

1. FEES AND COSTS:

The Discount Rate for American Express Card acceptance is 2.15 percent. This rate is all-inclusive and the same for Card present and Card not present transactions. The Prepaid Card Discount Rate (gift card) is 1.15 percent.

American Express does not charge any settlement, authorization or statement fees. The preceding sentence notwithstanding, the Authorized User or the Authorized User's Processor may route Authorization (as defined in Section 2 of Schedule A of Exhibit F) requests through the Visa or MasterCard processing gateways to American Express and vice versa. Authorized Users understand and acknowledge that Visa and MasterCard charge fees to American Express for these Authorizations. American Express will pass on to the respective Authorized User such Gateway Fees when in a given month, the aggregate of such Authorized User's Authorization requests passing through the Visa and/or MasterCard processing gateways to American Express (i) exceeds 200 and (ii) constitutes 50 percent or more of all Authorization requests. Currently the Gateway Fee is \$0.001 per Charge.