

1. AGREEMENT TERM:

This Master Service Agreement (“MSA” or “Agreement”) shall be for a five (5) year term starting on the date of its execution by the State of California Department of General Services (“DGS”), as specifically noted on the attached Std 213 Standard Agreement (the “Effective Date”). DGS reserves the right to extend this Agreement for one additional two (2) year period at the same rates, excluding any third party fees, subject to the terms and conditions of this Agreement. This extension will require a written amendment to be fully executed and mutually agreed to by the parties.

2. CONTRACT MANAGEMENT:

Contractor must provide the name, address, telephone number, and e-mail address of the individual directly responsible for managing this Agreement on behalf of the Contractor to the State’s designated Contract Manager. Should the Contractor’s Contract Manager change or any of the contact information change, Contractor will provide written notice with the updated information as soon as reasonably possible after the change to the State’s Contract Manager. Contractor is responsible for notifying all Authorized Users (as defined in Exhibit D) in writing of any changes to a contact person, address, phone numbers, or any other information deemed important to the day-to-day operation of the electronic payment acceptance program.

The Contract Manager for the State of California shall be as follows:

Julie Matthews
Department of General Services
Procurement Division
707 Third Street, 2nd Floor
West Sacramento, CA 95605
Phone: (916) 375-4612
Email: Julie.Matthews@dgs.ca.gov

Should the Contract Manager for the State of California change, the State must provide written notice with the updated information no later than ten (10) business days after the change to the Contractor’s Contract Manager.

3. GENERAL OVERVIEW OF SERVICES:

Contractor shall provide the services identified below according to this Agreement to the State of California agencies, local entities such as universities and city and county government offices, and states participating in the Western States Contracting Alliance (WSCA).

- a. Credit and Debit Card Processing (Category 1)**
- b. Web and Tel E-Check Processing (Category 2)**
- c. Electronic Check Conversion and Remote Deposit (Category 3)**

d. General Electronic Payment Services (Category 4)

4. MINIMUM SERVICE LEVEL AGREEMENTS:

Contractor shall provide electronic payment acceptance and processing services as follows:

a. General Service Level Agreements (All Categories)

Contractor will:

1. Allow for batch processing of transactions. Settle transactions as follows:

Transaction Day (Credit Card and Debit Card Charges received by 5:00 PM MST)^{2/}	Initiate^{1/} Funding to Authorized User's Account Via ACH
Monday	Tuesday
Tuesday	Wednesday
Wednesday	Thursday
Thursday	Friday
Friday	Monday
Saturday	Monday
Sunday	Monday

Transaction Day (e-Check and ACH Charges received by 2:00 PM MST)^{3/}	Initiate^{1/} Funding to Authorized User's Account Via ACH
Monday	Tuesday
Tuesday	Wednesday
Wednesday	Thursday
Thursday	Friday
Friday	Monday
Saturday	Monday
Sunday	Monday

^{1/} Includes Contractor's authorization to send funds from Contractor's bank to Authorized User's bank account.

^{2/} This table is applicable to Category 1

^{3/} This table is applicable to Categories 2-4

2. Provide to each Authorized User access to detailed statements and online reporting tools that provide sufficient information for each Authorized User to reconcile deposits and adjustments made to the Authorized User's designated bank account(s).
3. Provide a 24x7 Customer Support.
4. Maintain industry standard data privacy controls. In addition to any other remedies Authorized Users have under the MSA, Contractor and Authorized User agree to negotiate in good faith to address the administrative and financial obligations that may arise from any confirmed security breach caused by Contractor.
5. Annually, make Contractor's **SSAE16 SOC1 Type II** information available for review on Contractor's premises upon Authorized User's 30 days written notice. Authorized User's review shall take place during Contractor's normal business hours upon the signing of Contractor's confidentiality agreement. Authorized User's review does not include copying of such documents or taking of notes.
6. Be charged a penalty when the following occurs:
 - ii. Contractor is unable to provide continuous service and Contractor's system is not functional 1.1 percent of the time, measured on a monthly basis.
 - iii. Contractor is unable to settle transactions in the required timeframes as specified above in Section 4-a.1.

The penalty is calculated using the following formula: ((Gross Dollar Amount Delayed X Number of Days Delayed X Annual LIBOR rate as published daily in the Wall Street Journal) / 365 Days).

Authorized User and Contractor agree that the remedies described in Section 4-a.6 above are the sole and exclusive remedies, in addition to termination, available to Authorized User for Contractor's failure to comply with a Performance Standard in this Section 4.A.6.

b. Credit and Debit Card Processing (Service Category 1)

Contractor will:

1. Process for the Authorized User, MasterCard, Visa, American Express, Discover, JCB, Debit Cards, & Purchasing Cards in accordance with the operating rules of each of the named associations and pursuant to the obligations set forth in both Regulations Z and E of the Federal Reserve Bank.
2. Provide continuous service and Contractor's system shall be functional at a minimum 99.90 percent of the time. Scheduled maintenance will occur during Authorized User's non-business hours.

3. Provide Authorization and Settlement functions on behalf of Authorized User. Authorizations must be completed in real time with response times of no more than 2-12 seconds.
4. Permit the Authorized User to establish a pre-set number of transactions in a batch.
5. Deliver, at a minimum, the following standard reports:
 - i. Deposit Summary
 - ii. Transaction Reports
 - iii. Statements
 - iv. Interchange
 - v. Adjustments
 - vi. Chargebacks
 - vii. Authorizations
 - viii. Control for Duplicate Transmissions
6. Process Chargebacks, Voids, Cancels, Returns (partial and full) and Retrievals on behalf of the Authorized User. Chargebacks will be noticed to the Authorized User within 1 business day of receipt by the Contractor and the Contractor will provide all reasonable assistance to allow the Contractor to protest any Chargeback. Chargebacks and adjustments will be invoiced to the Authorized User for compensation.
7. Control for duplicate transactions.
8. Remain Payment Card Industry (PCI) compliant at all times.

c. Web And Tel E-Check Processing (Service Category 2)

Contractor will:

1. Provide alternate solutions to all Authorized Users, a direct web interface hosted by the Contractor, or an XML interface for Authorized Users that support their own web interface.
2. Provide solutions for IVR or telephone operator assisted interfaces.
3. Support industry standard privacy and National Automated Clearinghouse Association (“NACHA”) payor authorization, enrollment and disclosure requirements.
4. Satisfy the minimum requirements of NACHA for payor related user information (name, routing & transit number, account number, dollar amount) collection. Based on Authorized User’s instruction, create a secure and reusable database of payor’s data for recurring payments.

5. Validate the accuracy of that check data in the public domain (i.e. routing & transit number).
6. Provide timely (2-12 seconds) response for payment authorization.
7. Permit Authorized Users to void or cancel transactions and batches through a web interface.
8. Send an e-mail notification to the payor for each payment placed.
9. Settle all e-checks using the correct NACHA standard entry class code (WEB or TEL) through the Authorized User's designated bank account.
10. Respond accurately, on a same day basis, to all Notifications of Change ("NOC") received from the Authorized User's designated bank account.
11. Store transaction data securely and make that data available on-line, real time for a minimum of 120 calendar days, to Authorized Users using a Multi-Factor Authentication.
12. Report transaction activity for Authorized User's revenue reports, reconciliation, adjustments, voids, and cancels.

d. Electronic Check Conversion and Remote Deposit (Service Category 3)

Contractor will:

1. Provide Authorized Users with both web based and client software based paper check scanning utilities.
2. Allow Authorized Users to scan any check written on a checking or brokerage account domiciled at a United States financial institution including, but not limited to:
 - Consumer checks
 - Business checks
 - Travelers checks
 - Convenience checks
 - Money orders
 - Government checks
 - Cashiers checks
 - Official checks
3. Allow Authorized Users, using MICR and/or OCR scanning devices, to transmit Magnetic Ink Character Recognition ("MICR") lines or images of the front and back of checks to a central, secure scanner controlled by the Contractor.

4. Provide the following features in the check imaging process:
 - i. CAR/LAR¹
 - ii. Image Quality Assurance
 - iii. Control Totals
 - iv. Duplicate Check controls
 - v. MICR Line correction (configurable by MICR line component)
5. Using a hosted decision engine, convert all checks received at the central, secure server into:
 - i. Point of Presentation/Payment (“POP”) entries permitted by the rules and regulations of the NACHA (if all items can be converted to BOC, POP is optional).
 - ii. Back Office Conversion (“BOC”) entries permitted by the rules and regulations of the NACHA.
 - iii. Check 21 eligible images permitted under the rules and regulations formulated by the Federal Reserve Bank.
6. For those entries converted to POP or BOC, deliver correctly formatted and compliant Automated Clearinghouse debit files to the Authorized User’s bank for credit to the Authorized User’s designated bank account.
7. For those entries converted to Check 21 images, deliver correctly formatted and compliant X9.37 image files to the Authorized User’s bank for credit to the Authorized User’s designated bank account.
8. Provide Authorized User with access to electronically converted check history via a web interface or by delivering images of checks to the Authorized User by secure e-mail or by CD-ROM with image viewer and index.
9. Provide Authorized User with daily and monthly check processing (transaction and dollars) statistics and reconciliation data.
10. Provide Authorized User with industry standard individual user enrollment and authentication procedures that include a Multi-Factor Authentication.

e. General Electronic Payment Services (Service Category 4)

Contractor will:

1. Provide alternate Wire Transfer and Automated Clearinghouse (“ACH”) origination interfaces to include:
 - i. Secure web (https or better)

¹ Courtesy amount recognition (CAR)/ legal amount recognition (LAR) technology which allows machine recognition of optical character recognition data, hand printed data and machine printed data.

- ii. Secure IVR
 - iii. FTP or FSTP direct transmission
 - iv. Secure voice/operator assisted
2. Maintain payment instruction delivery solutions that meet or exceed the mandates of Uniform Commercial Code Division 4 Section 1.
 3. Support NACHA standard entry class codes PPD, CCD, CCD+, CTX, WEB, TEL.
 4. Permit Authorized Users to void or cancel transactions and batches through a web interface.
 5. Store transaction data securely and make that data available on-line, real time for a minimum of 120 calendar days.

5. DEMONSTRATIONS AND PILOT PROGRAMS:

Contractor agrees to conduct demonstrations and pilot programs, at the request of the State and/or an Authorized User, prior to implementation of an electronic payment acceptance program during the term of the contract. Specifically, if services in Categories 2 and 3 are requested, the State will require the Contractor to provide them on a “Pilot Program” basis to State of California agencies. Contractor and requesting State Authorized User may need approval from and shall work collaboratively with the State Treasurer’s Office (STO) and other State entities for successful implementation and monitoring of any Pilot Program.

6. TRAINING:

Upon Authorized User’s request, Contractor shall provide on-site training at no additional charge for initial implementation at a site designated by an Authorized User and no more frequently than quarterly thereafter.

Contractor shall complete initial implementation training to each Authorized User within 30 calendar days after set-up.

Each training session provided to an Authorized User shall be a minimum of four (4) hours, not to exceed eight (8) hours.

Trainer shall be provided by Contractor and shall have at least one year of related subject matter experience.

Contractor shall develop the training curriculum with input and final approval of the Authorized User. The curriculum shall be developed in accordance with the specific needs of each individual Authorized User.

Contractor shall track and report training attendance to each Authorized User.

Any and all travel expenses (i.e. air fare, food, lodging, car rental, gas, parking, other modes of transportation, telephone service, etc.) to and from the training site will be at the Contractor's expense and shall not be charged to the Authorized User.

Training attendees may not exceed thirty (30) individuals at any one training session.

The training site and all costs associated with facility costs (if any) shall be provided by the Authorized User.

Food and/or refreshments shall not be provided to attendees by Contractor at any time.

Training material and equipment shall be provided by the Contractor at the Contractor's expense and shall include the most recent version of the Contractor's Merchant Services Training Guide as described below. Contractor shall pay for all duplication, binding, and shipping costs of such training material. Contractor shall ensure that sufficient material is provided to all attendees.

Contractor shall provide a Training Guide both in hard copy (unlimited number as requested by Authorized User) and on-line for use by Authorized Users at no additional cost. The Training Guide must be approved by the DGS's Contract Manager and must be reviewed on an annual basis (at a minimum) and updated as necessary. The Training Guide shall include, at a minimum, but not be limited to the following:

- Step by step instructions
- Support Services
- Frequently Asked Questions and Answers

Authorized Users will have 24x7 access to the Online Merchant Services Training Guide, which will be posted on the following First Data Merchant Services website: <https://www.myclientline.net/>.

7. CUSTOMER SERVICE AND SUPPORT:

a. Authorized Users:

Contractor must provide contact information through the individual agreement with each Authorized User for problem resolution and inquiries. Any problems or inquiries regarding the direct reconciliation of an Authorized User's payment transactions, the transfer to the bank account or any other payment transactions involving the contractor shall be resolved by the contractor within three (3) business days from the date of the original inquiry. Other problems and inquiries will be addressed within five (5) business days from the date of the original contact.

Contractor's customer service representatives shall accurately and timely:

- Research and resolve concerns and provide immediate follow-up status/resolution.
- Resolve problems related to daily settlements and deposit variances.
- Coordinate and resolve complex reporting issues.
- Answer incoming telephone calls, e-mails, faxes, and letters.
- Log all problems/resolutions so that recurring problems can be tracked, reported and corrected.

Authorized Users shall be able to request a copy of any data file transmission that occurred within the required records retention period specified in this Agreement and have that data file available to them within forty-eight (48) hours after the request is made.

Contractor shall provide a technical liaison (live operator) available twenty-four (24) hours a day, 365 days a year for immediate response to data/technical needs such as, but not limited to, general inquires, point-of-sale and other payment channel assistance. Upon request, Contractor shall provide a written/electronic status report including a problem statement, proposed solution, and estimated time of problem resolution. Contractor's staff must be fully versed in electronic payment systems and fully capable of resolving any issues immediately.

b. Paying Parties:

Contractor shall provide knowledgeable customer assistance personnel for each type of payment channel for which it provides service.

8. PROGRAM WEBSITE:

Contractor shall create and regularly update a secure website for use by Authorized Users of this Agreement. This website shall include at a minimum, the following information:

- Link to the User Guide as described in the Training section of this Agreement.
- Link to industry related rules and regulations as described in this Agreement.
- Customer Service and Support Help desk telephone number.
- Frequently asked questions and answers.
- Link to report database (see Reporting Requirements of this Agreement)
- Ability for Authorized Users to subscribe to the website so that an e-mail notification is sent as the site is updated.

1. INVOICING AND PAYMENT:

- a. All Authorized Users are required to open a deposit account at an approved State financial institution that participates in the Automated Clearing House of the Federal Reserve System (ACH) to accept electronic payments via ACH under this MSA. For California State Authorized users this deposit account must be a Zero Balance Account (ZBA).
- b. Each Authorized User must provide the Contractor with the name, bank deposit account and ABA (bank routing) numbers of the financial institution where such Authorized User's deposit account is established. Further, Authorized user must notify Contractor of any changes to its financial institution, account, or ACH information over the course of the agreement. Each Authorized User must also notify its financial institution that the Contractor has access to the designated deposit account to make payments. Contractor does not have authority to debit any amounts from the Authorized User's deposit account.
- c. Contractor shall settle the total amount of charges less Chargebacks, credits and applicable adjustments and invoice Contractor's fees and Third Party Fees. Contractor shall not reduce any payment transaction for payment of fees and costs (as defined in Exhibit E - Fees and Costs). If Authorized User chooses to use a third party processor, Authorized User acknowledges that all fees will be settled to the third party processor. Further, Authorized User acknowledges and agrees that Contractor shall bill the third party processor for all fees due and owing by Authorized User hereunder. Notwithstanding the above, Authorized User shall be fully liable for any Contractor's fees and Third Party Fees, provided for in this Agreement.
- d. Contractor shall initiate payment to each Authorized User's designated deposit account in accordance with the schedule noted in Exhibit A, Section 4.1.a. If the payment transmittal date falls on a day that Contractor's bank is not open for processing payments, Contractor will initiate payment as soon as the Contractor's bank is open.
- e. Each Authorized User is responsible for paying for electronic payment acceptance services provided hereunder.
- f. Each Authorized User shall provide billing information (mailing address, contact person, etc.) as part of its individual Subscription Agreement executed with Contractor.
- g. Invoices shall be submitted in arrears to each Authorized User on Contractor's letterhead within 15 days of the end of each month and in accordance with the Prompt Payment Act. The invoice shall include:
 - The Agreement Number of the Subscription Agreement between the Authorized User and the Contractor.
 - The MSA number.
 - Authorized User Name.

MSA 5-10-99-01 Amendment 2
Exhibit B – Budget Detail and Payment Provisions

- Authorized User Merchant Number.
 - Time period covered.
 - Work completed for the period shall be identified (detailed statement of services rendered) as specified in the individual Authorized User's Subscription Agreement.
 - Contact information for billing comments or inquiries such as a telephone number, fax number, and address.
- h. Upon receipt of invoices and subsequent validation of such invoices by the Authorized User's designated representative(s), the Authorized User will pay the Contractor for fees and costs as specified in Exhibit E. State Authorized Users will promptly process the invoice and pay Contractor, or cause the State Controller to pay Contractor, for the amount due.
- i. Each Local Authorized User will promptly process the invoice and pay by either: (i) Contractor debiting such Local Authorized User's designated debit (payment) account, with the Local Authorized User's prior approval, or (ii) initiating ACH payment to the Contractor's demand deposit account.
- j. Contractor shall indicate Chargebacks and adjustments (including Credits) to Authorized Users in statements and reports as required pursuant to Section 4.b.5 of Exhibit A.
- k. The State does not accept liability of Local Authorized Users (cities, counties, local governments, political subdivisions etc.).

2. BUDGET CONTINGENCY CLAUSE:

- a. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under the Authorized User's Subscription Agreement does not appropriate sufficient funds for the program contemplated thereunder, the Authorized User's Subscription Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds to Contractor or to furnish any other consideration under the Agreement, provided, however, the Authorized User shall be responsible for any chargebacks, fees, fines or penalties by the Association resulting from any prior transactions.
- b. Except as set forth in Section 2-a, for State Authorized Users, if funding for any fiscal year is reduced or deleted by the Budget Act for purposes of the Authorized User's programs, the Authorized Users shall have the option to either (i) cancel Authorized User's Agreement with no liability occurring to the State, excluding any chargebacks, fees, fines or penalties by the Association, by providing Contractor immediate written notice or (ii) offer an agreement amendment to Contractor to reflect the reduced amount.
- c. In the event an Authorized User's Agreement is terminated pursuant to this Section 2, such Authorized User shall be responsible for payment of all amounts owed to Contractor up until the effective date of termination, provided, however,

MSA 5-10-99-01 Amendment 2
Exhibit B – Budget Detail and Payment Provisions

the Authorized User shall be responsible for all chargebacks, fees, fines or penalties by the Association after termination.

3. REPORTING REQUIREMENTS:

The Contractor shall deliver a Contract Activity Report to the DGS Contract Manager on a quarterly basis. This activity report (See Exhibit B Attachment I) will summarize the Contractor's MSA contract activity by payment category for each Authorized User and will contain the following information:

- Authorized User Name (department, agency, etc.)
- Authorized User's Merchant Number
- Dollar Volume by card type (*Amex. Discover, Visa, MC, Debit*) and/or payment solution
- Number of transactions by card type and/or payment solution
- Average Ticket by card type and/or payment solution
- Fees paid by payment solution and type (interchange, processor, convenience fees, other)

Contractor shall email reports (in Microsoft Excel format or compatible) to the State Contract Manager (referenced in Exhibit A, Section 2) and Masters@dgs.ca.gov.

Contractor shall provide equipment and software reporting information upon request.

4. PROMPT PAYMENT CLAUSE:

Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927.

5. CONTRACTOR OVERPAYMENTS:

If the Authorized User determines that an overpayment has been made to the Contractor, the Authorized User will seek recovery immediately upon discovery of the overpayment by calling the contractor service center to request a refund of the overpayment amount. If Contractor discovers they have received an overpayment, contractor must notify the Authorized user and refund the overpayment immediately.

Exhibit C –General Terms and Conditions (GTC 307 As Modified)

1. APPROVAL:

This Agreement is of no force or effect until signed by both parties and approved by the Department of General Services, if required. Contractor may not commence performance until such approval has been obtained.

2. ENTIRE AGREEMENT; AMENDMENT:

This Agreement constitutes and contains the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes any prior oral or written agreements. Each party acknowledges and agrees that the other has not made any representations, warranties or agreements of any kind or nature, except as expressly set forth herein. No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the parties.

3. ASSIGNMENT:

This Agreement is not assignable by the other party, either in whole or in part, without the consent of the other party in the form of a formal written amendment, provided, however, upon notification to DGS Contractor Manager, Contractor can assign any or all of its rights or delegate any or all of its obligations to an affiliate or an entity acquiring all or substantially all of the assets of Contractor.

4. AUDIT:

Contractor agrees that the awarding department, the Department of General Services, the Bureau of State Audits, or their designated representative shall have the right to review any records and supporting documentation pertaining to the performance of this Agreement. Contractor agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated. Contractor agrees to allow the auditor(s) access to such records during normal business hours upon advance notice.

5. INDEMNIFICATION:

Contractor agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any third party claims arising out of or in connection with Contractor's (its affiliates, employees, agents or representatives) (i) gross negligence or willful misconduct; (ii) breach of this Agreement; or (iii) actual infringement of any

Exhibit C –General Terms and Conditions (GTC 307 As Modified)

patent, copyright, trademark, service mark, trade secret or other proprietary right of a third party by the Contractor System or Services, except to the extent such claim is caused by, relates to or arises out of (a) State's failure to use the Contractor System or Services as permitted under this Agreement; or (b) State's use, assembly, configuration, operation, or combination of all or any part of the Contractor System, the Services, or any element, step, component, process, system, or portion of the Contractor System or the Services with all or any part of other software, equipment, services, processes, elements, steps, components, or systems not provided by Contractor or not expressly approved in writing by Contractor's intellectual property counsel and used as expressly approved by Contractor. Contractor will not indemnify State for Claims arising from any errors or omissions in any or non-compliance of information, scripts, Recipient lists, data or instructions State provides to Contractor for use in connection with the Contractor System or Services.

6. DISPUTES:

Contractor and the State shall continue with the responsibilities under this Agreement during any dispute.

7. TERMINATION FOR CAUSE: (Stricken in its entirety—See Exhibit D.9)

8. INDEPENDENT CONTRACTOR:

Contractor and the agents and employees of Contractor, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the State. Likewise, the State and the agents and employees of the State, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the Contractor.

9. RECYCLING CERTIFICATION:

The Contractor shall certify in writing under penalty of perjury, the minimum, if not exact, percentage of post consumer material as defined in the Public Contract Code Section 12200, in products, materials, goods, or supplies offered or sold to the State regardless of whether the product meets the requirements of Public Contract Code Section 12209. With respect to printer or duplication cartridges that comply with the requirements of Section 12156(e), the certification required by this subdivision shall specify that the cartridges so comply (Pub. Contract Code §12205).

Exhibit C –General Terms and Conditions (GTC 307 As Modified)

10. NON-DISCRIMINATION CLAUSE:

During the performance of this Agreement, Contractor and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, and denial of family care leave. Contractor and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement.

Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.

11. CERTIFICATION CLAUSES:

The CONTRACTOR CERTIFICATION CLAUSES contained in the document CCC 307 are hereby incorporated by reference and made a part of this Agreement by this reference as if attached hereto.

12. TIMELINESS:

Time is of the essence in this Agreement.

13. ANTITRUST CLAIMS:

The Contractor by signing this agreement hereby certifies that if these services or goods are obtained by means of a competitive bid, the Contractor shall comply with the requirements of the Government Code Sections set out below.

- a. The Government Code Chapter on Antitrust claims contains the following definitions:
 - 1). "Public purchase" means a purchase by means of competitive bids of goods, services, or materials by the State or any of its political subdivisions or public

Exhibit C –General Terms and Conditions (GTC 307 As Modified)

agencies on whose behalf the Attorney General may bring an action pursuant to subdivision (c) of Section 16750 of the Business and Professions Code.

- 2). "Public purchasing body" means the State or the subdivision or agency making a public purchase. Government Code Section 4550.
- b. In submitting a bid to a public purchasing body, the bidder offers and agrees that if the bid is accepted, it will assign to the purchasing body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the bidder for sale to the purchasing body pursuant to the bid. Such assignment shall be made and become effective at the time the purchasing body tenders final payment to the bidder. Government Code Section 4552.
 - c. If an awarding body or public purchasing body receives, either through judgment or settlement, a monetary recovery for a cause of action assigned under this chapter, the assignor shall be entitled to receive reimbursement for actual legal costs incurred and may, upon demand, recover from the public body any portion of the recovery, including treble damages, attributable to overcharges that were paid by the assignor but were not paid by the public body as part of the bid price, less the expenses incurred in obtaining that portion of the recovery. Government Code Section 4553.
 - d. Upon demand in writing by the assignor, the assignee shall, within one year from such demand, reassign the cause of action assigned under this part if the assignor has been or may have been injured by the violation of law for which the cause of action arose and (a) the assignee has not been injured thereby, or (b) the assignee declines to file a court action for the cause of action. See Government Code Section 4554.

14. CHILD SUPPORT COMPLIANCE ACT:

For any Agreement in excess of \$100,000, the contractor acknowledges in accordance with Public Contract Code 7110, that:

- a. The contractor recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and

Exhibit C –General Terms and Conditions (GTC 307 As Modified)

- b. The contractor, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.”

15. UNENFORCEABLE PROVISION

In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

16. PRIORITY HIRING CONSIDERATIONS:

If this Contract includes services in excess of \$200,000, the Contractor shall give priority consideration in filling vacancies in positions funded by the Contract to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with Public Contract Code §10353.

17. GOVERNING LAW; JURISDICTION

This Agreement and all Claims shall be governed by and will be construed and enforced according to the laws of the State of California without regard to internal principles of conflicts of law. Any action by either party will be brought in the appropriate federal or state court located in the County of Sacramento, State of California. Each party consents to the exclusive jurisdiction of such court and waives any claim of lack of jurisdiction or forum non conveniens.

18. COMPLIANCE WITH LAWS.

Each party will comply with all applicable laws, regulations, and Association rules.

Amendment 1 of Exhibit D – Special Terms and Conditions

1. AUTHORIZED USERS:

- a. Authorized Users means (i) State of California government entities that participate in this MSA (“State Authorized Users”), and (ii) Local government entities that participate in this MSA (“Local Authorized Users”), (iii) any Authorized User participating under the WSCA States.
- b. Pursuant to Government Code §11000, State of California government entities include every state office, officer, department, division, bureau, board, and commission. Pursuant to Public Contract Code §10298, and for purposes of this agreement, a Local government entity is any city, county, district, or other local governmental body or corporation empowered to expend public funds for the acquisition of goods, information technology, or services. Further, for purposes of this agreement, reference to Local government entities will also include the California State Universities (CSU) and University of California (UC) systems, school districts and community colleges.
- c. The State of California works collaboratively with its Western States Contracting Alliance “WSCA” or “WSCA State”) partners to make this Agreement available to any WSCA State wishing to participate. The participating WSCA State will agree to the same terms and conditions of this Agreement, and any mutually agreeable specific terms and conditions as outlined below in Section 1-f. Therefore, a WSCA participating addendum will be mutually developed between the Contractor and the interested WSCA state(s).
- d. This Master Services Agreement (MSA) is available for State of California government entities that seek to acquire credit card payment acceptance services. Each entity is required to adhere to Department of General Services (DGS) contract and procurement policy and procedures. See the following link for the State of California Agency List (exclude any local government agencies described above): <http://www.ca.gov/About/Government/agencyindex.html>
- e. This MSA is available for local government and WSCA State entities’ use. Contractor may enter into this MSA with such local government and WSCA States entities, after Contractor determines, in its sole discretion, that such local government and WSCA State entities have been credit approved by Contractor. Local government entities may execute a contract under this MSA using the standard form Std. 213 or appropriate equivalent contract form. WSCA states may execute using a participating addendum form. Upon execution of the respective contract forms and/or the Selected Services Signature Page, Exhibit D Attachment III, they shall become Authorized Users and the provision of services by the Contractor to such Authorized Users will be governed by the terms of this MSA.
- f. However, the Contractor and Local government and WSCA entities may negotiate the specific provisions cited below. If the parties cannot mutually agree, neither party shall be obligated to enter into an agreement.
 - Amount of SLA Penalty (Exhibit A, Section 4 a. 6)
 - Invoicing and Payment Provisions (Exhibit B, Section 1)

Amendment 1 of Exhibit D – Special Terms and Conditions

- Governing Law, Jurisdiction (Exhibit C, Section 17)
- Authorized User's additional agency specific terms and conditions (noted in Exhibit D, Section 2)
- First Data Merchant Services Standard Proposed WSCA/Local Negotiation Language (Appendix 1)

2. AUTHORIZATION TO RENDER SERVICES:

Contractor may not decline a State of California government entity's request to utilize services offered under this Agreement.

Prior to rendering services, Contractor and each Authorized User (as applicable) must execute a separate subscription agreement that incorporates the terms of this MSA by reference and may contain additional agency specific terms and conditions, none of which may alter, rescind, or be in conflict with the terms and conditions of this MSA. For State Authorized Users, such Subscription Agreement shall be in the form of the standard agreement, Std. 213. The duly executed Std. 213 and the appropriate equivalent contract form for Local/WSCA Authorized Users are herein referred to as the "Subscription Agreement".

The Subscription Agreement shall describe the particular requirements of the Authorized User, usually reflected in detailed scope of work and invoicing contact information. State Authorized User's Subscription Agreements shall be processed in accordance with State contracting laws, policy, and procedures. Further, Authorized Users will be required to complete the Authorized User Participation form by selecting services and providing the applicable related information (See Exhibit D Attachment I). In addition, both the Authorized User and Contractor must sign the signature blocks for each corresponding selected service on the Selected Services Signature Page (See Exhibit D Attachment II for State Authorized Users or Attachment III for Local/WSCA Authorized Users), which should directly follow the signed STD 213 document (or other applicable contract page 1) in the Authorized User's Subscription Agreement.

3. ORDER OF PRECEDENCE:

In the event of any inconsistency between articles, attachments, specifications or provisions which constitute this Agreement, the following order of precedence shall apply:

- a. All federal, state, local laws and regulations
- b. Exhibit C Terms & Conditions
- c. Exhibit A Scope of Services
- d. Exhibit B Budget and Payment Provisions
- e. Exhibit D Special Terms & Conditions
- f. State of California Standard Agreement (STD 213)
- g. Exhibit E Fees and Costs

Amendment 1 of Exhibit D – Special Terms and Conditions

- h. Exhibit F Equipment
- i. Exhibit G Agreement For Merchant Processing Services
- j. All Association rules, Debit Networks rules, and NACHA rules.
- k. Exhibit H-K (as applicable)

4. SECURITY, PRIVACY, DISCLOSURE, & HIPAA COMPLIANCE:

The parties acknowledge that this Agreement is subject to the California Public Records Act (Govt. Code section 6250 et seq.), California Government Code sections 6164 and 11019.9; and California Civil Code Section 1798 et seq; and the applicable provisions of the Health Insurance Portability and Accountability Act of 1996 (Code of Federal Regulations (CFR), Title 45, Sections 164.501 et seq. and HIPAA requirements posted on the California Office of HIPAA Implementation (CalOHI) webpage at: <http://www.hipaa.com/legislation/45CFR-164.501.html>

Authorized Users agree not to disclose Cardmember account numbers and/or Card Identification Numbers (“CIDs”) unless required by law or other legal process, or for internal State purposes.

Contractor agrees it will not use the names, addresses, and any other personally identifying information of State, city, county, school, or other public employees for any purpose not directly related to this Agreement.

5. REGULATORY AUTHORITIES (Industry Related Rules and Regulations):

Contractor and State warrants and certifies that prior to, and in the performance of this Agreement, it will acquire, maintain, and remain in compliance with all mandatory regulatory approvals with respect to its performance under this Agreement required by any applicable governmental agency having jurisdiction. If such regulatory approvals are not obtained prior to the performance of this Agreement, this Agreement shall be of no force or effect.

6. LICENSES AND PERMITS:

Contractor shall be responsible for obtaining and maintaining at its expense all applicable licenses, registrations, permits, and certifications applicable to its performance under this Agreement during the entire term of this Agreement required by federal law, the State of California, and local jurisdictions in California.

7. INSURANCE & BONDING:

Contractor agrees that the liability insurance herein provided for and employee fidelity bond insurance policies covering all employees engaged in the performance of this Agreement shall be in effect at all times during the term of this Agreement. If insurance or bonding coverage expires at any time during the term of this Agreement and those Subscription Agreements executed directly with the

Amendment 1 of Exhibit D – Special Terms and Conditions

Authorized Users, Contractor agrees to provide to the Authorized Users, upon expiration of coverage, a new certificate of insurance evidencing the renewal of such insurance coverage as provided for herein. New certificates of insurance are subject to the approval of the Department of General Services, such approval not to be unreasonably withheld.

The Contractor agrees to maintain commercial general liability, and employee fidelity bond insurance policies of not less than \$1,000,000 per occurrence and \$3,000,000 in aggregate and worker's compensation insurance in accordance with applicable statutory requirements.

The Contractor shall furnish to the State and/or Authorized Users certificates of insurance stating each type and amount of insurance, as set forth above, is presently in effect for Contractor.

8. SUBCONTRACTORS:

Each party (Contractor or Authorized User) is responsible, without recourse to the other party, for the settlement and satisfaction of its own contractual and administrative obligations arising out of each party's respective subcontracts to render (in the case of Contractor) or receive (in the case of Authorized Users) the services outlined in this Agreement.

9. TERMINATION:

- a. The State may terminate the MSA and any Authorized User may terminate its respective Subscription Agreement for cause upon a reasonable and good faith determination that the Contractor failed to perform the requirements of this Agreement at the time and in the manner herein provided.
- b. In the event of a breach, the State or Authorized User may elect to send the Contractor a notice specifying the breach and providing the Contractor an opportunity to cure the breach within a period of time no less than thirty (30) days "Cure Period". If the breach is not cured within the Cure Period, the State or Authorized User has the right to terminate the Agreement upon thirty (30) days notice to the Contractor.
- c. The State may terminate the MSA without cause upon sixty (60) days advance written notice to the Contractor. Authorized Users may terminate their respective Subscription Agreements without cause upon sixty (60) days advance written notice to the Contractor. In the event of a termination without cause, Contractor shall not be responsible for any costs to the State or an Authorized User associated with such termination and any sum due the Contractor under this Agreement (which sum due to the Contractor shall include, but not be limited to, fees as set forth in this Agreement) for Charges up to the date of a termination shall be paid to the Contractor within thirty (30) days of termination, excluding any Chargebacks, fees, fines or penalties owed by the State or Authorized User after termination.

Amendment 1 of Exhibit D – Special Terms and Conditions

- d. After receipt of a notice of termination by the State, or an Authorized User, and except as otherwise directed by the State or Authorized User, Contractor shall:
 - (i) Stop work as specified in the notice of termination.
 - (ii) Place no further subcontracts for materials, services, or facilities, except as necessary to complete the continuing portion of the Agreement.
 - (iii) Terminate all subcontracts to the extent they relate to the work terminated.
 - (iv) After receipt of a notice of termination and prior to the contract termination effective date, Contractor agrees to diligently proceed without interruption in the performance of this Agreement. Contractor's failure to diligently proceed in accordance with this Agreement shall be considered a material breach of this Agreement.
- e. Unless otherwise provided in the Authorized User's Subscription Agreement, in the event the State of California MSA is terminated, such termination shall have no effect on the Local/WSCA Authorized Users and the terms and conditions of the MSA shall continue to remain in full force and effect with respect to Local/WSCA Authorized Users.

10. PHASE IN & PHASE OUT TRANSITION SERVICES:

Prior to the end of this Agreement's contract term, or if this Agreement is terminated by the State, Contractor agrees to reasonably assist in transitioning the services provided under this Agreement within a period of time, not to exceed one hundred eighty (180) day calendar period. Contractor shall cooperate with any new contractor(s) and State staff in effectuating an orderly transition.

11. DISPUTE RESOLUTION:

In the event a dispute arises with respect to the interpretation or performance of, or the relationship created by, all or any part of this Agreement, the parties will attempt in good faith to resolve the dispute.

12. FINANCIAL AND OTHER INFORMATION:

- a. Authorized User may elect to make its financial statements readily available to the public. However, with respect to State Authorized Users, the posting of such financial information at the <http://www.ebudget.ca.gov> website (or any successor website thereto) shall be deemed to fulfill this requirement. Upon request, Authorized User shall provide to Contractor or their representatives reasonable access to Authorized User's facilities and records for the purpose of performing any inspection and/or copying of Authorized User's books and/or records pertaining to the Services in this MSA.
- b. Authorized User will provide Contractor with written notice of Authorized User's intent to liquidate, substantially change the basic nature of its business, transfer or sell any substantial part (25% or more in value) of its total assets, Authorized

Amendment 1 of Exhibit D – Special Terms and Conditions

User will also notify Contractor of any judgment, writ, warrant of attachment, execution or levy against any substantial part (25% or more in value) of Authorized User's total assets not later than three days after Authorized User obtains knowledge of any such judgment, writ, warrant of attachment, execution or levy.

13. WARRANTIES; EXCLUSION OF CONSEQUENTIAL DAMAGES;

LIMITATION ON LIABILITY:

- a. **Disclaimer of Warranties.** THIS MSA AND ANY AMENDMENTS IS AN AGREEMENT FOR SERVICES AND EXCEPT AS EXPRESSLY PROVIDED IN THIS MSA AND ANY AMENDMENTS, CONTRACTOR AND ITS AFFILIATES DISCLAIM ALL REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, MADE TO AUTHORIZED USER OR ANY OTHER PERSON, INCLUDING WITHOUT LIMITATION, ANY WARRANTIES REGARDING QUALITY, SUITABILITY, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE (REGARDLESS OF ANY COURSE OF DEALING, CUSTOM OR USAGE OF TRADE) OF ANY SERVICES OR ANY GOODS PROVIDED INCIDENTAL TO THE SERVICES PROVIDED UNDER THIS AGREEMENT.
- b. **Exclusion of Consequential Damages.** NOTWITHSTANDING ANYTHING IN THIS MSA AND ANY AMENDMENTS TO THE CONTRARY, IN NO EVENT SHALL EITHER PARTY OR ITS AFFILIATES BE LIABLE UNDER ANY THEORY OF TORT, CONTRACT, OR OTHER LEGAL THEORY FOR LOST PROFITS, LOST REVENUES, LOST BUSINESS OPPORTUNITIES, SPECIAL, INCIDENTAL, INDIRECT OR CONSEQUENTIAL DAMAGES, EACH OF WHICH IS HEREBY EXCLUDED BY AGREEMENT OF THE PARTIES, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE OR WHETHER ANY PARTY OR ANY ENTITY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

14. NOTICES:

All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed given if delivered (a) personally, (b) via facsimile, electronic mail or overnight express service or (c) by certified or registered mail, postage prepaid, return receipt requested, in each case, to the addresses, facsimile numbers and/or electronic mail addresses set forth below the signatures of each party hereto. The parties hereto may change their street addresses, facsimile numbers and electronic mail addresses for purposes of this Agreement by notifying the other party in the manner specified in this section.

15. PROPRIETARY RIGHTS AND PERMITTED USES:

Neither party may issue any press release about this Agreement or the State without the other party's prior written consent. Notwithstanding anything to the contrary,

Amendment 1 of Exhibit D – Special Terms and Conditions

neither party has any rights in the other party's Marks, nor may one party use the other party's Marks without its prior written consent, except that we may use your name, address, (including your website addresses or URLs), and customer service telephone numbers where we communicate where the Card is accepted. State acknowledges that that an affiliate of Contractor has a limited, minority, non-controlling, equity interest in Ronald A. Katz Technology Licensing L.P., an entity owning certain patent applications and patents which may apply to interactive or automated voice response products or services provided by Contractor.

16. INTERPRETATION:

In construing this Agreement, unless the context requires otherwise: (i) the singular includes the plural and vice versa; (ii) the term "or" is not exclusive; (iii) the term "including" means "including, but not limited to;" (iv) the term "day" means "calendar day"; (v) any reference to any agreement (including this Agreement), instrument, contract, policy, procedure, or other document refers to it as amended, supplemented, modified, suspended, replaced, restated, or novated from time to time; and (vi) all captions, headings, and similar terms are for reference only.

17. SEVERABILITY:

To be effective, the waiver by either party of a breach of any provision contained herein shall be in writing and shall in no way be construed as a waiver of any subsequent breach of such provision or the waiver of the provision itself. If any provision of this Agreement shall be held illegal, invalid or unenforceable, that provision shall be limited or eliminated to the minimum extent necessary so that this Agreement shall otherwise remain in full force and effect.

18. WAIVER & CUMULATIVE RIGHTS:

Either party's failure to exercise any of its rights under this Agreement, its delay in enforcing any right, or its waiver of its rights on any occasion, will not constitute a waiver of such rights on any other occasion. No course of dealing by either party in exercising any of its rights will constitute a waiver thereof. No waiver of any term of this Agreement will be effective unless it is in writing and signed by the party against whom the waiver is sought to be enforced. All rights and remedies of the parties are cumulative, not alternative.

19. FORCE MAJEURE:

Neither party shall be held responsible for any delays in or failure or suspension of service caused, directly or indirectly, or any the nonperformance, delay or error of any third party or other causes reasonably beyond the control of either Party.

Amendment 1 of Exhibit D Attachment 1		Example	Location 1	Location 2
First Data Authorized User Participation - Set Up Form				
Merchant Selected Services				
MSA Category 1 - Credit and Debit Card Processing (Exhibit G) Merchant Services FDMS Global Gateway (Exhibit E) Third Party Convenience Fee Processing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
MSA Category 2 - e-check: web or telephone (IVR) (Exhibit H) PayPoint Gateway Services (Exhibit K) Telecheck Services -Needed for Check Warantee	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
MSA Category 3 - Remote Deposit/Electronic Check Conversion (Exhibit J) - For Remote Deposit (Exhibit K) - Needed for Electronic Check Conversion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
MSA Category 4 - Electronic Fund Transaction ("EFT") (Exhibit I) (Exhibit H) PayPoint Services - Convenience fee or online payments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Merchant Reference Name				
Reference Name (your method of location identification: e.g. "Field Office 6652")	Location 5			
DBA Business Address - No PO Boxes				
DBA Merchant Name	Example Store			
DBA Attention	Lindsey White			
DBA Street Address 1	123 Main Street			
DBA Street Address 2	Suite 1234			
DBA City	San Rafael			
DBA State	CA			
DBA Zip	94903			
DBA Telephone	415-555-1234			
DBA Cell Phone	415-666-1234			
DBA Fax	415-555-4321			
DBA Customer Service Telephone				
DBA E-mail Address	lindsey.white@elavon.com			
DBA Website Address	www.testaccount.com			
DBA Customer Service Website Address	www.customerservice.com			
Type of Business				
Government	Government			
Fed Tax ID - if not on file, please provide MPA or Schedule B when submitting request	12-3456789			
Headquarter Information				
Headquarter Merchant Name	Department of General Svcs.			
Headquarter Attention	Lindsey White			
Headquarter Street Address 1	456 Example Street			
Headquarter Street Address 2				
Headquarter City	Example City			
Headquarter State	CA			
Headquarter Zip	94621			
Headquarter Telephone	555-666-6547			
Headquarter Cell Phone				
Headquarter Fax	555-555-6545			
Billing/Shipping Information (List which address it needs to go to, e.g. Headquarter, ZBA, or Special)				
Mail Statements to - Headquarter or DBA	Corp			
Shipping - Headquarter or DBA	DBA			
Retrievals - Headquarter or DBA	Headquarter			
Chargebacks - Headquarter or DBA	Headquarter			
Copy Request - Headquarter or DBA	Headquarter			
AUTO FAX number if set up to fax chargebacks	555-555-6545			
Card Acceptance Information				
Description of products or services offered	Government			
Percent Card Present (Swiped)	0%			
Percent Card Not Present (Key Entered)	0%			
Mail Order	25%			
Intergrated Voice Recognition (Automated)	25%			
Telephone Order (In-person)	50%			
Internet	0%			
Total Percentage (Must equal 100%)	100%			
Do you accept orders by Mail/Telephone? (If yes, put applicable percentage)	100%			
Do you accept orders by Internet? (If yes, put applicable percentage) - Internet accounts should be 100% internet	no			
If Internet processing, list WEBSITE/URL				
Yearly Volume	\$ 12,000,000.00			
Monthly Volume	\$ 1,000,000.00			
Average Ticket	\$ 1,000.00			
# of Transactions per Month	1000			

Merchant Services

Amendment 1 of Exhibit D Attachment 1		Example	Location 1	Location 2
First Data Authorized User Participation - Set Up Form				
T&E Card Information				
Amex SE#		-		
Discover SE#		-		
Equipment Information				
Equipment/Product Descrip. (1) (if applicable)		Terminal or Software Type		
Quantity		1		
Ownership (please choose: Merchant Owns, Lease, Rental, Exchange, Purchase)		Purchase		
Additional Notes - If software list name of software		Need license for 50 users		
OS (Windows XP, 2000, Linux, etc.)		Windows 98		
Equipment/Product Descrip. (2) (if applicable)		Terminal or Software Type		
Quantity		10		
Ownership (please choose: Merchant Owns, Lease, Rental, Exchange, Purchase)		Merchant Owns		
Additional Note - Please list OS (Windows XP, 2000, 98, etc.)				
Equipment/Product Descrip. (3) (if applicable)				
Quantity				
Ownership (please choose: Merchant Owns, Lease, Rental, Exchange, Purchase)				
Additional Note - Please list OS (Windows XP, 2000, 98, etc.)				
Equipment/Product Descrip. (4) (if applicable)				
Quantity				
Ownership (please choose: Merchant Owns, Lease, Rental, Exchange, Purchase)				
Additional Note - Please list OS (Windows XP, 2000, 98, etc.)				
Third Party Convenience Fee Provider				
Provide the Name of Third Party Convenience Fee Provider (if Utilized)				
Third Party Gateway Fee Provider				
Provide the Name of Third Party Gateway Provider (if Utilized)		Intellipay		
Value Added Service Information - ECS, EGC, DCC				
Do you take any of these forms of payments				
Bank Account Information - NOTE: ALL ACCOUNTS MUST BE CHECKING ACCOUNTS				
Deposit Account				
Deposit Settlement Name (List DBA or Legal)		Example Location		
ABA/Routing #		1234567		
Account #		123456782		
Bank Name		Union Bank of CA		
Bank Address		1234 Bank Way		
City		Bank City		
State		CA		
Zip		99970		
Bank Telephone		999-555-9874		
Billing Account (LOCAL/WSCA AUTHORIZED UESRS ONLY)				
Note: Billing and Chargeback sections do not have to be completed if same as Deposit Account. Please put "DEPOSIT" in 'Deposit Settlement Name section.				
Deposit Settlement Name (List DBA or Legal)				
ABA/Routing #				
Account #				
Bank Name				
Bank Address				
City				
State				
Zip				
Bank Telephone				
Chargeback Account (LOCAL/WSCA AUTHORIZED UESRS ONLY)				
Deposit Settlement Name (List DBA or Legal)				
ABA/Routing #				
Account #				
Bank Name				
Bank Address				
City				
State				
Zip				
Bank Telephone				
MISC				
Do you have a check service?		yes		
If Yes, who provides it, and what is the name of the product?		ECS		
Phone System Information				
Dialing Access Number (e.g. 0, 9, 1, etc.)		9		

Equipment / Software (if applicable)

Amendment 1 of Exhibit D Attachment 1	Example	Location 1	Location 2
First Data Authorized User Participation - Set Up Form			
What type of line do you have? (Choose: Dedicated line (preferred), Tone, Pulse (Rotary), Shared Line with Fax, Switchboard)	Switchboard		
<i>Training</i>			
Will training be necessary? (yes/no)	yes		
Training Contact Name	Lindsey White		
Training Contact Telephone	1-800-725-1111 x1111		
Special Instructions/Notes			
FOR CONTRACTOR USE ONLY			
MCC/SIC Code			
Pricing Program Number			
Auth Program Number			
CG & Chain Number			
Parent Entity			
Rep Code if needed			
Network to be used			
Rate Type (Tiered, Fixed, Surcharge, Association, Bank Defined)			
ICA Rates if ICA			
Tiered, Fixed, Surcharge Rates			
Qual			
Rewards			
Partial			
CommNQ			
Non Qual			
Standard			
Chargeback Fee			
Statement Fee			
Minimum Bill Fee			
T&E Auth Fees			
Visa/MC Auth Fees			
EXISTING MID TO USE AS EXAMPLE			

Exhibit D Attachment II
Selected Services Signature Page
[\(State Authorized Users Only\)](#)

The undersigned each agree to be bound by the terms and conditions of the **MSA 5-10-99-01** exhibits selected and signed for below. These selected exhibits are by this reference made part of this Subscription Agreement.

Exhibits A-G - Merchant Services (Category 1)

("Authorized User")

First Data Merchant Services Corporation
("FDMS") ("Contractor")

Signature: _____
Print Name: _____
Title: _____
Dated: _____

Signature: _____
Print Name: _____
Title: _____
Dated: _____

Citicorp Payment Services, Inc.
Signature: _____
Print Name: _____
Title: _____
Dated: _____

Exhibit A-G - Attachments II and III (Amex/Discover Cards and Debit Cards) (Category 1)

("Authorized User")

First Data Merchant Services Corporation
("FDMS") ("Contractor")

Signature: _____
Print Name: _____
Title: _____
Dated: _____

Signature: _____
Print Name: _____
Title: _____
Dated: _____

Exhibits A-F and H (PayPoint Gateway for eCheck, Convenience Fee or online payments) (Categories 1 & 2)

("Authorized User")

First Data Government Solutions, LP
("FDGS") ("Contractor")

Signature: _____
Print Name: _____
Title: _____
Dated: _____

Signature: _____
Print Name: _____
Title: _____
Dated: _____

Exhibit D Attachment II
Selected Services Signature Page
[\(State Authorized Users Only\)](#)

Exhibits A-F and I (EFT) (Category 4)

("Authorized User")

First Data Government Solutions, LP
("FDGS") ("Contractor")

Signature: _____
Print Name: _____
Title: _____
Dated: _____

Signature: _____
Print Name: _____
Title: _____
Dated: _____

Exhibits A-F and J (Remote Deposit) (Category 3)

("Authorized User")

RemitCo, LLC
("RemitCo") ("Contractor")

Signature: _____
Print Name: _____
Title: _____
Dated: _____

Signature: _____
Print Name: _____
Title: _____
Dated: _____

Exhibits A-F and K (TeleCheck for Electronic Check Conversion or Check Warrantee) (Categories 2 & 3)

("Authorized User")

TeleCheck Services, Inc.
("TeleCheck") ("Contractor")

Signature: _____
Print Name: _____
Title: _____
Dated: _____

Signature: _____
Print Name: _____
Title: _____
Dated: _____

Exhibit D Attachment III
Selected Services Signature Page
(Local / WSCA Authorized Users Only)

The undersigned each agree to be bound by the terms and conditions of the **MSA 5-10-99-01** exhibits selected and signed for below. These selected exhibits are by this reference made part of this Subscription Agreement # (insert Local / WSCA Authorized User's Contract number).

Exhibits A-G - Merchant Services (Category 1)

("Authorized User")

First Data Merchant Services Corporation
("FDMS") ("Contractor")

Signature: _____
Print Name: _____
Title: _____
Dated: _____

Signature: _____
Print Name: _____
Title: _____
Dated: _____

Citicorp Payment Services, Inc.

Signature: _____
Print Name: _____
Title: _____
Dated: _____

Exhibit A-G - Attachments II and III (Amex/Discover Cards and Debit Cards) (Category 1)

("Authorized User")

First Data Merchant Services Corporation
("FDMS") ("Contractor")

Signature: _____
Print Name: _____
Title: _____
Dated: _____

Signature: _____
Print Name: _____
Title: _____
Dated: _____

Exhibits A-F and H (PayPoint Gateway for eCheck, Convenience Fee or online payments) (Categories 1 & 2)

("Authorized User")

First Data Government Solutions, LP
("FDGS") ("Contractor")

Signature: _____
Print Name: _____
Title: _____
Dated: _____

Signature: _____
Print Name: _____
Title: _____
Dated: _____

Exhibit D Attachment III
Selected Services Signature Page
(Local / WSCA Authorized Users Only)

Exhibits A-F and I (EFT) (Category 4)

("Authorized User")

First Data Government Solutions, LP
("FDGS") ("Contractor")

Signature: _____

Signature: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Dated: _____

Dated: _____

Exhibits A-F and J (Remote Deposit) (Category 3)

("Authorized User")

RemitCo, LLC
("RemitCo") ("Contractor")

Signature: _____

Signature: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Dated: _____

Dated: _____

Exhibits A-F and K (TeleCheck for Electronic Check Conversion or Check Warrantee) (Categories 2 & 3)

("Authorized User")

TeleCheck Services, Inc.
("TeleCheck") ("Contractor")

Signature: _____

Signature: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Dated: _____

Dated: _____

Exhibit L --FDMS and Local/WSCA Authorized Users Negotiated Language Pursuant to Exhibit D.1.f – (if applicable)

This Exhibit L is made a part of and is subject to the terms and conditions of the Agreement.

("Authorized User")

First Data Merchant Services Corporation
("FDMS") ("Contractor")

Signature: _____

Signature: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Dated: _____

Dated: _____

1. FEES AND COSTS:

In consideration of Contractor's processing services, Authorized Users will pay monthly, and in arrears, pricing based on the pricing matrix provided in Exhibit E Attachment I.

2. VISA AND MASTERCARD INTERCHANGE ASSESSMENT RATES:

The Visa and MasterCard interchange assessment pricing specified is subject to fluctuations. These rates are outside of the control of the State of California and the Contractor. Both increases and decreases in these rates are to be passed on to the Authorized Users of this Agreement in the form of changes in the official interchange assessment rates from VISA and MasterCard by the Contractor. Contractor will send, as promptly as possible, to each Authorized User and to the DGS Contract Manager, notices documenting all pricing adjustments resulting from the official changes in interchange assessment rates. The following sites provide the most up-to-date interchange assessment rates as they occur.

MasterCard Interchange Rates:

http://www.mastercard.com/us/merchant/support/interchange_rates.html

Visa Interchange Rates:

http://usa.visa.com/merchants/operations/interchange_rates.html

3. EQUIPMENT PRICING:

Upon request, Contractor will provide equipment and software pricing and specification sheets on an annual basis in DGS's electronic format (see Exhibit E -- Attachments II & III) and submit to DGS's Contract Administrator (by email, CD, ftp, or other agreed upon format). Once these prices are negotiated and approved by DGS, this information will be posted along with the respective contracts on the Electronic Payment Acceptance MSA website. Posting of price lists allows the Authorized Users access to both service and equipment/software pricing so Authorized Users can conduct a complete cost analysis based on their organization's individual requirements. Authorized Users may negotiate lower pricing than the maximums listed on the Contractor's Price Sheet. Please refer to Attachment II for equipment pricing information).

Price declines shall be effective immediately upon any public notification of the decline. All prices quoted shall be firm fixed maximum for the initial price list period. However, should a price decline be announced by the Contractor after contract award, and prior to an Authorized User utilizing the services, then the Contractor shall use the reduced pricing.

4. CONVENIENCE FEES:

Authorized Users, at their discretion, may elect to have the Contractor charge a convenience fee to the cardholder (paying parties) to offset the cost of card acceptance. Assessment of the fee occurs at the time of the transaction. Use of Convenience fees should be addressed by each Authorized User in their individual Subscription Agreement.

The Convenience Fee to be charged Cardholders for transactions processed will be mutually agreed upon by Contractor/Third Party Processor and Authorized User. Contractor/Third Party Processor shall not charge Authorized User a fee in consideration for Convenience Fee Provider providing Convenience Fee Assessment. Any amendment to the Convenience Fee must be mutually agreed upon by the Authorized User.

Convenience fees are subject to the constraints of the card associations and card companies and, in some instances, by State regulations and/or laws. In general, card payments, and specific card brands, may not be disadvantaged at the point-of-sale relative to other payment.

Contractor/Third Party Processor agrees to all of the following:

- Contractor must provide flexibility to assess or not assess a convenience fee.
- Support convenience fee policies and variations in convenience fees at the individual Authorized User level while remaining in compliance with credit and debit card Association regulations.
- Support convenience fee assessment by type of payment channel (IVR, point of sale, internet, etc.) within each Authorized User's agency.
- Separate the Convenience Fee from any payment that is owed by a Cardholder to Authorized User and paid through a Payment Transaction. Separate Convenience fees from other fees when invoicing the Authorized User.
- Provide Authorized User access to reports detailing all processed transactions.
- Provide Cardholder the opportunity to make Authorized User payments by credit card through both an interactive telephone voice response system ("IVR") and Internet interface.
- On behalf of Authorized User, collect and process Authorized User Payments from Cardholders using the American Express[®] Card, MasterCard[®], VISA[®], and Discover[®] Card.
- Provide the Card Services to Cardholders on a date to be mutually agreed upon by Contractor/Third Party Processor and the Authorized User.
- Provide Authorized User Payment Transactions to the appropriate Card organizations through Contractor/Third Party Processor and Contractor/Third Party Processor shall settle the Authorized User's payments to the Authorized User's designated bank account. Contractor/ Convenience Fee Provider shall

Amendment 1 of Exhibit E – Fees and Costs

retain all Convenience Fees collected by it hereunder after paying all fees owed in connection with payment transactions to the appropriate parties.

- Confirm the dollar amount of all Cardholder's Authorized payments and the corresponding convenience fees to be charged to Cardholder and obtain the Cardholder's approval (electronic or otherwise) of such charges prior to initiating credit authorizations.
- Provide Cardholder with electronic confirmation of Card transactions.
- Electronically transmit all Card transactions to Contractor, in real time as the transactions occur.
- Arrange for a unique line merchant description for the Authorized payment that references the name of Authorized User and arrange for a separate unique line merchant description for the Convenience Fee that references Contractor/Third Party Processor and the nature of the fee.
- Provide Authorized User with logos, graphics, and other appropriate marketing materials for Authorized User's use in its communications with Cardholders..
- Provide Authorized User with reports summarizing use of the Card Services by Cardholders for a given reporting period.
- Grant to Authorized Users a revocable, non-exclusive, non-transferable, royalty-free license to use Contractor/Third Party Processor's logo, trademarks and other service marks for the sole purpose of promoting the Card Services in a form as approved by Contractor/Third Party Processor.
- May, but shall not be required to, assign to Authorized User one or more identification numbers or passwords for Authorized User's use in obtaining the Card Services. Once such identification number(s) or password(s) have been delivered to Authorized Agency by Contractor/Third Party Processor, the use and confidentiality of such numbers and/or passwords shall be the sole responsibility of Authorized User.

Authorize User agrees to the following:

- Take all reasonable security precautions within its system, hardware and software to prevent unauthorized or fraudulent use of Contractor/Third Party Processor's System by Authorized User, Authorized User's employees and agents, and Cardholders.
- Other than permitting Contractor/Third Party Processor to charge the Convenience Fees in accordance with the Card Services, Authorized User will not impose any surcharge or penalty on transactions made by Cardholders using the Card Services.
- If Authorized User requests a customized reporting format, Authorized User shall provide Contractor/Third Party Processor with its desired reporting format sufficiently in advance of the requested report delivery date. Customized reporting formats require Contractor/Third Party Processor's prior written approval.

Amendment 1 of Exhibit E – Fees and Costs

- Not to require, as a condition to making an Authorized User payment, that a Cardholder agree in any way to waive such Cardholder's rights to dispute the transaction with their banking institution for legitimate reasons.
- May, but shall not be required to, actively promote the Card Services to its Cardholders at Authorized User's own expense. These promotions may include publishing the relevant URL for Contractor/Third Party Processor's Website and relevant telephone number (as applicable) on all tax instruction booklets, tax preparer communications, taxpayer information publications, citations and notices, and all related marketing materials. Authorized User will obtain Contractor/Third Party Processor's consent prior to publishing any materials that reference the Card Services or Contractor/Third Party Processor.
- Shall be solely responsible, at their own expense, for acquiring, installing and maintaining all of its own equipment, software and data communication service, which is not a part of the Contractor/Third Party Processor System.
- Shall (i) collect and verify all identification information as required by law or government regulation, and (ii) make such identifying information available to Contractor/Third Party Processor if requested by a regulator, law enforcement officials, or judicial process.

FDMS TIERED PRICING METHODOLOGY

June 1, 2010:	<p>Pricing starts off in Tier 1.</p> <p>Total FDMS MSA contract transaction count will be reviewed on a monthly basis, and a running tally of total FDMS MSA contract transaction count will be kept.</p> <p>Pricing will be dropped to Tier 2 when the running tally exceeds 2.5M transactions.</p>
January 1, 2011:	<p>The total FDMS MSA contract transaction count for the period June 1, 2010 - December 31, 2010, will be determined.</p> <p>The total FDMS MSA contract transaction count for the period June 1, 2010 - December 31, 2010, will be divided by 7 and multiplied by 12 to determine the anticipated transaction volume for 2011.</p> <p>Pricing will be based on the anticipated transaction volume.</p> <p>Total FDMS MSA contract transaction count will be reviewed on a monthly basis, and a running tally of total FDMS MSA contract transaction count will be kept.</p> <p>Pricing will be dropped to the next lower tier when the running tally of total FDMS MSA contract transaction count exceeds the transaction minimum for the next lower pricing tier.</p>
January 1, 2012:	<p>The total FDMS MSA contract transaction count for the period January 1, 2011 - December 31, 2011, will be determined.</p> <p>Pricing will be set at the appropriate tier based on the total FDMS MSA contract transaction count for the period January 1, 2011 - December 31, 2011.</p> <p>Total FDMS MSA contract transaction count will be reviewed on a monthly basis, and a running tally of total FDMS MSA contract transaction count will be kept.</p> <p>Pricing will be dropped to the next lower tier when the running tally of total FDMS MSA contract transaction count exceeds the transaction minimum for the next lower pricing tier.</p>
January 1, 2013:	<p>The total FDMS MSA contract transaction count for the period January 1, 2012 - December 31, 2012, will be determined.</p> <p>Pricing will be set at the appropriate tier based on the total FDMS MSA contract transaction count for the period January 1, 2012 - December 31, 2012.</p> <p>Total FDMS MSA contract transaction count will be reviewed on a monthly basis, and a running tally of total FDMS MSA contract transaction count will be kept.</p> <p>Pricing will be dropped to the next lower tier when the running tally of total FDMS MSA contract transaction count exceeds the transaction minimum for the next lower pricing tier.</p>
January 1, 2014:	<p>The total FDMS MSA contract transaction count for the period January 1, 2013 - December 31, 2013, will be determined.</p> <p>Pricing will be set at the appropriate tier based on the total FDMS MSA contract transaction count for the period January 1, 2013 - December 31, 2013.</p> <p>Total FDMS MSA contract transaction count will be reviewed on a monthly basis, and a running tally of total FDMS MSA contract transaction count will be kept.</p> <p>Pricing will be dropped to the next lower tier when the running tally of total FDMS MSA contract transaction count exceeds the transaction minimum for the next lower pricing tier.</p>
January 1, 2015:	<p>The total FDMS MSA contract transaction count for the period January 1, 2014 - December 31, 2014, will be determined.</p> <p>Pricing will be set at the appropriate tier based on the total FDMS MSA contract transaction count for the period January 1, 2014 - December 31, 2014.</p> <p>Total FDMS MSA contract transaction count will be reviewed on a monthly basis, and a running tally of total FDMS MSA contract transaction count will be kept.</p> <p>Pricing will be dropped to the next lower tier when the running tally of total FDMS MSA contract transaction count exceeds the transaction minimum for the next lower pricing tier.</p>

January 1, 2016:	<p>The total FDMS MSA contract transaction count for the period January 1, 2015 - December 31, 2015, will be determined.</p> <p>Pricing will be set at the appropriate tier based on the total FDMS MSA contract transaction count for the period January 1, 2015 - December 31, 2015.</p> <p>Total FDMS MSA contract transaction count will be reviewed on a monthly basis, and a running tally of total FDMS MSA contract transaction count will be kept.</p> <p>Pricing will be dropped to the next lower tier when the running tally of total FDMS MSA contract transaction count exceeds the transaction minimum for the next lower pricing tier.</p>
January 1, 2017:	<p>The total FDMS MSA contract transaction count for the period January 1, 2016 - December 31, 2016, will be determined.</p> <p>Pricing will be set at the appropriate tier based on the total FDMS MSA contract transaction count for the period January 1, 2016 - December 31, 2016.</p> <p>Total FDMS MSA contract transaction count will be reviewed on a monthly basis, and a running tally of total FDMS MSA contract transaction count will be kept.</p> <p>Pricing will be dropped to the next lower tier when the running tally of total FDMS MSA contract transaction count exceeds the transaction minimum for the next lower pricing tier.</p>

First Data Merchant Services

Category 1: Credit and Debit Merchant Card Processing ^{1/}						
Bank Card (VISA, MasterCard, AMEX and Discover) and Debit Card (Signature and Pin-based) Fees						
Services	Unit	Tier 1 # of Transactions Range: 0-25,000,000	Tier 2 # of Transactions Range: 25,000,001-50,000,000	Tier 3 # of Transactions Range: 50,000,001-75,000,000	Tier 4 # of Transactions Range: 75,000,001-100,000,000	Tier 5 # of Transactions Range: 100,000,001 +
Processing Fee ^{1/2/}	Per Transaction	\$0.014	\$0.013	\$0.012	\$0.010	\$0.008
AMEX Authorization Processing Fee ^{2/}	(Pass Through Cost Per Transaction)	\$0.014	\$0.013	\$0.012	\$0.010	\$0.008
Chargeback Fee	Per Transaction	\$5.50	\$5.50	\$5.50	\$5.50	\$5.50
Settlement Funds by Wire Transfer (See Exhibit G)	Per Wire Transfer	\$8.50	\$8.50	\$8.50	\$8.50	\$8.50
Standard Reports	Each	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Customized Development	Per Hour	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00
Global Gateway ^{3/}						
Implementation Fee	Per Account	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Monthly Maintenance Fee	Per Account	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
First Data Global Gateway ^{3/}	Per Transaction	\$0.05 with a \$25 monthly minimum	\$0.05 with a \$25 monthly minimum	\$0.05 with a \$25 monthly minimum	\$0.05 with a \$25 monthly minimum	\$0.05 with a \$25 monthly minimum
PayPoint Gateway						
Implementation Fee A ^{4/}	Per Account	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00
Implementation Fee B ^{5/}	Per Account	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00
Implementation Fee C ^{6/}	Per Account	Customer front end will vary depending on requirements	Customer front end will vary depending on requirements	Customer front end will vary depending on requirements	Customer front end will vary depending on requirements	Customer front end will vary depending on requirements
Monthly Maintenance Fee	Per Account	\$500 Monthly Minimum--only if transaction fees do not equal \$500	\$500 Monthly Minimum--only if transaction fees do not equal \$500	\$500 Monthly Minimum--only if transaction fees do not equal \$500	\$500 Monthly Minimum--only if transaction fees do not equal \$500	\$500 Monthly Minimum--only if transaction fees do not equal \$500
First Data PayPoint Gateway Fee ^{7/}	Per Transaction	\$0.078	\$0.076	\$0.074	\$0.072	\$0.070
Additional Processing Fee when First Data Hosts Front End Web and/or IVR application	Per Transaction	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04

Current Tier Pricing as of 6/1/2015 (all Authorized Users)
Amendment 2 Note -- First Data PayPoint Gateway Pricing Added

Interchange Rate Links:

- MasterCard Interchange Rates: http://www.mastercard.com/us/merchant/support/interchange_rates.html
- Visa Interchange Rates: http://usa.visa.com/merchants/operations/interchange_rates.html
- Discover Interchange Rates (Contact First Data Merchant Services for current rates)
- Debit Network Pass Through Fees (Contact First Data Merchant Services for current fees)

First Data Merchant Services

Category 1: Credit and Debit Merchant Card Processing ^{1/}

Bank Card (VISA, MasterCard, AMEX and Discover) and Debit Card (Signature and Pin-based) Fees

^{1/} Contractor pricing applies to all credit and debit card types (present or not present)

^{2/} Processing Fee (per transaction in excess of the Card Association Interchange, Assessment Rates, and Gateway Fees as applicable)

^{3/} First Data Global Gateway (FDGG) offers Internet payment services giving merchants the ability to process transactions over a secure Internet connection via: Web browser-based solution, E-Commerce enabled web sites, or Custom commerce application. FDGG Fee charged only when Authorized User elects to utilize FDGG for web-based credit/debit card processing (per transaction in excess of the processing fees).

^{4/} Implementation A (PayPoint) Includes: Configuring Authorized User's application on the PayPoint Payment Gateway, creating a settlement file so Authorized Users can reconcile payments daily and training Authorized User on the administration web based application.

^{5/} Implementation B (PayPoint) Includes: All of the services included with Implementation A and First Data's consumer payment module implementation and training. The consumer payment module is a ready made solution that allows applications to be generated quickly using templates (not through application development) that provides Authorized Users the ability to build and maintain their own web site and IVR application hosted in the First Data's datacenter.

^{6/} Implementation C (PayPoint) Includes: All of the services included with Implementation A and First Data's custom created web site and/or IVR application to match the Authorized User's applications. The applications will be built on a per hourly charge. The requirements or the application will need to be documented before an estimated implementation cost for development can be provided.

^{7/} First Data PayPoint Gateway Fee charged only when Authorized User elects to utilize PayPoint Gateway for web-based credit/debit card processing (per transaction in excess of the processing fees). Fee Includes:

- PayPoint Payment Gateway
- Authorization and settlement for Credit and Debit Cards
- Consolidated Posting file for all payment types
- Access to PayPoint Portal Administrative Site for real time research and reconciliation
- Full payment and user reporting capabilities
- Single API Interface for all payment types
- Ability to save customer specific data with the payment such as account number
- User enrollment capabilities
- Recurring and warehouse payment capabilities
- Supports Convenience Fee and Non-Convenience Fee Models

First Data Merchant Services

Category 2: Web and Tel E-Check Processing

Services	Unit	Tier 1 # of Transactions Range: 0-10,000,000	Tier 2 # of Transactions Range: 10,000,001-11,000,000	Tier 3 # of Transactions Range: 11,000,001-12,000,000	Tier 4 # of Transactions Range: 12,000,001-13,000,000	Tier 5 # of Transactions Range: 13,000,001+
Implementation Fee A ^{1/}	Per Account	\$500	\$500	\$500	\$500	\$500
Implementation Fee B ^{2/}	Per Account	\$500	\$500	\$500	\$500	\$500
Implementation Fee C ^{3/}	Per Account	Customer front end will vary depending on requirements	Customer front end will vary depending on requirements	Customer front end will vary depending on requirements	Customer front end will vary depending on requirements	Customer front end will vary depending on requirements
Monthly Maintenance Fee	Per Account	\$500 Monthly Minimum-- only if transaction fees do not equal \$500	\$500 Monthly Minimum-- only if transaction fees do not equal \$500	\$500 Monthly Minimum-- only if transaction fees do not equal \$500	\$500 Monthly Minimum-- only if transaction fees do not equal \$500	\$500 Monthly Minimum-- only if transaction fees do not equal \$500
First Data PayPoint Gateway Processing Fee ^{4/}	Per Transaction	\$0.096	\$0.094	\$0.092	\$0.090	\$0.088
Additional Processing Fee when First Data Hosts Front End Web and/or IVR application	Per Transaction	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04
Warranty Service ^{5/}	Per Transaction	Internet 1.79% + \$.15 Phone 1.99% +\$.15 Face-to-Face 1.25% +\$.15	Internet 1.79% + \$.15 Phone 1.99% +\$.15 Face-to-Face 1.25% +\$.15	Internet 1.79% + \$.15 Phone 1.99% +\$.15 Face-to-Face 1.25% +\$.15	Internet 1.79% + \$.15 Phone 1.99% +\$.15 Face-to-Face 1.25% +\$.15	Internet 1.79% + \$.15 Phone 1.99% +\$.15 Face-to-Face 1.25% +\$.15
Re-presentment Fee	Per Transaction	\$0.00 for two attempts				
Return Item Fee	Per Transaction	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00

Current Tier Pricing as of 6/1/2015 (all Authorized Users)

E-check Associated Fees

E-check Fees - when applicable

^{1/} Implementation A Includes: Configuring Authorized User's application on the PayPoint Payment Gateway, creating a settlement file so Authorized Users can reconcile payments daily and training Authorized User on the administration web based application.

^{2/} Implementation B Includes: All of the services included with Implementation A and First Data's consumer payment module implementation and training. The consumer payment module is a ready made solution that allows applications to be generated quickly using templates (not through application development) that provides Authorized Users the ability to build and maintain their own web site and IVR application hosted in the First Data's datacenter.

^{3/} Implementation Includes: All of the services included with Implementation A and First Data's custom created web site and/or IVR application to match the Authorized User's applications. The applications will be built on a per hourly charge. The requirements or the application will need to be documented before an estimated implementation cost for development can be provided.

^{4/} PayPoint Gateway Processing Fee Includes:

- PayPoint Payment Gateway
- Authorization and settlement for eChecks
- Consolidated Posting file for all payment types
- Access to PayPoint Portal Administrative Site for real time research and reconciliation
- Full payment and user reporting capabilities
- Ability to represent ACH payments automatically three times
- Single API Interface for all payment types
- Ability to save customer specific data with the payment such as account number
- User enrollment capabilities
- Recurring and warehouse payment capabilities
- Supports Convenience Fee and Non-Convenience Fee Models

^{5/} Warranty Service includes all of the functionality in the Processing Fee, but First Data will warrant the payment funds to the Authorized User. i.e. If a \$200 payment is made and accepted then the Authorized User will receive \$200 even if First Data cannot collect the funds.

First Data Merchant Services

Category 3: Electronic Check Conversion and Remote Deposit

Services	Unit	Tier 1 # of Transactions Range: 1-2,499	Tier #2 # of Transaction Range: 2,500-9,999	Tier #3 # of Transaction Range: 10,000-99,999	Tier #4 # of Transaction Range: 100,000-499,999	Tier #5 # of Transaction Range: 500,000+
Implementation Fee: ^{1/}	Per Account	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Standard Reports	Each	Included	Included	Included	Included	Included
Customized Development	Per Hour	\$200	\$200	\$200	\$200	\$200
Monthly Maintenance Fee	Per Account	\$275	\$275	\$275	\$275	\$275
Check Conversion POP: ^{2/}	Per Transaction	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25
Check Conversion Check 21 Image ^{3/}	Per Transaction	\$0.20	\$0.18	\$0.17	\$0.11	\$0.07
Returned Item Fee - Image	Per Transaction	\$0	\$0	\$0	\$0	\$0
Re-presentment Fee	Per Transaction	\$0	\$0	\$0	\$0	\$0

Current Tier Pricing as of 6/1/2015 (all Authorized Users)

Check Conversion Associated Fees

Check Conversion Fees - when applicable

^{1/} Implementation Includes: Setting-up and configure the Authorized User's account on the Remote Deposit application and administrative site enabling the Authorized User to utilize the Remote Deposit functionality ^{3/}. Training the Authorized User on the product and the administration site and testing to ensure the application is working and the Authorized user can access the posting files for daily reconciliation.

^{2/} Electronic Check Conversion Fee: Processing for each type of check electronically through your point-of-sale (POS) system handling any check type, providing electronic authorization and Settlement. Every check processed is verified against TeleCheck's vast check-writer database and advanced risk management technology.

^{3/} Remote Deposit Capture (RDC) allows a user to scan checks and transmit the scanned images and/or ACH data for posting and clearing. The basic requirements for an RDC service currently include a PC, an Internet connection, a check scanner and a service provider. Checks received at a location are scanned to create a digital deposit. This digital deposit is then transmitted to the RDC financial institution, which then posts the deposit to an account and assigns availability of the funds.

First Data Merchant Services

Category 4: General Electronic Payment Services

Services	Unit	Tier 1 # of Transactions Range: 0-1,000,000	Tier 2 # of Transactions Range: 1,000,001-2,000,000	Tier 3 # of Transactions Range: 2,000,001-3,000,000	Tier 4 # of Transactions Range: 3,000,001 +
Implementation Fee: ^{1/}	Per Account	\$10,000	\$10,000	\$10,000	\$10,000
Standard Reports:	Each	Free through the Online Administration Web Site			
Customized Development:	Per Hour	\$200	\$200	\$200	\$200
Checking Account Maintenance:	Per Account	\$0.25 or Free through the Online Administration Web Site	\$0.20 or Free through the Online Administration Web Site	\$0.15 or Free through the Online Administration Web Site	\$0.10 or Free through the Online Administration Web Site
Federal Reserve Bank Wire Transfer Initiated/Received:	Per Transaction	\$20 (May be lower) ^{2/}			
ACH Debits Originated:					
<i>Automated:</i>	Per Transaction	Through FTP or FSTP: \$0.15			
<i>Manual:</i>	Per Transaction	Web: \$0.30 IVR: \$0.70 Voice:\$2.50	Web: \$0.25 IVR: \$0.60 Voice:\$2.50	Web: \$0.20 IVR: \$0.50 Voice:\$2.50	Web: \$0.14 IVR: \$0.40 Voice:\$2.50
ACH Credits Originated:	Per Transaction	\$.15 (May be lower) ^{2/}			
ACH Returned Items (NOCs):	Per Transaction	\$0.10 or Free through the Online Administration Web Site	\$0.10 or Free through the Online Administration Web Site	\$0.10 or Free through the Online Administration Web Site	\$0.10 or Free through the Online Administration Web Site

Current Tier Pricing as of 6/1/2015 (all Authorized Users)

Wire Fees

ACH Associated Fees

ACH Fees - when applicable

^{1/} Implementation Includes: First Data will create a website and an IVR application to accept tax and other payments that will be hosted in the First Data environment. If the system is using enrolled users, First Data will enroll the users and send out welcome packets with instruction on how to use the system. First Data will provide a trained call center to answer taxpayers' questions and accept voice payments. Integration will be done with the Authorized Users to ensure they are able to receive the settlement detail files for reconciliation and access the administration application.

^{2/} The price may be lower depending on the bank partnership utilized as part of this payment solution.

2010 EQUIPMENT & SOFTWARE PRICING

First Data

Exhibit E -- Attachment II

Last Updated: 3/27/2010

POINT OF SALE (POS) TERMINALS (AND ASSOCIATED ITEMS)

Item Code	Description	Purchase Price	
		Single Unit	Bulk (-)
FD-50aa	First Data® FD-50	\$299	
FD-100	First Data® FD-100	\$350	
FD-200p	First Data® FD-200	\$549	
FD-200 WIFI	First Data® FD-200 with WiFi	\$599	
FD-300Z	First Data® FD-300	\$499	
FD-300W	First Data® FD-300 with WiFi	\$549	
FD-400 GPRS	First Data® FD-400 Mobile Wireless	\$725	
FD WFPT	First Data® FD-100	\$409	

Monthly Rent/Lease Rates				
12	24	36	48	60
	\$35	\$22	\$18	
	\$40	\$26	\$20	
	\$54	\$34	\$29	
	\$58	\$37	\$31	
	\$50	\$29	\$27	
	\$54	\$34	\$29	
	\$70	\$43	\$35	
	\$50	\$31	\$27	

CHECK READERS/IMAGERS (AND ASSOCIATED ITEMS)

Item Code	Description	Purchase Price	
		Single Unit	Bulk (-)
CM CRMT	Magtek Check Reader	\$245	
	Canon CR-180 dpm, 2 pocket, inkjet 8928A002AB	\$2,283	
	Canon CR-55 dpm single pocket, inkjet 0435B002AA	\$758	
	Canon CR-25 25 dpm, single pock, inkjet 2267B002AA	\$641	
	CTS LS100 52 dpm	\$522	
	CTS LS100 SF Plus Inkjet	\$571	
	CTS LS100 52 dpm auto feed	\$639	
	CTS LS100 AF Plus inkjet	\$691	
	CTS LS150/75 INKJET	\$1,060	
	CTS LS150/150 Inkjet	\$1,289	
	DIGITAL CHECK CX30 SINGLE FEED N	\$294	
	DIGITAL CHECK CX30 SINGLE FEED IJ INKJET	\$329	
	TS230-35 35 DPM NO INKJET	\$625	
	TS230-65 65 DPM 50 DOC FEEDER	\$688	
	TS230-65IJ, 65 DPM , 50 DOC FEEDER, INKJET	\$718	
	TS230-100IJ, 100 DPM, 50 DOC FEEDER, INKJET	\$1,074	
	TS240-50, 50 dpm, 100 doc feeder, no inkjet	\$604	
	TS240-50IJ, 50 dpm, 100 doc feeder, inkjet	\$669	
	TS240-50IJF, 50 dpm, 100 doc feeder, inkjet and franker	\$712	
	TS240-75, 75 dpm, 100 doc feeder, no inkjet	\$740	
	TS240-75IJ, 74 dpm, 100 doc feeder, inkjet	\$783	
	TS240-100IJ, 100 dpm, 100 doc feeder, inkjet and franker	\$1,000	
	TS4120, 120 DPM, 100 DOC FEEDER, INKJET, TWO POCKETS	\$1,768	
	EPSON CAPTURE ONE, 30 DPM, 100 ITEM FEEDER, TWO POCKETS	\$619	
	EPSON CAPTURE ONE, 60 DPM, 100 ITEM FEEDER, TWO POCKETS	\$760	
	Epson Capture One, 90 dpm, 100 item feeder, two pockets	\$875	
	PANINI I:DEAL SINGLE ITEM FEED WITH FRANKER	\$317	
	VISION X 1F SINGLE FEED WITHOUT INKJET VX501.1F.NJ	\$417	
	VISION X 1F SINGLE FEED WITH INKJET VX501.1F.IJ	\$460	
	VISION X 50 DPM ITEM FEEDER VX50.1.SF.NJ	\$720	

Monthly Rent/Lease Rates				
12	24	36	48	60
	\$20	\$12	\$10	
\$260	\$150	\$110	\$95	
\$80	\$45	\$35	\$25	
\$65	\$37	\$27		
\$55	\$35	\$25	\$18	
\$65	\$37	\$27	\$22	
\$66	\$38	\$28	\$23	
\$70	\$40	\$30	\$24	
\$110	\$65	\$45	\$35	
\$130	\$75	\$55	\$42	
\$33	\$20	\$15	\$12	
\$38	\$21	\$16	\$13	
\$66	\$38	\$28	\$22	
\$70	\$40	\$30	\$24	
\$75	\$45	\$33	\$25	
\$99	\$58	\$42	\$33	
\$66	\$38	\$28	\$22	
\$70	\$40	\$30	\$24	
\$75	\$43	\$33	\$23	
\$75	\$43	\$33	\$23	
\$80	\$45	\$35	\$25	
\$95	\$55	\$40	\$30	
\$38	\$21	\$16	\$13	
\$49	\$28	\$20	\$16	
\$50	\$30	\$22	\$17	
\$75	\$43	\$33	\$23	

2010 EQUIPMENT & SOFTWARE PRICING

First Data

Exhibit E -- Attachment II

Last Updated: 3/27/2010

VISION X 50 DPM, 50 ITEM FEEDER WITH INKJET VX50.1.SF.IJ	\$786
--	-------

\$80	\$45	\$35	\$25
------	------	------	------

PIN PADS (AND ASSOCIATED ITEMS)

Item Code	Description	Purchase Price	
		Single Unit	Bulk (-)
FD10	First Data® FD-10	\$125	
FD10c	First Data® FD-10c	\$135	

Monthly Rent/Lease Rates				
12	24	36	48	60
	\$12	\$8	\$6	
	\$14	\$9	\$7	

POS PRINTERS (AND ASSOCIATED ITEMS)

Item Code	Description	Purchase Price	
		Single Unit	Bulk (-)

Monthly Rent/Lease Rates				
12	24	36	48	60

WEDGES/IMPRINTERS (AND ASSOCIATED ITEMS)

Item Code	Description	Purchase Price	
		Single Unit	Bulk (-)
N-MINIM-USB	Mini Mag with USB Port, Track 1, 2 (21040109)	\$60	
N-MAG21040108	21040108 USB Black Track 1,2,3	\$53	

Monthly Rent/Lease Rates				
12	24	36	48	60

SOFTWARE (AND ASSOCIATED ITEMS)

Code	SOFTWARE - Description	Purchase Price	
		Single Unit	Bulk (4)
ICVerify	IC Verify - First Data Payment Software for Windows® Standard Edition 4.0 software, a well-known and widely distributed payment software product, is a comprehensive and cost-effective alternative to traditional point-of-sale (POS) equipment. (\$80 per additional license with bulk purchase)	\$300	\$400 for (4) licenses

Monthly Fee

POS OTHER (AND ASSOCIATED ITEMS)

Item Code	Description	Purchase Price	
		Single Unit	Bulk (-)
FD20	First Data® FD-20 Contactless Reader	\$155	

Monthly Rent/Lease Rates				
12	24	36	48	60
	\$14	\$9	\$7	

Contractor: **First Data**
 Last Update: **8/31/2009**

POS TERMINAL SPECIFICATIONS

Picture:					
Brand/Model Number:	First Data® FD50	First Data® FD100	First Data® FD200	First Data® FD300	First Data® FD400
Payment Channel:	Card Payment	Card Payment with Wireless LAN Flexibility	Card Payment with Wireless LAN Flexibility and Built-In Check Reader	Multi-Merchant Card Payment with Wireless LAN Flexibility	Wireless Card Payment
Description:	The FD50 accepts PIN-secured (with the addition of a PIN Pad) and signature debit cards, credit cards, checks (with the addition of a check reader), contactless payments (with the addition of a contactless reader) and gift cards	The FD100 accepts PIN-secured (with the addition of a PIN Pad) and signature debit cards, credit cards, checks (with the addition of a check reader), contactless payments (with the addition of a contactless reader) and gift cards	The FD200 accepts PIN-secured (with the addition of a PIN Pad) and signature debit cards, credit cards, checks, contactless payments (with the addition of a contactless reader) and gift cards	The FD300 accepts PIN-secured (with the addition of a PIN Pad) and signature debit cards, credit cards, checks (with the addition of a check reader), contactless payments (with the addition of a contactless reader) and gift cards	The FD400 accepts PIN-secured and signature debit cards, credit cards, paper checks, and gift cards
Connectivity:	Dial-up or IP connection	Dial-up, IP or WIFI connection	Dial-up, IP or WIFI connection	Dial-up, IP or WIFI connection	Wireless Connectivity
Processor:	32-bit ARM9	32-bit (ARM 920T 32-bit CPU core)	32-bit ARM9 + separate CPU for check imaging	32-bit ARM9	32-bit ARM9
Memory:	16MB SDRAM 32MB Flash	32MB SDRAM 32MB Flash	32MB SDRAM 32MB Flash	32MB SDRAM 32MB Flash	32MB SDRAM 32MB Flash
Display:	128x64 backlit LCD	128x64 backlit touch screen LCD	128x64 backlit touch screen LCD	¼ VGA backlit color touch screen	TFT Color touch screen
Magnetic Card Reader:	3 track MSR	Three-track magnetic stripe reader	3-track MSR and integrated MICR reader/check imager	3-track MSR	3-track MSR
Smart Card (Optional):	No	No	No	No	No
SAM Card Reader (Optional):	No	No	No	No	No
Keypad:	22 keys (including 6 screen addressable keys)	16 keys	16 keys	No keyboard	17 keys (including on/off button)
I/O Modules:					
Peripheral Ports:	3 USB ports and 1 serial port	4 USB ports and 2 serial ports	4 USB ports and 2 serial ports	4 USB ports and 2 serial ports	None
Printer:	2.25" thermal	3" thermal 15 lines per second, three in wide thermal roll printer	3" thermal + inkjet	3" thermal	2.25" thermal
Modem:	14.4K dial modem	56K dial modem	56K dial modem	56K dial modem	
Wireless Modem:		Wi-Fi (optional)	Wi-Fi (optional)	Wi-Fi (optional)	Wireless GSM/GPRS modem with internal antenna
Protocols:					
Security:					
Communications:	1 dial ports and 1 Ethernet port	2 dial ports and 1 Ethernet port	2 dial ports and 1 Ethernet port	2 dial ports and 1 Ethernet port	Wireless GPRS
Physical:					
Environment:					
Voltage:					
PCI:					PCI PED Compliant
Software:	Windows OS; Proprietary Software	Windows OS; Proprietary Software	Windows OS; Proprietary Software	Windows OS; Proprietary Software	Windows OS; Proprietary Software
Additional Options/Info:	Check reader, PIN pad and contactless reader can be connected using the peripheral port to provide more payment choices	Check reader, PIN pad and contactless reader can be connected using the peripheral port to provide more payment choices	PIN pad and contactless readers can be connected using the peripheral port to provide more payment choices	Check reader, PIN pad and contactless reader can be connected using the peripheral port to provide more payment choices	

Contractor: **First Data**

Last Update: **8/31/2009**

PIN PAD SPECIFICATIONS		
Picture:		
Brand/Model Number:	First Data® FD-10	First Data® FD-10c
Description:	PIN pad only	PIN pad+MSR
Size:	Customer hand held PIN pad used for PIN entry only.	Customer hand held credit/debit card reader and pin pad that reads Magnetic Stripe Cards
User Interface:	16 character, 2-line LCD	16 character, 2-line LCD
Card Reader:	n/a	2-track MSR
Microporcessor & Memory:	Complies with the latest Payment Card Industry (PCI) PIN Entry Device (PED) requirements for security and fraud protection. Complies with the latest PIN entry specifications, including: - Triple Data Encryption Standard (DES) certification - Master Session - Derived Unique Key Per Transaction (DUKPT) JJUltrasonically sealed case and secure microprocessor for the highest security possible	Complies with the latest Payment Card Industry (PCI) PIN Entry Device (PED) requirements for security and fraud protection. Complies with the latest PIN entry specifications, including: - Triple Data Encryption Standard (DES) certification - Master Session - Derived Unique Key Per Transaction (DUKPT) JJUltrasonically sealed case and secure microprocessor for the highest security possible
Security:		
Certification:	PCI PED	PCI PED
Input/Output:	RS232	USB or RS232
Power:	5V@500mA	5V@500mA
Environment:	Operating Temp: 0-50 degrees C, Non-Operating Temperature: -20-70 degrees C, Operating Humidity 5% to 95% non-condensing	Operating Temp: 0-50 degrees C, Non-Operating Temperature: -20-70 degrees C, Operating Humidity 5% to 95% non-condensing

Contractor: [Frist Data](#)

Last Update: [3/12/2010](#)

**CHECK READER /
IMAGER
SPECIFICATIONS**

[Click on the Following PDF links for specification information.](#)

Brand/Model Number:



Canon CR 25 and
CR 55



Canon CR 180



Capture One



CheXpress CX30



Encheck i1120



LS 100



LS150



Panini Ideal



Panini Vision X



TS4120



TS230



TS240

Contractor: **First Data**

Last Update: **8/31/2009**

WEDGE SPECIFICATIONS		
Picture:		
Brand/Model Number:	N-MINIM-USB (21040109)	N-MAG21040108
Description:	Mini Mag with USB Port, Track 1, 2	USB Black Track 1,2,3
Color:	Black/White	Black/White
Dimensions:	1.23"x1.28"x3.94"	
Weight:		
Connector:	USB	USB
Cable Length:	6 feet	6 feet
Card Type:	ISO and AAMVA	ISO and AAMVA
Environment:	Temp - Operating: 32°F - 131°F (0°C - 55°C) Humidity - Operating: 10% - 90% non condensing Altitude - Operating: 0 - 10,000 ft (0 - 3,048 m)	Temp - Operating: 32°F - 131°F (0°C - 55°C) Humidity - Operating: 10% - 90% non condensing Altitude - Operating: 0 - 10,000 ft (0 - 3,048 m)

Contractor: **First Data**

Last Update: **9/10/2009**

MISCELLANEOUS EQUIPMENT SPECIFICATIONS	
Picture:	
Brand/Model Number:	First Data® FD-20
Description:	Contactless Card Rader
Color:	Black
Dimensions:	118mm x 101mm x 97mm
Weight:	230g
Material:	PCI PED, ISO14443 Type A/B (MiFare Protocol), MasterCard Paypass, Visa Paywave, Amex ExpressPay, Discover Zip, and First Data Go-TAG
Card Mounting:	n/a
Sales Slip:	n/a

Contractor: **First Data**

Last Update: **8/31/2009**

SOFTWARE FEATURES

<p>IC Verify - First Data Payment Software for Windows® Standard Edition 4.0 software, a well-known and widely distributed payment software product, is a comprehensive and cost-effective alternative to traditional point-of-sale (POS) equipment.</p>

<p>The Payment Software for Windows software solution transmits payment information over high-speed Internet connections. PC's running Payment Software are better than terminals: they reduce redundancy, free up counter space for products and, by offering a one-time fee for licensing, save the merchant the cost of "per click" fees to process payments. In addition, transaction history is archived for up to nine years for more comprehensive reporting.</p>
--

1. EQUIPMENT & SOFTWARE

Each Authorized User is responsible for defining its equipment and software needs, desired operating objectives, and desired operating environment under this MSA. Authorized Users will work with their designated Contractor to determine the appropriate equipment and software needs to meet their specific business and system requirements. Authorized Users should complete a cost analysis to determine which acquisition method is appropriate for their needs (purchase, lease, or rent). Authorized Users should incorporate these requirements and decisions in the Scope of Work section of their individual Subscription Agreement (STD 213).

When purchasing, leasing, renting, or disposing of equipment, State Authorized Users must adhere to all applicable state laws, regulations, policies, best practices, and purchasing authority requirements, including but not necessarily limited to: California Codes, Code of Regulations, State Administrative Manual, Management Memos, and the State Contracting Manual.

2. GENERAL STATEMENT OF WORK:

Contractor may provide all Point of Sale (POS) equipment and software as needed to implement new or upgrade current system in terms of functionality at the rates provided in Exhibit E.

a. Newly Manufactured Goods

All purchased equipment, including components and accessories, under this MSA shall be newly manufactured equipment. Used or reconditioned equipment is prohibited except as a replacement and only after the one-year warranty period has expired.

b. POS Equipment Implementation Plans

Contractor staff will map, migrate, test and clean-up the essential data required for the POS System to function; complete training of Authorized User's staff; and other tasks necessary for use of the POS System by the Authorized User. The deployment of the POS equipment will include discovery¹, installation, training, testing and certification.

Contractor shall coordinate with Authorized Users to develop an implementation schedule to determine that Authorized Users have all the appropriate supplies, space, and time required for the discovery, installation, training, and testing.

¹ Method used to clearly understand and document the technology, business issues, and resources required to successfully implement all or part of an electronic payment acceptance system.

Exhibit F – Equipment and Software

c. Service Provider Back-end System Software

Contractor must successfully integrate the POS equipment between Authorized User's internal system and their affected locations.

d. POS System Architecture Software Requirements

Contractor shall make necessary modifications, adjustments, and repairs to keep the software operating without abnormal interruptions² to correct latent deficiencies with respect to the software specifications, and in compliance with applicable federal laws and regulations.

- Contractor shall provide software modifications for operation with the infrastructure, for the term of the contract.
- Contractor shall provide new versions of the software to keep the Authorized User abreast of the Contractor's current software product. Complete documentation of all system enhancements or revisions will be provided with new releases of software. Documentation must describe, in a user-friendly manner, what the Authorized User needs to know to understand each level on which the software operates.
- Contractor shall provide modifications and enhancements that (1) will be delivered installed or installable, on the Authorized User's system, (2) must operate without abnormal program interruptions and (3) must provide the functions as required by the specifications and as described by documentation supplied by the Contractor.
- Contractor shall, at no additional cost to the Authorized User, ensure that any new versions or upgrades of Software shall contain all modifications and enhancements that were developed for the Authorized User.

e. Statistics, Reports and Other Outputs

The merchant services POS device's transaction information is available through ClientLine, which is an online financial management reporting solution that creates reports for: Deposit Summary, Transaction Reports, Statements, Adjustments, Chargebacks, and Authorizations.

f. POS Equipment Authentication Software

The Contractor shall provide the Software necessary for authentication and initialization so that the device is recognized by the Authorized User's system. The software must be pre-loaded to the device, allowing the device to initialize to the back end.

² Abnormal ending or termination of a computer program resulting from a computer program error or a machine malfunction.

g. Integrated Front-end POS System Work Stations

- The Contractor shall develop an Integrated Front-end POS System Work Stations and Peripherals plan that documents interchangeability, re-configuration of latest revisions, and delivery requirements for spares.
- All software and equipment shall be configured to the latest revision during the warranty period.
- All equipment and software shall be interchangeable with their corresponding device.

h. POS Replacement Plan

The cost of replacement after the equipment meets the minimum service life shall be borne by the Authorized User under a scheduled replacement plan. The cost of unscheduled replacement of devices during the one-year warranty period shall be borne by the Contractor.

Under the scheduled replacement plan, the Authorized User shall have the option of replacing equipment with an identical unit at the lower of the market price at time of replacement or with a compatible yet more capable unit at the current market price, if such a unit exists.

- ♦ The Contractor shall develop a Scheduled Replacement Plan that documents what equipment gets replaced, when it gets replaced, the logistics of removal and installation, and the required testing.

i. Maintenance and Repair Support

The Contractor must provide maintenance and repair support 24 hours a day, 7 days a week to assist the Authorized User in optimizing its POS equipment. The Contractor shall provide a wide range of services from telephone to on-site support, equipment exchange according to the Authorized User's equipment type, and enable efficient problem resolution with experienced on-site and remote technical support.

The Contractor shall be responsible for all maintenance support activities (repair, replace or preventive maintenance) required for all POS equipment. The contractor shall upgrade any or all POS equipment during the life of the contract as new technology becomes available as requested by the Authorized User.

The Contractor shall have repair policies and procedures in place to prevent illegal activity during the repair process. All parts, equipment, and firmware must be up-to-date and readily available. In addition, only authorized components may be used for the repair.

j. Exchange Services

The contractor will provide exchange support Monday through Friday from 8:00 a.m. through 5:00 p.m. Contractor will ship replacement the same day support call is received and schedule next day delivery to the Authorized User. If call is received after 5:00 p.m., replacement is shipped the following business day.

3. SECURITY STANDARDS:

All equipment and software must meet the following security standards as applicable: PCI Compliance, POS Compliance Security, POS Physical Security, POS Decommissioning Security, and POS Deployment, Repair and Tracking Security.

a. POS Compliance Security

The Contractor shall adhere to applicable PCI standards to ensure the following:

- The POS device has been tested and it is an approved Tamper-Resistant Security Module (TRSM) (approved as a TRSM by the network or PCI standards company).
- The device has been inspected for tampering before the encryption keys are injected.
- At a minimum a DUKPT or Triple DES key that was created under the principles of dual control and split knowledge has been injected into the device before Personal Identification Numbers (PINs) are entered. (Dual Control means that at least two authorized individuals are required to work in partnership to carry out an activity, such as generating, storing, or loading the clear text components of a key. Split Knowledge means that no single individual knows, or has access to, a whole entity, be it all the clear-text components of a key, or the combination of a safe where key components are stored.) Asymmetric cryptography is recommended.
- Each device will have unique keys.

b. POS Physical Security

Contractors shall adhere to security measures to ensure that the POS machine is properly installed, managed, and protected in a way that addresses and manages risks of attacks against it. These security measures manage and protect against theft and illegal modification. These measures shall also protect the cardholder's PIN entry privacy. POS devices should be inventoried and placed in secured, locked and monitored areas during storage, servicing and shipping. Physical security measures can encompass heavy duty "potting" or binding of the device to the logic unit. It can also encompass additional bolting, straps or other measures which would impede the removal of a device once it is operational.

c. POS Deployment, Repair and Tracking Security

The Contractor shall ensure that applicable PCI standards will cover terminal inventory and tracking controls during all phases of its lifecycle:

- the manufacturing phase; while in transit and testing; the key injection process and the installation commissioning process; operation (Authorized User phase); and
- when offline - storage, repair or inactivity periods.

d. POS Decommissioning Security

Both the Contractor and Authorized Users shall have policies and procedures in place to ensure that POS devices due for decommissioning have their cryptographic keys safely removed when the terminal is de-installed and that the device is then “zeroized”. “Zeroized” devices have no remaining encryption keys or data within them. Procedures shall exist and be followed during the physical removal and transportation of the de-installed device to ensure that it cannot be stolen, intercepted or otherwise acquired by fraudsters or criminals.

4. OTHER PROVISIONS:

a. Warranty

The Contractor (not the manufacturer) shall provide a one-year warranty for all equipment/software newly purchased from the Contractor. The Contractor’s sole obligation shall be to repair or replace the defective product during the warranty period at no charge to the Authorized User. Such repair or replacement will be rendered by the Contractor or by one of its authorized repair depots. Cost for shipment of said products to the Contractor shall be paid by the Contractor. The Contractor will then ship the repaired/replaced product to the Authorized User. The Contractor may not at its sole discretion replace the defective product (or any part thereof) with any reconditioned product that the Contractor reasonably determines is substantially equivalent (or superior) in all material respects to the defective product, until the one-year warranty period has expired and such action has been approved by the Authorized User. Repaired or replacement products will be warranted for the remainder of the original one-year warranty period from the date of original retail purchase.

b. Buy Back Program

Upon request, Contractor shall offer the Authorized User large-scale buyback and upgrade options. The Authorized User will return older, marketable equipment for trade in or toward upgrade of older equipment for newer technology.

c. Recycling

Contractor shall offer Authorized Users a recycling disposal program, whereby equipment with no value will be recycled in a manner that complies with the Electronic Waste Recycling Act of 2003, Chapter 8.5, Part 3 of Division 30, commencing with Section 42460 of the Public Resources Code. Contractor shall maintain documentation and provide reasonable access to its records and documents that evidence compliance.

Authorized users must obtain approval for all disposal or recycling of state-owned property from the State and Federal Property Reuse Program Office, Office of Fleet and Asset Management, Department of General Services via the Std. 152, Disposition Code 6. The form can be filled out, submitted and approved on-line at

Exhibit F – Equipment and Software

the following website www.ofa.dgs.ca.gov/OSPR/. For additional information regarding the process, please refer to the State Administrative Manual Section 3520.

d. Equipment Recall

Contractor will notify Authorized Users if a purchased item is affected by a product recall. Contractor will provide instructions on how to return or replace the equipment.

e. Substitutions

Substitution of deliverables may not be tendered without advance written consent of the Authorized User.

f. Inspection

All deliverables may be subject to final inspection, test and acceptance by the Authorized User at destination, notwithstanding any payment or inspection at source.

g. Damaged and Defective Items

Contractor will provide credit and/or replacement for freight-damaged or defective items at no charge within 48 hours after the Authorized User notification. This also includes incorrect products shipped or an order entry error by the Contractor's customer service representative. The Contractor cannot require the Authorized User to deal directly with the manufacturer. Additionally, the Contractor shall provide the Authorized User with a prepaid and self addressed container suitable for the return of the item.

Exhibit G – Agreement For Merchant Processing Services

This Exhibit G - Agreement for Merchant Processing Services (“Exhibit G”) is between You, First Data Merchant Services Corporation (“FDMS” or “Contractor”), and Citicorp Payment Services, Inc. (“Bank”). FDMS and Bank are collectively referred to as “Servicers”. The terms of this Exhibit G are incorporated into the MSA and the parties hereto agree to be bound by such terms.

1. SCOPE OF THIS AGREEMENT; DEFINITIONS AND GENERAL PROVISIONS

a. Scope: Your acceptance of electronic payment in the United States is governed by this Agreement (defined below).

b. Definitions:

Affiliate means any entity that controls, is controlled by, or is under common control of a party, including its subsidiaries.

Agreement means the Std. 213 or equivalent form, including any exhibits and amendments.

Associations mean for this agreement, Discover, Visa, and MasterCard organizations and Authorized Users designated debit networks.

Association Rules means the rules, regulations, releases, interpretations and other requirements (whether contractual or otherwise) imposed or adopted by Associations designated in this Agreement.

Authorization means the process by which the Authorized Users electronically accesses Servicers’ computerized system, unless such system is inoperable or otherwise not accessible to the State, in which case the State shall utilize the designated toll-free telephone number, to obtain credit approval from the Card issuing bank before completion of the Card transaction.

Authorized Users means (i) State of California government entities that participate in this MSA (“State Authorized Users”), and (ii) Local government entities that participate in this MSA (“Local Authorized Users”), and (iii) any participants under the WSCA States.

Bank means Citicorp Payment Services, Inc.

Bankruptcy Code means title 11 of the United States Code, as amended from time to time.

Business Day means a day (other than Saturday or Sunday) on which SERVICERS are generally open for business.

Card means a valid credit card or valid off-line credit card bearing the service mark of Discover, VISA or MasterCard and a valid card issued by any other Associations specified in the Agreement and pursuant to the obligations set forth in both Regulations Z and E of the Federal Reserve Bank.

Cardholder means the individual whose name appears on the Card and any authorized user of such Card.

Exhibit G – Agreement For Merchant Processing Services

Chargeback means the procedure by which the funds from a Sales Draft or other indicia of a Card transaction (or disputed portion thereof) are returned to the cardholder by the issuing bank. Visa or MasterCard will debit the Servicers the chargeback amount to make the issuer whole. The Servicers in turn will recoup the chargeback amount from the Authorized User.

Chargeback Percentage means the ratio of overall Chargeback-to-settlement volume. Specifically, your Chargeback Percentage means the actual monthly percentage calculated by dividing your total monthly VISA and MasterCard Chargeback items in any line of business by the number of the State or your total monthly VISA and MasterCard transactions in such line of business

Contractor means First Data Merchant Services Corporation, or its affiliates providing services hereunder.

Contractor System means any hardware, software, system, or methods used by Contractor to perform the Services.

Credit Voucher means the evidence of a refund or price adjustment by the State or Authorized User to a Cardholder's Card account in connection with a prior purchase by such Cardholder using a Card, regardless of whether the form of such evidence is in paper, electronic or otherwise.

Establishments means all of your locations, outlets, websites, online networks, and all other methods for selling goods and services, including methods that you adopt in the future.

Establishment Number (sometimes called the "merchant" or "SE" number) is the unique number we assign to your Establishment; if you have more than one Establishment, we may assign to each a separate Establishment Number.

Marks mean names, logos, service marks, trademarks, trade names, taglines, or other proprietary designations.

Operating Procedures means the manual prepared by Servicers, containing operational procedures, instructions and other directives relating to Card transactions.

Preauthorized Order means a Cardholder's written authorization to make one or more future charges to such Cardholder's MasterCard Card account.

Recurring Sale means a Cardholder's written authorization to make one or more future charges to such Cardholder's Visa or other non-MasterCard Card account.

Sales Draft means evidence of a purchase of goods or services by a Cardholder from the State using a Card, regardless of whether the form of such evidence is in paper, electronic or otherwise, all of which must conform to Association Rules.

Settlement Account means an account at a financial institution designated by the State as the account to be credited by Servicers for Card transactions, and other amounts due hereunder.

Exhibit G – Agreement For Merchant Processing Services

Servicers means collectively Contractor and Bank.

Subscription Agreement means the Authorized User's Standard 213 form, all MSA exhibits, Authorized User's Scope of Work and Invoice contact information, and any amendments thereto.

We, our, and us also means Servicers.

You and your means each Authorized User individually, not collectively.
Other defined terms appear in italics in the body of this Agreement.

- c. **For Your Use Only:** This Agreement covers only you. You must not obtain Authorizations, submit Charges or Credits, or receive payments on behalf of any other party.
- d. The Bank, as a wholly-owned operating subsidiary of a member of Visa U.S.A., Inc. ("VISA") and MasterCard International Incorporated ("MasterCard") (VISA and MasterCard, collectively, the "Associations" or "Bankcard Associations"), is a licensee of the Bankcard Associations permitting it to acquire VISA and MasterCard transactions and has sponsored FDMS with the Bankcard Associations as a "Member Services Provider" (as defined in the Bankcard Association Rules). Accordingly, Contractor shall perform certain functions in connection with authorization, processing and settlement for You hereunder. As between themselves, the respective rights and obligations of Contractor and the Bank shall be governed by the agreements between them and/or their parent entities and Association Rules. You acknowledge that, notwithstanding anything contained in any or all of this Exhibit G including any amendments hereunder shall be limited to the sponsorship and settlement of certain Card transactions submitted in accordance with the terms and conditions of this Exhibit G, and Bank shall not have any obligation or liability of any nature in connection with any and all debit transactions or related services or any services of any kind provided by Contractor or its affiliates provided hereunder or pursuant hereto.

2. ACCEPTANCE OF CARDS

- 2.1 You will accept any Card properly tendered, without imposing any special conditions (such as requiring identification) not required or allowed by Association Rules. You will assess no special charge (a surcharge in connection with accepting a card for payment) or extract any special agreement, condition (including any minimum or maximum transaction amounts) or security from a Cardholder in connection with any Card transaction. You shall not post signs indicating that You will refuse to honor Card transactions below or above a specified transaction (i.e., \$5 minimum to use payment card) You may offer a discount for using cash if clearly disclosed as a discount from the price available for all other means of payment. You shall not engage in acceptance practices or procedures that discriminate against, discourage or favor the offered use of any particular Card accepted by You. You will not require Cardholders to provide personal information such as a home or business telephone number, a home or business address, or any form of identification (such as a driver's license) as a condition for honoring and accepting a Card, unless specifically required by this Exhibit G or the applicable Association. You shall not accept Cards at terminals that dispense scrip in violation of the Association Rules.

Exhibit G – Agreement For Merchant Processing Services

- 2.2 You must check each Card accepted for validity in accordance with the terms of this Exhibit G, the Operating Procedures and the applicable Association Rules. You must not submit any sale that was not created between You and the Cardholder for settlement and under no circumstances may You submit any sale that has been previously charged back by the Cardholder and returned to You.
- 2.3 You will check each Card used during a transaction for validity in accordance with the terms of this Exhibit G, the Operating Procedures and the applicable Association Rules. You will not honor a Card that appears to be invalid or expired.
- 2.4 **Except as allowed by Associations rules,** all Sales Drafts and Credit Vouchers must include (i) either a manual imprint or an electronic printing of the Card obtained by passing the magnetic stripe on the Card through a point-of-sale terminal, of Cardholder information contained on the Card or magnetic stripe; (ii) the signature of the authorized user as it appears on the Card; (iii) the date of the transaction; (iv) a description of the merchandise sold or rented or the services rendered; and (v) the total cash price of the Card transaction (including taxes).
- 2.5 Except for transactions completed by using magnetic stripe reading point-of-sale terminals that print Card transaction records or originated at limited amount terminals that are capable of reading magnetic stripes and limit each Card transaction to twenty-five (\$25), You are deemed to warrant the true identity of any Cardholder unless You imprint the Card on the Sales Draft, as described in subsection 2.4, above.
- 2.6 Unless a Card transaction is governed by Section 5, Section 8 or otherwise specifically authorized by Servicers in writing, You may only complete a Card transaction when (i) the Card is present and (X) the data stored on the magnetic stripe is electronically read and printed by a magnetic stripe reader or (Y) the Card is manually imprinted, (ii) the Card is signed and the signature on the Sales Draft appears to be the same as the signature on the Card, (iii) the Cardholder resembles the person pictured (if any) on the Card, and (iv) all, or the appropriate portion, of the embossed account number on the Card matches with the corresponding digits printed on the Card and with the account number displayed and/or printed by a point-of-sale device reading the magnetic strip on the Card. (If a previously unsigned Card is signed at the time of a Card transaction, You will review (and identify on the Sales Draft) a current, official government identification document (such as a driver's license or passport) bearing the Cardholder's signature.) You will deliver at least one copy of the Sales Draft or agreement or Credit Voucher to the Cardholder.

3. OPERATING PROCEDURES; ASSOCIATION RULES

You acknowledge that you have received the Operating Procedures, the terms of which are incorporated into this Exhibit G. You agree to follow the procedures in the Operating Procedures in connection with each Card transaction and to comply with all applicable Association Rules. From time to time, Servicers may change the Operating Procedures, in whole or in part, by providing You with at least (30) days' prior written notice of the change. However, in the event of changes in the Association Rules or due to security reasons, certain changes in Card procedures may become effective on shorter notice. If Servicers change their operating rules during the term of the Agreement, and such changes are not mandated by the Association or governing body of rules or guidelines, the proposed change will be subject to review and approval by the State and Authorized User. If there is any conflict between the terms of this Exhibit G and the Operating Procedures, the terms of this Exhibit G will govern, unless the conflict is directly related to a

Exhibit G – Agreement For Merchant Processing Services

change in the Operating Procedures which specifically addresses a procedure or requirement detailed in this Exhibit G. If You lose or otherwise misplace the Operating Procedures or notices of changes thereto, You shall be responsible for contacting Servicers to obtain replacement copies.

4. AUTHORIZATION

- 4.1 You shall be responsible for obtaining Authorization in advance for each Card transaction. The Authorization number provided by Servicers shall be noted by You in the appropriate place on the Sales Draft. If Authorization is declined, You shall not complete the Card transaction.
- 4.2 You shall comply with any special authorization procedures contained in any other sections of this Exhibit G, the Operating Procedures, the MSA and the Association Rules.
- 4.3 You acknowledge that Authorization, (i) indicates only the availability of credit at the time of Authorization; (ii) does not warrant that the person presenting the Card is the rightful Cardholder; and (iii) is not an unconditional promise or guarantee by Servicers that any Card transaction will not be subject to Chargeback.
- 4.4 You may, as permitted in this Exhibit G obtain a voice authorization or manually enter the transaction, in the event that the POS Terminal is not operating properly. Servicers will provide You with an approval number for voice authorized transactions and You shall record such approval number on the Sales Draft.
- 4.5 Servicers shall have no obligation to process any transactions initiated with a Card type not selected by You on the Authorized User Participation Set-up Form and Servicers shall be entitled to decline such transactions without first attempting to obtain an authorization. In the event any such transaction is inadvertently not declined by Servicers and is authorized by a card-issuing organization, Credit Card Association, or Network, You shall be fully liable for each transaction, as if the Card type initiating in such transaction was selected by You.

5. TELEPHONE AND MAIL ORDERS

- 5.1 If You are authorized to accept telephone or mail orders, Authorization for each such Card transaction, regardless of the face amount, must be obtained and You must write "TO" (indicating telephone order), or "MO" (indicating mail order) as applicable, on the Sales Draft in lieu of the Cardholder's signature. You assume all responsibility for identification of the Cardholder and the validity of the Card information for telephone and mail orders. For telephone and mail order Card transactions where merchandise is to be shipped or delivered to or for the Cardholder, the shipping date shall not be more than five calendar days after the Authorization is obtained, and any shipping costs not included in the Authorization amount must not exceed fifteen percent (15%) of the amount authorized.
- 5.2 An installment payment option may be offered for telephone or mail order merchandise if all terms are clearly disclosed, each installment is authorized, the first installment is not submitted for settlement until the merchandise is shipped, and subsequent installments are submitted no more frequently than monthly.
- 5.3 Under no circumstances may You require that a Cardholder complete a postcard or other document which displays the Cardholder's account data in plain view when mailed.

Exhibit G – Agreement For Merchant Processing Services**6. MULTIPLE SALES DRAFTS AND PARTIAL CONSIDERATION**

- 6.1 Except as shall be specifically set forth in the Operating Procedures or the Association Rules, You shall list all items of goods and services purchased during each Card transaction and the total amount thereof on a single Sales Draft.
- 6.2 You shall comply with all special procedures and conditions applicable under the Operating Procedures and the Association Rules with respect to any partial payment, installment payment, delayed delivery or advance deposit situation and any delayed or amended charges for a travel and entertainment transaction. You shall not use more than one Sales Draft to represent a single Card transaction to avoid the need for Authorization.

7. PREAUTHORIZED ORDERS AND RECURRING SALES.

- 7.1 A Preauthorized Order or Recurring Sale may include the payment of recurring charges such as insurance premiums, subscriptions, membership fees, tuition or utility charges and may also include preauthorized health care payments (subject to the associated preauthorized payment schedule between the Cardholder and You).
- 7.2 If You are authorized to accept Preauthorized Orders or Recurring Sales, Authorization for each such Card transaction, regardless of the amount, must be obtained and You must write "Recurring Transaction" (for Visa and other non-MasterCard Card transactions) or "PO" (for MasterCard Card transactions) as applicable, on the Sales Draft in lieu of the Cardholder's signature.
- 7.3 Except for preauthorized health care payments for the incremental costs not covered by insurance, advance deposits and installment payments, all made in compliance with this Exhibit G and the Operating Procedures and Association Rules, a Preauthorized Order or Recurring Sale may not include partial payments made to You for goods or services purchased in a single transaction. In no event may any finance charges be imposed on any periodic payments in connection with a Preauthorized Order or Recurring Sale.
- 7.4 You may not accept a Preauthorized Order or Recurring Sale from a Cardholder for the purchase of goods or services which are delivered or performed periodically unless the Cardholder completes and delivers to You a written request (and, when applicable, a written renewal request) identifying (i) the goods or services to be charged to the Cardholder's account, (ii) the amount of the preauthorized or recurring charges (unless such charges are for variable amounts), (iii) the frequency of the preauthorized or recurring charges and (iv) the duration of time for which the Cardholder's permission is granted. If You accept any Preauthorized Orders or Recurring Sales for variable amounts, You must do so pursuant to associated preauthorized payment schedule between the Cardholder and You.
- 7.5 The Cardholder's written request (including any written renewal request) must be (i) retained for the duration of the preauthorized or recurring charges; (ii) provided in response to a Card issuing bank's request for original documentation; and (iii) used no longer after receiving notice of cancellation.

8. INTERNET PROCESSING

You must obtain approval from Servicers to accept and process Internet transactions through Servicers. You also acknowledge that you must inform Servicers of its use of any processing software, third party Internet payment gateway, shopping cart, Web Site host, or other service provider (collectively "Internet Service Providers"), that any Internet payment gateway must be approved by Servicers and that You are prohibited from transmitting any cardholder transaction

Exhibit G – Agreement For Merchant Processing Services

data to any Internet Service Providers (or any third party) without the approval of Servicers. If authorized to accept payment by Internet, the Sales Draft shall be completed without the Cardholder's signature or an Imprint but shall include the Cardholder's name, billing address, Card number, expiration date, of the Card, a description of the merchandise or service and the date and amount of all charges. All Internet transactions will be settled by Servicers into a depository institution in the United States. You shall process Internet transactions only (a) if the Internet transactions have been encrypted by Servicers or by an Internet Service Provider acceptable to Servicers and (b) Cardholder data is protected by You as required by the then current Association Rules, PCI data security requirements, or any other applicable regulations. Encryption is not guarantee of payment to You. You acknowledge that Internet transactions may be authorized and settled through separate BIN/ICA numbers and interchanges and that Servicers may be unable to combine deposits of Internet transactions and non Internet credit and debit Card transactions. Because the transactions processed via the Internet are higher risk, You may be charged higher Association fee which are set forth in the MSA. Internet transactions are subjected to a higher incidence of chargebacks and, as with non-Internet transactions, receiving an authorization and following procedures will not relieve You of liability associated with chargebacks and/or the fraudulent use of customer data obtained off of Your Web Sites. All communications costs related to Internet transactions are Your responsibility. Servicers will not manage the Internet telecommunication link which is also Your responsibility. Obtaining any license or sub-license of software required to permit You to process Internet transactions shall be Your responsibility, and if obtained from Servicer's, subject to a separate agreement. Servicers do not guarantee that obtaining required approvals from Servicers or implementing suggested security measures will cause Your Internet transactions to be secure or impregnable, and Servicers will not be responsible in the event of the infiltration of Your or any Internet Service Provider's security systems. You further acknowledge and agree that Servicers are not responsible for the security of the Cardholder data or information stored on Your or any Internet Service Provider's computers, systems or Web Site(s) and that You will be solely responsible for any liability, fines, or penalties arising from its use, storage, or dissemination of cardholder data.

9. CARDHOLDER REFUNDS AND CREDITS

- 9.1 If a Cardholder returns goods or cancels services purchased from You with a Card, or You allow any other price adjustment after a sale has been completed and a refund or adjustment is due to the Cardholder (other than any involuntary refund required by applicable airline or other tariff or by law), You will not return cash to the Cardholder but will instead prepare a Credit Voucher and process each such refund or adjustment, as specified in the Operating Procedures and Association Rules. You will give the Cardholder a copy of the completed Credit Voucher.
- 9.2 If You establish a policy limiting refunds or acceptance of returned merchandise (e.g., no refund, exchange only, in-store credit only, or special conditions), You must follow the procedures regarding refunds and returned merchandise as set forth in the Association Rules including, without limitation, the proper disclosure of such policy on all copies of each Sales Draft in letters at least 1/4" high in close proximity to the space provided for the Cardholder's signature.

Exhibit G – Agreement For Merchant Processing Services

9.3 You will not accept money from a Cardholder for the purpose of preparing and depositing a Credit Voucher that will affect a deposit to the Cardholder's account. You must not process a Credit Voucher without having completed a previous Card transaction with the same Cardholder (or with a Cardholder who purchased a gift returned by the recipient). Under no circumstances may You require a Cardholder to waive the Cardholder's right to dispute a Card transaction with the Card issuing bank.

10. PRESENTMENT OF CARD TRANSACTIONS

10.1 You shall electronically or physically deliver to Servicers Sales Drafts for all Card transactions to be processed and settled hereunder. The deadlines for submitting Sales Drafts are: (i) for VISA and MasterCard Card transactions, the special time frames specified in the MSA for Your Card transactions to qualify for the special pricing provided under applicable VISA and MasterCard incentive programs; (ii) for Card transactions involving Cards other than VISA or MasterCard, the time frames established by Your agreement with the applicable Association or by the applicable Association Rules; (iii) the applicable time of day specified in the MSA and (iv) in no event later than the fifth calendar day or third banking day (whichever is earlier) after completing Card transactions (unless You are entitled to any special extension of these deadlines). You acknowledge that the times specified in clause (iv) of the previous sentence are the maximum deadlines and that faster time frames are required to qualify for incentive programs.

10.2 You will not submit any Sales Draft that was not created in conjunction with a Card transaction between You and the applicable Cardholder. Under no circumstances will You submit any Sales Draft that has been previously charged back by the Cardholder and subsequently returned to You.

11. SETTLEMENT OF CARD TRANSACTIONS

11.1 Servicers will only be required to settle Your Card transactions for Cards as specified herein. Promptly after presentment of Sales Drafts pursuant to Section 10, above, as applicable, Servicers will initiate a transfer via Automated Clearing House Credit of the applicable settlement funds to You. When Servicers receive payment of settlement funds through automated clearing house credit, Servicers will initiate a transfer of such applicable settlement funds through ACH to Your Settlement Account. Settlement by automated clearing house credit will take place according to the schedule indicated in Exhibit A, Section 4.1a.

11.2 All settlements to You for VISA and MasterCard Card transactions will be based upon gross sales, less credits/refunds, adjustments, Chargebacks, amounts payable to third parties pursuant to instructions from You in accordance with Association Rules.

11.3 All credits to Your Settlement Account or other payments to You are provisional and are subject to Servicers' final audit, and Chargebacks. You agree that Servicers may credit Your Settlement Account for any overages, pending Chargebacks, or may offset chargeback amounts from settlement funds due to You. Alternatively, Servicer will invoice You for any deficiency, fine, or fee amounts, net due 30 days after the invoice date or on such earlier date as may be specified.

11.4 Servicers will not be liable for any delays in receipt of funds or errors in debit and credit entries caused by third parties including but not limited to any Association or Your financial institution. In addition to any other remedies available to Servicers under this Exhibit G, You

Exhibit G – Agreement For Merchant Processing Services

agree that should any of the events set forth in Paragraph 16.1 occur, Servicers may, upon at least 24 hours' advance written notice, change processing or payment terms to suspend credits or other payments of any and all funds, money and amounts now due or hereafter to become due to You from Servicers pursuant to the terms of this Exhibit G, until Servicers have had reasonable opportunity to investigate and discuss such event with You. In cases of fraud or similar cause, no prior notice shall be required, but Servicers shall notify You in writing within three business days after effectuating a suspension of credits or other payments, which notice shall state Servicers' reason for the belief that such fraud or similar cause exists.

12. FEES; ADJUSTMENTS; COLLECTION OF AMOUNTS DUE

- 12.1 Servicers shall charge You a fee for the Services, which shall be calculated and payable pursuant to Exhibit E. The discount fees shown on Exhibit E shall be calculated based on the gross amount of only VISA and MasterCard transactions submitted to Servicers. If Your Card transactions fail to qualify for the reduced interchange fees, Servicers shall process such Card transactions at the applicable interchange fees as set by the applicable Association. If a transaction fails to qualify for Your anticipated interchange levels, then the Association will downgrade the transaction and process it at a more costly interchange level for which it does qualify. In that event, You shall be charged a Non-Qualified Interchange Fee, which is the difference between the interchange fee associated with the anticipated interchange level and the interchange fee associated with the interchange level at which the transaction actually was processed ("Non-Qualified Interchange Fee").
- 12.2 The fees for Services set forth in Exhibit E, are based upon assumptions associated with the anticipated annual volume, average transaction size and Your method of doing business. If the actual volume size is not as expected or if You significantly alter Your method of doing business, Servicers may adjust, without prior notice, Your discount fee and transaction fees according to Exhibit E pricing tiers and applicable Association regulations and fee schedule, respectively.
- 12.3 The fees for Services set forth in Exhibit E may be adjusted to reflect increases or decreases by Associations in interchange, assessment or other Association fees or to pass through increases charged by third parties for on-line communications and similar items. All such adjustments shall be Your responsibility to pay and shall become effective upon the date any such change is implemented by the applicable Association or other third party. You shall at all times be responsible for, payment of all fees and charges (including increases additions, or modification made thereto), without limitation, of any Credit Card Association, Network, card-issuing organization, telecommunications provider, federal, state, or local governmental authority (each a "Third Party") including, without limitation any switch fee, issuer, reimbursement fee, adjustment fee, interchange fee, assessment fee or access fee, (collectively, "Third Party Fees").
- 12.4 If You receive settlement funds by wire transfer, Servicers may charge wire transfer fees of ten dollars (\$10) per wire, notwithstanding any lesser amount shown on Exhibit E, during any month in which the average daily settlement funds wire transferred to You are less than ten thousand dollars (\$10,000).
- 12.5 In addition to the regular Chargeback fees, as set forth on Exhibit E, You agree to pay Servicers any fines, fees, or penalties imposed on Servicers by any Association, resulting

Exhibit G – Agreement For Merchant Processing Services

from Chargebacks and any other fines, fees or penalties imposed by an Association with respect to acts or omissions of You.

13. CHARGEBACKS

13.1 You shall be responsible for all Chargeback amounts relating to Card transactions settled by Servicers where:

- (i) merchandise is returned and a proper credit for Cardholder is not received by Servicers for processing;
- (ii) the Sales Draft is, or is alleged to have been, executed, accepted, endorsed, completed or assigned improperly without authority or not in accordance with the Authorization requirements or provisions of this Exhibit G;
- (iii) regardless of any Authorization obtained (including without limitation, telephone and mail order transactions), You completed a transaction when the Cardholder did not sign the Sales Draft;
- (iv) the signature on the draft was unauthorized as compared to the signature appearing on the Card, the signature panel on the Card was blank, or a limited purpose business purchasing card was accepted without appropriate authorization of the nature of the goods or services purchased (in addition to Authorization of the transaction amount);
- (v) the Sales Draft is incorrectly completed, incomplete or illegible;
- (vi) the Cardholder disputes the sale, quality or delivery (or availability for pre-arranged pick-up) of merchandise or the performance or quality of service covered by the Sales Draft or agreement accepted by such Cardholder;
- (vii) the circumstances in which the Sales Draft was created or submitted by, or credit was received by, You constituted or otherwise involved a breach of any term, condition, representation, warranty or duty of You hereunder;
- (viii) multiple Sales Drafts were executed to avoid the need to obtain authorization necessary to complete the transaction;
- (ix) the extension of credit for merchandise sold or rented or services performed was in violation of law or the rules or regulations of any governmental agency, whether federal, state, local or otherwise;
- (x) a legible copy of the Sales Draft or Credit Voucher cannot be produced by You within ten days of Servicers' request (except to the extent Servicers are responsible pursuant to Paragraph 26.1);
- (xi) the Cardholder asserts any claim or defense which the Cardholder has as a consumer of goods or services;
- (xii) the Cardholder disputes the validity of a telephone or mail order Card transaction;
- (xiii) the Card transaction is otherwise subject to Chargeback by the Card issuing bank or Cardholder in accordance with the Association Rules or applicable law; or
- (xiv) the Card transaction is subject to Chargeback in accordance with the procedures set forth in the Operating Procedures.

Exhibit G – Agreement For Merchant Processing Services**14. CASH PAYMENTS BY AND CASH DISBURSEMENT TO CARDHOLDERS.**

You shall not accept any direct payments from Cardholders for charges of merchandise or services which have been included on a Sales Draft, it being the right of the Card issuing bank to receive such payments. Taxes on Card transactions must be included in the amount charged and may not be collected by You in cash. You shall not make any cash disbursements to a Cardholder as part of a Card transaction except to the extent expressly authorized by Exhibit G, the Operating Procedures or the Association Rules.

15. CONFIDENTIALITY

15.1 Unless You obtain consents from each applicable Association, Servicers, Card issuing bank and Cardholder, You shall not use, disclose, sell or disseminate any Cardholder information solely obtained in connection with a Card transaction (including the names, addresses and Card account numbers of Cardholders) except for purposes of authorizing, completing and settling Card transactions and resolving any chargebacks, retrieval requests or similar issues involving Card transactions, other than pursuant to a court or governmental agency request, subpoena or order. You shall use proper controls for and shall limit access to, and shall render unreadable prior to discarding, all records containing Cardholder account numbers and Card imprints. You must not retain or store magnetic stripe data after a transaction has been authorized. If You store any electronically captured signature of a Cardholder obtained solely in connection with a Card transaction, You shall not reproduce such signature except upon specific request of Servicers.

15.2 You acknowledge that You obtain no ownership rights in any information relating to and derived solely from Card transactions including Cardholder account numbers and personal information.

16. YOUR EVENTS OF DEFAULT.

16.1 If any of the following events shall occur (each an "Event of Default"):

- (i) any assignment or transfer of voting control of You or Your parent; or
- (ii) a sale of all or a substantial portion of Your assets; or
- (iii) irregular Card sales by You, excessive Chargebacks or any other circumstances which, in Servicers' sole discretion, may increase Servicers' exposure for Your chargebacks or otherwise presents a financial or security risk to Servicers; or
- (iv) any representation or warranty of You in this Exhibit G is breached in any material respect or was or is incorrect in any material respect when made or deemed to be made; or
- (v) You shall default in any material respect in the performance or observance of any term, covenant, condition or agreement contained in this Exhibit G; or
- (vi) You shall default in any material respect in the performance or observance of any term, covenant or condition contained in any agreement with any affiliate of Servicers, including, but not limited to, any agreement governing check guarantee or check verification services; or
- (vii) You shall commence a voluntary case under the Bankruptcy Code; file a petition seeking to take advantage of any other laws, domestic or foreign, relating to bankruptcy, insolvency, reorganization, winding up or entry into a composition agreement or similar arrangement for adjustment of debts; consent to or fail to contest in a timely and

Exhibit G – Agreement For Merchant Processing Services

appropriate manner any petition filed against it in an involuntary case under such bankruptcy laws or other laws; apply for or consent to, or fail to contest in a timely and appropriate manner, the appointment of, or the taking of possession by, a receiver, custodian, trustee, or liquidator of itself or of a substantial part of its property, domestic or foreign; generally become unable to pay its debts or trade obligations as they become due; make a general assignment for the benefit of creditors; or take any corporate action for the purpose of authorizing any of the foregoing; or

- (viii) a case or other proceeding shall be commenced against You, in any court of competent jurisdiction seeking relief under the Bankruptcy Code or under any other laws, domestic or foreign, relating to bankruptcy, insolvency, reorganization, winding up or adjustment of debts, the appointment of a trustee, receiver, custodian, liquidator or the like of You, or of all or any substantial part of the assets, domestic or foreign, of You, and such case or proceeding shall continue undismissed or unstayed for a period of sixty (60) consecutive days, or an order granting the relief requested in such case or proceeding against You (including, but not limited to, an order for relief under the Bankruptcy Code) shall be entered; or
- (ix) failure to comply with Exhibit D, Section 12.1 (Financial Obligations)

then, upon the occurrence of (1) an Event of Default specified in subparagraphs (iii), (v), (viii) or (ix) above, Servicers may suspend this Exhibit G immediately without notice and/or terminate immediately upon written notice to Authorized User, 2) in the event you commit any other Event of Default (other than as specified in the above specified subparagraphs), without waiving its other rights and remedies, we have the right to send you a notice specifying the default and providing you an opportunity to cure the breach within a period of time no less than thirty (30) days (*Cure Period*). If the breach is not cured within the Cure Period, then we have the right to terminate this Agreement by notice to you, with termination to be effective not less than thirty (30) days following the end of the Cure Period.

If this Agreement terminates and any amounts remain unpaid, without waiving our other rights and remedies, then you and your successors and permitted assigns will remain liable for such amounts and will pay us within thirty days of request. You must also return our materials and equipment immediately, and submit to us any Charges and Credits incurred prior to termination.

- 16.2 This Exhibit G also may be suspended by Servicers without notice and/or Exhibit G may be terminated immediately upon notice to Authorized User, if in their sole discretion, such termination is necessary for Servicers to comply with their obligations under any applicable law, rule or regulation including, but not limited to, the Office of Foreign Assets Control (“OFAC”) Regulations and Association Rules. Servicers’ termination of this Exhibit G pursuant to this Section 16.2 shall not be deemed a breach of contract by Servicers.
- 16.3 If this Exhibit G is terminated for cause, You acknowledge that Servicers may be required to report Your business name and the names and other identification of its principals to the Combined Terminated Merchant File maintained by VISA and MasterCard. You expressly agree and consent to such reporting in the event You are terminated as a result of the occurrence of an Event of Default or for any reason specified as cause by VISA or MasterCard. Furthermore, You agree to waive and hold Servicers harmless from and against, any and all claims which You may have as a result of such reporting.

Exhibit G – Agreement For Merchant Processing Services

16.4 The provisions governing processing and settlement of Card transactions, all related adjustments, fees and other amounts due from You and the resolution of any related chargebacks, disputes or other issues involving Card transactions will continue to apply even after termination of this Exhibit G until all Card transactions made prior to such termination are settled or resolved. In addition, the provisions of Sections 12, 13, 14, 15, 16.2, 16.4, 17, 19, 20, 21.1 and 21.4 of this Exhibit G, shall survive any termination. Upon termination of this Exhibit G, You agree to immediately send Servicers all the transaction data relating to Card transactions made up to the date of termination.

16.5 After termination of this Exhibit G for any reason whatsoever, You shall continue to bear total responsibility for all Chargebacks, fees, credits and adjustments resulting from Card transactions processed pursuant to this Exhibit G and all other amounts then due or which thereafter may become due to Servicers under this Exhibit G or which may be due to Servicers before or after such termination to either Servicers or any of Servicers' affiliates for any related equipment or related services.

17. DATA SECURITY

Per the terms of this Exhibit G, You are required to follow the Operating Procedures and comply with Association Rules as they may each be amended from time to time as referenced in Section 3. The Association may impose different compliance requirements on different types and levels of customers. You understand that You must be in compliance with data security regulations for Your type or level of customer as defined by the Associations security procedures as well as comply with general security procedures. Servicers will endeavor to provide You with amended operating procedures outlining the various Association requirements with regard to Data Security, and other matters, pursuant to the terms of Exhibit G, however, You understand and acknowledge that it is solely the responsibility of You to maintain compliance with all Association PCI Data Security procedures and regulations, and to pay any and all fines levied by the applicable Association for Your non-compliance, whether or not Servicers provide to You the amended operating procedures. You also understand and acknowledge that You are solely responsible for the compliance of any and all third parties (including but not limited to Internet Service Providers) that are given access by You, to Your cardholder data, and for any third party POS VAR software that You may use. You further acknowledge that it is Your responsibility to inform Servicers of any of Your third party providers that are given access by You to Your cardholder data. You also acknowledge that it is Your duty to notify Servicers of any data security compromise and to cooperate and assist Servicers in any subsequent investigation.

Servicers may in their sole discretion, suspend or terminate card processing services under this Exhibit G for any data security compromise.

18. CONTRACT MANAGEMENT

The Contract Manager for Contractor shall be as follows:

Jackie Martine, Relationship Manager
First Data
8875 Washington Blvd., Suite A
Roseville, CA 95678
Phone: (916) 241-6941
Email: Jacqueline.Martine@firstdata.com

Should the Contract Manager change, Contractor will provide written notice with the updated information as soon as reasonably possible after the change.

19. ASSIGNMENT

Any transfer or assignment of this Exhibit G by You without Servicers' prior written consent, by operation of law or otherwise, is voidable at either Servicers' sole discretion. In the event of such transfer or assignment, the party to whom this Exhibit G was transferred or assigned shall be bound to the terms and conditions of this Exhibit G to the same extent as if Servicers and such assignee or transferee, as the case may be, entered into an agreement identical to this Exhibit G on the effective date of such transfer or assignment.

Upon notice to You, another VISA and MasterCard member may be substituted for Bank under whose sponsorship this Exhibit G is performed. Upon substitution, such other VISA and MasterCard member shall be responsible for all obligations required of Bank, including without limitation, as may be expressly required by applicable Association Rules. Subject to Association Rules, Servicers may assign or transfer this Exhibit G and their rights and obligations hereunder and may delegate their duties hereunder, in whole or in part, to any third party, whether in connection with a change in sponsorship, as set forth in the preceding sentence, or otherwise, with notice but without consent of You.

Except as provided in the following sentence, this Exhibit G shall be binding upon permitted successors and assigns and shall inure to the benefit of the parties and their respective permitted successors and assigns. 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 a party's assets or business, shall have any right to continue or to assume or to assign this Exhibit G.

20. RETENTION OF RECORDS

You must retain legible copies of Sales Drafts and Credit Vouchers for a period of at least eighteen (18) months from the date of such transaction. You must submit to Services a legible copy of a Sales Draft or Credit Voucher within 10 days of a request by Servicers, or longer period of time as may be allowed by the Association.

21. Miscellaneous.

21.1 The notice address for FDMS shall be: 1307 Walt Whitman Road, Melville, New York 11747, Facsimile (631) 683-7516, Attention: Executive Vice President Operations, with a copy to Attention: General Counsel's Office at 3975 NW 120th Avenue, Coral Springs, Florida 33065, Facsimile: (954)845-5550, and if to CPSI at Four Parkway North, 4th Floor, Deerfield IL, 60015, Attention: President, with a copy to General Counsel, 1 Court Square, Long Island City, NY 11120.

21.2 The parties acknowledge that the VISA and MasterCard Association Rules give VISA and MasterCard certain rights to require termination or modification of this Exhibit G with respect to transactions involving VISA and MasterCard Cards and the VISA and MasterCard Card system and to investigate Authorized User. The parties also acknowledge that issuers of other Cards, for which Servicers perform services on behalf of Authorized User, may have

Exhibit G – Agreement For Merchant Processing Services

similar rights under their applicable Association Rules with respect to this Exhibit G's applicability to transactions involving such other Cards.

21.3 Authorized User acknowledges and agrees that any of information obtained by Servicers may be shared with Servicers' affiliates, who have a need-to-know, in connection with the provision of other services provided to you by Servicers provided in connection with this MSA, as long as the affiliates are under obligation to treat such information with the same degree of care as required of Servicers.

22. Visa and MasterCard Disclosure

Member Bank Information: Citicorp Payment Services, Inc.

The Bank's mailing address is Four Parkway North, 4th Floor, Deerfield IL, 60015 and its phone number is 847-597-3000.

Important Member Bank Responsibilities

- (a) The Bank is the only entity approved to extend acceptance of VISA and MasterCard products directly to a Merchant
- (b) The Bank must be a principal (signer) to this Exhibit G.
- (c) The Bank is responsible for educating Merchants on pertinent Visa and MasterCard Rules with which Merchants must comply; but this information may be provided to you by FDMS.
- (d) The Bank is responsible for and must provide settlement funds to the Merchant in accordance with the terms of this Exhibit G.
- (e) The Bank is responsible for all funds held in reserve that are derived from settlement.

Important Merchant Responsibilities

- (a) Ensure compliance with Cardholder data security and storage requirements.
- (b) Maintain fraud and chargebacks below Association thresholds.
- (c) Review and understand the terms of this Exhibit G.
- (d) Comply with Bankcard Association rules.

Exhibit G – Agreement For Merchant Processing Services

**Attachment I to Exhibit G
OTHER CARD SERVICES**

This Attachment I to Exhibit G sets forth the terms applicable to FDMS provision of the specified services for the American Express and Discover (“Novus”) Card transactions. These Card issuing entities are collectively referred to as “Issuer” unless otherwise specified in this Attachment I.

1. GENERAL PRICING INFORMATION:

Billable transactions include: purchases, returns, declines, reversals, authorizations & terminal balancing totals.

- (1) The credit card transaction fee includes authorization and data capture. Settlement and payment for such card types will be provided by the applicable third party provider (American Express/Discover) pursuant to the agreement between You and such third party provider.
- (2) All other third party fees and all fees due and payable to Servicers and/or any applicable third party will be collected by Servicers as set forth in Exhibit G.

2. GENERAL:

You understand and acknowledge that FDMS’ sole responsibility with respect to Issuer Card transactions shall be to provide the services specified in this Attachment.

In the event You have a separate Issuer Agreement with a respective Issuer, all Chargeback and financial obligations including but not limited to fees and issues related thereto shall be governed by the terms of such Issuer Agreement. You shall comply with all terms and conditions of the Issuer Agreement and the applicable rules, regulations, interpretations and other requirements of the respective Issuer and shall not seek authorization for or submit for processing or settlement hereunder any Issuer Card transactions at any time when You do not have in effect a valid Issuer Agreement with such Issuer. You agree to notify FDMS immediately upon the termination of any Issuer Agreement to which it is a party. Upon such termination, FDMS shall have no further obligations hereunder to provide any services to You with respect to any transactions involving such Issuer Cards.

In the event You do not have a separate Issuer Agreement with a respective Issuer, the Issuer Card services to be provided hereunder shall be in accordance with the terms of the Exhibit G and this Attachment.

3. ISSUER CONSENTS:

You shall be responsible for obtaining any operational consents required of Issuer to comply with procedures or practices contemplated by both You and FDMS under Exhibit G.

4. AUTHORIZATION SERVICES ONLY:

In the event FDMS is providing authorization services only for Issuer Card transactions as specified herein, You shall seek such authorization through FDMS. In the event that FDMS is not providing processing services for Issuer Card transactions as specified in this Attachment, You shall be responsible for processing and submitting directly to the applicable Issuer for settlement of such Card transactions.

5. PROCESSING AND SUBMISSION TO ISSUERS:

In the event FDMS is providing processing services for Issuer Card transactions as specified herein, You shall submit to FDMS for processing all of Your Issuer Card transactions and FDMS shall process such transactions and transmit them electronically to the applicable Issuer with a summary of such Card transactions

FDMS does not warrant or bear responsibility for the performance of any Issuer in any way.

Exhibit G – Agreement For Merchant Processing Services

**Attachment II to Exhibit G
FIRST DATA MERCHANT SERVICES CORPORATION
DEBIT TRANSACTION ADDENDUM**

This Attachment II supplements Exhibit G and sets forth the additional terms applicable to FDMS provision of the specific services for debit transactions. You understand and agree that First Data Merchant Services Corporation (“FDMS”) is the service provider for processing Your debit card transactions (“Debit Services”), pursuant to the terms herein. FDMS will designate a bank that is a member of the debit network (“Debit Network Bank”).

1. Until and unless otherwise authorized by FDMS, You agree to utilize FDMS compatible terminals/PIN pads or systems capable of processing all on-line debit card transactions, and to place them at its merchant locations. As between FDMS and You, all software residing on these terminals or systems is the sole property of FDMS. Any software residing in Your-owned terminals or systems must be FDMS compatible. Your placement of the terminals or system at its merchant locations shall constitute acceptance of all terms and conditions set forth in this Addendum. You understand and agree that neither FDMS nor BANK bear any responsibility whatsoever for Your-owned inoperative terminals or systems (or software if applicable). In the case of an inoperative terminal or system You shall consult Your warranty, or terminal maintenance addendum, as applicable.

You agree to submit all debit card transactions and to abide by all applicable rules and regulations of the applicable Pin Debit card network(s) selected by You on the Authorized user Participation Set Up Form. You understand and agree that neither FDMS nor Debit Network Bank has any responsibility or liability for any debit card transactions. You agree to hold FDMS and Debit Network Bank harmless from any and all claims, actions, proceedings and other liability which may arise pertaining to such debit transactions. In no event shall FDMS or Debit Network Bank be liable for special or, consequential damages, including lost profits and business opportunities.

2. You understand that You are granted a non-exclusive, non-transferable, limited sublicense to use the service mark(s) of those POS networks that You participate in accordance with the rules of the applicable debit networks (each a “Protected Mark”). You shall have no right or authority to transfer, assign or license any rights in or to the use of any Protected Mark. You will not at any time do or cause to be done any act or deed in any way impairing or intended to impair a POS network’s exclusive right, title and interest in and to its Protected Mark. You shall permit FDMS or Debit Network Bank at all reasonable times, to inspect Your use of the Protected Mark, and shall, upon request, provide samples of Your use of the Protected Mark in advertising or otherwise for review.
3. You understand and agree that the Debit Services are being provided by FDMS and not Debit Network Bank, and therefore Debit Network Bank shall have no liability whatsoever regarding the Services provided by FDMS.

Exhibit G – Agreement For Merchant Processing Services

4. Upon notice to You, another debit network member may be substituted for Debit Network Bank under whose sponsorship this Agreement is performed. Upon substitution, such other debit network member shall be responsible for all obligations required of Debit Network Bank, including without limitation, as may be expressly required by applicable debit network rules. Subject to debit network rules, FDMS and Debit Network Bank may assign or transfer this Agreement and their rights and obligations hereunder and may delegate their duties hereunder, in whole or in part, to any third party, whether in connection with a change in sponsorship, as set forth in the preceding sentence, or otherwise, with notice to You.

Except as provided in the following sentence, this Agreement shall be binding upon permitted successors and assigns and shall inure to the benefit of the parties and their respective permitted successors and assigns. 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 a party's assets or business, shall have any right to continue or to assume or to assign this Agreement.

5. You further understand that any claims You may have regarding the Debit Services may not be offset against non PIN Debit sales.
6. You assume all responsibility for paper copy of debit card transactions, pursuant to the appropriate debit card network rules.
7. Within one (1) business day of the original transaction, You must balance each location to the FDMS system for each business day that each location is open. If You determine that transaction(s) have been processed in error, You will initiate the appropriate transaction for adjustment to correct the transaction in question. You are responsible for all applicable adjustment fees per appropriate debit card network.
8. The responsibility for the installation of and training in the use of terminals shall be dependent upon the type of equipment or system being utilized by You.
9. FDMS shall settle debit card transaction proceeds to You daily, via a deposit to Your Settlement Account. All such settlements to You will not be net of adjustments, network fees or Servicers' fees. Servicers shall invoice You monthly for all such fees..
10. The fees for the PIN Debit network used to process your transaction will be applied. Which PIN Debit Network will be used will depend upon the availability of the network at the time of the transaction, whether a particular PIN Debit Card is enabled for a particular network, the routing requirements established by the networks and the card issuers, or other factors. You agree that we may, at our sole discretion, utilize any PIN Debit Network available to us for a given transaction.
11. You shall be responsible for the debit related fees on Exhibit E.

General Pricing Information:

1. Billable transactions include: purchases, returns, declines, reversals, and authorizations.
2. The PIN Debit Network transactions include authorization, settlement and sponsorship.
3. The fees and charges set forth on Exhibit E are in addition to all other third party fees and all fees due and payable to Servicers and/or any applicable third party, will be collected by Servicers as set forth in the Agreement. In addition, You will also be charged the network fees on a per transaction per network basis, pursuant to Section 11, above.

YOU AGREE THAT THE ABOVE-REFERENCED NETWORK FEES ARE CONTROLLED BY SAID NETWORK(S) AND ARE SUBJECT TO CHANGE BY THE NETWORK(S) AND THEREFORE TO THE CUSTOMER AT ANY TIME. SERVICERS WILL USE COMMERCIALY REASONABLE EFFORTS TO NOTIFY CUSTOMER PRIOR TO ANY EFFECTIVE CHANGE.

NOTWITHSTANDING THE ABOVE, YOU WILL BE GIVEN WRITTEN NOTICE THIRTY DAYS BY SERVICERS PRIOR TO OTHER CHANGES IN DEBIT NETWORK FEES. YOU AGREE TO COMPLY WITH ALL APPLICABLE FEDERAL, STATE AND LOCAL LAWS APPLICABLE TO DEBIT TRANSACTIONS. YOU ACKNOWLEDGE THAT DEBIT TRANSACTIONS ARE GOVERNED BY NETWORK REGULATIONS AS WELL AS FEDERAL AND STATE LAW, INCLUDING THE ELECTRONIC FUNDS TRANSFER ACT (KNOWN AS REGULATION E) AND AGREES TO BE COMPLIANT WITH SUCH REGULATIONS.

EXHIBIT H - Agreement For PayPoint Services

This Exhibit H - Agreement for PayPoint Services ("Exhibit H") is between You and First Data Government Solutions, LP ("Contractor"). The terms of this Exhibit H are incorporated into the MSA and the parties hereto agree to be bound by such terms.

Contractor will provide You with a payment administration solution that will allow You to manage payment and payment transaction data ("*Services*") using an internet based gateway ("*PayPoint Gateway*") described below.

1.1 Gateway; Management Interface. The PayPoint Gateway will enable You to submit Payments (defined below) initiated by your consumers ("*Consumers*") to Contractor using batch files, web based applications, interactive voice response ("*IVR*"), customer representative assisted calls, point-of-sale devices, payment kiosk, Consumer walk-in or Your drop box channels, or U.S. mail. The PayPoint Gateway will also provide You with the Payment management functionality necessary to (i) consolidate payment output files; (ii) review payment reporting; (iii) perform detailed payment research related to status, date tracking, time tracking and successful or negative payment results; (iv) review payment authorization and return processing information; (v) perform payment void and refund processing; (vi) track payment chargeback and settlement activity; (vii) apply notes to specific payments or transactions; (viii) process ad hoc payments; (ix) access and manage multiple individual Consumer accounts; and (x) make configuration changes to the Consumer payment interface (if this option is selected by You).

1.2 Payments Supported. The PayPoint Gateway will support multiple payment types, including credit and debit card (collectively, "*Card*") payments, electronic check ("*eCheck*") payments, business check ("*Business Check*") payments and Automated Clearing House ("*ACH*") payments (collectively, "*Payments*"). The PayPoint Gateway will support Card Payments initiated by Consumers and processed using American Express Card, Discover Card, MasterCard Card, or VISA Card as well as other Cards Payments that Contractor identifies from time-to-time. The PayPoint Gateway will support eCheck and Business Check Payments initiated by Consumers and submitted by You for processing by Contractor using the ACH system. The PayPoint Gateway supports the following ACH Payment entry classes: TEL, WEB, CCD, CCD+ and PPD, as defined by the National Automated Clearing House Association ("*NACHA*") Operating Rules and Guidelines (collectively, the "*Rules*").

1.3 PayPoint Hosting. Contractor will upon Your written request and subject to payment by You in accordance with the terms of this Agreement, host the PayPoint Gateway for You through an application service provider ("*ASP*") model that provides You with a front-end solution capable of (i) integrating multiple websites into the PayPoint Gateway; (ii) authenticating users based on Your defined parameters; (iii) providing a user interface that can be customized pursuant to Your specifications (provided that such specifications can be reasonably accommodated by Contractor and the Contractor System) so users may initiate Payments based on personal preference;

EXHIBIT H - Agreement For PayPoint Services

(iv) supporting point of sale Payment processing using web and interactive voice response channels; and (v) if elected by You, branding the consumer payments site with Your trademark and logo provided by You (collectively "*Your Logo*"), in which case You hereby grant Contractor a limited, royalty-free, non-transferable license to use Your Logo on the consumer payments site during the Term of this Agreement. To the extent the accommodation by Contractor requires development of Contractor System, such accommodation shall be subject to the custom development fees set forth in Exhibit E Attachment I. Alternatively, You may host the front end web site (the "*Your Site*") through which Payment transactions may be initiated, in which case You will integrate Your Site with the PayPoint Gateway API.

1.4 Payment Processing Obligations. You will submit all Payments initiated by Consumers using the PayPoint Gateway and Contractor's computer systems according to documentation provided by Contractor (Contractor's computer systems and documentation are the "*Contractor System*"). You will provide all transaction data, Personal Information (defined below), related information and instructions (collectively "*Payment Data*") necessary for Contractor to perform the Services. Unless another entity is acting as the "*Originator*" (as defined in the NACHA Rules) on Your behalf in connection with ACH Payments, You will be the Originator for any ACH Payments that You submit for processing. Contractor will be a "*Third Party Processor*" (as defined in the NACHA Rules) and will facilitate processing ACH Payments submitted by You by transmitting ACH files among each appropriate Originating Depository Financial Institution ("*ODFI*") and Receiving Depository Financial Institution ("*RDFI*") (both as defined in the NACHA Rules). You assume all responsibilities and liabilities under the NACHA Rules for ACH Payments it submits for processing; and will assume all liability for the amount of any ACH Payment that is rejected for non-sufficient funds. You assume all responsibilities and liabilities under applicable association rules or regulations related to processing Card Payments of your users. YOU WILL BE SOLELY RESPONSIBLE FOR ENSURING THE VALIDITY, ACCURACY AND COMPLETENESS OF ALL PAYMENT DATA. CONTRACTOR WILL RELY UPON AND USE PAYMENT DATA SUBMITTED BY CUSTOMER WITHOUT FURTHER VERIFICATION IN ORDER TO PROVIDE THE SERVICES. Contractor will assume responsibility and liability for its delay or failure to process a Payment and properly transmit corresponding Payment files; provided, Payment Data submitted by You is accurate, complete and timely. Contractor will have no responsibility or liability for any error, omission, delay, failure to meet any processing timelines or accurately perform any of its Services due to Your (or its Consumers) submitting inaccurate, incomplete or untimely Payment Data, or failing to perform its settlement obligations.

EXHIBIT I - Agreement For Electronic Funding Transfer Services

This Exhibit I - Agreement for Electronic Funding Transfer Services (“Exhibit I”) is between You and First Data Government Solutions, LP (“Contractor”). The terms of this Exhibit I are incorporated into the MSA and the parties hereto agree to be bound by such terms.

Contractor’s EFT product enables businesses and individuals to pay their Authorized Users’ payment obligations through hosted web sites and IVR systems.

GRANT OF LICENSES

- 1.1 Contractor grants to Authorized Users a limited, non-exclusive, non-transferable, non-sublicenseable license during the term of this Agreement to permit Authorized User’s employees, consultants and customers to access and use the object code format of the Software solely for the purpose of allowing, and only to the extent necessary to allow, Authorized Users to receive the Services. Authorized Users will ensure that any access to and use of the Software by Authorized User’s employees, consultants or customers is in accordance with the Documentation, the terms of this Agreement, and any additional terms found in this Agreement.
- 1.2 Except as specifically provided in this Agreement or except as authorized in writing by the Contractor, Authorized Users will not (and will not permit any employee, consultant or customer of State to):
 - (a) Disclose or distribute any software (in any format) to any third party;
 - (b) Permit any third party to access or use any Software (in any format) through any time-sharing service, service bureau, network, consortium, or other means;
 - (c) Rent, lease, sell, sublicense, assign, or otherwise transfer its rights under the license granted in this Section 3.2 to any third party, whether by operation of law or otherwise;
 - (d) Decompile, disassemble, reverse engineer, or attempt to reconstruct or discover any source code or underlying ideas or algorithms of any Software by any means;
 - (e) Modify or alter any Software in any manner;
 - (f) Create derivative works based on any Software; or
 - (g) Directly or indirectly copy any Software.

EXHIBIT I - Agreement For Electronic Funding Transfer Services

- 1.3 Authorized Users will not remove (or allow to be removed) any proprietary rights notices from any Software and will display the Software name and any other copyright notice, and trademarks, of Contractor and Contractor's licensors, as reasonably requested by Contractor.

Unless otherwise provided in a subscription agreement, Authorized Users grant to Contractor a limited, non-exclusive, non-transferable, non-sublicenseable license during the term of this Agreement to permit Contractor's employees, consultants to access and use Authorized User's name, logo, trademark or service mark solely for the purpose of allowing, and only to the extent necessary to allow, Contractor to provide Services to State under this Agreement. Contractor will ensure that any access to and use of Authorized User's name, logo, trademark or service mark by Contractor's employees, consultants is in accordance with the terms of this Agreement.

EXHIBIT J - Agreement For Remote Deposit Services

This Exhibit J - Agreement for PayPoint Services (“Exhibit J”) is between You and RemitCo, LLC, (“Contractor”). The terms of this Exhibit J are incorporated into the MSA and the parties hereto agree to be bound by such terms.

Remote Deposit Service Description:

Exhibit J services provide the ability to: capture check and transaction images and data; complete reject repair, data entry adjustments and research, and reporting used to create an electronic deposit.

Defined Terms:

“Cash Item” shall mean a “cash item” as defined under the FED’s Regulation J, 12 C.F.R. §210.2, and Operating Circular Number 3 of the FED, which, for clarification purposes, shall include only images of checks and image replacement document (IRDs) provided, however, the term “Cash Item” shall not include food coupons. With respect to image files, Cash Items shall not include savings bonds or foreign items.

“Check” shall mean a draft, as defined in the applicable Uniform Commercial Code, that is drawn on a bank located within the United States and payable on demand, but does not include a returned check. For clarification purposes, “Check” shall include images of checks and IRD.

“Check 21” shall mean the Check Clearing for the 21st Century Act, 12 U.S.C. §§ 5001-5018.

“Depository Bank” shall mean one or more banks mutually agreed upon by the parties for the purpose of receiving Authorized User’s deposits as contemplated by the Agreement.

“FED” shall mean Board of Governors of the Federal Reserve System or any Federal Reserve Bank, as applicable.

“Image” shall mean an electronic image of a Cash Item.

“Image Exchange” shall mean the clearing and settlement of an Image in electronic format direct to the payor or through a consortium.

“Image Replacement Document” or “IRD” shall mean a substitute check as contemplated by and defined in Check 21 and Reg CC.

“Reg CC” shall mean Regulation CC Availability of Funds and Collection of Checks, 12 CFR Part 229.

“Reg J” shall mean Regulation J Collection of Checks and Other Items by Federal Reserve Authorized Users and Funds Transfers Through Fedwire, 12 CFR Part 210.

“UCC” shall mean the Uniform Commercial Code adopted in the applicable state.

EXHIBIT J - Agreement For Remote Deposit Services

Contractor shall:

- (1) Provide Authorized User with access to a Remote Deposit website to facilitate the transactions (the "RD Website").
- (2) Prepare the Images for deposit and transmit an Image file, in a format to be mutually agreed upon (currently an x9.37 format), to the Depository Bank.
- (3) Communicate and route any unprocessable Images to Authorized User for resolution.
- (4) Make Images available for access by Authorized User for 90 days after receipt by Contractor.
- (5) Provide initial training based on a "train the trainer" concept.
- (6) Provide basic help desk support, which will typically be available 24 hours per day, seven days per week.

Authorized User shall:

- (1) Image the front and back of all Checks and ensure that the Images are of a quality that will allow Contractor or the Bank, if necessary, to create an IRD, meeting the legal equivalency standards set forth in Check 21.
- (2) Destroy the original checks and prior to such destruction shall maintain such check in a secure location.
- (3) Ensure that (i) not more than one Image of the same item is submitted to Contractor; (ii) the Image is an accurate and unaltered recreation of the item as originally drawn by the drawee; and (iii) subject to exception processing, no original paper check that has been imaged and sent to Contractor pursuant to this Agreement shall be presented to a bank or other person for payment.
- (4) Repair, balance and review the Images and release the batch to Contractor.
- (5) Provide and support appropriate hardware, including scanners and desktop computer, and connectivity, as mutually agreed upon by the parties from time to time.
- (6) Maintain a Deposit Account with the Depository Bank.
- (7) Provide Contractor with all reasonably requested information with respect to the Depository Bank necessary for Contractor to submit to the deposit file on Authorized User's behalf; Authorized User shall remain the depositor with the Depository Bank.

EXHIBIT J - Agreement For Remote Deposit Services

- (8) Obtain all necessary rights, documents, consents, approvals and other information from the Depository Bank necessary for Contractor to deposit the Images on Authorized User's behalf as described hereunder.
- (9) Have agreements in place with the Depository Bank requiring such Depository Bank to (a) acknowledge receipt of each transmission, and process each Image in accordance with standard banking practices, (b) promptly notify Contractor of any items received that cannot be processed due to image or quality concerns, (c) handle, process, track and report adjustments to the dollar amounts reported and paid in deposit files received and sent.
- (10) Hereby acknowledge and agree that the express and implied warranties set forth in Check 21, the provisions of Reg CC that implement Check 21, Reg J, and the UCC are applicable to Authorized User.
- (11) Have a limited, non-transferable, non-assignable, non-exclusive license to use the Remote Payment Capture software (the "RPC Software") provided by Contractor in conjunction with the Services. Contractor may change, update, or replace the RPC Software at any time upon notice to Authorized User, and Authorized User shall ensure Contractor or its agents have the appropriate access to the RPC Software once it's installed. No right or title is hereby conveyed to Authorized User other than the license to use the RPC Software in conjunction with the Services. Authorized User shall not decompile, disassemble or reverse-engineer the RPC Software. The license granted herein shall immediately terminate upon notice or automatically upon termination of the Agreement; upon termination of the license, Authorized User shall cause the de-installation of the RPC Software and the return or destruction of all copies of the RPC Software. Authorized User agrees that the RPC software is Confidential Information of Contractor.

Data Treasury License Acknowledgement:

Authorized User acknowledges that it has been informed that First Data Corporation, an affiliate of Contractor, has a limited license from Data Treasury Corporation ("DTC") under and to U.S. Patent Nos. 5,910,988, 6,032,137, 5,265,007, 5,717,868, 5,583,759 and 5,930,778 ("DTC License") that may apply to check processing services provided by Contractor under this Agreement. The DTC License does not apply to: (a) transactions that are not processed by Contractor; or (b) Authorized User's use, assembly, configuration, or operation of all or any part of such check processing services, or any element, step, component, process, system, or portion of such check processing services in combination with all or any part of other software, equipment, services, processes, elements, steps, components, or systems not provided by Contractor.

EXHIBIT K - Agreement For TeleCheck Internet Check Acceptance and Checks by Phone Warranty Program and Pro 21 Services

THIS Exhibit K – Agreement for TeleCheck Internet Check Acceptance (ICA) and Checks by Phone (CBP) Warranty Program and Pro 21 Services (“TeleCheck Exhibit”) is between you and TELECHECK SERVICES, INC. (“Contractor”). The terms of this Exhibit K are incorporated into the MSA and the parties hereto agree to be bound by such terms.

TELECHECK AND AUTHORIZED USER AGREE:

- 1. Background; Acknowledgement.** Authorized User and TELECHECK SERVICES, INC., (“Contractor”) are parties to the MSA. TeleCheck is an indirect, wholly owned subsidiary of First Data Corporation. TeleCheck can offer ICA and CBP Services (defined below) to Authorized User; and will provide Authorized User with the ICA/CBP Services described in this TeleCheck Exhibit. The terms of this Exhibit K are incorporated into the MSA. Capitalized terms used, but not defined, in this TeleCheck Exhibit have the meanings given in the MSA. The terms of this TeleCheck Exhibit will control in the event of any conflict between it and the terms of the MSA.
- 2. ICA/CBP Services.** TeleCheck will provide Authorized User with the Internet Check Acceptance (“ICA”) and Checks by Phone (“CBP”) service programs (collectively, the “ICA/CBP Services”), which (i) provide Customer with coded information to assist it in determining whether or not to accept an Electronic Check via the phone or Internet as a payment from a Consumer; (ii) process eligible Electronic Checks that Authorized User accepts as payment from Consumers as electronic funds transfers using the Automated Clearinghouse (“ACH”) network; and (iii) warrant the payment of Electronic Checks that strictly comply with the Warranty Requirements set forth in Section 12. This TeleCheck Exhibit is solely between the Authorized User and TeleCheck; and TeleCheck shall be the Authorized User’s exclusive provider of the ICA/CBP Services during the term of this TeleCheck Exhibit. Authorized User may not resell the ICA/CBP Services, and may not use the ICA/CBP Services in any manner in connection with a debt collection service.
- 3. Definitions.** As used herein, the following definitions apply: “**Claim**” means any arbitration award, assessment, charge, citation, claim, damage, demand, directive, expense, fine, interest, joint or several liability, lawsuit or other litigation, notice, infringement or misappropriation of any patent, trademark, copyright or other intellectual property right or violation of any law, and any consequential, indirect, special, incidental or punitive damages, and any reasonable attorney’s fees and expenses incurred in connection therewith. For purposes of the foregoing Claim definition, a Claim shall be considered to exist even though it may be conditional, contingent, indirect, potential, secondary, unaccrued, unasserted, unknown, unliquidated, or unmaturing. “**Consumer**” means the customer of Authorized User that authorizes the Electronic Check. “**Consumer Authorization Format**” means the required format (including, without limitation, all verbiage for payment authorization, return item fees, check approvals and declines, etc.), provided by TeleCheck to Authorized User for processing Consumer payments to Authorized User by an Electronic Check. “**Dishonored Item**” means an Electronic Check having received a valid TeleCheck Approval Code pursuant to an Electronic Business Transaction which is dishonored upon presentment for payment. “**Electronic Check Business Transaction**” means a transaction for the contemporaneous purchase of goods or services by Consumer from Authorized User pursuant to the TeleCheck warranty service program for which the payment is processed as an Electronic Check; provided, however, it does not include any transaction for cash or payment on an account, debt or check already due Authorized User. The Authorized User. “**Electronic Check**” means either a Phone Check or an Internet Check. “**Electronic Check Maximum**” means the lower of (i) the face amount of the Electronic

EXHIBIT K - Agreement For TeleCheck Internet Check Acceptance and Checks by Phone Warranty Program and Pro 21 Services

Check; or (ii) \$5,000.00 for any Electronic Check Business Transaction; or (iii) the check maximum set forth on the front of this TeleCheck Exhibit. **“Internet Check”** means an electronic debit transaction (including, without limitation, an electronic debit transaction processed as a demand draft) initiated by the Consumer on an internet website operated or maintained by or on behalf of Authorized User for the payment of an Electronic Check Business Transaction subject to this TeleCheck Exhibit. **“Item”** means an outstanding financial obligation pursuant to an Electronic Check. **“Non-Compliance Item”** means any Dishonored Item that fails to comply with the provisions of this TeleCheck Exhibit, including, without limitation, the Warranty Requirements. **“Operational Procedures”** means TeleCheck’s published policies and procedures provided to Authorized User, as mutually agreed to by the parties (located on DGS website) concerning the services pursuant to this TeleCheck Exhibit, the terms of which are incorporated in this TeleCheck Exhibit as if fully set forth herein. **“Message Based ICA Service”** is a type of ICA service under which (a) the Consumer submits Internet Check data to and interfaces with an internet website which is designed for obtaining the internet Check data and which is operated or maintained by or on behalf of Authorized User, and (b) such Internet Check data is transmitted from or on behalf of Authorized User to TeleCheck for processing. **“Phone Check”** means an electronic debit transaction (including, without limitation, an electronic debit transaction processed as a demand draft) verbally authorized by the Consumer in a telephone communication with Authorized User for the payment of an Electronic Check Business Transaction. **“Returned Item”** means any Item not paid by Authorized User’s financial institution(s) or that fails to comply with the terms and conditions of this TeleCheck Exhibit, including the Warranty Requirements. **“TeleCheck Approval Code”** means that TeleCheck has authorized an Item for warranty coverage under this TeleCheck Exhibit pursuant to an Electronic Check Business Transaction. **“TeleCheck Interfaces”** or **“Software”** means the protocols, software components and other interfaces and software that permit data transfers between TeleCheck and Authorized User for the purpose of Authorized User submitting to, and TeleCheck processing, an Electronic Check. **“TeleCheck Parties”** means TeleCheck and its officers, directors, employees, shareholders, agents and attorneys.

4. Payment.

All fees and charges are due upon receipt of invoice and payable as set forth in Exhibit E. Authorized User authorizes TeleCheck or TeleCheck designee to initiate credit entries for amounts owing to Authorized User hereunder and to credit or deposit funds to the Authorized User Account in accordance with such credit entries, Authorized User shall immediately reimburse TeleCheck or its affiliates upon demand for delinquent fees or chargebacks TeleCheck shall have the right to suspend all services and obligations to Authorized User, including the payment of all warranties due and all transactions previously authorized, during any period in which Authorized User’s account is delinquent.

- 5. Electronic Check Warranty Services.** TeleCheck warrants the accuracy of its information provided that all requirements set forth in the Warranty Requirements in Section 12 are strictly met. A Dishonored Item shall be deemed to be a breach of the warranty and, as Authorized User’s sole and exclusive remedy for such breach, Authorized User may receive payment of the face amount of the Dishonored Item up to the Electronic Check Maximum, subject to the terms, conditions, and limitations contained in this TeleCheck Exhibit and any addenda hereto. The warranty does not apply where payment has been stopped due to a dispute over goods or services

EXHIBIT K - Agreement For TeleCheck Internet Check Acceptance and Checks by Phone Warranty Program and Pro 21 Services

between Authorized User and Consumer, or where Authorized User has contacted TeleCheck for a TeleCheck Approval Code on more than one Electronic Check per Electronic Check Business Transaction. TeleCheck reserved the right to decline to process any Electronic Check as an Electronic Check Business Transaction.

- 6. Electronic Check Processing.** For each Electronic Check business Transaction that TeleCheck issues a TeleCheck Approval Code and which otherwise meets the Warranty Requirements, TeleCheck shall within two (2) business days of the Electronic Check Business Transaction, via an electronic funds transfer, effect a credit to Authorized User's financial institution account for the full amount of such transaction. Such credit shall occur regardless of whether or not the Consumer's transaction is paid by Consumer's financial institution.

Notwithstanding anything contained herein to the contrary, TeleCheck shall be entitled without notice to place a hold on or suspend settlement or other payments of any and all funds, money and amounts now due or hereafter to become due ("*Funds Hold*") should an excessive amount of Returns or other questionable activity occur as determined by TeleCheck in its discretion, or as otherwise required by law. In addition to placing a Funds Hold in respect of any payment, TeleCheck may also freeze all processing activities. In addition to any other remedies available to TeleCheck under this TeleCheck Exhibit, Authorized User agrees that should it breach or fail to comply with any terms or conditions in this TeleCheck Exhibit, TeleCheck may, upon notice, place a Funds Hold and/or processing freeze until TeleCheck has had reasonable opportunity to investigate such event. In cases where TeleCheck, in its discretion, has reason to believe that there is fraudulent activity relating to one or more transactions submitted by Authorized User, no notice shall be required

- 7. TeleCheck Approval Code.** Authorized User acknowledges that TeleCheck will use its internal and proprietary risk management systems to evaluate the risk associated with any particular Item and to assist in its decision whether or not to issue a TeleCheck Approval Code. The decision to issue a TeleCheck Approval Code shall be within the discretion of TeleCheck.
- 8. "Goodwill" of a Returned Item.** TeleCheck, in its discretion, may voluntarily reimburse and not chargeback to a Authorized User for a specific Returned Item. TeleCheck's election to reimburse and not chargeback a Returned Item(s) shall not act as a waiver of TeleCheck's right to decline to pay or chargeback any other Returned Item.
- 9. Retention of Electronic Check Authorization Records.** Authorized User shall cause the Consumer to provide a verbal authorization for each Phone Check and an electronic authorization for each Internet Check (if the Internet Check is processed under the Message Based service) submitted to TeleCheck for processing pursuant to this TeleCheck Exhibit in the Consumer Authorization Format provided to Authorized User by TeleCheck prior to submission of such Electronic Check to TeleCheck for processing. Telecheck shall provide a written confirmation notice to the Consumer of such verbal authorization in TeleCheck's required format in advance of the settlement date in connection with the electronic funds transfer processing of such Phone Check. Authorized User shall maintain a copy of said electronic authorization (if Message Based ICA service) respect to an Internet Check for a minimum period of two years from the date of the transaction or for the period specified by the rules of the National Automated Clearing Houston Association, whichever is longer. Within 7 days of TeleCheck's

EXHIBIT K - Agreement For TeleCheck Internet Check Acceptance and Checks by Phone Warranty Program and Pro 21 Services

request, therefore, Authorized User shall deliver to TeleCheck a physical and electronic copy of said electronic authorization if an Internet Check to TeleCheck. Authorized User, upon reasonable notice and during normal business hours, shall permit TeleCheck to audit Authorized User for its compliance with this requirement. Notwithstanding anything to the contrary herein, TeleCheck has agreed to provide the written confirmation notice referred to above on behalf of Authorized User to the Consumer and Authorized User shall not be responsible for maintaining such records nor shall Authorized User be considered in breach of any such requirement.

10. Warranty Requirements and Authorized User's Representations. TeleCheck shall reimburse Authorized User for one Dishonored Item, up to the Electronic Check Maximum, per Electronic Check Business Transaction which meets all the following warranty requirements, and Authorized User covenants, represents, warrants and agrees (as applicable) with respect to all Electronic Check Business Transactions submitted to TeleCheck for processing under this TeleCheck Exhibit the following representations:

- a. The Electronic Check Business Transaction is not the result of the Authorized User initiating an unsolicited telephone call to a Consumer with which Authorized User had no prior relationship;
- b. Each Electronic Check must be a first party personal or company check for which the Consumer has authorized payment to Authorized User drawn by electronic means on a United States, Puerto Rico or U.S. Virgin Island financial institution for the purchase of goods or services from Authorized User;
- c. The Consumer provided to Authorized User full and proper verbal authorization (if a Phone Check) or electronic authorization (if an Internet Check), to process the payment in the amount agreed to by the consumer as a Phone Check or an Internet Check, as applicable, including debiting the Consumer's financial institution account as required pursuant to the NACHA rules and guidelines, as amended, and as otherwise required pursuant to this TeleCheck Exhibit;
- d. The Consumer completely provided all required information, including, without limitation, name, physical address (no P.O. Box), telephone number (including area code), date of the authorization of the Electronic Check, and check number, check type (personal or company), consumer's bank routing and account MICR number(s), driver's license or other identification communicated by TeleCheck to Authorized User as being acceptable to TeleCheck for the financial institution account on which the Electronic Check is authorized to be drawn. Authorized User shall provide to TeleCheck such Consumer information, the TeleCheck Authorized User Account Number and any other required information from Consumer in the data sent to TeleCheck for authorization and processing such Electronic Check.
- e. Authorized User shall have made a request and inquiry to TeleCheck for processing the Electronic Check in strict accordance with TeleCheck's Operational Procedures and Authorized User must have obtained a TeleCheck Approval Code. Authorized User will also properly indicate to TeleCheck, according to the Operations Procedures whether the transaction is an Internet

EXHIBIT K - Agreement For TeleCheck Internet Check Acceptance and Checks by Phone Warranty Program and Pro 21 Services

Check or a Phone Check, if Authorized User is obtaining both CBP and ICA services.

- f. The Electronic Check for the Electronic Check Business Transaction represents the obligation of the person who is presenting the respective Electronic Check Business Transaction and such Transaction is for goods or services actually sold or rendered by Authorized User for the actual price of such good or services (including tax and shipping) and does not involve any element of credit for any purpose;
- g. The date of the Electronic Check Business Transaction shall accurately coincide with the date of the inquiry call to TeleCheck and the date the transaction actually occurred (No Pre- or Post-dated Electronic Checks);
- h. The amount of the Electronic Check entered into the TeleCheck system for authorization and processing and the Electronic Check amount authorized by the Consumer shall agree;
- i. Authorized User must have contacted TeleCheck for a single TeleCheck Approval Code on only one Electronic Check per Electronic Check Business Transaction;
- j. Authorized User has no reason to question or have notice of any fact, circumstance or defense which would impair the validity or collectability of the Consumer's obligation or relieve the Consumer from liability for the Electronic Check;
- k. Authorized User shall not in any manner utilize any of the services provided pursuant to this TeleCheck Exhibit for any transaction that, directly or indirectly, involves any: (i) product or service classified under a different SIC code than the code designated for Authorized User at the time this TeleCheck Exhibit is executed by Authorized User (subject to any subsequent written agreement of the parties for a change in such SIC code); or (ii) sexually-oriented adult entertainment; gambling; or wagering service, product, business, entity or site;
- l. If for any reason the payment for an Electronic Check Business Transaction cannot be processed as an Electronic Check, Authorized User has authorized TeleCheck to produce a demand draft on behalf of Authorized User and to deposit the funds in TeleCheck's financial institution account;
- m. Each Electronic Check Business Transaction submitted to TeleCheck pursuant to this TeleCheck Exhibit is solely for the contemporaneous purchase of products or services by the Consumer from Authorized User;
- n. Authorized User shall use the Consumer Authorization Format in connection with processing the Electronic Check and shall not alter or modify the text of such format;
- o. Authorized User shall have complied with all requirements of paragraph 9 above; and

EXHIBIT K - Agreement For TeleCheck Internet Check Acceptance and Checks by Phone Warranty Program and Pro 21 Services

- p. Authorized User and all Electronic Check transactions submitted to TeleCheck for processing are in compliance with (X) all federal, state and local laws and regulations, including, without limitation, the Federal Trade Commission Telemarketing Sales Rule (16 C.F.R. Part 310) and (Y) all National Automated Clearinghouse Association (NACHA) rules and guidelines, as amended, including, without limitation, those relating to Authorized User authenticating the Consumer's identity, security of websites and computer systems, internet session security, and internet security audits. From time to time upon TeleCheck's request, Authorized User shall provide TeleCheck with copies of Authorized User's internet security audits pursuant to NACHA rules. If Authorized User utilizes any third parties to provide internet hosting, gateway or other services in connection with Authorized User's Electronic Check transactions, Authorized User shall ensure and be responsible for such third parties complying with all requirements contained in this TeleCheck Exhibit.

All of the above foregoing covenants, requirements and representations are material terms of this TeleCheck Exhibit. By execution of this TeleCheck Exhibit, Authorized User acknowledges its full knowledge and understanding of the above covenants, requirements and representations as they pertain to the Warranty services provided to Authorized User under this TeleCheck Exhibit.

- 11. Collection and Returned Check Fees.** Authorized User agrees that TeleCheck shall be entitled to collect from the Consumer and retain any fees or exemplary damages, in addition to the face amount of any Electronic Check, which are allowed by law. Authorized User shall follow all TeleCheck policies and procedures and provide Consumers, at TeleCheck's direction, any notices which in TeleCheck's opinion may be required for TeleCheck to collect any such amounts arising from any returned, dishonored or unpaid Electronic Check.
- 12. Assignment of Electronic Checks.** By the execution of this TeleCheck Exhibit, Authorized User ASSIGNS, TRANSFERS AND CONVEYS to TeleCheck all of Authorized User's rights, title and interests in any Electronic Check Business Transaction submitted to TeleCheck for processing. Authorized User authorizes TeleCheck to accept any such Electronic Checks on behalf of Authorized User (notwithstanding the payee) for deposit into TeleCheck's financial institution account. Authorized User shall, at TeleCheck's request, take any action reasonably deemed necessary by TeleCheck to aid in the enforcement of TeleCheck's rights under or with respect to the subject matter hereunder.
- 13. Reassignment and Chargeback.** TeleCheck, as applicable, may: (i) reassign to Authorized User any Electronic Check Business Transaction purchased by TeleCheck pursuant to the warranty service program provisions of this TeleCheck Exhibit; or (ii) chargeback to Authorized User and debit Authorized User's financial institution account the amount of any Electronic Check related to an Electronic Check Business Transaction submitted to TeleCheck for processing pursuant to this TeleCheck Exhibit, in any of the following circumstances:
- a. The goods and/or services, in whole or in part, for which the Electronic Check Business Transaction was submitted to TeleCheck for authorization and processing, have been returned to Authorized User, have not been delivered by Authorized User or, are claimed by the Consumer to have been unsatisfactory,

EXHIBIT K - Agreement For TeleCheck Internet Check Acceptance and Checks by Phone Warranty Program and Pro 21 Services

are subject to any dispute, set-off or counterclaim, or by the Consumer, or the Consumer's authorization for such Electronic Check has been stopped, revoked, rescinded or reversed by the Consumer due to any such dispute;

- b. Authorized User has received full or partial payment or security in any form whatsoever to secure payment of or for the: (i) Electronic Check for the Electronic Check Business Transaction; or (ii) goods or services for which the Electronic Check for the Electronic Check Business Transaction was authorized;
- c. The transaction for which the Electronic Check was tendered, or transfer of the Consumer's authorized Electronic Check to TeleCheck, is for any reason: (i) not permitted by applicable law; or (ii) a court of law determines that the Electronic Check for the Electronic Check Business Transaction is, in whole or in part, not due and payable by the Consumer, unless such determination results from the Consumer's bankruptcy proceeding;
- d. The consumer's authorization of an electronic funds transfer was not issued in connection with an Electronic Check Business Transaction;
- e. Any of the warranties and representations made by Authorized User as set forth in paragraph 10.1 above are or become false or inaccurate; or, Authorized User fails or failed to comply with any of the terms, conditions, provisions or obligations under this TeleCheck Exhibit;
- f. Authorized User, or any of its employees: (i) materially altered either the Electronic Check Business Transaction or the Consumer's authorization for such Electronic Check; or (ii) processed the Electronic Check Business Transaction with reason to know that the Electronic Check for such Electronic Check Business Transaction was likely to be dishonored, that the identification used to authorize the Electronic Check for such Electronic Check Business Transaction was forged or altered or that the Consumer did not authorize the Electronic Check for such Electronic Check Business Transaction;
- g. A duplicate Electronic Check Business Transaction relating to the same Electronic Check Business Transaction was received and processed, thereby creating a duplicate entry against the Consumer's financial institution account;
- h. A legible and acceptable copy of the authorization documentation for the Electronic Check is not received by TeleCheck within 7 days of a request therefore by TeleCheck as required by Paragraph 9 above;
- i. The Consumer disputes authorizing the Electronic Check and the Electronic Check Business Transaction or the validity or accuracy of such Electronic Check Business Transaction;
- j. A TeleCheck Approval Code has not been issued for the Electronic Check or the submission of the Electronic Check to TeleCheck for settlement processing does not occur within seven (7) days from the date the TeleCheck Approval Code is issued for the Electronic Check; or

EXHIBIT K - Agreement For TeleCheck Internet Check Acceptance and Checks by Phone Warranty Program and Pro 21 Services

- k. Authorized User receives notice that the Consumer of a Dishonored Item filed bankruptcy and Authorized User failed to notify TeleCheck of the bankruptcy within three (3) business days of Authorized User's receipt of such notice.

Authorized User shall immediately notify TeleCheck upon Authorized User's obtaining knowledge of the occurrence of notice of any of the above circumstances. If an Electronic Check is reassigned or charged back to Authorized User as provided herein, TeleCheck may invoice the Authorized User for the amount paid by Telecheck for the Electronic Check, and the Authorized User shall remit the amount of the Electronic Check to TeleCheck.

- 14. Updating Information.** With regard to any Electronic Check submitted or reported to TeleCheck pursuant to this TeleCheck Exhibit which becomes a Dishonored Item, Authorized User shall promptly notify Telecheck if: (a) a Consumer makes any payment to Authorized User on a Dishonored Item; (b) there is a return of goods or services, in whole or in part which were paid with a Dishonored Item; or, (c) there is a dispute of any amount, notice of bankruptcy or any other matter with regard to a Dishonored Item.
- 15. Credit Law Compliance.** Authorized User certifies that: (a) it has a legitimate business need, in connection with a business transaction initiated by or with the Consumer, for the information provided by TeleCheck under this TeleCheck Exhibit regarding such Consumer; and (b) the information provided by TeleCheck will only be used for permissible purposes as defined in the Fair Credit Reporting Act and applicable state and federal laws, with the exception that the information will not be used for employment purposes, and will not be used by Authorized User for any purpose other than one business transaction between Authorized User and Consumer occurring on the date of the inquiry call to TeleCheck. Neither Authorized User, nor its agents or employees, shall disclose the results of any inquiry made to TeleCheck except to the Consumer about whom such inquiry is made and in no case to any other person outside the Authorized User's organization. If Authorized User decides to reject any transaction, in whole or in part, because of information obtained from TeleCheck, Authorized User agrees to provide the Consumer with all information required by law and TeleCheck.
- 16. Use of TeleCheck Materials and Marks.** TeleCheck grants to Authorized User, and Authorized User accepts, a nonexclusive, nontransferable temporary permission, uncoupled with any right or interest, to use TeleCheck's marks, including, but not limited to: TELECHECK®, TELECHECK INTERNET CHECK ACCEPTANCE®, TELECHEQUE®, the TELECHECK LOGO® and TELECHECK® CHECKS BY PHONESM (collectively the "TeleCheck Marks") and to use and display decals, identification data and other materials provided by TeleCheck, whether in physical or electronic form, during the term of this TeleCheck Exhibit solely in connection with the offering of the TeleCheck service(s) authorized under this TeleCheck Exhibit. Authorized User shall not permit any persons other than its own officers or employees at subscribing locations to use the TeleCheck Authorized User Number if any, assigned by TeleCheck. In addition, the following shall appear at least once on every piece of advertising or promotional material used by Authorized User: "(insert applicable TeleCheck Mark) is a trademark owned by TeleCheck International, Inc. and is licensed for use by (insert Authorized User name)"; provided, however, that no such advertising or promotion, including, without limitation, on any websites, using any TeleCheck Mark or TeleCheck name shall be done without the prior written consent of TeleCheck. Authorized User shall use the designation "®" and "SM" in conjunction with those

EXHIBIT K - Agreement For TeleCheck Internet Check Acceptance and Checks by Phone Warranty Program and Pro 21 Services

TeleCheck Marks which are registered trademarks and service marks, respectively, of TeleCheck. Upon termination of this TeleCheck Exhibit, Authorized User agrees that it shall either return, remove or destroy all TeleCheck materials (including, without limitation, the prompt removal of any TeleCheck decals, electronic files, logos or other materials that are affixed or displayed, electronically or otherwise, to the public). The monthly fees payable by Authorized User shall apply for all months or fraction of a month any TeleCheck materials remain for TeleCheck owned equipment or equipment (if any) remain in use by Authorized User. Authorized User shall not permit any persons other than its own officers or employees at Authorized User's locations to use the TeleCheck Authorized User Number assigned by TeleCheck. **AUTHORIZED USER SHALL NOT USE ANY TELECHECK MARKS IN CONJUNCTION WITH OR ON THE INTERNET EXCEPT WITH RESPECT TO ICA SERVICES PROVIDED BY TELECHECK HEREUNDER AND OTHERWISE IN ACCORDANCE WITH THIS PARAGRAPH 16.** Authorized User shall take all commercially reasonable actions required by TeleCheck to ensure that the TeleCheck marks and other TeleCheck materials do not become part of the public domain or are otherwise appropriated by any person or entity to the detriment of TeleCheck. Authorized User acknowledges TeleCheck's ownership of the TeleCheck Marks and agrees that it will do nothing inconsistent with such ownership. Authorized User shall promptly bring to TeleCheck's attention any unauthorized use of the TeleCheck Marks by third parties of which Authorized User becomes aware.

- 17. Use of Information.** Subject to all local, State, federal and other applicable laws and regulations, Authorized User agrees that: (i) any data and other information relating to an Electronic Check or a Consumer obtained by TeleCheck in connection with any service provided hereunder shall be owned by TeleCheck with all right, title and interest thereto; (ii) TeleCheck may use any credit information provided to a TeleCheck affiliate or a First Data Corp. alliance for TeleCheck's credit review;
- 18. TeleCheck Procedures.** Authorized User shall strictly follow all Operational Procedures provided to Authorized User, as mutually agreed by the parties, including the Operational Procedures relating to the Consumer Authorization Format and the TeleCheck Marks. To the extent that there is any conflict between the Operational Procedures and the terms of this TeleCheck Exhibit, the terms of this TeleCheck Exhibit shall govern and control.
- 19. License Grants; User Information.**
 - 19.1 Software License.** Subject to the terms and conditions herein, TeleCheck hereby grants, and Authorized User hereby accepts, a non-exclusive, non-transferable license, without right to sublicense, to use the Software for the sole and limited purpose of submitting Electronic Checks to TeleCheck for processing as set forth herein.
 - 19.2 Ownership in Modifications and Derivative Works.** TeleCheck shall own all right, title, and interest in any modifications, derivatives, improvements, enhancements or extensions of or to the Software, including any related intellectual property rights throughout the world, regardless of which party creates such derivative work.
 - 19.3 Account Reconciliation.** In the event any Electronic Check Business Transaction is not funded or otherwise paid by TeleCheck in accordance with this TeleCheck Exhibit, Subscriber is required to notify TeleCheck thereof in writing within forty-five (45) days from the date of such Electronic Check Business Transaction.

EXHIBIT K - Agreement For TeleCheck Internet Check Acceptance and Checks by Phone Warranty Program and Pro 21 Services

- 20. Pro 21 Services.** Authorized User accepts checks (“*Checks*”) as payment from individuals or other entities (collectively, “*Consumers*”) at the point of purchase, using Authorized User’s drop box locations, through the US mail or through other means (e.g., FedEx or consumer walk-in) for transactions (“*Transactions*”) for the purchase of goods or services. TeleCheck provides check image processing services (“*pro 21 Services*”) that will create an electronic image of each Check that Authorized User receives as payment from a Consumer and submits to TeleCheck for processing pursuant to the terms of this Addendum; and will provide Authorized User with the pro 21 Services under this Exhibit.
- 21. General Obligations; Payment Data Representations and Warranties.**
- 21.1 General Obligations. Authorized User is solely responsible for all decisions to accept or reject any Check offered as payment for a Transaction and whether or not to submit such Checks to TeleCheck for pro 21 Services. Pro 21 Services are not payment guaranty services. The representations, warranties, obligations and limitations that apply to checks that Authorized User submits to TeleCheck for processing services under the Service Agreement shall apply to Checks submitted for pro 21 Services under this Addendum.
- 21.2 Payment Data Representations and Warranties. Authorized User represents and warrants that each Check that it receives from a Consumer as payment for a Transaction and submits to TeleCheck for pro 21 Services is a completed, signed, first party check payable to Authorized User. Authorized User will provide all transaction data, Personal Information (defined below), related information and instructions (collectively “*Payment Data*”) for each Check that is necessary for TeleCheck to perform the pro 21 Services; and will be solely responsible for ensuring the validity, accuracy and completeness of all Payment Data. TELECHECK WILL RELY UPON AND USE PAYMENT DATA PROVIDED BY AUTHORIZED USER WITHOUT FURTHER VERIFICATION IN ORDER TO PROVIDE THE PRO 21 SERVICES. TeleCheck will have no responsibility or liability for any error, omission, delay, failure to meet any processing timelines or accurately perform the pro 21 Services which result from inaccurate, incomplete or untimely Payment Data, or Authorized User’s failure to perform its settlement obligations. TeleCheck will have no liability for any Check that is processed using the pro 21 Services that is subsequently returned, dishonored, reversed or otherwise unpaid (each a “*Return*”, and collectively, “*Returns*”), and does not warranty the Checks processed using the pro 21 Services. Accepting a Check for processing is not a representation or warranty by TeleCheck that the Check will not be subject to a Return. TeleCheck will have no liability for adjustments (i) that are made to a Check processed using the pro 21 Services which result from inaccurate Payment Data received from Authorized User, or (ii) that are performed at Authorized User’s request. TeleCheck will be responsible for its failure to process a Check and transmit the corresponding data file using the pro 21 Services if Authorized User submitted accurate, complete and timely Payment Data. TeleCheck may attempt (in its discretion) to correct or complete inaccurate Payment Data received from Authorized User in order to process a Check using the pro 21 Services.
- 22. Suspension.** TeleCheck may, with as much notice as is commercially practicable, suspend all or a portion of its pro 21 Services immediately if (i) Customer materially breaches this Addendum or the Service Agreement; (ii) TeleCheck reasonably

EXHIBIT K - Agreement For TeleCheck Internet Check Acceptance and Checks by Phone Warranty Program and Pro 21 Services

determines, or the Federal Reserve System determines, that an excessive amount of Returns are occurring in connection with Authorized User's Transactions submitted for pro 21 Services; (iii) TeleCheck reasonably determines that other questionable activity related to fraud or risk analysis is occurring in connection with Authorized User's Transactions submitted for pro 21 Services; or (iv) as required by applicable Legal Requirements. Continuing the pro 21 Services during any period in which TeleCheck may suspend them will not constitute a waiver by TeleCheck of its rights to suspend pro 21 Services or terminate this Addendum, or any other rights under this Addendum or the Service Agreement.

- 23. Data Ownership; Analytics; Intellectual Property.** TeleCheck owns any data or other information ("*Transaction Data*") relating to a Check or a Transaction that resides on TeleCheck's information technology systems. Except as expressly provided for in this Exhibit, TeleCheck does not grant Authorized User with any right, title, interest, license (express or implied) to any patent, trademark, service mark, copyright, trade secret or proprietary right associated with the pro 21 Services, TeleCheck's (or its subsidiaries' or affiliates') research and development efforts, creation of data and analytics tools and products, or derivative works thereof. TeleCheck's, its affiliates' or subsidiaries' access to or use of data or other information extracted from Transaction Data, including use in commercial products developed as a result of or in connection with their research and development activities, will not be a violation of this Addendum.
- 24. Notices.** A copy of any notice required or permitted under this Exhibit K and in connection with the ICA/CBP Services shall be provided to: TeleCheck Services, Inc.; Attn: President; 5251 Westheimer Road; Houston, TX 77056; with a copy to TeleCheck Services, Inc.; Attn: General Counsel; 5251 Westheimer Road; Houston, TX 77056.

**APPENDIX 1
FIRST DATA MERCHANT SERVICES STANDARD PROPOSED NEGOTIATION LANGUAGE
(PER EXHIBIT D.1.F FOR EXHIBITS G and K)
FOR LOCAL AND WSCA AUTHORIZED USERS**

The following provisions represent Contractor's proposed negotiation language to add or modify portions of exhibit G and K which are negotiable pursuant to Exhibit D.1.f for Local and WSCA Authorized Users.

Exhibit G (Merchant Processing Services)

1. SCOPE OF THIS AGREEMENT; DEFINITIONS AND GENERAL PROVISIONS

b. Definitions:

Reserve Account means the fund established and managed by Servicers to protect against actual or contingent liability arising from Chargebacks, adjustments, fees and other charges due to or incurred by Servicers.

8. Internet Processing

If You accept Internet transactions without such approval, Servicers may, in addition to any other rights it may have under this Exhibit G, establish a chargeback reserve account to protect them from risk of loss.

16. YOUR EVENTS OF DEFAULT

16.1 If any of the following events shall occur (each an "Event of Default"):

- (i) *You shall experience a material adverse change in your business, financial condition, business procedures, products or services; or*
- (ii) any assignment or transfer of voting control of You or Your parent; or
- (iii) a sale of all or a substantial portion of Your assets; or
- (iv) irregular Card sales by You, excessive Chargebacks or any other circumstances which, in Servicers' sole discretion, may increase Servicers' exposure for Your chargebacks or otherwise presents a financial or security risk to Servicers; or
- (v) any representation or warranty of You in this Exhibit G is breached in any material respect or was or is incorrect in any material respect when made or deemed to be made; or
- (vi) You shall default in any material respect in the performance or observance of any term, covenant, condition or agreement contained in this Exhibit G, *including, without limitation, the establishment or maintenance of funds in a Reserve Account, as detailed in Paragraph 18 (Reserve), or the Data Security requirements as detailed in Section 16.*
- (vii) *You shall default in any material respect in the performance or observance of any term, covenant or condition contained in any agreement with any affiliate of Servicers, including, but not limited to, any agreement governing check guarantee or check verification services; or*
- (viii) You shall default in the payment when due, whether upon maturity or otherwise, of any material indebtedness for borrowed money or any material trade payable; or
- (ix) You shall: commence a voluntary case under the Bankruptcy Code; file a petition seeking to take advantage of any other laws, domestic or foreign, relating to bankruptcy, insolvency, reorganization, winding up or entry into a composition

agreement or similar arrangement for adjustment of debts; consent to or fail to contest in a timely and appropriate manner any petition filed against it in an involuntary case under such bankruptcy laws or other laws; apply for or consent to, or fail to contest in a timely and appropriate manner, the appointment of, or the taking of possession by, a receiver, custodian, trustee, or liquidator of itself or of a substantial part of its property, domestic or foreign; generally become unable to pay its debts or trade obligations as they become due; make a general assignment for the benefit of creditors; or take any corporate action for the purpose of authorizing any of the foregoing; or

- (x) a case or other proceeding shall be commenced against You, in any court of competent jurisdiction seeking relief under the Bankruptcy Code or under any other laws, domestic or foreign, relating to bankruptcy, insolvency, reorganization, winding up or adjustment of debts, the appointment of a trustee, receiver, custodian, liquidator or the like of You, or of all or any substantial part of the assets, domestic or foreign, of You, and such case or proceeding shall continue undismissed or unstayed for a period of sixty (60) consecutive days, or an order granting the relief requested in such case or proceeding against You (including, but not limited to, an order for relief under the Bankruptcy Code) shall be entered; or
- (xi) *the independent certified accountants retained by You shall fail to deliver an unqualified opinion with respect to Your annual financial statements,*

then, upon the occurrence of (1) an Event of Default specified in subparagraphs (i), (iv), (vi), (ix), or (x) above, Services may suspend this Exhibit G immediately without notice and/or terminate immediately upon written notice to Authorized User, 2) in the event you commit any other Event of Default (other than as specified in the above specified subparagraphs), without waiving its other rights and remedies, we have the right to send you a notice specifying the default and providing you an opportunity to cure the breach within a period of time no less than thirty (30) days (*Cure Period*). If the breach is not cured within the Cure Period, then we have the right to terminate this Agreement by notice to you, with termination to be effective not less than thirty (30) days following the end of the Cure Period.

If this Agreement terminates and any amounts remain unpaid, without waiving our other rights and remedies, then you and your successors and permitted assigns will remain liable for such amounts and will pay us within thirty days of request. You must also return our materials and equipment immediately, and submit to us any Charges and Credits incurred prior to termination.

18. RESERVE ACCOUNT; SECURITY INTEREST

- 18.1 You expressly authorize Servicers to establish a Reserve Account pursuant to the terms and conditions set forth in this Section. The initial amount of such Reserve Account shall be set by Servicers, in their sole discretion, based upon Your processing history and the anticipated risk of loss to Servicers.
- 18.2 The Reserve Account shall be fully funded upon three days notice to You, or in instances of fraud or an Event of Default, reserve account funding may be immediate. Such Reserve Account may be funded by all or any combination of the following: (i) one or more debits to Your Settlement Account or any other accounts held by Bank or any of its affiliates; (ii) one or more deductions or off sets to any payments otherwise due to You; (iii) Your delivery to Servicers of a letter of credit; or (iv) if Servicers so agree, Your pledge to Servicers of a freely transferable and negotiable certificate of

deposit. Any such letter of credit or certificate of deposit shall be issued or established by a financial institution acceptable to Servicers and shall be in a form satisfactory to Servicers. In the event of termination of this Exhibit G by either You or Servicers, an immediate Reserve Account may be established without notice in the manner provided above. Any Reserve Account will be held by Bank for the greater of ten months after termination of this Exhibit G or for such longer period of time as is consistent with Bank's liability for Card transactions in accordance with Association Rules. Your funds held in a reserve account may be held in a commingled Reserve Account for the reserve funds of Bank's customers, without involvement by an independent escrow agent.

- 18.3 If Your funds in the Reserve Account are not sufficient to cover the Chargebacks, adjustments, fees and other charges due from You, or if the funds in the Reserve Account have been released, You agree to promptly pay Servicers such sums upon request. In the event of a failure by You to fund the Reserve Account, Servicers may fund such Reserve Account in the manner set forth in subsection 19.2, above.
- 18.4 To secure Your obligations to Servicers and their affiliates under this Exhibit G and any other agreement for the provision of related equipment or related services, You grants to Servicers a lien and security interest in and to any of Your funds pertaining to the Card transactions contemplated by this Exhibit G now or hereafter in the possession of Servicers, whether now or hereafter due or to become due to You from Servicers. Any such funds, money or amounts may be commingled with other funds of Servicers, or, in the case of any funds held pursuant to the foregoing paragraphs, with any other funds of other customers of Servicers. In addition to any rights now or hereafter granted under applicable law and not by way of limitation of any such rights, Servicers are hereby authorized by You at any time and from time to time, without notice or demand to You or to any other person (any such notice and demand being hereby expressly waived), to set off, recoup and to appropriate and to apply any and all such funds against and on account of Your obligations to Servicers and their affiliates under this Exhibit G and any other agreement with Servicers or any of Servicers' affiliates for any related equipment or related services (including any check guarantee and check verification services), whether such obligations are liquidated, unliquidated, fixed, contingent, matured or unmatured. You agree to duly execute and deliver to Servicers such instruments and documents as Servicers may reasonably request to perfect and confirm the lien, security interest, right of set off, recoupment and subordination set forth in this Exhibit G.

EXHIBIT K (Payment, Reserve Account, Security Interest)

4.1 All fees and charges are due upon receipt of invoice and payable as set forth in Exhibit E. For all payments and other amounts owed under this TeleCheck Exhibit (including, without limitation, all chargebacks and other amounts owing to TeleCheck or its affiliates under this TeleCheck Exhibit or any other agreement between Authorized User and TeleCheck and/or its affiliates), Authorized User authorizes TeleCheck or TeleCheck's designee to initiate debit entries and adjustments to the Authorized User's financial institution account ("Authorized User's Account") by ACH or other funds transfer (or by paper check/draft), and Authorized User authorizes TeleCheck or TeleCheck designee to initiate credit entries for amounts owing to Authorized User hereunder and to credit or deposit funds to the Authorized User Account in accordance with such credit entries and to debit, withdraw and transfer funds from Authorized User Account to TeleCheck or TeleCheck's designee in accordance with such debit entries and adjustments. If there are insufficient funds in Authorized User's Account to pay amounts owed to TeleCheck or its affiliates, or if there are any amounts otherwise not paid by Authorized User when due, including, without limitation, delinquent fees or chargebacks, Authorized User shall

immediately reimburse TeleCheck or its affiliates upon demand, or at TeleCheck's option, TeleCheck may offset such amounts against any amounts due Authorized User from TeleCheck or its affiliates under this TeleCheck Exhibit or any other agreement between Authorized User and TeleCheck or its affiliates. A delinquency charge of 1-1/2% per month or the highest amount permitted by law, which ever is lower, shall be added to the outstanding balance of any account over thirty (30) days delinquent. TeleCheck shall have the right to suspend all services and obligations to Authorized User, including the payment of all warranties due and all transactions previously authorized, during any period in which Authorized User's account is delinquent

4.2 Authorized User expressly authorizes TeleCheck to establish a Reserve Account for Electronic Check Business Transactions. The amount of the Reserve Account shall be set by TeleCheck, in its sole discretion, based upon Authorized User's processing history and the anticipated risk of loss to TeleCheck

4.3 If any such Reserve Account is established, the Reserve Account shall be fully funded upon three (3) days notice to Authorized User, or in instances of fraud or breach of this TeleCheck Exhibit, the Reserve Account may be funded immediately at TeleCheck's election. The Reserve account may be funded by either or both of the following: (i) one or more debits to Authorized User's financial institution (and TeleCheck is hereby authorized to make such debits); or (ii) one or more deductions or offsets to any payments otherwise due to Authorized User from TeleCheck or any of its affiliates. In the event of termination of this TeleCheck Exhibit by either Authorized User or TeleCheck, an immediate Reserve Account may be established without notice in the manner provided above. Any Reserve Account will be held by TeleCheck for five (5) months after termination of this TeleCheck Exhibit. Authorized User's funds held in a Reserve Account may be held in a commingled Reserve Account for the reserve funds of TeleCheck's Authorized Users, without involvement by an independent escrow agent, and shall not accrue interest.

4.4 If Authorized User's funds in the Reserve Account are not sufficient to cover the delinquent fees, chargebacks or rejected and reassigned warranty items, or any other fees and charges due from Authorized User to TeleCheck or its affiliates, or if the funds in the Reserve Account have been released, Authorized User shall immediately pay TeleCheck such sums upon request. In the event of a failure by Authorized User to fund the Reserve Account, TeleCheck may fund such Reserve Account in the manner set for the in subsection 4.3 above.