Items, or Penalties as they occur; (h) you have defaulted on any

obligation for borrowed money and the effect thereof may permit the holder of such indebtedness to accelerate the time when repayment is due; (i) there is an adverse material change in your business, operations, financial condition, properties, assets or prospects; (j) one or more judgments against you for the payment of money remain undischarged, unsatisfied or unstayed for a period of 45 consecutive days; (k) your lender takes possession of your inventory; (l) a writ or warrant of attachment, garnishment, execution, or similar process shall have been issued against you or any of your assets; (m) a proceeding shall have been instituted with respect to you (1) seeking an order for relief or a declaration entailing a finding that you are insolvent or seeking a similar declaration or finding, or seeking dissolution, winding up, charter revocation or forfeiture, liquidation, reorganization, arrangement, adjustment, composition or other similar relief with respect to you, your assets or your debts under any law relating to bankruptcy, insolvency, relief of debtors or protection of creditors, termination of legal entities or any other similar law now or hereafter in effect, or (2) seeking appointment of a receiver, trustee, custodian, liquidator, assignee, sequestrator or other similar official for you or for all or any substantial part of your assets; or (n) you shall become insolvent, shall become generally unable to pay your debts as they become due, shall voluntarily suspend transaction of your business, shall make a general assignment for the benefit of creditors, shall institute a proceeding described in subsection (m)(1) above, or shall consent to any such order for relief, declaration, finding or relief described therein, shall institute a proceeding described in subsection (m)(2) above, or shall consent to any such appointment or to the taking of possession by any such official of all or any substantial part of your assets, shall dissolve, windup, revoke or forfeit your charter (or other constituent documents) or liquidate yourself or any substantial part of your assets, or shall take any action in furtherance of any of the foregoing; (o) accept a Card for an unlawful internet gambling transaction; or (p) you fail to become or remain "PCI compliant" (as required under applicable Payment Brand Regulations) and/or you fail to certify such compliance to ISO upon request. You shall notify Member Bank and ISO in writing immediately upon becoming aware of an Event of Default, or an event which, with the passing of time or the giving of notice, or both, would constitute an Event of Default.

9. Remedies Upon Event of Default. Upon the occurrence of any Event of Default, Member Bank and ISO may employ any or all of the following remedies it deems appropriate: (a) terminate this Agreement immediately upon notice to you; (b) without prior notice to you, refuse to accept or revoke acceptance of any sales or credit, or the electronic transmission thereof if applicable, received by Member Bank or ISO on or at any time after the occurrence of any Event of Default; (c) without prior notice to you, Member Bank may debit your Accounts in an amount equal to any amount then owed to Member Bank or ISO; (d) establish a reasonable reserve using your funds in Member Bank's possession to cover foreseeable Fees, Third Party Costs, Dispute Items, Penalties, and Cardholder credits; (e) increase the Fees commensurate with the increased risk; (f) require you to deposit, as cash collateral, such amounts as Member Bank or ISO may require to secure your obligations hereunder; (g) report to one or more credit reporting agencies any outstanding indebtedness to Member Bank or ISO; or (h) take such other action as may be permitted by law.

10. Early Termination Fee. For purposes of this Section 10, an "Early Termination" shall mean: (i) a termination of this Agreement by Member Bank or ISO following an Event of Default specified in Section 8 above (ii); a termination of this Agreement by you for any reason whatsoever, other than following written termination notice given by you pursuant to Section 7 or 12; or (iii) your deposit or submission of any of your Payment Brand branded transactions with any entity other than Member Bank. Your payment of the monthly minimum Fees shall not fulfill your obligation to ISO. The parties agree that the actual damages which will result to ISO from an Early Termination are not readily ascertainable as of the effective date of this Agreement. In addition, you acknowledge and agree that in reliance on this Agreement and other long-term agreements, ISO will incur additional long-term costs, including without limitation, computer hardware, software, and labor. Accordingly, upon the occurrence of an Early Termination, you shall pay to ISO, in addition to all amounts owed for the Services provided to you pursuant to this Agreement, an amount equal to the greater of (i) \$500.00; or (ii) thirty percent (30%) of the average total monthly Fees paid by you (or Service Fees collected by ISO, if applicable) during the preceding six (6) months (or shorter period if this Agreement has not been in effect for six (6) months), times the number of months, or portion thereof, remaining in the Term resulting from failure to provide timely termination notice as described in Section 7 of this Agreement. The parties intend that this Early Termination fee be in lieu of ISO's lost profits for the remainder of this Agreement, but not in lieu of any other damages to which ISO might otherwise be entitled arising out of your wrongful acts or omissions.

11. Change in Your Business. You shall provide Member Bank and ISO at least thirty (30) days prior written notice of your intent to change in any way the basic nature of your business, including without limitation, a change in the types of merchandise or services sold, or the method of selling such products or services. Upon its receipt of notice of such change, Member Bank and ISO shall have the right to terminate this Agreement without further obligation upon providing thirty (30) days prior written notice to you.

12. Termination by You. You may terminate this Agreement upon thirty (30) days prior written notice to Member Bank and ISO in the event of (a) your receipt of notice of any increase in Fees payable to Member Bank and ISO pursuant to Section 3 hereof (excluding Fee increases pursuant to Section 9); or (b) any material amendment or modification to this Agreement made by Member Bank or ISO pursuant to Section 18 hereof which adversely affects you in any material respect (excluding material amendments or modifications required due to changes to an Payment Brand Regulation or applicable federal, state or local law or regulation). Your right to terminate pursuant to this Section 12 shall expire thirty (30) days following your receipt of notice of any such Fee increase or material amendment or modification. If this Agreement is terminated, regardless of cause, Member Bank may withhold and discontinue the disbursement for all Card transactions in the process of being collected and deposited. If termination is due to the occurrence of an Event of Default or if you otherwise breach this Agreement, you acknowledge that Member Bank or ISO may be required to report your business name and the names and other identification of your principals to the terminated merchant file maintained by the Payment Brands. **You expressly agree and consent to such reporting if you are terminated for any reason requiring listing on the terminated merchant file.** You waive and will hold harmless Member Bank and ISO from any claims that you may raise as a result of Member Bank or ISO terminated merchant file reporting. Further, you will return all Member Bank and ISO property, forms, or equipment. All obligations for transactions prior to termination (including payment for Fees, Third Party Charges, Dispute Items, Penalties and Member Bank's expenses relating to chargebacks) survive termination. Neither Member Bank nor ISO is liable to you for damages (including prospective sales or profits) due to termination. Upon termination, any amounts due to Member Bank or ISO will accelerate and be immediately due and payable, without any notice, declaration or other act whatsoever.

13. Credit Inquiries; Reporting; Financial Statements. You authorize Member Bank and ISO to make any credit inquiries they consider necessary to accept or to renew their acceptance of this Agreement. You also authorize any person or credit reporting agency to compile information to answer such credit inquiries and to furnish such information to Member Bank and ISO. You agree to provide to ISO such financial statements or other information concerning your business or operations as may be requested by ISO from time to time, in appropriate detail, promptly upon request by ISO. Upon request by ISO, you shall furnish to ISO, within 120 days after the end of your fiscal year, an audited financial statement of profit and loss for such fiscal year and an audited balance sheet as of the end of such fiscal year. ISO may, at its discretion, accept unaudited financial statements prepared by a public accounting firm.

14. Representation and Warranties; Disclaimers. You make the following representations and warranties which shall be true and correct on the date of this Agreement and at all times thereafter: (a) all information contained in the Application or any other document delivered to Member Bank and ISO in connection therewith or with this Agreement is true and complete in all material respects; (b) you have the power to execute, deliver and perform this Agreement; (c) this Agreement is duly authorized and will not violate any provisions of law, or conflict with any other agreement to which you are subject or by which your assets are bound; (d) you have all required licenses, if any, to conduct your business and are qualified to do business in every jurisdiction where it is required to do so; and (e) there is no action, suit or proceeding at law or in equity pending, or to your knowledge, threatened, by or against or affecting you which if adversely decided to you would impair your right to carry on your business substantially as now conducted or adversely affect your financial condition or operations in any material respect. EXCEPT AS OTHERWISE SPECIFICALLY SET FORTH HEREIN, THE SERVICES ARE PROVIDED ON AN "AS IS," "AS AVAILABLE" BASIS WITHOUT ANY REPRESENTATIONS OR WARRANTIES. ISO DOES NOT REPRESENT OR WARRANT THE PRODUCTS AND SERVICES WILL BE AVAILABLE, ACCESSIBLE, UNINTERRUPTED, TIMELY, SECURE, ACCURATE, COMPLETE OR ENTIRELY ERROR-FREE. YOU MAY NOT RELY ON ANY REPRESENTATION OR WARRANTY REGARDING THE SERVICES MADE BY ANY THIRD PARTY IN CONTRAVENTION OF THE FOREGOING STATEMENTS. ISO SPECIFICALLY DISCLAIMS ALL REPRESENTATIONS, WARRANTIES AND CONDITIONS WHETHER EXPRESS OR IMPLIED, ARISING BY STATUTE, OPERATION OF LAW, USAGE OF TRADE, COURSE OF DEALING, OR OTHERWISE, INCLUDING BUT NOT LIMITED TO, WARRANTIES OR CONDITIONS OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, OR TITLE WITH RESPECT TO THE SERVICES. YOU UNDERSTAND AND AGREE THAT ISO SHALL BEAR NO RISK WITH RESPECT TO YOUR SALE OF YOUR PRODUCTS OR SERVICES INCLUDING, WITHOUT LIMITATION, ANY RISK ASSOCIATED WITH CARD FRAUD, PENALTIES OR CHARGEBACKS. ISO MAKES NO WARRANTY THAT THE SERVICES WILL MEET YOUR REQUIREMENTS, NOR DOES ISO MAKE ANY WARRANTY AS TO THE RESULTS THAT MAY BE OBTAINED FROM THE USE OF THE SERVICES OR AS TO THE ACCURACY OR RELIABILITY OF ANY INFORMATION OBTAINED THROUGH USE OF THE SERVICES.

15. Hold Harmless. To the extent permissible under applicable law, you agree to hold harmless Member Bank and ISO, their respective affiliates, directors, officers, employees and agents from all claims, liabilities, loss, damage, and expenses of any nature (including fees and expenses of legal counsel and costs of litigation) arising from or in connection with: (a) any dispute or claim made by a Cardholder with respect to a Card transaction, including but not limited to, any such dispute concerning the quality, fitness or delivery of merchandise or the performance or quality of services; and (b) your failure to comply with the provisions of this Agreement, Payment Brand Regulations or applicable federal, state or local laws and regulations. You acknowledge and agree that, in addition to clearing and settling Transactions, Member Bank collects fees, costs, and other charges due under this Agreement at ISO's instruction. You agree that Member Bank has no duty to verify, audit, review or otherwise oversee the fees, costs, or other charges that Member Bank collects from you and you hereby release Member Bank, hold Bank harmless from, and agree not to sue Member Bank alleging any overcharges or other billing claims under this Agreement.

16. CHOICE OF LAW; JURISDICTION; WAIVER. THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF IN WHICH YOU ARE LOCATED. YOU, MEMBER BANK AND ISO HEREBY IRREVOCABLY AND UNCONDITIONALLY: (A) AGREE THAT ANY ACTION, SUIT OR PROCEEDING BY ANY PERSON ARISING FROM OR RELATING TO THIS AGREEMENT OR ANY STATEMENT, COURSE OF CONDUCT, ACT, OMISSION OR EVENT OCCURRING IN CONNECTION WITH THIS AGREEMENT (COLLECTIVELY, "RELATED LITIGATION") MUST BE BROUGHT IN A STATE OR FEDERAL COURT OF COMPETENT JURISDICTION IN THE COUNTY AND STATE IN WHICH YOU ARE LOCATED; (B) SUBMIT TO THE JURISDICTION OF SUCH COURTS; (C) WAIVE ANY OBJECTION WHICH IT MAY HAVE AT ANY TIME TO THE LAYING OF VENUE OF ANY RELATED LITIGATION BROUGHT IN ANY SUCH COURT; (D) WAIVE ANY CLAIM THAT ANY SUCH RELATED LITIGATION HAS BEEN BROUGHT IN AN INCONVENIENT FORUM, AND WAIVE ANY RIGHT TO OBJECT, WITH RESPECT TO ANY RELATED LITIGATION BROUGHT IN ANY SUCH COURT, THAT SUCH COURT DOES NOT HAVE JURISDICTION OVER YOU OR ISO; (E) CONSENT AND AGREE TO SERVICE OF ANY SUMMONS, COMPLAINT OR OTHER LEGAL PROCESS IN ANY RELATED LITIGATION BY REGISTERED OR CERTIFIED U.S. MAIL, POSTAGE PREPAID, TO YOU AT THE ADDRESS IN THE APPLICATION AND CONSENTS AND AGREES THAT SUCH SERVICE SHALL CONSTITUTE IN EVERY RESPECT VALID AND EFFECTIVE SERVICE (BUT NOTHING HEREIN SHALL AFFECT THE VALIDITY OR EFFECTIVENESS OF PROCESS SERVED IN ANY OTHER MANNER PERMITTED BY LAW); AND (E) WAIVE THE RIGHT TO TRIAL BY JURY IN ANY RELATED LITIGATION. THE PREVAILING PARTY IN ANY RELATED LITIGATION SHALL BE ENTITLED TO RECOVER ITS REASONABLE ATTORNEY'S FEES, COST AND EXPENSES.

17. LIMITATION OF LIABILITY. TO THE FULLEST EXTENT PERMITTED BY LAW, NO CLAIM MAY BE MADE BY YOU AGAINST MEMBER BANK OR ISO OR ANY OF THEIR RESPECTIVE AFFILIATES, DIRECTORS, OFFICERS, EMPLOYEES OR AGENTS OF ANY OF THEM FOR ANY SPECIAL, INCIDENTAL, INDIRECT, CONSEQUENTIAL OR PUNITIVE DAMAGES IN RESPECT OF ANY CLAIM ARISING FROM OR RELATING TO THIS AGREEMENT OR ANY STATEMENT, COURSE OF CONDUCT, ACT, OMISSION OR EVENT OCCURRING IN CONNECTION WITH THIS AGREEMENT UNLESS SUCH CLAIM ARISES FROM THE WILLFUL MISCONDUCT OF THE MEMBER BANK OR ISO AND YOU HEREBY WAIVE, RELEASE AND AGREE NOT TO SUE UPON ANY SUCH CLAIM FOR ANY SUCH DAMAGES, WHETHER SUCH CLAIM PRESENTLY EXISTS OR ARISES HEREAFTER AND WHETHER OR NOT SUCH CLAIM IS KNOWN OR SUSPECTED TO EXIST IN ITS FAVOR.

18. CONFIDENTIAL INFORMATION. You will not use for any purpose other than contemplated by this Agreement, will not disclose to any third party, and will cause your employees, independent contractors, and agents to not use or disclose, any term of this Agreement, the Services, or any information learned about the business practices and ways in which ISO conducts business that is not generally known to others, including without limitation details about the Services, any data or information that is a trade secret or competitively sensitive such as computer software and documentation, data and data formats, and financial information (collectively, "Confidential Information"). You will inform ISO of any request by a court or government agency to disclose such Confidential Information to enable ISO to waive the provisions of this Section or defend the nondisclosure. You will not be obligated to maintain the confidentiality of Confidential Information: (i) you are required to reveal in performing your obligations under this Agreement, (ii) that is or becomes within the public domain through no act of yours in breach of this Agreement, (iii) was legitimately in your possession prior to its disclosure under this Agreement, and you can prove that, or (iv) is required to be disclosed by state or federal law, provided that you provide ISO with notice and an opportunity to oppose the disclosure. In the event of a breach of this section, the parties agree that ISO will suffer irreparable harm, and that the amount of monetary damages would be impossible to calculate. Thus, ISO will be entitled to injunctive relief in addition to any other rights to which it may be entitled, without the necessity of proof of actual damages or the requirement of a bond. This Section will survive termination of this Section.

Terms in Section 19 Below Are Additional Terms Applicable Specifically to American Express Card Acceptance (capitalized terms below not defined elsewhere in the Agreement shall have the meanings assigned in the American Express Network Rules). With respect to participation in an American Express acceptance program, in the event of a conflict between the terms below and other terms of this Agreement, the terms below shall control with respect to American Express transactions only. Merchant shall be bound by American Express Network Rules, including the Merchant Operating Guide, as it may be updated from time to time by American Express: www.americanexpress.com/merchantsguide. In the event of conflict or inconsistency between the Operating Guide and any other relevant document, the Operating Guide will prevail.

19. AMERICAN EXPRESS OPTBLUE® TERMS AND CONDITIONS.

- a. Transaction Data. Merchant authorizes ISO and/or its affiliates to submit American Express Transactions to, and receive settlement on such Transactions from, American Express or Bank on behalf of Merchant.
- b. Marketing Message Opt-Out. Merchant may opt-out of receiving future commercial marketing communications from American Express by contacting ISO. Note that Merchant may continue to receive marketing communications while American Express updates its records to reflect this choice. Opting out of commercial marketing communications will not preclude Merchant from receiving important transactional or relationship messages from American Express.
- c. Conversion to American Express Direct Merchant. Merchant acknowledges that it may be converted from American Express Card OptBlue program to a direct relationship with American Express if and when its Transaction volumes exceed the eligibility thresholds for the OptBlue program. If this occurs, upon such conversion, (i) Merchant will be bound by American Express' then-current Card Acceptance Agreement; and (ii) American Express will set pricing and other fees payable by Merchant.
- d. American Express as Third Party Beneficiary. Notwithstanding anything in the Agreement to the contrary, American Express shall have third-party beneficiary rights, but not obligations, to the terms of this Agreement applicable to American Express Card acceptance to enforce such terms against Merchant.
- e. American Express Opt-Out. Merchant may opt out of accepting American Express at any time without directly or indirectly affecting its rights to accept Cards bearing Marks of other Payment Brands.
- f. Refund Policies. Merchant's refund policies for American Express purchases must be at least as favorable as its refund policy for purchase on any other Card Network, and the refund policy must be disclosed to Cardholders at the time of purchase and in compliance with Law. Merchant may not bill or attempt to collect from any Cardholder for any American Express Transaction unless a Chargeback has been exercised, Merchant has fully paid for such Chargeback, and it otherwise has the right to do so.
- g. Establishment Closing. If Merchant closes any of its Establishments, Merchant must follow these guidelines: (i) notify ISO immediately; (ii) policies must be conveyed to the Cardholder prior to completion of the Transaction and printed on the copy of a receipt or Transaction record the Cardholder signs; (iii) if not providing refunds or exchanges, post notices indicating that all sales are final (e.g., at the front doors, by the cash registers, on the Transaction record and on websites and catalogs); (iv) return and cancellation policies must be clearly disclosed at the time of sale; and (v) for Advance Payment Charges or Delayed Delivery Charges, Merchant must either deliver the goods or services for which Merchant has already charged the Cardholder or issue Credit for any portion of the Transaction for which Merchant has not delivered the goods or services.
- h. Merchant shall not assign to any third party any payments due to it under American Express Card Acceptance, and all indebtedness arising from Transactions will be for bona fide sales of goods and services (or both) at Merchant's business locations and free of liens, claims, and encumbrances other than ordinary sales taxes; provided, however, that the Merchant may sell and assign future Transaction receivables to Member Bank/ISO, its affiliated entities and/or any other cash advance funding source that partners with Member Bank/ISO or its affiliated entities, without consent of American Express. Notwithstanding the foregoing, Member Bank/ISO prohibits Merchant from selling or assigning future Transaction receivables to any third party.
- i. Member Bank/ISO shall have the right to terminate Merchant's participation in American Express Card Acceptance immediately upon written notice to Merchant (i) if Merchant breaches any of the provisions of this Agreement, or (ii) for cause or fraudulent or other activity, or upon American Express' request. In the event Merchant's participation in American Express Card Acceptance is terminated for any reason, Merchant must immediately remove all American Express branding and marks from Merchant's website and wherever else they are displayed.
- j. Merchant must accept American Express as payment for goods and services (other than those goods and services prohibited by these provisions, the Agreement, or the Payment Brand Regulations) sold, or (if applicable) for charitable contributions made at all of its business locations and websites, except as expressly permitted by state statute. Merchant is jointly and severally liable for the obligations of Merchant's business locations and websites under the Agreement.
- k. In the event that Merchant or Member Bank/ISO is not able to resolve a claim against American Express, or a claim against Member Bank/ISO or any other entity that American Express has a right to join in resolving a claim, the Merchant Operating Guide explains how claims can be resolved through arbitration. Merchant or American Express may elect to resolve any claim by individual, binding arbitration. Claims are decided by a neutral arbitrator.
- l. Any and all Cardholder information is confidential and the sole property of the applicable issuer, American Express or its affiliates. Except as otherwise specified, Merchant must not disclose Cardholder information, nor use nor store it, other than to facilitate Transactions at Merchant's business locations and websites in accordance with the Agreement.
- m. Merchant must ensure that it and any third parties it enlists to facilitate Transactions processing complies with the American Express Technical Specifications (available at www.americanexpress.com/merchantsguide) (valid and accurate data must be provided for all data elements in accordance with the American Express Technical Specifications). Failure to comply with the American Express Technical Specifications may impact Merchant's ability to successfully process Transactions. Merchant may be assessed non-compliance fees if Merchant fails to comply with the Technical Specifications. To ensure compliance with the Technical Specifications, Merchant should work with Member Bank/ISO.
- n. American Express Right to Modify or Terminate Agreement. American Express has the right to modify the Agreement with respect to American Express Card transactions or to terminate Merchant's acceptance of American Express Card transactions and to require ISO to investigate Merchant's activities with respect to American Express Card transactions.

Terms in Section 20 Below Are Additional Terms Applicable Specifically to Merchant's Acceptance of ACH Transactions and Check 21 Transactions. If Merchant elects to accept ACH Transactions and Check 21 Transactions, in the event of a conflict between the terms below and other terms of this Agreement, the terms below shall control with respect to ACH Transactions and Check 21 Transactions only.

20. ACH AND CHECK 21 TERMS AND CONDITIONS.

- a. Services. With respect to ACH Transactions, ISO shall be the ACH processor through which debit and credit transactions are submitted to the ACH Network in conjunction with ACH check processing origination and settlement services. With respect to transactions involving substitute check Images permitted under Check 21, ISO provides capture services which facilitates the processing of the substitute check Images with financial institutions in the Federal Reserve System.
- b. Definitions. The following terms used in this Section 20 shall have the meaning specified below:

"ACH Transaction": An electronic payment transaction originated by Merchant and processed through the ACH Network in the Federal Reserve System.

"Administrator": The Merchant's employee who has been designated as Merchant's primary contact with ISO for the Services and has been appointed by Merchant to manage the administration of Services access, including passwords, and communicate authorizations to ISO.

"Bank of First Deposit": In a Check 21 Transaction, the financial institution which receives the Entry from ISO and transmits the Entry through the Federal Reserve Bank system for transmittal to the Customer's financial institution for debit or credit to the Customer's account.

"Check 21": The Check for the 21st Century (Check 21) Act and all regulations pertaining to the Check 21 Act.

"Check 21 Transaction": An electronic payment transaction utilizing a Substitute Check Image permitted by Check 21.

"Customer": Merchant's customer who submits a payment to Merchant by means of a paper check or ACH transfer.

"Entry": A transaction submitted by Merchant for processing by the Services and further defined in the NACHA Rules.

"Image": The image that results from an electronic scan of a paper check by Merchant.

"NACHA Rules": The then-current rules, regulations and procedural guidelines published by the National Automated Clearing House Association ("NACHA") and/or all regional payment alliances associated with NACHA.

"Originating Depository Financial Institution" or "ODFI": In an ACH Transaction, the financial institution which receives the Entry from ISO and transmits the Entry to its ACH Operator for transmittal to a Receiving Depository Financial Institution for debit or credit to the Customer's account, as these terms are further defined in the NACHA Rules.

"Services": The ACH processing services and/or the Check 21 processing services provided to Merchant under this Agreement.

"Settlement Account": A commercial demand deposit bank account which Merchant has established for ISO's access and use to settle financial payment transactions processed by ISO on behalf of Merchant.

"Substitute Check": The electronic Image of a paper check, as defined in Check 21.

- c. Set-Up of Services. ISO shall provide the Services selected by Merchant in its application. Merchant shall utilize and access the Services in accordance with the terms of this Agreement and the practices and procedures established by ISO for the Services which have been communicated in writing to Merchant. As part of the Merchant set-up and boarding process, ISO will provide Merchant with an administrative and gateway user name and password to access the Services. Merchant will designate an Administrator who shall be the sole individual vested with the authority to determine who will be authorized to use the Services; establish separate passwords for each user; and establish limits on each user's authority to access information and conduct transactions. Merchant is responsible for the actions of its Administrator, the authority the Administrator gives others to act on Merchant's behalf, and the actions of the persons designated by the Administrator to use the Services. Merchant shall take reasonable security procedures and practices to safeguard the confidentiality of the passwords; limit access to its passwords solely to persons who have a need to know such information; closely and regularly monitor the activities of employees who access the Services; and prohibit its employees and agents from initiating entries in the Services without proper authorization and supervision and adequate security controls.

- d. Delivery of Services. ISO will provide Services for the Entry types indicated in the Merchant set-up and boarding documentation. ISO reserves the right to withdraw the Services provided generally to its customers including Merchant for individual Entry types from general market availability and coverage under this Agreement upon ninety (90) days prior written notice to Merchant. To the extent reasonably possible, ISO will first attempt to process an Entry in the Services as an ACH Transaction, unless the Entry has clearly been designated to be processed as a Check 21 Transaction, provided the Entry fully qualifies to be processed as an ACH Transaction according to applicable NACHA Rules and ISO has received all of the required information from the image or paper check necessary to process the transaction as an ACH Transaction. If the Entry cannot be processed as an ACH Transaction for any reason, then ISO will process the Entry in the Services as a Check 21 Transaction. Prior to submitting an Entry to ISO for processing, Merchant shall secure all authorizations and approvals from its Customer and deliver any notifications pertaining to that Entry which are required by the NACHA Rules and/or applicable laws and regulations. Merchant shall be responsible for the accuracy and propriety of all Entries submitted to ISO for processing. If Merchant utilizes a scanner to create Images which are delivered to ISO for processing, Merchant shall be solely responsible to ensure the accuracy and completeness of the Image transmitted to ISO for processing. Merchant acknowledges that ISO has specific processing deadlines imposed by its ODFI and the ACH Operator for ACH Transactions and by the Bank of First Deposit for Check 21 Transactions. Files received by the deadline will be transmitted that day to the Federal Reserve Bank for settlement on the effective entry day. Files received after the deadline will be processed the next Banking Day as defined in the NACHA Rules. For Check 21 Transactions, ISO will not be responsible for printing any Substitute Checks which may be required by a financial institution in order to receive and process the Entry. In the event of any conflicts in the instructions received by ISO regarding Merchant or any Entries relating to them, ISO may at its option and with or without notice, hold or interplead, comply with the legal process or other order, or otherwise limit access by Merchant or by ISO to the funds, Entries or proceeds thereof.

- e. Recoupment and Set-Off. Merchant shall immediately reimburse ISO for any returns or shortfalls that occur in Merchant's Settlement Account. ISO reserves the right to delay the availability of funds for deposit without prior written notices to Merchant if, in its sole discretion, ISO deems itself at financial or relative risk for any and all Services performed under this Agreement. Merchant hereby acknowledges and agrees that ISO shall have a right of setoff against any amounts ISO would otherwise be obligated to deposit into Merchant's account, and any other amounts ISO may owe Merchant under this Agreement.

f. **Additional Merchant Responsibilities.** All checks deposited electronically by Merchant through use of the Services shall be subject to the following requirements: (i) The original paper check will not be deposited through the Services more than once; (ii) All checks will conform to the requirements of Merchant's deposit agreement with its financial institution; (iii) All checks will conform to the requirements of the applicable NACHA Rules and Check 21; and (iv) Merchant shall review and validate the accuracy and completeness of the check data being captured including but not limited to the amount of the check and the legibility of the check image generated from use of the Services. Merchant shall be solely responsible for the selection, use and operation of the scanner equipment used to capture the image using the Services, including the quality of the image results generated from the scanner. Any scanner used by Merchant with the Services must meet the technical specifications for scanners published by ISO in order to be deemed compatible with the Services. Any purchase or lease of scanners by Customer from ISO or a Reseller for its use shall be transacted between Merchant and ISO or a Reseller in a separate equipment purchase/lease agreement. Merchant shall be solely liable and responsible for all damages, losses, expenses and claims arising from any of the following: (i) Duplication of Images transmitted by Merchant to ISO through the Services; (ii) Alteration of scanned Images not caused by ISO's Services; (iii) Deposit of checks on accounts with insufficient funds, counterfeit checks, fraudulent checks, or checks bearing unauthorized or forged endorsements; (iv) Acts of fraud, negligence or willful misconduct committed by employees of Merchant in depositing checks using the Services; (v) Hardware failure not caused by ISO's Services; or (vi) Merchant's failure to properly store or destroy original checks once the scanned image has been captured. Merchant shall hold ISO harmless from any damages, losses, expenses and claims which arise from the foregoing events not caused by ISO.

g. **Pricing and Payment.** Merchant shall pay ISO the fees, penalties and charges for the Services set forth in the Application and Fee Schedule and such fees, penalties and charges shall be considered Fees for all purposes of this Agreement.

h. **NACHA Rules and ISO Guidelines.** Each party shall comply with the then-current NACHA Rules which apply to ACH Transactions processed under this Agreement. In addition, ISO may publish to Merchant and other merchants its own standard operating and implementation guidelines for the Services with respect to specific NACHA Rules which will govern and apply to this Agreement as if set forth herein.

i. **Selection and Use of Hardware.** Merchant is solely responsible for the selection, use and operation of the hardware used to capture images of paper checks using the Service, including the quality of the scanned image results generated from the hardware. Hardware utilized must be certified for use with the Services in order to be deemed compatible with the Services.

j. **Third Party Processing Services.** AMS' third party processing services partners are providing some of the Services, and as a result, these third party services partners shall be an intended third party beneficiary of this Agreement. Each third party services partner shall have the right to enforce directly against Merchant, the terms of this Agreement which relate to the provision of the third party services partner's processing services to Merchant and the ownership and protection of the intellectual property rights of the third party services partner and its licensors in and to its processing services. Merchant acknowledges that the third party services partner shall have no responsibility or liability with regard to AMS' obligations to Merchant under this Agreement.

21. MISCELLANEOUS PROVISIONS.

a. You shall not subcontract, assign or transfer any interest, obligation or right under this Agreement without the prior written consent of Member Bank and ISO. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the parties and their successors or assigns. ISO and Member Bank may transfer their respective rights and responsibilities hereunder to another institution authorized by the Payment Brand Regulations to hold such rights without your consent.

b. This Agreement may be modified by Member Bank to comply with any amendments or additions to the Payment Brand Regulations or as required by applicable law or regulation upon 30 days prior written notice to you.

c. No party shall, by the mere lapse of time, without giving notice or taking other action, be deemed to have waived any of their rights under this Agreement. No waiver of a breach of this Agreement shall constitute a waiver of any prior or subsequent breach of this Agreement.

d. In order to maintain quality service, Member Bank or ISO may monitor or record your telephone communications.

e. No party shall be liable for any loss or damage due to causes beyond its control, including earthquake, war, fire, flood, power failure, acts of God or other catastrophes.

f. Each party and each person signing on behalf of a party represents and warrants that it has the full legal capacity and authority to enter into and perform the obligations of this Agreement without any further approval. Nothing in this Agreement shall be deemed to create a partnership, joint venture or any agency relationship between the parties.

g. This Agreement and the documents referenced herein constitute the entire understanding of the parties with respect to the subject matter of this Agreement, and all prior agreements, understandings and representations are terminated and canceled in their entirety.

h. If there is any conflict between a part of this Agreement and any present or future Payment Brand Regulation or applicable federal, state or local law or regulation, only the part of this Agreement that is affected shall be modified and that modification shall be limited to the minimum necessary to bring this Agreement within the requirements of the Payment Brand Regulation, law or regulation.

i. All notices, including invoices, given in connection with this Agreement, shall be in writing and shall be effective upon actual receipt. Notices shall be delivered to the appropriate party at its address set forth on the attached Disclosure Page.

j. You shall be liable for all taxes, except Member Bank and ISO's income taxes, required to be paid or collected as a result of this Agreement.

k. All of your obligations, warranties and liabilities incurred or existing as of the date of termination of this Agreement, including without limitation, your obligations with respect to subsequent Fees, Third Party Costs, Penalties or Dispute Items based upon Card transactions incurred prior to termination, shall survive termination and shall continue in full force and effect as if the termination had not occurred. The right to revoke credit as well as hold, retain or set off against amounts due to you, or to debit any of your Account(s), shall survive the termination of this Agreement and shall continue in full force and effect as if termination had not occurred.

l. No other person or entity may be deemed a third party beneficiary of this Agreement.

Disclosure Page
(Processor Copy)

Member Bank Information

Name: Merrick Bank, a Utah state chartered bank
Address: 135 Crossways Park Drive North, Suite A,
Woodbury, NY 11797
Phone: (800)267-2256

Important Member Bank Responsibilities

1. Member Bank is the **only party** to the Merchant Processing Agreement approved to accept Visa products directly from a Merchant.
2. Member Bank must be a principal (signer) to the Merchant Processing Agreement.
3. Member Bank is responsible for educating the Merchant on pertinent Visa U.S.A. Inc. Operating Regulations with which the merchant must comply.
4. Member Bank is responsible for and must provide settlement funds to the Merchant.
5. Member Bank is responsible for all funds held in reserve that are derived from settlement.

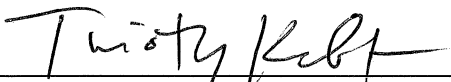
Merchant Information

Merchant Name: City of La Crosse
Merchant Address: 400 La Crosse St
La Crosse, WI 54601
Merchant Phone: (608) 789-7567

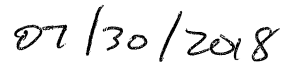
Important Merchant Responsibilities

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 Merchant Processing Agreement.
4. Comply with Visa Operating Regulations.

The responsibilities listed above do not supersede terms of the Merchant Processing Agreement and are provided to ensure Merchant understands some important obligations of each party.



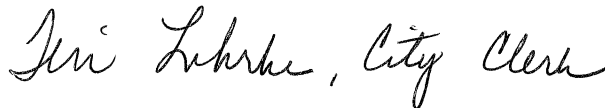
Merchant's Signature



Date



Merchant's Printed Name & Title



Disclosure Page
(Merchant Copy)

Member Bank Information

Name: Merrick Bank, a Utah state chartered bank
Address: 135 Crossways Park Drive North, Suite A,
Woodbury, NY 11797
Phone: (800)267-2256

Important Member Bank Responsibilities

1. Member Bank is the **only party** to the Merchant Processing Agreement approved to accept Visa products directly from a Merchant.
2. Member Bank must be a principal (signer) to the Merchant Processing Agreement.
3. Member Bank is responsible for educating the Merchant on pertinent Visa U.S.A. Inc. Operating Regulations with which the merchant must comply.
4. Member Bank is responsible for and must provide settlement funds to the Merchant.
5. Member Bank is responsible for all funds held in reserve that are derived from settlement.

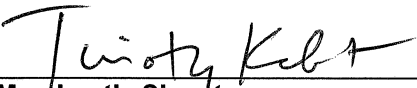
Merchant Information

Merchant Name: City of La Crosse
Merchant Address: 400 La Crosse St
La Crosse, WI 54601
Merchant Phone: (608) 789-7567

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3. Review and understand the terms of the Merchant Processing Agreement.
4. Comply with Visa Operating Regulations.

The responsibilities listed above do not supersede terms of the Merchant Processing Agreement and are provided to ensure Merchant understands some important obligations of each party.



Merchant's Signature

07/30/2018
Date

Timothy Kabat Mayor
Merchant's Printed Name & Title

