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**State of New Hampshire**  
**DEPARTMENT OF ADMINISTRATIVE SERVICES**  
 OFFICE OF THE COMMISSIONER  
 25 Capitol Street – Room 120  
 Concord, New Hampshire 03301

Charles M. Arlinghaus  
 Commissioner  
 (603)-271-3201

Joseph B. Bouchard  
 Assistant Commissioner  
 (603)-271-3204

Catherine A. Keane  
 Deputy Commissioner  
 (603)-271-2059

May 29, 2019

His Excellency, Governor Christopher T. Sununu  
 and the Honorable Council  
 State House  
 Concord, New Hampshire 03301

**REQUESTED ACTION**

Authorize the Department of Administrative Services, Division of Procurement and Support Services to enter into a **retroactive sole source** contract amendment for merchant card processing services with JPMorgan Chase Bank, NA, Paymentech, LLC, (Vendor No. 272967), Dallas, TX for a not to exceed price of \$15,000,000.00. The original contract was approved by Governor and Executive Council on May 18, 2016, Item 55, for a period of three (3) years. This contract extension is effective May 18, 2019 with Governor and Council approval through June 30, 2024 with two (2), two-year options to renew. Funding for this service shall be paid by the Liquor Commission initially and any other respective state agency at the rates quoted herein.

**EXPLANATION**

This item will put all state agencies on the same contract for credit and debit card processing services. The Liquor Commission currently uses JPMorgan Chase Bank to process credit and debit card transactions and pass through gift card information to a third party gift card processor for approximately 80 stores located throughout the State. The Commission has an active project to replace its point of sale, financial, and other back end systems. The Commission is requesting a **retroactive sole source** contract to stay with JPMorgan Chase because it believes that changing vendors at this point in the project creates operational risk to both the card operation and their implementation of a new comprehensive computer system (further explained below). The Liquor merchant card contract generates just over half of state merchant card business. Moving all agencies with smaller volume to one state contract would allow lesser volume agencies to take advantage of pricing advantages that come from Liquor's volume. This request is **retroactive** due to a longer than expected negotiation process.

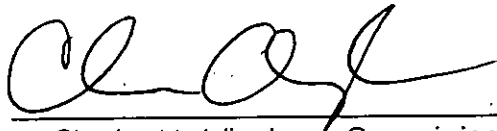
Under the JPMorgan Chase Contract, the Liquor Commission processed \$250,643.38 in sales in fiscal year 2018 and spent \$3,806,166.75 (1.519% of total sales) on billed fees. Under the Bank of America Contract, agencies processed \$238,327,333.45 in sales, \$174,628,149.27 of that was sales at the Liquor Commission, and spent \$3,743,272.69 (1.571% of total sales) on billed fees. At those rates, the State would have saved \$311,734.23 in fiscal year 2018 if all agencies had been under the JPMorgan Chase contract. This results in approximately \$620,681.03 in cost savings over the five (5) year term of the contract.

Nonetheless, rather than simply move forward with a sole source contract, in July, 2018 the Division of Procurement and Support Services issued a Request for Information (RFI) for merchant card processing services and associated conversion fees. Based on twelve (12) responses to the RFI, the existing JPMorgan Chase contract had the most competitive rates.

The contract amendment will also allow the State to take advantage of ChaseNet which lowers card processing fees when a customer also pays with a Chase issued credit card which is expected to further reduce costs for all agencies.

The operational risks identified by the Liquor Commission that require maintaining the current provider relate in large part to their gift card operations and to the development and implementation of the new NextGen financial and operations system. In short, the current system has the ability to bundle their gift card redemption with other merchant card operations – an option that did not exist with other systems. Just as important, redoing the interfaces with their financial system that gift cards would require would mean the diversion of already limited staff from NextGen implementation and delay that program. The NextGen interfaces have been developed with JPMorgan Chase as the carrier and a change would also require additional development time adding delays and additional cost to that project.

Based on the foregoing, we respectfully recommend approval of the **sole source** contract amendment with JPMorgan Chase Bank NA, Paymentech, LLC.

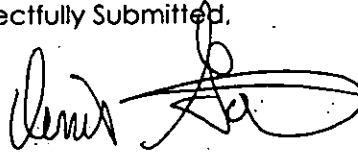


Charles M. Arlinghaus, Commission  
Department of Administrative Services



Joseph W. Mollica, Chairman  
New Hampshire Liquor Commission

Respectfully Submitted,



Denis Goulet, Commissioner  
Department of Information Technology



**STATE OF NEW HAMPSHIRE**  
**DEPARTMENT OF INFORMATION TECHNOLOGY**

27 Hazen Drive  
Concord, New Hampshire 03301  
[www.nh.gov/doit](http://www.nh.gov/doit)

**Dennis Goulet**  
*Commissioner*

November 19, 2018

Mr. Charles Arlinghouse, Commissioner  
Department of Administrative Services  
25 Capitol Street  
Concord, NH 03301

Dear Commissioner Arlinghouse:

The Department of Information Technology supports the sole source contract with JP Morgan Chase (Chase) for payment card services. The department supports a number of enterprise and agency-specific solutions that interface with the State's acquiring bank. These solutions include online professional and occupational licensing, online forms submittal, point of sale solutions for the NH Liquor Commission and e-Commerce solutions such as online license renewal and ticket payments for the Division of Motor Vehicles.

Chase currently provides payment card processing services for the NH Liquor Commission. The Commission is also in the middle the Next Gen project which is a replacement of its point of sale, financial, and other back office systems. Changing the acquiring bank at this point in the project introduces significant risk and DoIT supports the Department of Administrative Services to retain the services provided by Chase. The new contract negotiated by DAS allows DoIT to continue to support Liquor's existing point of sale system as well as continue with ongoing development of the Next Gen solution.

The Department of Information Technology supports this sole source contract.

Sincerely,

A handwritten signature in black ink, appearing to read "Denis Goulet".

Denis Goulet  
Commissioner

**PAYMENTECH, LLC  
MARCH 2019  
Amendment to**

**SELECT MERCHANT PAYMENT INSTRUMENT PROCESSING AGREEMENT  
MERCHANT NAME: State of New Hampshire, Department of Administrative Services**

This First Amendment to the Select Merchant Payment Instrument Processing Agreement (the "Amendment") amends and attaches to the Select Merchant Payment Instrument Processing Agreement (contract number 8002054), dated on or about May 18, 2016, as may have been amended (the "Agreement"), between Paymentech, LLC, (or its predecessor in interest; "Paymentech"), for itself and on behalf of JPMorgan Chase Bank, N.A. a national banking association ("JPM"), and the merchant(s) whose signature(s) appear below (all merchants hereto collectively referred to herein as "Merchant"). This Amendment is dated as of the date last signed below (the "Effective Date"). Except as otherwise defined herein, capitalized terms used herein shall have the meaning assigned to them in the Agreement. All references to section numbers herein shall refer to the corresponding section of the Agreement. To the extent that any conflict or inconsistency exists between the terms of this Amendment and the Agreement, the terms of this Amendment will control. All other provisions of the Agreement, approved by the Governor and Executive Council, shall remain in full force and effect.

**1. EXTENSION OF TERM:**

The term of the Agreement is hereby extended five (5) years from the Effective date of this Amendment. Thereafter, the Agreement shall renew for two (2) successive two (2) year terms as provided in the Agreement (including but not limited to approval by the Governor and the Executive Council where applicable).

**2. Transition Period Upon Expiration of Agreement:**

Solely upon receipt of Merchant's notice of termination of the Agreement to Paymentech; and excluding Paymentech's rights to termination under the Agreement, Paymentech and JPM agree to continue to provide Merchant services pursuant to the Agreement, for an additional time period mutually agreed to by the parties until Merchant obtains a new processor.

**3. NEW PRICING SCHEDULE.**

The parties agree that the attached Schedule A-3 is hereby added to Exhibit B of the Agreement effective as of the Effective Date of this Amendment and supplements Schedules A-1 and A-2 attached to Exhibit B. Specifically, the parties agree that the existing merchant services provided to the New Hampshire Liquor Commission ("Liquor Commission") under the current Schedules A-1 and A-2 remain unchanged for the Liquor Commission, but additional services to be provided to the Liquor Commission may be subject to the pricing schedules in A-3. The pricing for any additional State agencies that may participate in this Agreement may be determined by Schedules A-3 and A-4 of this Amendment. The parties further agree that the attached Schedule A-4 is hereby added to Exhibit B of the Agreement effective as of the Effective Date of this Amendment and will govern pricing for all New Hampshire agencies using such services.

**4. CONTINUED EFFECT:**

Except to the extent amended hereby, all terms, provisions and conditions of the Agreement are hereby ratified and shall continue in full force and effect and the Agreement shall remain enforceable and binding in accordance with its terms.

**6. CONNECT:**

Attached and incorporated into this Amendment is Exhibit D, various account and service terms for JPM service options that may be provided under this Agreement (collectively herein "Bank Terms"). Exhibit D shall have the precedence in the Agreement for any services provided by JPM under the pricing contained in Schedule A-4.

**7. SUPPLEMENTAL TERMS FOR MERCHANT PROCESSING:**

Attached and incorporated into this Amendment is Exhibit C-2, detailing additional changes and additions to the terms of the Agreement. Exhibit C-2 is incorporated as a supplement to Form P-37 and shall have the same order of precedence as provided by Exhibits C and C-1.

**8. SUPPLEMENTAL TERMS FOR CONNECT SERVICES:**

Attached and incorporated into this Amendment is Exhibit D-1, detailing additional amendments and additions to the terms of the Agreement. Exhibit D-1 is incorporated as a supplement to Form P-37 and shall have the precedence over Exhibit D in the event of a conflict or ambiguity.

**INTERNAL PAYMENTECH USE**

Merchant Name: New Hampshire State Liquor Commission

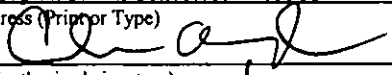
Paymentech Contract No.: 1587902

This Amendment shall be effective on the Effective Date, which shall be the date of approval by the Governor and Council of New Hampshire shown below.

Agreed and Accepted by:

New Hampshire State, Department of Administrative Services  
MERCHANT LEGAL NAME (Print or Type)

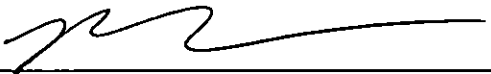
25 Capital Street, Concord, NH 03301  
Address (Print or Type)

  
By (authorized signature)  
Charles Arlinghaus, Commissioner  
By, Name, Title (Print or Type)

5/23/19  
Date

Agreed and Accepted by:

PAYMENTECH, LLC for itself and on behalf of  
JPMORGAN CHASE BANK, N.A.

By: 

Print Name: Matthew P. Leman

Title: Executive Director

Date: 5/21/2019

Address: 8181 Communications Pkwy, Plano, TX 75024

Office of the Attorney General

*Dianne M. ...*  
By (authorized signature)

Assoc. AG  
By, Name, Title (Print or Type)

5/29/19  
Date

Approved by the Governor and Council of New Hampshire on:

\_\_\_\_\_, 2019

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**INTERNAL PAYMENTECH USE**

Merchant Name: New Hampshire State Liquor Commission

Paymentech Contract No.: 1587902

### **Schedule A-3 (Paymentech pricing)**

- Schedule A to Merchant Agreement
- Pricing Schedule to Agreement – Electronic Check (eCheck)
- Pricing Schedule to Agreement – PIN Debit
- Pricing Schedule to Agreement – PINless Debit

**INTERNAL PAYMENTECH USE**

Merchant Name: New Hampshire State Liquor Commission

Paymentech Contract No.: 1587902



## Schedule A to Merchant Agreement

Credit Assumptions			
Transaction - Relation Assumptions			
Annual Payment Transaction Volume	3,723,700	Average Transaction Amount	\$60.00
<b>1. Processing Fees - (Fees applied to every transaction)</b>			
Transaction Fees & Authorization Fees			
Per Trans	Visa Settled Transactions		No Charge
	MasterCard Settled Transactions		No Charge
	American Express Conveyed Transactions		No Charge
	Diners Settled Transactions		No Charge
	Discover Settled Transactions		No Charge
	JCB Settled Transactions		No Charge
Rate	Visa Settled Transactions		No Charge
	MasterCard Settled Transactions		No Charge
	American Express Conveyed Transactions		No Charge
	Diners Settled Transactions		No Charge
	Discover Settled Transactions		No Charge
	JCB Settled Transactions		No Charge
Per Auth	Visa Authorizations		\$0.0250
	MasterCard Authorizations		\$0.0250
	American Express Authorizations		\$0.0250
	Diners Authorizations		\$0.0250
	Discover Settled Authorizations		\$0.0250
	JCB Authorizations		\$0.0250
ChaseNet Transaction Fees			
CN	Chase Credit Merchant Discount Rate & Transaction Fee (based on Sales minus Returns)		1.930% + \$0.1480
	Chase Signature Debit Merchant Discount Rate & Transaction Fee (based on total Sales)		0.180% + \$0.2640
	Chase PIN Debit Merchant Discount Rate & Transaction Fee (based on total Sales)		0.050% + \$0.2650
Chase Pay Transaction Fees			
CP	Chase Pay Credit Merchant Discount Rate & Transaction Fee (based on Sales minus Returns)		1.930% + \$0.1480
	Chase Pay Signature Debit Merchant Discount Rate & Transaction Fee (based on total Sales)		0.180% + \$0.2640
<b>2. Per Incidence Fees – charged every time your account incurs one of the below items</b>			
<b>Per Incidence Fees – Authorization &amp; Voice Authorization Related</b>			
	Visa Auth Reversal - Visa authorization reversal misuse prevention		\$0.0250
	MC Auth Reversal - MasterCard authorization reversal misuse prevention		\$0.0250
	Audio Response Unit Authorization – Charged when voice auth is handled by automated system		\$0.5000
	Voice Authorization - Charged when you call the Voice Auth phone number to authorize a credit card		\$0.6500
	Voice AVS Request - Charged to speak to voice operator for each Voice Address Verification request		\$0.6500
	Voice Authorization Reversal - Charged for each voice authorization reversal		\$0.6500
	Voice AVS Authorization - Charged per each voice Address Verification Service authorization		\$1.75
	Voice Operator Assist - Charged for each voice operator assistance		\$1.75
<b>Per Incidence Fees – Chargeback Related</b>			
	Visa or MasterCard Chargeback/Dispute Fee		\$2.50
	Diners Settled Chargeback/Dispute Fee		\$2.50
	Discover Settled Chargeback/Dispute Fee		\$2.50
	JCB Chargeback/Dispute Fee		\$2.50
	Visa or MasterCard Re-presentation Dispute Response Fee		\$2.50
	Diners Settled Re-presentation Dispute Response Fee		\$2.50
	Discover Settled Re-presentation Dispute Response Fee		\$2.50
	JCB Chargeback Re-presentation Dispute Response Fee		\$2.50
	Visa or MasterCard Pre-Arbitration & Compliance Dispute Denied		\$2.50
	Diners Pre-Arbitration & Compliance Dispute Denied		\$2.50
	Discover Pre-Arbitration & Compliance Dispute Denied		\$2.50
	JCB Pre-Arbitration & Compliance Dispute Denied		\$2.50
	Visa or MasterCard Collection Letter		\$2.50
	Diners Collection Letter		\$2.50
	Discover Collection Letter		\$2.50
	JCB Collection Letter		\$2.50
<b>Per Incidence Fees – Funding Related</b>			
	ACH Transfer Fee - Charged for each ACH (transmission of funds) sent to your account		No Charge
	Wire Transfer Fee - Per each funding via wire transfer		\$10.00



Per Incidence Fees – Miscellaneous Transaction Related	
Rejected Transaction	\$0.0250
Paymentech Gateway Transaction	No Charge
Hosted Pay Page Transaction	\$0.1500
Point of Sale Terminal Item Authorized	\$0.0250
Point of Sale Terminal Item Authorized Wireless	\$0.0250
Point of Sale Terminal Item Authorized TCP/IP	\$0.0250
Point of Sale Terminal Item Authorized Special/Misc.	\$0.0250
Point of Sale Terminal Item Authorized Frame Relay	\$0.0250
Point of Sale Terminal Item Authorized Lease Line	\$0.0250
Point of Sale Terminal Item Authorized Netconnect TCP/IP	\$0.0250
Point of Sale Terminal Item Deposited	No Charge
Point of Sale Terminal Reject Transaction	\$0.0250
Safetech Encryption (Verifone) Per Item Fee	\$0.0600
Safetech Encryption (Ingenico) Per Item Fee	\$0.0600
Safetech Encryption (Magtek) Per Item Fee	\$0.0600
Safetech Page Encryption Per Item Fee	\$0.0225
Safetech Tokenization Per Item Fee	\$0.0050

If Merchant obtains point of sale device(s) from Paymentech or a third party for use with Safetech Encryption and Paymentech or the third party provides the encryption services, additional fees shall be assessed: (a) a one-time device fee of \$10.90 per device; and (b) an encryption injection fee of \$34.95 per device per occurrence. These assessments are in addition to the above Safetech Encryption Fee(s).

If Merchant obtains point of sale device(s) from Verifone directly and Verifone provides the Safetech Verifone Point Enterprise Solution encryption injection to the devices, then the above one time device fee(s) and injection fee(s) will not apply. Merchant acknowledges and understands that its use of any fraud mitigation or security enforcement solution (e.g. an encryption product or service), whether provided to merchant by Paymentech, Verifone or a third party, in no way limits Merchant's obligation to comply with the Security Standards or Merchant's liabilities set forth in the Agreement.

If Merchant obtains point of sale device(s) for use with Safetech Encryption, the following additional fee shall be assessed: an encryption injection fee of \$34.95 per device per occurrence. These assessments are in addition to the above Safetech Encryption Fee(s). If Merchant obtains point of sale device(s) from a third party, additional fees may apply. Merchant acknowledges and understands that its use of any fraud mitigation or security enforcement solution (e.g. an encryption product or service), whether provided to merchant by Paymentech ("Chase") or a third party, in no way limits Merchant's obligation to comply with the Security Standards or Merchant's liabilities set forth in the Agreement.

**3. One Time and Periodic Fees**

One Time Fees	
Not Applicable	N/A

Monthly Fees	
Monthly Paymentech Gateway Fee (per division)	No Charge

**4. Other Fees**

Per Incidence Fees – Statement & Supply Related	
Monthly Fax/Mail Reporting Fee - Charged each month Paymentech faxes or mails statements (whether at the request of Merchant or because delivery to a valid email address has failed)	\$50.00
Postage, Supplies, Equipment & Other Services – service fees will be charged at the time of order	Current Market

**5. Payment Brand Fees – Assessed on each transaction. The Payment Brands assess fees on each transaction processed through their network(s). These fees generally referred to herein as Payment Brand Fees consist of interchange fees, assessments, data usage fees, and access fees.**

Payment Brand Fees - Interchange Fees Paymentech will "pass through" to merchant an amount equal to the applicable interchange rate established by the Payment Brands	
Visa	Pass-Through
MasterCard	Pass-Through
Diners	Pass-Through
Discover Settled	Pass-Through
JCB	Pass-Through

**Payment Brand Fees – Assessments. Paymentech will "Pass through" to merchant an amount equal to the applicable assessment rate established by the Payment Brands. For your convenience, the current assessment rates are set forth below.**

Visa Assessments - Debit Transactions	0.130%
Visa Assessments - Credit Transactions	0.140%
MasterCard Assessments (Credit transactions < \$1,000.00 and all Debit transactions)	0.130%
MasterCard Assessments (Credit transactions > \$1,000.00)	0.140%
Discover, Diners, & JCB Assessments	0.130%

Payment Brand Fees - Data Usage Fees		
Visa Acquirer Processing Fee (APF) (Charged per Authorization and per Refund)	Credit	Debit
MasterCard Network Access and Brand Usage (NABU) Fee (Charged per Authorization and per Refund)	\$0.0195	\$0.0155
Discover, Diners, & JCB Card Data Usage Fee	\$0.0195	\$0.0195
Visa Financial Transaction Fee	\$0.0018	
MasterCard File Transmission Fee per transaction**	\$0.0014	

Payment Brand Fees – Access Fees. Paymentech will “Pass through” to merchant an amount equal to the applicable access fee/rate established by the Payment Brands. For your convenience, the current access fees/rates are set forth below.

MC Acquiring License Fee*	Charged on MasterCard Gross Sales volume. See Additional Information under Payment Brand Fees below.	0.004%
MC Digital Enablement/Card Not Present Fee	Charged on MasterCard Card Not Present Gross Sales volume.	0.010%
MC Humanitarian Program Fee	Applies to transactions qualifying at the MasterCard Humanitarian card interchange category. When this fee applies, other MC Payment Brand fees will be waived.	0.025%
Discover, Diners, or JCB Network Authorization Fee	Charged by Discover on all authorizations for card transactions that are settled through the Discover Network	\$0.0025
MC Auth Access Fee – AVS Card Present	Charged by MasterCard when a merchant uses the address verification service to validate a cardholder address	\$0.0100
MC Auth Access Fee – AVS Card not present		\$0.0100
MC Auth Access Fee	Charged by MasterCard when an authorization is reversed or the authorization is provided by MasterCard if the card issuer is not available	\$0.0050
MC Card Validation Code 2 Fee	Charged by MasterCard when a merchant submits the Card Validation Code 2 (CVC2) in an authorization request	\$0.0025
MC SecureCode Transaction Fee	Charged on MasterCard SecureCode transactions that are sent for verification	\$0.0300
MC Account Status Fee - Intra-regional	Charged by MasterCard or Visa when a merchant uses this service to do an inquiry that a card number is valid	\$0.0250
MC Account Status Fee - Inter-regional		\$0.0300
Visa Zero \$ Acct Verification Fee		\$0.0250
MC Processing Integrity Fee - Pre Authorization	Charged when a card is authorized but not deposited and the authorization is not reversed in a timely manner. *the minimum fee amount for a Final Authorization is \$0.04	\$0.0450
MC Processing Integrity Fee - Final Authorization*		0.250%
Visa Misuse of Authorization Fee		\$0.0930
Visa Zero Floor Limit Fee		Charged when a transaction is deposited but never authorized
Visa Transaction Integrity Fee - Credit	Charged on Visa transactions that do not meet qualification standards for Custom Payment Service (CPS) categories.	\$0.1000
Visa Transaction Integrity Fee - Debit/Prepaid		\$0.1000
MC Ineligible Chargeback Blocking Fee	Charged when a fraud related Chargeback is blocked by MasterCard.	\$3.00
MasterCard Cross Border Assessment Fee	Charged by MasterCard, Visa, Discover, Diners and JCB on foreign bank issued cards	0.600%
Visa International Service Assessment Fee		0.800%
Discover, Diners, & JCB International Service Fee		0.800%
MC International Support Fee		0.850%
Visa Interregional Acquiring Fee (IAF) (other MCCs)		0.450%
Visa Interregional Acquiring Fee (IAF) (high risk MCCs)	Additional fee charged by Visa, MasterCard, Discover, Diners and JCB on foreign bank issued cards	0.900%
Discover, Diners, & JCB International Processing Fee		0.500%
Visa Partial Auth Non-Participation Fee	Applies to Petroleum merchants using automated fuel pumps that do not support Partial Authorization.	\$0.0100
MC Global Wholesale Travel Transaction Program B2B Fee	Applies to Travel merchants for transactions qualifying at the MasterCard Commercial Business-to-Business Interchange category.	1.570%
Visa Global B2B Virtual Payment Service Fee	Applies to Travel merchants for transactions qualifying at the Visa Global B2B Virtual Payments Interchange category.	1.550%

**6. Periodic Fees**

<b>Monthly Fees</b>		
Visa Fixed Acquirer Network Fee - Visa Fixed Acquirer Network Fee is a monthly fee assessed by Visa per tax ID based on Merchant Category Code (MCC), dollar volume, number of merchant locations, and whether the physical Visa card is present or not present at the time of the transaction. This fee can vary monthly.		Pass-Through
MasterCard Merchant Location Fee – MasterCard Merchant Location Fee of \$1.25 will be applicable for each month with \$200.00 or more in MasterCard volume. This fee will be assessed annually in May based on the previous 12 months activity.		\$1.25

**Payment Brand Fees**

A substantial amount of the fees that we charge for processing Transactions consists of charges that we must pay to the Payment Brands and card issuing banks (or that are otherwise charged to us by the Payment Brands and card issuing banks) under the Payment Brand Rules. These charges (collectively referred to in this Schedule A as "Payment Brand Fees") include, but are not limited to, interchange, assessments, file transmission fees, processing fees, network access fees, and cross border fees. Whether a particular Payment Brand Fee applies is based on several factors, like the type of Payment Instrument presented, specific information contained within the Transaction, how and when the Transaction is processed, and the merchant's domicile and industry.

Please note that Paymentech, LLC ("Chase") may, from time to time, elect not to charge you for certain existing, new or increased Payment Brand Fees. If we elect not to charge you, we still reserve the right to begin charging you for existing, new or increased Payment Brand Fees at any time in the future, upon notice to you. No such Payment Brand Fees will be imposed retroactively.

Additional information about significant Payment Brand Fees (Interchange and Assessments), can be found at: [www.chasepaymentech.com/interchange\\_and\\_assessment\\_understanding.html](http://www.chasepaymentech.com/interchange_and_assessment_understanding.html)

\*MasterCard assesses the MasterCard Acquiring License Fee annually to each Acquirer based on the total annual volume of MasterCard-branded sales (excluding Maestro PIN debit volume) of its U.S. domiciled merchants. To fairly distribute the fee across all Paymentech MasterCard-accepting merchants, a rate of .004% will be applied to all of your MasterCard gross sales transactions.

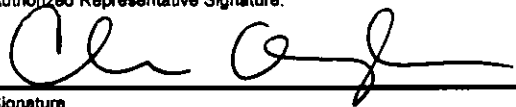
\*\*MasterCard assesses a file transmission fee based on the number of bytes of data contained in a transmitted file. Because file size may vary from transaction to transaction, the parties acknowledge that it is not possible to accurately translate the byte based fee into a consistently accurate transaction-based fee.

In light of the foregoing, the parties have agreed that Merchant shall pay Paymentech ("Chase") a fee in the amount stated above for each transaction submitted under this Agreement. Such fee shall be deemed to be the file transmission fee imposed by MasterCard on each transaction for all purposes of this Agreement, and Paymentech ("Chase") may change the amount of such fee in accordance with the terms of this Agreement in the event MasterCard changes the amount or calculation of its file transmission fee.


**Amount due upon Termination**

In addition to the other amounts due under this Agreement (including without limitation, the fees and charges described in this Schedule A), you may owe an amount in the event you terminate this Agreement. Whether you will owe that amount, and how much you will owe, will be determined in accordance with the terms of the Agreement, including, without limitation, the "Termination" section.

**Agreed and Accepted by:**

State of New Hampshire, Department of Administrative Services Merchant Legal Name	25 Capitol St Address
Charles Arlinghaus Printed Name	Commissioner Title (Print of Type)
Authorized Representative Signature: X 	5/22/19 Date

**(Internal Use Only) Agreed and Accepted by:**

Paymentech, LLC for itself and on behalf of JPMorgan Chase Bank, N.A. Merchant Legal Name	8181 Communications Pkwy Plano, TX 75024 Address
Matthew P. Leman Printed Name	Executive Director Title (Print of Type)
Authorized Representative Signature: X 	5/21/2019 Date



## Pricing Schedule to Agreement Electronic Check (eCheck)

**Electronic Check (eCheck) Assumptions**

Transaction - Related Assumptions <small>(All eCheck transactions from all divisions and subsidiaries will be processed by Paymentech)</small>			
Annual eCheck Transactions	40,000	Avg eCheck Transaction Amount	\$50.00

**1. Common Transaction Types**

**Transaction Fees & Authorization Fees**

eCheck Validation (Online Only) - This fee is assessed when using a 'Validate Only' action code and when the transaction passes Validation. Validation includes format and data edit checks bank routing number checks and comparison to Paymentech proprietary internal negative file. Note: Validation also occurs with every deposit transaction in batch at no charge.	\$0.25
eCheck ACH Transaction - This fee is assessed for successfully deposited eCheck transactions indicating the bank account has been successfully debited or credited.	\$0.25
eCheck Prenote Transaction - This fee is assessed when a prenote transaction is run which is a zero dollar transaction that determines whether the account number information is valid.	\$0.25
eCheck Redeposit Transaction - This fee is assessed when an ACH return occurs and the merchant has authorized Paymentech to resubmit the item to the ACH network. Only transactions returned for insufficient or uncollected funds can be resubmitted.	\$0.25
eCheck ECP Deposit Check (Facsimile Draft) Deposit - Paper (Facsimile) Drafts are created when a transaction is not eligible for ACH processing. The transaction is sent to the bank outside of the ACH network.	\$2.50
eCheck Redeposit Paper Draft - This fee is assessed when a paper return occurs and the merchant has authorized Paymentech to resubmit the item through the banking system (e.g. NSF Returns / Uncollected Funds).	\$2.50

**Transaction Fees - Same Day Funding**

eCheck Same Day ACH Deposit - This fee is assessed for successfully deposited same day eCheck transactions using the ACH Network. This fee includes both credit and debit same day ACH transactions.	\$0.30
eCheck Same Day Deposit Rebate - This fee is used when a correction is required to a same day ACH Deposit fee that was not successfully processed using the same day service. The rebate is intended to make the necessary pricing	\$0.30

**2. Per Incidence Fees**

**Per Incidence Fees - Returns ACH Fees/Dishonored Return Fees**

ACH Return/ACH Dishonored Return Processed/Represented - This fee is assessed every time an item which has been presented for deposit into the ACH network is returned by the RDFI (consumer bank) or when Paymentech dishonors a late return originally initiated from the RDFI.	\$3.00
eCheck Notification of Change - This fee is assessed when Paymentech receives a change notice from RDFIs (consumer's bank) on bank format changes (Routing/Account Number). This information is conveyed back to our clients as a NOC when an old or previous Routing/Account Number is used. This is particularly important for clients who store consumer profiles.	\$2.50
Deposit Matching - This fee is assessed whenever a transaction that is submitted with old routing/bank account information is updated by our NOC system with the corrected bank information. The system updates are based on Notification of Changes that have been stored in our NOC database.	\$1.50
Facsimile Draft Return/Dishonored Paper Return Processed/Represented - This fee is assessed for those items which have been presented to the RDFI as Paper Drafts but have been returned or when Paymentech dishonors a late return.	\$5.00

**Per Incidence Fees - Miscellaneous Transaction Related**

eCheck Reject Fee - Submitted transactions are validated prior to deposit. If the transaction fails validation this fee is charged instead of the eCheck ACH Transaction fee.	\$0.25
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**3. Other Fees**

**Per Incidence Fees**


eCheck ACH Unauth Entry Fee - This is a mandatory pass through fee used to compensate the issuing banks involved in processing all unauthorized returns through the ACH network; R05, R07, R10, R29, R51. This fee is assessed to each unauthorized return received daily as set forth by the ACH network and is a non-negotiable rate.	\$4.50
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**Agreed and Accepted by:**

State of New Hampshire, Department of Administrative Services Merchant Legal Name	25 Capitol St Address
Charles Arlinghaus Printed Name	Commissioned Title (Print of Type)
Authorized Representative Signature:	

x	 _____ Signature	5/23/19 _____ Date
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**(Internal Use Only) Agreed and Accepted by:**

Paymentech, LLC for itself and on behalf of JPMorgan Chase Bank, N.A. _____ Merchant Legal Name	8181 Communications Pkwy Plano, TX 75024 _____ Address	
Matthew P. Leman _____ Printed Name	Executive Director _____ Title (Print of Type)	
Authorized Representative Signature:  		
x	 _____ Signature	5/21/2019 _____ Date



## Pricing Schedule to Agreement PIN Debit

PIN Debit Assumptions	
Transaction - Relation Assumptions	
Annual PIN Debit Transactions	162,500
Avg. PIN Debit Transaction Amount	\$60.00
1. Debit Processing Fees - (Fees applied to every transaction)	
Transaction Fees & Authorization Fees	
PIN Debit Online Authorization	\$0.0250
PIN Debit Settled Transactions	No Charge
PIN Debit Settled Transactions	No Charge
2. Per Incidence Fees – charged every time your account incurs one of the below items	
PIN Debit Authorization Reversal	\$0.0250
PIN Debit Adjustment Fee	No Charge
PIN Debit Re-presentation Fee	\$5.00
PIN Debit Reject Fee	\$0.0250
PIN Debit Point of Sale Terminal Item Authorized	\$0.0250
PIN Debit Point of Sale Terminal Item Authorized Wireless	\$0.0250
PIN Debit Point of Sale Terminal Item Authorized TCP/IP	\$0.0250
PIN Debit Point of Sale Terminal Item Authorized Special/Misc.	\$0.0250
PIN Debit Point of Sale Terminal Item Authorized Frame Relay	\$0.0250
PIN Debit Point of Sale Terminal Item Authorized Lease Line	\$0.0250
PIN Debit Point of Sale Terminal Item Authorized Netconnect TCP/IP	\$0.0250
PIN Debit Point of Sale Terminal Item Deposited	No Charge
Point of Sale Terminal Reject Transaction	\$0.0250
3. One Time and Periodic Fees	
Not Applicable	N/A
Network Processing Fees – (Applied to every transaction) – All Network fees/Interchange are subject to change from time to time as mandated by the Debit Networks. These rates and fees are “Passed-Through” at cost.	
PIN Debit Network Fees / Interchange	Pass-Through

Agreed and Accepted by:	
State of New Hampshire, Department of Administrative Services Merchant Legal Name	25 Capital St Address
Charles Arlinghaus Printed Name	Commissioner Title (Print of Type)
Authorized Representative Signature: x	Date 5/23/19
Signature	Date

(Internal Use Only) Agreed and Accepted by:	
Paymentech, LLC for itself and on behalf of JPMorgan Chase Bank, N.A. Merchant Legal Name	8181 Communications Pkwy Plano, TX 75024 Address
Matthew P. Leman Printed Name	Executive Director Title (Print of Type)
Authorized Representative Signature: x	Date 5/21/2019
Signature	Date



## Pricing Schedule to Agreement PINless Debit

**PINless Debit Assumptions**

Transaction - Relation Assumptions			
Annual PINless Debit Transactions	54,167	Avg. PINless Debit Transaction Amount	\$60.00

**1. PINless Debit Processing Fees - (Fees applied to every PINless Debit transaction)**

Transaction Fees & Authorization Fees	
PINless CPU/Online Authorization (PNS Authorization)	\$0.0250
PINless Settled Transaction	No Charge
PINless Settled Transaction	No Charge

**2. Per Incidence Fees – charged every time your account incurs one of the below items**

PINless Authorization Reversal	\$0.0250
PINless Adjustment Fee	No Charge
PINless Re-presentation Fee	\$5.00
PINless Reject Fee	\$0.0250

**3. One Time and Periodic Fees**

Not Applicable	N/A
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Network Processing Fees – (Applied to every transaction) – All Network fees/Interchange are subject to change from time to time as mandated by the Debit Networks. These rates and fees are "Passed-Through" at cost.

PINless Debit Network Fees / Interchange	Pass-Through
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**Agreed and Accepted by:**

State of New Hampshire, Department of Administrative Services Merchant Legal Name	25 Capitol St Address
Charles Arlinghaus Printed Name	Commissioner Title (Print of Type)
X Authorized Representative Signature:	5/23/19 Date
Signature	Date

**(Internal Use Only) Agreed and Accepted by:**

Paymentech, LLC for itself and on behalf of JPMorgan Chase Bank, N.A. Merchant Legal Name	8181 Communications Pkwy Plano, TX 75024 Address
Matthew P. Loran Printed Name	Executive Director Title (Print of Type)
X Authorized Representative Signature:	5/21/2019 Date
Signature	Date

### Client Change Analysis Forms

Change Environment: Information Systems: Operations Other	Change Category: Enhancement Fee	Contract #: Tax Type: Fiscal Year: Change Control #:	Priority: High Medium Low
For Information Systems Change:	Existing Return New Method of Filing Option New Return or Form	New Method of Data Delivery New Report or Report Change Other	
I. Description of Process:			
System(s)/Plan(s) Affected:			
II. Description of Change Requested:			
III. Why Needed:			
IV. Suggested Implementation Approach:			
V. Required Implementation Date: / /		VI. Date Change Analysis Due: / /	
VII. Attachments:			
VIII. Approvals/Contacts			
A. Client Change Control Manager:			
Signature:		Signature Date: / /	
Office:	Phone: ( ) -	Fax: ( ) -	
Contact Person:	Phone: ( ) -	Fax: ( ) -	
B. Client Program Area Manager:			
Signature:		Signature Date: / /	
Office:	Phone: ( ) -	Fax: ( ) -	
Contact Person:	Phone: ( ) -	Fax: ( ) -	



### Client Change Analysis Forms

<b>Change Environment:</b> <input type="checkbox"/> Information Systems: <input type="checkbox"/> Operations <input type="checkbox"/> Other	<b>Change Category:</b> <input type="checkbox"/> Enhancement <input type="checkbox"/> Fee	<b>Contract #:</b> <b>Tax Type:</b> <b>Fiscal Year:</b> <b>Change Control #:</b>	<b>Priority:</b> <input type="checkbox"/> High <input type="checkbox"/> Medium <input type="checkbox"/> Low
I. Recommended Implementation Approach:			
II. Development/Implementation Timeframes:			
III. Impacts on Other Systems/Plans:			
IV. Resource Requirements:			
V. Additional information required for enhancement; attach the following required information: For Information Services Change: <input type="checkbox"/> Design Specifications <input type="checkbox"/> Schedule of Deliverables    For Operations Change: <input type="checkbox"/> Workflow			
VI. State Dependencies:			
VII. Contract Reference, if applicable:			
VIII. Proposed Fees (Attach additional documentation, if necessary): One-time Development Cost: Title breakdown: <ul style="list-style-type: none"> <li>• Business Analyst: _____ hours</li> <li>• Project Manager: _____ hours</li> <li>• Programmer: _____ hours</li> <li>• Tester: _____ hours</li> <li>• Specialist: _____ hours</li> <li>• Total Hours: _____ hours</li> </ul> Other Costs: _____			
IX. Approval/Contacts			
A. Contractor Change Control Representative Name:			
Signature: _____		Signature Date: / /	
Office: _____	Phone: ( ) - _____	Fax: ( ) - _____	
B. Client Approval of Change Analysis			
Client Change Control Manager:			
Signature: _____		Signature Date: / /	
Office: _____	Phone: ( ) - _____	Fax: ( ) - _____	
C. Client Program Area Approval – Name:			
Signature: _____		Signature Date: / /	

<p><b>Change Analysis ("CA")</b></p>	<p>The Contractor completes the CA, including:</p> <ul style="list-style-type: none"> <li>• Change environment (information systems, operations, other)</li> <li>• Confirmation of the Client's preliminary change category (enhancement, fee) <ul style="list-style-type: none"> <li>◦ If not in agreement, initiate negotiation with the Client CCR</li> </ul> </li> <li>• Recommended implementation approach</li> <li>• Development and implementation time frames</li> <li>• Impacts on other systems and/or plans</li> <li>• Resource requirements (staff, by staff category; equipment; facilities). The CA must indicate the current and new level of resources and the current and new workload volumes supported by those resources.</li> <li>• Additional information required for enhancement (design specifications, schedule of deliverables, workflow, as applicable)</li> <li>• Client agency dependencies</li> <li>• Contract reference, if applicable</li> <li>• Proposed fees (one-time development costs and other costs, if any). See Fees below.</li> <li>• Contractor CCR approval and contact information</li> </ul> <p>The CA is sent to the Client CCR on or before the CA required date.</p>
<p><b>Fees</b></p>	<p>One-time development costs are the costs of the business analyst, project manager, programmer, tester, and specialist for the requested change which are to be calculated based on the hours necessary to effectuate the change.</p> <p>Other costs are new transaction fees or periodic flat fees, changes to existing transaction fees due to CPI-U or enhancement, and travel. Travel-related expenses shall be reimbursed in accordance with the Client guidelines.</p> <p>For new transaction fees or periodic flat fees, the CR package must also include:</p> <ul style="list-style-type: none"> <li>• Proposed transaction fees and any development fees; both total and by function</li> <li>• All documentation and cost analysis as stated above</li> <li>• Requested effective date (if approved, any new fee or fee change must be firm for at least one year and cannot increase until the first Contract anniversary after the one-year period).</li> </ul> <p>For changes to existing transaction fees, the CR package must also include, as applicable.</p> <ul style="list-style-type: none"> <li>• Current transaction fee for relevant transaction or report</li> <li>• Proposed change to current fee, by function(s) and total</li> <li>• How proposed fee is justified</li> </ul>
<p><b>Negotiation</b></p>	<p>The Client and Contractor CCRs negotiate and document technical details and costs:</p> <ul style="list-style-type: none"> <li>• Client Change Control Manager and Client Program Area Manager sign-off</li> <li>• Copy of approved CA provided to the Client CCR</li> </ul>

<b>Approvals</b>	Client State Agencies involved have final approval for all changes defined herein, regardless of the party Initiating the change. State Agencies involved have final approval for all change controls without a cost associated. All change controls with a cost require authorization from the State Agencies involved and may require additional approvals of other control agencies.
<b>Notification</b>	The Client notifies the Contractor in writing of final approval.
<b>Development/ Implementation</b>	Upon approval of the CA, development and implementation commences in accordance with an accepted methodology. PRIOR TO IMPLEMENTATION, the Contractor updates all related documentation. The Client may require that development/implementation of legislatively mandated changes proceed prior to agreement approvals.
<b>Administrative Documentation</b>	The Client CCR or its designee shall maintain files of the approved change controls (CR, CA, and all related documents). CR, CA, and all related documents become official Contract documentation.
<b>Payment</b>	Upon completion of the Service and acceptance of the Change by the Client, the Contractor may submit an invoice for payment.

**INTERNAL PAYMENTECH USE**

Merchant Name: New Hampshire State Liquor Commission

Paymentech Contract No.: 1587902

## Schedule A-4 (JPM Connect Services pricing)

### Service/Convenience Fees

- Credit and Debit Card Payments - Convenience Fee Funded - 2.30% of Payment Amount (Visa, MasterCard, Discover, American Express)
- ACH/e-check Payments - Convenience Fee Funded - \$1.00 per Payment Transaction

Example		Credit Card	e-check
Payment	Convenience Fee Price	2.30% of Payment Amount	\$1.00 per Payment Transaction
Cost to Payer	Payment Amount	\$100.00	\$100.00
	Effective Convenience Fee	\$2.30	\$1.00
	TOTAL	\$102.30	\$101.00
Cost to Public Sector Entity		\$0.00	\$0.00

## Appendix CC

### (Change Control Procedures)

<p><b>Change Request ("CR")</b></p>	<p>The Client prepares the CR for all changes. The Client Change Control Representative ("CCR"), designated by the clients affected, creates the CR, including the following:</p> <ul style="list-style-type: none"> <li>• Change environment (Information systems, operations, other)</li> <li>• Change category (enhancement, fee)</li> <li>• Change request information (contract number, tax type, fiscal year, change control number)</li> <li>• Priority of change, within outstanding change requests</li> <li>• Information systems change type, if applicable</li> <li>• Description of the current process, the system(s)/plan(s) affected, and the required change</li> <li>• Determination of need and condition necessitating change (legislative mandate, production problem, audit/monitoring results, etc.)</li> <li>• Suggested implementation approach</li> <li>• Required implementation date</li> <li>• Date by which the Change Analysis ("CA") is required (two weeks from the date the CR is sent to the Contractor; if the Contractor requires more than two weeks to prepare the CA, the Contractor and the Client will negotiate a mutually agreed-upon date)</li> <li>• List of attachments</li> <li>• Primary Client contacts (Change Control Manager, Program Area Manager)</li> </ul> <p>Source documents are appended to the CR as needed and provided to the Client CCR.</p> <p>NOTE: Where the Contractor desires a change, the Contractor contacts the appropriate Client CCR for discussion and, upon agreement, the Client CCR prepares and submits the CR. If the Client does not agree with a proposed change, it will provide in writing the basis for the decision; Contractor must not proceed with the change. Any preliminary analysis completed as part of these discussions shall be included in the procurement record.</p>
<p><b>Analysis of Implementation Alternatives</b></p>	<p>Upon receipt of the CR, the Contractor initiates discussion with the Client CCR to identify alternatives and determine suggested implementation approach. The Client CCR may engage additional Client staff as appropriate.</p>

## Exhibit C-2

### (Supplemental Terms for Merchant Processing)

#### **DUPLICATE SETTLEMENTS**

Paymentech shall identify duplication transactions or transmissions and eliminate them when necessary.

#### **DUPLICATE CHARGES AND TRANSACTIONS**

Paymentech shall correct duplicate charges and transactions as soon as reasonably possible upon their detection (or notification thereof to Contractor by the State). To the extent additional action is required of the State; Paymentech shall notify the State of each duplicate charge and transaction. Paymentech shall be liable for any costs incurred by the State because of duplicate charges or transactions to the extent they are caused by failures within Paymentech's proprietary card processing system.

#### **DEPOSIT PROCESSING LIABILITY**

Paymentech will settle with the State for each Sales Draft acquired and accepted by Paymentech under this Agreement after Paymentech receives payment of that Sales Draft from the related Card Organization, subject to the terms of this Agreement. Time is of the essence in regards to said processing/settlement, and failure to provide such services in accordance with the specified timeframe shall be considered an Event of Default.

#### **AGENCY SPECIFIC REQUIREMENTS**

The State has multiple "lines of business", each of which may have their own unique requirements and processes using differing environments. These processes occur geographically throughout the State as well via internet tools. Paymentech shall accommodate those individual needs and provide acceptable solutions.

Agencies software, system or equipment may be replaced or upgraded from time to time. Paymentech shall accommodate any and all software, system, and equipment upgrades or replacements. Paymentech shall assist with all replacements and upgrades to ensure a successful set-up and transition.

INTERNAL PAYMENTECH USE

Merchant Name: New Hampshire State Liquor Commission

Paymentech Contract No.: 1587902

## Exhibit D - JPM

- Global Account Terms
- US Addendum to Global Account Terms
- Consolidated Service Terms
- Connect Service Terms

INTERNAL PAYMENTECH USE

Merchant Name: New Hampshire State Liquor Commission

Paymentech Contract No.: 1587902

## Exhibit D-1

### (Supplemental Terms for Connect Services)

#### **BREACH RESPONSIBILITIES for Taxpayer and Department Information**

JPM shall comply shall inform the State of any security incident or data breach in accordance with applicable law NH RSA 359-C. Notwithstanding anything herein to the contrary, this section 8 shall not be deemed to modify the JPM's responsibilities pursuant to Section 2.3.7.

a. Incident Response: JPM may need to, as required by applicable law or regulation, communicate with outside parties regarding a security incident, which may include contacting law enforcement, fielding media inquiries and seeking external expertise as mutually agreed upon, defined by law or contained in this Contract. Discussing with the State should be handled as mutually agreed upon by the parties or as required by applicable law or regulation.

b. Security Incident Reporting Requirements: JPM shall report a security incident to the appropriate State identified contact as soon as reasonably practical.

c. Breach Reporting Requirements: If JPM has actual knowledge of a confirmed data breach that affects any State content that is subject to applicable data breach notification law, JPM shall (1) promptly notify the appropriate State identified contact and (2) take commercially reasonable measures to address the data breach in a timely manner.

#### **BREACH RESPONSIBILITIES – General Customer Data**

This section only applies when a data breach occurs with respect to personal data within the possession or control of JPM.

a. JPM, unless stipulated otherwise, shall promptly notify the appropriate State identified contact by telephone in accordance with the agreed upon security plan or security procedures if it confirms there has been a security incident.

b. JPM, unless stipulated otherwise, shall promptly notify the appropriate State identified contact if it confirms that there has been a data breach. JPM shall (1) reasonably cooperate with the State to investigate the data breach, (2) promptly implement remedial measures, if necessary, and (3) document responsive actions taken related to the data breach.

c. Unless otherwise stipulated, if a data breach is a direct result of JPM's breach of its contract obligation to encrypt personal data or otherwise prevent its release, JPM shall, subject to this Contract's limitation of liability, bear the costs associated with:

- (1) the investigation and resolution of the data breach;
- (2) notifications to individuals, regulators or others required by applicable law;
- (3) if applicable, a credit monitoring service required by State (or federal) law;

INTERNAL PAYMENTECH USE

Merchant Name: New Hampshire State Liquor Commission

Paymentech Contract No.: 1587902



- (4) a website or a toll-free number and call center for affected individuals required by State law — all not to exceed the average per record per person cost calculated for data breaches in the United States (currently \$201 per record/person) in the most recent Cost of Data Breach Study: Global Analysis published by the Ponemon Institute<sup>17</sup> at the time of the data breach; and
- (5) Complete all corrective actions as reasonably determined by JPM based on root cause; all [(1) through (5)] subject to this Contract's limitation of liability.

#### **CONVENIENCE AND/OR SERVICE FEE MODEL**

JPM shall utilize a convenience and/or service fee model where the convenience and/or service fee is the responsibility of the cardholder and there is no cost to the State. JPM must allow the State to absorb convenience and/or service fees on an account-wide basis. JPM must follow the convenience fee rules established by the card networks. The State, where appropriate, will work with the JPM to ensure compliance with such rules.

The State reserves the right to absorb convenience fees for e-Check and ACH processing or pass the fee on to the customers as appropriate for the State.

Customers must be clearly notified of the convenience and/or service fee amount that will be charged to use this service prior to payment acceptance and completion. All POS must clearly state a convenience and/or service fee will be assessed.

#### **INVOICING REQUIREMENTS**

When an agency chooses to absorb the convenience fee JPM shall provide each agency with the ability to generate periodic reporting listing the processing charges incurred by constituents incurring a convenience fee imposed by that agency, either in electronic, hard copy, or both. The reporting shall be in a simple format whereby, the agency shall be able to see all charges and shall be able to easily reconcile with their records. JPM shall not, under any circumstances, debit the State's depository bank account(s) or otherwise net fees from credit card revenue. Each State of New Hampshire agency shall have its own individual customer identifier. There shall be instances where sub-sections of an agency shall need their own unique customer identifier.

#### **CONFIDENTIALITY – CONFIDENTIAL TAX INFORMATION**

JPM acknowledges that its performance of the Contract may include access to Confidential Information, including, but not limited to, any information obtained from the State's records, files, or returns, that is subject to state or federal laws/rules restricting the access, use, and disclosure of Confidential Information, including, but not limited to, RSA 21-J: 14 and Internal Revenue Code Sections 7213 and 7213A

JPM agrees to hold and maintain Confidential Information in strictest confidence for the sole and exclusive benefit of the State. JPM shall not use Confidential Information except for the purpose of performing its obligations under the Contract, and shall not disclose Confidential Information in any manner to any person without prior written approval of the State, unless otherwise required by law or regulation. JPM shall promptly notify the State upon request for any Confidential Information, regardless of whether disclosure is permitted or required by judicial decree or state or federal laws/rules, unless such notification is prohibited by law or regulation.

**INTERNAL PAYMENTECH USE**

Merchant Name: New Hampshire State Liquor Commission

Paymentech Contract No.: 1587902

JPM shall implement, maintain, and use safeguards to protect Confidential Information from any unauthorized use or disclosure in at least the same manner and to the same degree JPM protects its own confidential information. It is unlawful for any officer or employee of JPM willfully to disclose Confidential Information to any person. Any violation of RSA 21-J:14 or Internal Revenue Code Sections 7213 or 7213A is punishable upon conviction by a fine or imprisonment or both.

In the event JPM becomes aware of any unauthorized use or disclosure of Confidential Information, JPM shall promptly notify the State both orally and in writing. Any such offense is an Event of Default. JPM's failure to promptly notify the State both orally and in writing of any unauthorized use or disclosure of Confidential Information is also an Event of Default, regardless of whether the State determines that an offense has been committed.

If any provision of this Section conflicts with any provision of the Agreement, the provision of this Section shall govern.

**INTERNAL PAYMENTECH USE**

Merchant Name: New Hampshire State Liquor Commission

Paymentech Contract No.: 1587902

# ADDENDUM TO ACCOUNT TERMS

V1.8\_06\_29\_18  
Modified for New Hampshire

## United States of America

Accounts maintained by the Customer with the Bank are subject to the Bank's Account Terms. This addendum ("Addendum") amends or supplements the Account Terms with respect to Accounts maintained in the United States of America ("U.S.") and to Services provided in connection with such U.S. Accounts, regardless of the location where Services are provided. Capitalized terms used in this Addendum, and not otherwise defined, have the meanings set forth in the Account Terms. By using any Account maintained in the U.S., the Customer acknowledges receipt of, and agrees to be bound by, the Account Terms which includes this Addendum, each as may be amended or supplemented from time to time.

**Section 2 of the Account Terms (Instructions; Security Procedures) is amended by adding the following provision:**

- 2.3 The Customer represents and warrants to the Bank that the Customer has not requested funds transfer security procedures other than those expressly agreed by the Customer and the Bank.

**Section 3 of the Account Terms (Deposits) is amended by adding the following provisions:**

- 3.4 Verification; Adjustments. Receipts issued by the Bank for deposits are based solely on the amounts stated in the deposit ticket. Credits for Items received for deposit or collection (whether or not accompanied by a deposit ticket) are subject to verification and the Bank's receipt of final payment of deposited Items. The Bank may make adjustments to the Account for any errors appearing on deposit tickets or occurring during processing or otherwise, but the Bank has no obligation to do so for *de minimis* discrepancies.
- 3.5 Foreign Currency Items. The Bank may handle Items drawn on a non-U.S. bank or Items payable in a foreign currency on a collection basis, not for deposit, even if the Bank has received the Items in a deposit. The Customer may not receive provisional credit for such Items or, if provisional credit has been given, the Bank may revoke it. Credit for Items payable in a foreign currency will be converted into U.S. dollars at a foreign exchange rate and spread, and at such date and time, as the Bank determines in its discretion.
- 3.6 Endorsements. Endorsement must be placed on the back of Items only in the area within 1.5 inches from the trailing edge of the Item. The trailing edge of the Item is defined as the left-hand edge of the check looking at it from the front. If the Customer is authorized in writing to endorse Items on the Bank's behalf, the Customer agrees to comply with the endorsement standards of the Bank.
- 3.7 Encoding. If the Customer encodes information on an Item, the Customer warrants to the Bank and to all other collecting and paying banks of that Item that it is properly encoded and the Customer will be liable for losses related to encoding errors, including any loss due to delay in processing caused by an encoding error.
- 3.8 Return or Charge Back. The Customer should not use carrier documents (Items placed inside envelopes) in either high-speed forward or return cash letters. The Bank may charge the Account for Items returned unpaid to the Bank or for claims based on asserted unauthorized signatures, endorsements or alterations.
- 3.9 Collections. The Customer agrees that the Bank may collect any Item deposited to Customer's Account by electronic means. The Bank has no duty to inspect such Item during the deposit and collection process.
- 3.10 Variance. The Bank may agree with other banks and clearing houses to vary procedures regarding the collection or return of Items, and to vary applicable deadlines, to the maximum extent permitted by applicable laws, and rules, policies, operations and practices of the applicable clearing or settlement systems or payment networks (collectively "Rules & Regulations").
- 3.11 Substitute Checks. The Customer will not deposit any substitute checks (that are not returned Items) unless the Bank expressly agrees to accept such Items for deposit. In the absence of the Bank's express agreement, the Customer will be solely responsible for any loss or claim in connection with its use of substitute checks.
- 3.12 Night Depository Deposits. The Bank is not liable for any deposit made through the use of the Bank's night depositories until the Bank issues a written acknowledgement of the deposit. The Bank's count of the amount deposited in a night depository will be conclusive. The Customer is solely responsible for any loss that may be incurred before the Bank verifies the contents of the deposit.
- 3.13 Remotely Created Checks. If the Customer deposits a remotely created check ("RCC"), as such term is defined in Federal Reserve Regulation CC, the Customer warrants to the Bank, with respect to each RCC, that the person on whose account the RCC is drawn, authorized the issuance of such RCC in the amount and to the payee stated on the RCC. The Customer authorizes the Bank to debit the Customer's account for any claim or return based upon an unauthorized RCC and the Customer agrees to reimburse the Bank for any claims, liabilities, costs and expenses (including attorneys' fees) resulting directly or indirectly from any breach of the foregoing warranty.

- 3.14 **Electronically-Created Items.** The Customer should not deposit electronically-created items (ECIs) to its account, as such term is defined in Federal Reserve Regulation CC. ECIs are included in the definition of an Item. If the Customer does deposit an ECI, the Customer authorizes the Bank to debit the Customer's account for any claim, return or adjustment related to the ECI, and the Customer agrees to reimburse the Bank harmless for any claims, liabilities, costs and expenses (including attorneys' fees) resulting directly or indirectly from the Customer's deposit of the ECI.
- 3.15 **ATM Cards.** The Bank may issue one or more automated teller machine ("ATM") cards ("Cards") and personal identification numbers ("PINs") to Customer's employees or agents for use in initiating certain Account transactions at Bank owned ATMs. Unless otherwise agreed by Bank, Customer agrees that Cards will be used only at ATMs owned by the Bank and Customer shall be liable for any transactions and fees resulting from the use of such Cards. The Customer agrees that the types of transactions offered through the use of any Card may be limited by the Bank, in its sole discretion. The Bank may cancel any Card at any time and for any reason, and will notify Customer of such cancellation. The Customer agrees to obtain possession of and return to the Bank or destroy all cancelled Cards. If the Customer believes a Card or PIN has been lost or stolen, the Customer shall immediately contact the Bank's ATM call center. All ATM transactions are subject to verification. Any deposit transaction through an ATM that is not made on a business day or made after the Bank's designated cut-off time will be processed on the Bank's next business day.
- 3.16 **Internet Gambling.** The Customer agrees not to conduct any transactions through the Account that are directly or indirectly related to unlawful Internet gambling, including the acceptance or receipt of any funds or deposits in connection therewith. The term "unlawful Internet gambling," as used in this section, shall have its meaning set forth in 12 C.F.R. Section 233.2(bb).

**Section 4 of the Account Terms (Payment of Items) is hereby amended by adding the following provisions:**

- 4.5 **Cashing Items.** The Bank may, in its discretion, cash Items drawn on an Account when presented by the holder. If a holder who is not a deposit customer of the Bank presents an Item drawn on the Account for cash, the Bank may refuse to cash the Item, or may charge the holder a fee for cashing the Item.
- 4.6 **Signatures.** If the Customer establishes an Account which purports to: (i) require two or more signatures on Items drawn on the Account, or (ii) limits the amount for which an Item can be issued, the Customer acknowledges that any such requirements are solely for the Customer's own internal control purposes. The Customer agrees that, provided that the Bank follows its usual and customary procedures for processing and paying Items, the Bank will not be liable for paying any Item (a) lacking the required number of signatures, or (b) in an amount exceeding the applicable limit.
- 4.7 **Fraudulent Items.** The Bank provides Services to which the Customer may subscribe, such as Positive Pay and Reverse Positive Pay, which are reasonably designed to prevent payment of unauthorized or altered Items. Customer agrees that failure to use such Services will constitute Customer negligence contributing to the making of an unauthorized signature or the alteration of an Item, and the Customer will assume the risk that Items paid against its Account may be unauthorized or altered. In that event, the Customer will be precluded from asserting any claims against the Bank for paying any unauthorized, altered, counterfeit or other fraudulent Items. The Bank shall not be required to re-credit Customer's Account or otherwise have any liability for paying such Items to the extent such Services would likely have prevented such loss.
- 4.8 **Obscured Endorsements.** The Customer assumes responsibility for losses that the Customer or the Bank may incur as the result of processing delays caused by the Customer's: (i) issuance of an Item in such a manner that information, marks or bands on the back of the Item obscure endorsements; or (ii) placement of an endorsement on the back of the Item which obscures other endorsements.
- 4.9 **Negotiation Outside of U.S.** If an Item is transferred or negotiated outside of the U.S. and is subsequently sent to the Bank for deposit, collection or payment in the U.S., the Customer shall be deemed to make, to the Bank, the transfer and presentment warranties under the Rules & Regulations, as if such Item were negotiated or otherwise transferred in the U.S.
- 4.10 **Stop Payments.** A stop payment Instruction from the Customer will be effective with respect to an Item if: (i) the Bank has a reasonable opportunity to act on such Instruction prior to its payment or encashment, which shall be at least one (1) full Business Day following the Business Day on which the Bank received the Instruction; and (ii) the Instruction is in the form required by the Bank, the information is complete and is delivered to the location designated by the Bank. For purposes of this Section, "Business Day" means a day on which the Bank is generally open for business in the jurisdiction where the Account is maintained. Stop payment Instructions, unless otherwise provided, will be valid for one (1) year and will automatically renew up to six (6) additional years unless the Bank receives Customer's revocation of a stop payment Instruction. The Customer may request, through the Bank's call center or other authorized representative, a non-renewable stop payment, which will be effective for a 180-day period. The Bank shall not be liable for any Item properly paid or cashed prior to the effective time of a stop payment request. The Customer acknowledges that a stop payment instruction does not limit or vary its obligation to pay the subject Item and, notwithstanding a stop payment instruction, the Bank may properly pay such an item to a person entitled to enforce it.

- 4.11 **Standard of Care.** Any Item issued by the Customer drawn on its Account shall be deemed to be endorsed in the name of the payee if: the Item is endorsed or deposited into an account in a name that is substantially similar to that of the payee; the payee is a fictitious person; the Customer was wrongfully or erroneously induced to issue the Item payable to the stated payee; the deposit of the Item was accomplished by an employee entrusted with responsibility for the Item or person working in concert with such an employee; or the Customer or payee failed to act with ordinary care with respect to the Item. The Bank shall not be liable for any loss caused by the alteration or unauthorized signature or endorsement on any Item issued by the Customer, unless the Customer establishes that the Bank failed to handle the Item with ordinary care, and that such failure substantially contributed to the loss. If the Bank's failure to act with ordinary care substantially contributed to the loss on the Item, the loss shall be allocated between the Customer and the Bank based upon the extent to which their respective failures to exercise ordinary care contributed to the loss. The Bank may process any Item by electronic means and is not required to inspect the Item paid by automated payment processing.

**Section 5 of the Account Terms (Funds Transfer Instructions) is amended by adding the following provisions:**

- 5.6 **Funds Transfer by Check.** If the Customer, through the Bank's funds transfer services, requests that payment be made by check, the Customer authorizes the Bank to debit the Customer's Account on receipt of the instruction and to issue a check as agent for the Customer in accordance with the instruction. If the Customer requests the Bank to place a stop payment on the check before the check has been presented for payment, such request must be clearly identified as a stop payment request, including the reference number given for the transaction, and it must be received by the Bank at a time and in a manner designated by the Bank from time to time. If the check is not presented for payment within one hundred eighty (180) days after issuance, the Bank may place a stop payment on the check and transfer the funds back to the Account.
- 5.7 **Credit Entries Received Through Automated Clearing House (ACH) System.** Credit given by the Bank to the Customer for an ACH credit entry shall be provisional, until the Bank receives final payment. If the Bank does not receive final payment, the Bank may revoke the provisional credit and charge back the amount of the entry to the Account, or obtain a refund from the Customer, in which case the originator of the credit entry shall not be deemed to have paid the Customer the amount of such entry. The Bank shall not be obligated to notify the Customer of the receipt of a payment order or ACH entry for credit or debit to an Account.
- 5.8 **Same Day Amend and Cancel.** The Customer may subscribe to a service to enable same day amendment and cancellation of payment orders. All cancellation or amendment messages sent to the Bank shall be in the format specified by the Bank and must be received by the Bank no later than such time as may be established by the Bank upon notice to the Customer.
- 5.9 **Priority/Timed.** The Bank will determine the order in which it processes payment orders. If the Customer's payment order bears the codeword "PRIORITY" in such field as the Bank specifies, the Bank will use reasonable efforts to execute such payment order in advance of the Customer's standard payment orders. If the Customer's payment order bears the codeword "TIMED" in such field as the Bank specifies, the Bank will endeavor, but will have no obligation, to process the payment order by the time requested by the Customer within the payment order. For "TIMED" payment orders, funds in the Customer's Account are reserved by the Bank on the payment value date until processed. For the avoidance of doubt, all payment orders are subject to the Bank's acceptance, and the Bank will have no liability for failure to process payments by the time requested by the Customer.
- 5.10 **Real Time Payments.** Payments received through the Real Time Payment System operated by The Clearing House Payments Company LLC ("RTP System") will be processed pursuant to the RTP Operating Rules and any other applicable Rules & Regulations, to which the Customer agrees to be bound. If the Customer receives a payment through the RTP System on behalf of another person or entity, such other person or entity must be a resident of, or otherwise domiciled in the United States. In the further transmission of any such payments, the Customer agrees to comply with all applicable US laws and regulations, including, without limitation, those administered by the US Office of Foreign Assets Control.
- 5.11 **Messaging Standards.** To the extent there is any inconsistency between a fund transfer financial messaging standard and the governing law set forth in Section 16.1, the governing law set forth in Section 16.1 will govern.

**Section 7 of the Account Terms (Account Statements) is amended by adding the following provisions:**

- 7.2 **Images Sufficient.** The Customer acknowledges that Account Statements and images of paid Items are available to it and are sufficient to allow it to make all examinations and reports of Account activity including errors, as required in this Section. The Bank is not required to return paid or cancelled Items with the Account Statement.
- 7.3 **Obligation to Inspect.** The Customer must notify the Bank in writing, within a reasonable period of time not to exceed 60 calendar days of the date of an Account Statement, of (i) the failure to receive the Account Statement, or (ii) any errors, unauthorized payments, charges, alterations, discrepancies or irregularities reported on the Account Statement ("Errors"). The Customer must notify the Bank in writing of any unauthorized, improper, or missing endorsements within six (6) months after the date of the Account Statement on which the Item was reported to have been paid. The Customer must provide the Bank with all information necessary for the Bank to investigate any claim based upon an endorsement or Error, and must provide all supporting evidence that the Bank requests. Failure to comply with the time frames set forth above shall be deemed conclusive proof that the Customer failed to exercise reasonable care and promptness in examining Account Statements and paid Items or identifying Errors and that such failure may cause subsequent loss to the Bank. If the Customer fails to comply with the notice requirements set forth above, the Bank is not required to reimburse the Customer for the Customer's claimed loss and the Customer shall be barred from bringing any action against the Bank.

7.4 Inactive Accounts. If an Account has no activity other than charges assessed or interest credited by the Bank for a period of six (6) or more months, the Bank is not required to provide an Account statement until additional activity occurs in the Account. If an Account has no activity other than charges assessed or interest credited by the Bank for a period of twelve (12) or more months, the Customer may be unable to access the Account until the Customer contacts the Bank.

7.5 Advice Services. The Customer may subscribe to Bank services for the delivery of account-related information ("Advices") to a party designated by the Customer, including information relating to credits and debits to a Customer account, and the return or rejection of certain payments. Advices may be sent via SWIFT, electronic mail, facsimile transmission, ordinary mail, telephone, through internet sites, or as otherwise agreed by the parties. The Customer is responsible for maintaining the accuracy of the information that is required for delivery of Advices, including the address, telephone and/or facsimile number of the recipient and, if applicable, the messaging components and conditions that will trigger the transmission of the Advices.

**Section 15 of the Account Terms (Account Disclosures) is amended by adding the following provisions:**

15.5 Withdrawal Limitations on Certain Account Types. U.S. federal regulations limit the number of pre-authorized or automatic transfers or withdrawals or telephonic/electronic instructions (including check, draft, debit card or similar order payable to third parties) that can be made from a savings account (including a savings sub-account (as described below) and a money market deposit account) to a total of six (6) per calendar month or statement cycle or similar period. The Customer agrees to comply at all times with such restrictions. Exceeding these withdrawal limits may result in the Bank converting the savings account into a non-interest bearing demand deposit account, with any attendant changes in pricing and account terms and conditions. Further, the Bank is required by U.S. law to reserve the right to require at least seven (7) days' notice prior to a withdrawal from a savings account (including a savings sub-account) or an interest-bearing negotiable order of withdrawal account ("NOW Account").

15.6 NOW Accounts. The Customer, if eligible, may open a NOW Account. There is no limit on the number of withdrawals that the Customer may make from the demand deposit or NOW sub-account.

15.7 Administrative Subaccounts. The Bank is authorized, for regulatory reporting and internal accounting purposes, to divide an Account: (i) in the case of a demand deposit checking Account, into a non-interest bearing demand deposit sub-account and a non-interest bearing savings sub-account; (ii) in the case of a NOW Account, into an interest bearing NOW sub-account and an interest bearing savings sub-account, and, in both cases, to transfer funds on a daily basis between these sub-accounts in accordance with U.S. law at no cost to the Customer. The Bank will record the sub-accounts and any transfers between them on the Bank's books and records only. The sub-accounts and any transfers between them will not affect the Account number, balance requirement or use of the Account, except as described herein.

15.8 Savings Subaccounts. The Bank will establish a target balance for the Customer's demand deposit or NOW sub-account, which it may change at any time. To the extent funds in the demand deposit or NOW sub-account exceed the target balance, the excess will be transferred to the Customer's savings sub-account, unless the maximum number of transfers from the savings sub-account for that calendar month or statement cycle have already occurred. If withdrawals from the demand deposit or NOW sub-account exceed the available balance in the demand deposit or NOW sub-account, funds from the Customer's savings sub-account will be transferred to the demand deposit or NOW sub-account up to the entire balance of available funds in the savings sub-account to cover the shortfall and to replenish any target balance that the Bank has established for the demand deposit or NOW sub-account. If a sixth transfer is needed during a calendar month or statement cycle, it will be for the entire balance in the Customer's savings sub-account, and such funds will remain in the demand deposit or NOW sub-account for the remainder of the calendar month or statement cycle.

15.9 Branch Designation. The Bank, for its administrative purposes may designate a branch of the Bank as the branch of record of an Account which may be different from the branch at which the Account is opened. This designation requires no action on the part of the Customer and will not change the Bank's operations, Services or customer support.

15.10 No Fiduciary Relationship. Bank's relationship with Customer concerning the Accounts is that of a debtor and creditor. No fiduciary, quasi-fiduciary or other special relationship exists between Bank and Customer or any third parties regarding the Accounts.

**Section 16 of the Account Terms (Governing Law) is amended by replacing Section 16.1 with the following provision:**

16.1 Except as otherwise agreed in writing by the Bank and the Customer, the rights and obligations of the Customer and the Bank in respect of each Account maintained in the U.S. shall be governed by and construed in accordance with the laws of the State of New Hampshire (without regard to its conflict of laws rules). Each of the Customer and the Bank irrevocably and unconditionally submits to the exclusive jurisdiction and venue of any State or Federal (only Federal if State court is pre-empted) court sitting in the State of New Hampshire over any action, suit, proceeding, claim or controversy arising out of or relating to the Account Terms which includes this Addendum. The rights and remedies of the Bank under this Addendum, the Account Terms, the Account Documentation, the Service Terms, and any other agreement by the Customer in favor of the Bank are in addition to the rights and remedies of the Bank under applicable law (as provided above in this Section), are cumulative and may be exercised successively or concurrently, and are retained by the Bank.

**Section 16 of the Account Terms (Governing Law) is amended by adding the following provision:**

16.4 In the event the Bank is required to remit funds to any state as abandoned property, the Account may be charged for fees in remitting funds to that state. In addition, the Bank may charge fees in connection with its handling of dormant funds and accounts.

**Section 17 of the Account Terms (Miscellaneous) is amended by adding the following provisions:**

17.15 When the Customer provides the Bank any information requested by the Bank under its "Know Your Customer" or Anti-Money Laundering or other compliance policies pertaining to any natural or other persons, the Customer represents and warrants to the Bank that the Customer has obtained that person's consent that the Bank may make continued use of that person's information in order for the Bank to discharge any of its responsibilities in connection with "Know Your Customer" or Anti-Money Laundering, or other compliance purposes.

17.16 Beneficial Ownership. Customer agrees to adhere to the FinCEN Customer Due Diligence final rule which requires certain entities to provide and certify beneficial ownership information to the Bank at 10% and provide information on a controller when opening a new USD account. The Bank is required to collect and validate certain information (e.g. Name, Address, DOB, SSN or Passport # for non US individuals) for new accounts impacted by the rule. If an entity is exempt from rule, the Bank may require documentation to support the exemption.

17.17 Payable Through Accounts. If the Customer is a bank or financial institution and is not organized under the laws of the U.S., it shall not permit its customers to conduct banking transactions in the U.S. through the Customer's Account, and shall not provide its customers with check stock, drafts, wire transfer capabilities or any other means which would enable its customers to draw on the Customer's Account. These types of arrangements are typically called "payable through accounts" and are prohibited under these Account Terms. The Customer acknowledges that the sale of U.S. dollar checks or drafts to third parties is prohibited without the express written approval of the Bank.

17.18 No Advice. The Customer acknowledges and agrees that the Bank has not provided and will not provide any investment, tax or accounting advice or recommendation in relation to the Accounts or any investments made under any Service.

17.19 ERISA Status. The Customer will notify the Bank in writing, reasonably in advance of the Account opening, if any Accounts or monies it holds or places with the Bank are subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), together with all the rules promulgated thereunder, or Section 4975 of the Internal Revenue Code, together with all the rules promulgated thereunder. The Bank may, in its sole discretion and subject to such further conditions as it may impose, including, without limitation, execution of further documentation in form and manner acceptable to the Bank, permit the holding of such Accounts or deposits or receipt of funds.

17.20 Additional Representation for ERISA Benefit Plans.

(i) If the Customer is or represents a "benefit plan," as defined in Section 3(42) of ERISA, and U.S. Department of Labor Regulations Section 2510.3-101, as modified by Section 3(42) of ERISA (together, the "Plan Asset Rules" and each such benefit plan investor, a "Benefit Plan"), or is acting on behalf of one or more Benefit Plans, the Customer represents and warrants that:

- (1) the Bank has not or will not provide advice with respect to the services obtained by the Benefit Plan.
- (2) the Benefit Plan fiduciary (the "Plan Fiduciary") is independent of the Bank, and is not an individual acting for his or her own Individual Retirement Account, and such Plan Fiduciary is either (a) a bank as defined in Section 202 of the Investment Advisers Act of 1940 (the "Advisers Act"), or similar institution that is regulated and supervised and subject to periodic examination by a State or Federal agency; (b) an insurance carrier which is qualified under the laws of more than one state to perform the services of managing, acquiring or disposing of assets of a Benefit Plan; (c) an investment adviser registered under the Advisers Act or, if not registered as an investment adviser under the Advisers Act by reason of paragraph (a)(1) of Section 203A of the Advisers Act, is registered as an investment adviser under the laws of the state in which it maintains its principal office and place of business; (d) a broker-dealer registered under the Securities Exchange Act of 1934, as amended; or (e) has, and will at all times have, total assets of at least U.S. \$50,000,000 under its management or control;
- (3) the Plan Fiduciary is capable of evaluating investment risks independently, both in general and with respect to the Accounts and Services;
- (4) the Plan Fiduciary is a "fiduciary" with respect to the Benefit Plan within the meaning of Section 3(21) of ERISA, Section 4975 of the Code, or both, and is responsible for exercising independent judgment in evaluating the receipt of Services by the Benefit Plan;
- (5) the Bank has not exercised any authority to cause the Benefit Plan to agree to these Account Terms; and
- (6) the Plan Fiduciary has been informed (a) that the Bank is not undertaking to provide impartial investment advice or to give advice in a fiduciary capacity in connection with the Services; and (b) of the existence and nature of the financial interests of the Bank, as disclosed in the Account Terms and Service Terms.

(ii) The representations and covenants in the above clauses are intended to comply with the U.S. Department of Labor's Reg. Sections 29 C.F.R. 2510.3-21(a) and (c)(1) as promulgated on April 8, 2016 (81 Fed. Reg. 20,997). If these regulations are revoked or repealed, these representations shall be deemed no longer in effect.

#### AVAILABILITY POLICY - FOR ACCOUNTS MAINTAINED IN THE U.S.

The Bank's policy is to make funds available to the Customer on the same, next or second business day after the day of deposit depending on the type of deposit and when the deposit is made as described below. If the Customer will need the funds from a deposit immediately, the Customer should ask the Bank when the funds will be available.

**A. Determining the Day of a Deposit.** If a deposit is made to an account on a business day before the Bank's cutoff time established for that location (which will be no earlier than 2 p.m. local time), then the Bank will consider that day to be the day of deposit. However, if a deposit is made after the cutoff time or on a day that is not a business day, then the Bank will consider the deposit to have been made no later than the next business day. For determining the availability of deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. Availability with respect to any deposit will be determined by the location of the banking center or other facility where the deposit was received. For deposits made at the Bank's automated teller machines (ATMs) the cutoff time is 11 p.m. Eastern Time unless otherwise noted on the ATM screen.

**B. Same Day Availability.** Funds from the following deposits made at a banking center or at an ATM that do not require deposit envelopes will be available on the business day the Bank determines the deposit is made:

- Cash;
- Wire transfers; and
- Electronic direct deposits to an account.

**C. Next Day Availability.** Funds from the following deposits are available on the first business day after the business day the Bank determines the deposit is made:

- U.S. Treasury checks that are payable to the Customer;
- Checks drawn on a Bank affiliate that holds the applicable account (excluding a Controlled Disbursement site); and
- At least, the first \$200 from a day's total deposits.

If the deposit is made in person to a Bank employee, funds from the following deposits are also available on the first business day after the business day the Bank determines the deposit is made:

- State and local government checks that are payable to the Customer, if a special deposit slip, available upon request at any Bank banking center is used;
- Cashier's, certified, and teller's checks that are payable to the Customer, if a special deposit slip, available upon request at any Bank banking center, is used; and
- Federal Reserve Bank checks, Federal Home Loan Bank checks, and postal money orders, if these items are payable to the Customer.

If a special deposit slip is not used, availability of funds from these deposits will follow the schedule identified in the Availability of Other Check Deposits section below.

**D. Availability of Other Check Deposits.** Generally, funds from all other deposits of checks drawn on banks (as defined in Federal Reserve Regulation CC) will be available no later than the second business day after the day of deposit. Checks that require special handling may receive delayed availability. The amount of funds available to the Customer will be reduced by the amount of any deposited check that is returned unpaid. If the Bank reprocesses the check, the funds will become available no later than the second business day after the business day in which the check is reprocessed.

**E. Longer Delays May Apply.** In some cases the Bank may not make all of the funds that are deposited by check available. Depending on the type of check deposited, funds may not be available as set forth above. However, the first \$200 of the aggregate deposit will be available on the first business day after the day of deposit.

If the Bank is not going to make all of the funds from a deposit available at the times shown above, it will notify the Customer and specify when the funds will be available. If a deposit is not made directly to a Bank employee, or if the Bank decides to take this action after the Customer has left the premises, the Bank will mail or otherwise send the notice to the Customer by the business day after the day of deposit.

Funds deposited by check may be delayed for a longer period under the following circumstances:

- The Bank believes a deposited check will not be paid;
- Deposited checks for all of the Customer's accounts total more than \$5,000 in any one day;
- The Customer redeposited a check that has been returned unpaid;
- The Customer has overdrawn one or more of its accounts repeatedly in the last six months; or
- There is an emergency, such as failure of communications or computer equipment.



In such circumstances, funds will generally be available no later than the seventh business day after the day of deposit. Inclement weather or transportation problems may lead to additional delays under certain availability schedules. Customer may have specific availability schedules related to a banking service.

**F. Special Rules for New Accounts.** If the account is a new account, the following special rules may apply during the first thirty days the account is open:

- Funds from deposits of the first \$5,000 of that day's total deposits of cashier's, certified, teller's, traveler's and federal, state and local government checks payable to the Customer will be available on the first business day after the day of deposit. The excess over \$5,000 will be available no later than the ninth business day after the day of deposit. If the deposit of checks (other than U.S. Treasury checks) is not made in person to one of the Bank's employees, the first \$5,000 may not be made available until the second business day after the day of deposit; and
- Funds from all other check deposits will be made available no later than the fifteenth business day after the day of deposit.

**G. Large Dollar Deposits.** The U.S. Federal Reserve Banks will not forward process any Item over \$99,999,999.99 and considers such Items as "non-cash items." Such Items should not be deposited in the Account. If Customer does deposit such an Item, the Bank may refuse to process such Item or handle it as a collection Item. If handled as a collection Item, Customer credit and availability will be deferred accordingly.

This Availability Policy and availability schedules may be changed without notice.

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JPMorgan Chase Bank, N.A. Member FDIC.

# ACCOUNT TERMS

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## INTRODUCTION

This document, as amended or supplemented by account addenda for each country in which the Accounts are held, (collectively, the "Account Terms") contains the general terms, conditions and disclosures for the Accounts and Services selected by the Customer and constitutes an agreement between the Bank and the Customer and supersedes all previous drafts, discussions and negotiations, whether oral or written, between them in connection with the opening of Accounts and receipt of Services. References to "the Bank" shall mean JPMorgan Chase Bank, N.A., and any of its affiliates. References to the "Customer" shall mean the entity to which the Bank, as an independent contractor, provides Accounts and Services, including any entity that is bound by a Subsidiary Election Agreement (not applicable in all jurisdictions), as may be amended from time to time. All accounts subject to the Account Terms are, regardless of their location, referred to as "Accounts". The Account Terms may be supplemented or amended as set forth in Section 17.6 (*Amendments; Supplement; Waivers*) herein. References to "Services" shall mean services offered by the Bank and subject to the Account Terms and any applicable Service Terms. References to "Service Terms" shall mean any terms and conditions regarding specific types of Accounts or Services that are subject to the Account Terms. In addition to the Account Terms and Service Terms, the Accounts are subject to other Account-related documentation, including signature cards and application forms (the "Account Documentation").

The Customer shall not transfer any of its rights and obligations in an Account or with respect to a Service, or create any form of security interest over such rights and obligations in an Account, without the prior written consent of the Bank. Failure to obtain the Bank's prior written consent constitutes a breach of these Account Terms by the Customer and may result in immediate closure of Accounts or termination of Services.

The Account Terms, Account Documentation and Service Terms may vary applicable law to the maximum extent permitted under any such law. Any provision of applicable law that cannot be varied shall supersede any conflicting term of the Account Terms, Account Documentation or Service Terms.

## 1. Authorized Persons.

- 1.1 **Authorized Persons.** The Bank is authorized to rely upon any document that identifies a person authorized to act on behalf of the Customer ("Authorized Person") with respect to the Accounts and Services, until the authority for such Authorized Person is withdrawn by the Customer upon written notice to the Bank, and the Bank has had a reasonable opportunity to act on such notice. The Customer will provide a specimen signature for each Authorized Person in the manner requested by the Bank.
- 1.2 **Authorizations.** Each Authorized Person is independent of the Bank, and, subject to any written limitation provided by the Customer and received and accepted by the Bank, is authorized on behalf of the Customer to: open, operate and close Accounts; overdraw Accounts as permitted by the Bank; appoint and remove Authorized Persons; execute or otherwise agree to any form of agreement relating to the Accounts or Services, including Account Documentation; execute guarantees, indemnities or other undertakings to the Bank in relation to guarantees, letters of credit or other financial transactions, or in relation to missing documents; draw, accept, endorse or discount checks, drafts, bills of exchange, notes and other financial instruments ("Items"); receive materials related to security procedures; and give instructions ("Instructions"), including requests and payment orders, by means other than the signing of an Item, with respect to any Account transaction. Without limitation, such Instructions may direct: (i) the payment, transfer or withdrawal of funds; (ii) the disposition of money, credits, items or property at any time held by the Bank for account of the Customer; (iii) the provision of access as described in Section 1.4 (*Third Party Access*) and Section 2.1 (*Third Party Instructions*) below; or (iv) any other transaction of the Customer with the Bank.
- 1.3 **Facsimile Signatures.** If the Customer provides the Bank with facsimile signature specimens, or if the Customer issues Items with a facsimile signature on one or more occasions, the Bank is authorized to pay Items signed by facsimile signature (including computer generated signatures) if the actual or purported facsimile signature, regardless of how or by whom affixed, resembles the specimens filed with the Bank by the Customer, or resembles a specimen facsimile signature otherwise employed for the Customer's benefit.
- 1.4 **Third Party Access.** The Customer may request that the Bank permit a third party to have access to an Account by submitting an access request in a form acceptable to the Bank (an "Access Request", and the third party designated in such form will be referred to as a "Third Party"). Each Third Party is authorized by the Customer to issue Instructions to the Bank in relation to an Account, including to initiate payments and transfers against an Account, and to access and receive balance and transaction information (including account statements, information reporting and transaction advices) by any method of communication, including the Bank's electronic channels, facsimile transmission, in writing, by telephone and SWIFT, and the Bank is authorized to act on such Instructions and provide such access as described in this Section and Section 2.1 (*Third Party Instructions*) below. Subject to the Third Party's completion of documentation required by the Bank, the Bank is authorized to act upon any Instructions issued in the name of any authorized person of the Third Party who has been nominated by the Third Party in a form acceptable to the Bank, and such authorized person shall be deemed an Authorized Person with respect to the provisions of these Account Terms relating to the use of the Accounts and the giving of Instructions with respect to the Accounts. The Customer may revoke an Access Request at any time by giving the Bank written notice of such revocation; such revocation shall be effective when the Bank has received such notice and has had a reasonable opportunity to act upon it.

## 2. Instructions; Security Procedures.

- 2.1 **Security Procedures Generally.** When issuing Instructions, the Customer is required to follow the Bank's security procedures as communicated to the Customer by the Bank from time to time, including the procedures set forth herein, and shall be bound by such security procedures for use of the Service. Upon receipt of an Instruction, the Bank will use the security procedures to verify that the Instruction is effective as that of the Customer. A security procedure may require the use of algorithms or other codes, identifying words or numbers, encryption, call back procedures or similar security devices. It is understood that the purpose of the security procedure is to verify the authenticity of, and not to detect errors in,

Instructions. The Customer shall safeguard the security procedure and make it available only to persons that it has authorized. Any Instruction, the authenticity of which has been verified through such security procedure, shall be effective as that of the Customer, whether or not authorized. An authenticated SWIFT or host-to-host (secure communications channel for data transfer) message issued to the Bank in the name of the Customer shall be deemed to have been given by an Authorized Person. For SWIFT, the security procedure shall be the authentication procedures established by SWIFT.

**Security Procedure for Verbal or Written Instructions.** Unless the Customer and the Bank have agreed in writing to an alternate security procedure, the Bank may verify the authenticity of verbal or written (including those transmitted by facsimile) funds transfer Instructions by telephonic call-back to an Authorized Person. The Customer agrees that this security procedure is commercially reasonable for such Instructions.

**Third Party Instructions.** The security procedures applicable to Instructions from any Third Party shall be those security procedures established by the Bank with the Third Party. Any Instruction that the Bank receives from the Third Party, the authenticity of which has been verified through such security procedure, shall be effective as that of the Customer, whether or not authorized, and shall be deemed an Instruction given on behalf of the Customer for all purposes of these Account Terms. The Bank is authorized to act upon any Instructions received via any of the SWIFT BIC codes specified in an Access Request whether or not such SWIFT BIC codes are associated with the Customer or the Third Party.

**2.2 Confirmations.** If the Customer, other than with respect to security procedures, chooses to confirm an Instruction, any confirmation must be clearly marked as a confirmation, and, if there is any discrepancy between an Instruction and a confirmation, the terms of the Instruction shall prevail. Subject to Section 2.1 (*Security Procedure for Verbal or Written Instructions*), the Bank may, at its option, confirm or clarify any request or Instruction using any means, even if a security procedure appears to have been followed. If the Bank is not satisfied with any confirmation or clarification, it may decline to honor the Instruction.

### **3. Deposits.**

**3.1 Processing Incoming Items.** All Items deposited or cashed are received for collection only, and are received subject to final payment. The Bank may agree with other banks and clearing houses to vary procedures regarding the collection or return of Items, and deadlines to the extent permitted by applicable law or practice. The Bank chooses the method of collecting Items and may use other banks in the process. The Bank will present Items in accordance with the custom and practice of the jurisdictions in which the Items are handled for collection. The Bank is not responsible for actions or omissions of other banks, nor for the loss or destruction of any Item in the possession of other banks or in transit. The Customer shall use reasonable efforts to assist the Bank in locating or obtaining replacements of Items lost while in the Bank's possession.

**3.2 Availability of Funds; Credits Not Received.** Credits and deposits to an Account will be available in accordance with the Bank's availability policy and applicable law. If the Bank credits an Account: (i) in contemplation of receiving funds for the Customer's credit and those funds are not actually received by the Bank; or (ii) in reliance on a transaction which is subsequently returned, reversed, set aside or revoked, or if the Bank does not receive funds for the Customer's credit for value on the date advised by or on behalf of the Customer, or if final settlement is not received by the Bank for any reason, then the Bank shall be entitled to debit any Account of the Customer with the amount previously credited and/or with any other charges incurred, even if doing so creates or increases an overdraft.

**3.3 Collection Basis Processing.** If an Item is processed by the Bank on a collection basis, the Bank may defer credit to the relevant Account until it has received final, non-reversible, payment in accordance with applicable law and market practice.

### **4. Payment of Items.**

**4.1 Processing Outgoing Items.** The Bank is authorized to pay any Item drawn on the Account, in accordance with the Bank's usual procedures, including any Item that purports to be a substitute check. The Bank is authorized to debit the Account on which the Item is drawn on the day the Item is presented, certified or accepted, or at such earlier time when the Bank receives notice by electronic or other means that an Item drawn on an Account has been deposited for collection. The Bank may determine Account balances in order to decide whether to dishonor an Item for insufficient funds at any time between receiving such presentment or notice and the time of the return of the Item, and need make no more than one such determination.

**4.2 No Inquiry.** The Bank is authorized to pay all Items presented to it or cashed at the Bank, regardless of amount and without inquiry as to the circumstances of issue, negotiation or endorsement or as to the disposition of proceeds, even if drawn, endorsed or payable to cash, bearer or the order of the signer or any Authorized Person or to a lender in payment of the signer's or Authorized Person's obligations.

**4.3 Limitations.** The Customer shall immediately notify the Bank if it becomes aware that any Items (whether completed or blank) are lost or stolen. The Customer shall not allow any third party to issue Items against or otherwise use the Accounts unless specifically agreed to in writing by the Bank. The Customer shall not issue Items that are post-dated, and the Bank shall not be liable for any damages caused by premature payment or certification of a post-dated Item. Further, the Customer shall not put any condition, restriction or legend on any Item, and the Bank is not required to comply with any such condition, restriction or legend.

**4.4 Electronic Processing; Specifications.** The Bank may process any Item by electronic means. All Items issued by the Customer against any Account must comply with industry standards and the Bank's check specifications and image standards, published from time to time. The Bank shall not be liable for damages or losses due to any delay or failure in procuring, collecting or paying Items not conforming to such specifications or standards, except to the extent such losses or damages are the direct result of the Bank's gross negligence or willful misconduct.

## 5. Funds Transfer Instructions.

- 5.1 Processing Funds Transfer Instructions.** The Customer may issue funds transfer Instructions against Accounts, subject to the Bank's acceptance. Funds transfer Instructions will be received, processed and transmitted only on the Bank's funds transfer business days, and within the Bank's established cut-off hours on such days. Communications requesting cancellation or amendment of funds transfer Instructions must be clearly marked as such and received at a time and in a manner affording the Bank a reasonable opportunity to act on the communication. The Customer may reverse, amend, cancel or revoke any Instructions only with the consent of the Bank and, if applicable, the beneficiary's bank. The Bank will debit the Account for the amount of each funds transfer Instruction accepted by the Bank, and the Customer authorizes the Bank to debit the Account for, or deduct from the amount of the funds transfer, all associated fees, including debit and credit processing charges. In processing a funds transfer, other banks may deduct fees from the funds transfer. No restrictions upon the acceptance of funds transfer Instructions by the Bank or upon the Accounts that the Bank may debit shall be binding unless agreed to by the Bank in writing. The Bank shall not be required to inquire into the circumstances of any transaction.
- 5.2 Acting on Instructions.** Notwithstanding any instructions by the Customer to the contrary, the Bank reserves the right to use any funds transfer system and any intermediary bank in the execution of any funds transfer Instruction and may otherwise use any means of executing the funds transfer Instruction that the Bank deems reasonable in the circumstances.
- 5.3 Inconsistent Name and Number.** The Bank and other financial institutions, including the beneficiary's bank, may rely upon the identifying number of the beneficiary, the beneficiary's bank or any intermediary bank included in a funds transfer Instruction, even if it identifies a person different from the beneficiary, the beneficiary's bank or intermediary bank identified by name.
- 5.4 Foreign Exchange.** If the Bank accepts a funds transfer Instruction issued in the Customer's name for payment in a currency (the "Non-Account Currency") other than the currency of the Account (the "Account Currency"), the Bank is authorized to enter into a foreign exchange transaction to sell to the Customer the amount of Non-Account Currency required to complete the funds transfer and debit the Account for the purchase price of the Non-Account Currency. If the Bank accepts a funds transfer Instruction for payment to the Account in a Non-Account Currency, the Bank is authorized to purchase the Non-Account Currency from the Customer and to credit the purchase price to the Customer's Account in lieu of the Non-Account Currency. The purchase price for the foregoing transactions shall be at a rate and spread as the Bank determines in its discretion and may differ from rates at which comparable transactions are entered into with other customers or the range of foreign exchange rates at which the Bank otherwise enters into foreign exchange transactions on the relevant date. Further, (i) the Bank may execute such foreign exchange transactions in such manner as the Bank determines in its sole discretion; and (ii) the Bank may manage the associated risks of the Bank's own position in the market in a manner it deems appropriate without regard to the impact of such activities on the Customer. The Bank may also earn a profit which may be imbedded in the applicable rate and/or spread. Any such foreign exchange transaction will be between the Bank and the Customer as principals, and the Bank will not be acting as agent or fiduciary for the Customer.

**Foreign Exchange Cancellations, Reversals and Buybacks.** Notwithstanding any prior action or course of dealing, subject to applicable law, the Bank has no obligation to cancel, reverse or otherwise buy back foreign currencies purchased by the Customer under a Service and the Bank makes no commitment to buy back currencies. The Customer acknowledges that it may not be able to sell back certain foreign currencies once purchased.

- 5.5 Cancellation of Foreign Exchange Drafts.** Subject to applicable law, the Bank may cancel any draft issued by the Bank on behalf of the Customer in a Non-Account Currency if the draft is not presented for payment within one hundred eighty (180) calendar days after the date of issuance, and the Customer authorizes the Bank to recredit the Customer's Account with an equivalent amount of Account Currency at a foreign exchange rate and spread, and at such date and time, as the Bank determines in its discretion. Following such cancellation, the Customer shall be responsible for all claims that may be asserted against the Bank in respect of the draft.

## 6. Interest; Fees; Taxes.

- 6.1 Interest.** The Bank may pay interest on balances in interest-bearing Accounts at rates determined by the Bank, subject to any withholding or deduction for tax as required by applicable law, including without limitation the Foreign Account Tax Compliance Act ("FATCA") and is authorized to perform any other function (including debiting, blocking or suspending the Accounts) as required by applicable law or practice of any relevant government, regulatory, judicial or tax authority or in accordance with the Bank's usual business practice. The Bank may deduct from the Accounts charges for early withdrawals, which may include a deduction from principal (if permitted or required by law). To the extent market interest rates are negative, the rate applied by the Bank to interest-bearing Accounts may be negative. In which case the Customer may be required to make a negative rate payment, which the Bank shall also be entitled to collect by debiting the Account.

### 6.2 Fees and Taxes.

- (a) The Bank may impose and the Customer will pay fees for Accounts and Services provided by the Bank, including transaction, maintenance, balance-deficiency, and service fees and other charges (collectively "Fees"). The Bank may debit any Account for Fees and/or Taxes, even if such debit creates or increases an overdraft of the Account. References to "Taxes" shall mean any taxes (including value added taxes, sales taxes and similar taxes), levies, imposts, deductions, charges, stamp, transaction and other duties and withholdings (together with any related interest, penalties, fines, and expenses) in connection with the Fees, Accounts or Services (including payments or receipts to an Account) except if such Taxes are imposed on the overall net income of the Bank.
- (b) All payments (including Fees and interest on overdrafts) from the Customer to the Bank pursuant to the Account Terms, the Service Terms and any Account Documentation shall be in full, without set-off or counterclaim, and free of any withholding or deduction (collectively, a

"Deduction") related to any tax or other claim, unless a Deduction is required by applicable law. If any Deduction is required by applicable law in respect of any payment due to the Bank, the Customer shall:

- (i) ensure that the Deduction is made;
- (ii) pay the amount of the Deduction as required by applicable law;
- (iii) increase the payment in respect of which the Deduction is required so that the net amount received by the Bank after the Deduction shall be equal to the amount which the Bank would have been entitled to receive in the absence of any requirement to make any Deduction; and
- (iv) deliver to the Bank, within thirty (30) days after it has made payment to the applicable authority, a certified copy of the original receipt issued by the authority, evidencing the payment to the authority of all amounts required to be deducted.

(c) All Fees are exclusive of Taxes. In addition to any Fees or other amounts due and except to the extent the Bank is otherwise compensated for such Taxes under this Section 6, the Customer will pay or reimburse the Bank for any Taxes which the Bank is required to account for to any tax authority under any applicable law and, where required by applicable law, the Customer shall account for any Taxes directly to the applicable tax authority.

**6.3 Documentation and Information.** The Customer will provide the Bank with such documentation and information as the Bank may require in connection with taxation, and warrants that such information is true and correct in every respect and shall immediately notify the Bank if any information requires updating or correction.

## **7. Account Statements.**

The Bank will issue Account statements, confirmations, or advices ("Account Statements") at the frequency and in the manner advised to the Customer from time to time. The Customer is responsible for ensuring that an Authorized Person promptly examines each Account Statement and any accompanying Items that are made available to it by the Bank, and reporting any irregularities to the Bank in writing, including any claim of unauthorized funds transfer activity. The Bank shall not be responsible for the Customer's reliance on balance, transaction or related information that is subsequently updated or corrected or for the accuracy or timeliness of information supplied by any third party to the Bank. Internet Account Statements or electronic Account Statements, if applicable, shall be deemed by the Customer and the Bank to be available to the Customer when the Account Statements are posted on the internet and the Bank sends an electronic mail notification of availability to the Customer, or when the Bank sends the electronic Account Statement to the Customer. For purposes of determining when an Item is sent to the Customer, an image of an Item or information identifying the Item (i.e. Item number, amount and date of payment) is a sufficient substitute for the actual Item.

## **8. Overdrafts.**

**8.1 Overdrafts.** The Bank may debit an Account even if the debit may cause or increase an overdraft. Unless otherwise agreed in writing, the Bank is under no obligation to permit any overdraft or to continue to permit overdrafts after having permitted an overdraft or to provide notice of any refusal to permit an overdraft, in each case notwithstanding any prior action or course of dealing. Any overdraft shall be immediately due and payable by the Customer to the Bank, unless otherwise agreed in writing. If the Bank permits an overdraft, the Bank is authorized to charge interest on the amount of the overdraft as long as the overdraft is outstanding, at a rate determined by the Bank, up to the maximum rate permitted by law at the time of the overdraft or at the specific rate agreed in writing between the Customer and the Bank. Subject to applicable law, interest shall accrue on any negative balance in an Account notwithstanding closure of the Account and/or termination of these Account Terms. If the Bank pays an Item that causes or increases an overdraft, the Bank may deduct applicable Fees and expenses from the Account without notice.

**8.2 Order of Payment.** When Items and other debits to the Account are presented to the Bank for payment on the same day and there are insufficient available funds in the Account to pay all of these transactions, the Bank may choose the order in which it pays transactions, including the largest transaction first or any other order determined by the Bank, in its sole discretion.

## **9. Set Off.**

The Bank may at any time, without prejudice to any other rights which it may have, and without prior notice or demand for payment, combine, consolidate or merge all or any of the Accounts of the Customer or may retain, apply or set off any money, deposits or balances held in, or standing to the credit of, any Account in any currency towards payment of any amount owing by the Customer to the Bank or any of its affiliates. The Bank shall be entitled to accelerate the maturity of any time deposit or fixed term deposit. For the purposes of this Section the Bank may effect currency conversions at such times or rates as it may think reasonable and may effect such transfers between any Accounts as it considers necessary. The Customer grants to the Bank a lien and security interest in any Accounts of the Customer at the Bank, in order to secure any and all obligations and liabilities of the Customer to the Bank or any of its affiliates.

## **10. Agents; Information.**

**10.1 Confidential Information.** The Bank agrees to take customary and reasonable measures to maintain the confidentiality of Customer confidential information. The Customer authorizes the Bank and its affiliates, and their respective agents, employees, officers and directors to disclose Account opening documentation, information with respect to any Account or Service, any banking transaction, and the Customer itself, including Customer confidential information, in order to provide the services under the Account Terms, Account Documentation and Service Terms, for

compliance with legal, tax and regulatory requirements, including without limitation FATCA, and for the Bank's operational purposes, risk management and compliance with internal policies: (i) to unaffiliated third parties, including the transmission of information to other banks and clearing houses and through channels and networks operated by third parties, and to agents of the Bank; (ii) to a proposed assignee of the rights of the Bank; (iii) to branches and affiliates of the Bank; (iv) to the auditors, legal advisers and consultants of the Bank, its branches and affiliates; (v) to the auditors of the Customer; (vi) to the Bank's or its affiliates' or the Customer's examiners or other regulators, including tax authorities, law enforcement agencies, courts of competent jurisdiction or other official bodies, anywhere in the world; and (vii) pursuant to subpoena or other court process, or to establish, exercise or defend the legal rights, or satisfy the legal obligations, of the Bank and its affiliates.

**10.2 Agents.** The Bank may retain agents to perform data processing, collection and other services in connection with the Accounts and Services.

**10.3 Offshoring.** Subject to applicable laws, including without limitation FATCA, processing of Customer confidential information may be performed by any Bank affiliate, including affiliates, branches and units located in any country in which we conduct business or have a service provider. The Customer authorizes the Bank to transfer Customer Information to such affiliates, branches and units at such locations as the Bank deems appropriate.

**10.4 Consents.** The Customer represents and warrants that prior to submitting to the Bank information about natural persons related to the Customer (including Authorized Persons, users of the Bank's electronic access systems, officers and directors, employees, beneficial owners, and customers and persons on whose behalf the Customer is receiving or transmitting funds, issuing items or maintaining an Account), the Customer shall have obtained such consents as may be required by applicable law or agreement, for the Bank to process and use the information for purposes of providing the Services.

## **11. Liability Limitation; Force Majeure.**

**11.1 Liability.** The Bank, its agents, employees, officers and directors, shall not be liable for any damage, loss, expense or liability of any nature which the Customer may suffer or incur, except to the extent of direct losses or expenses resulting from the negligence or willful misconduct of the Bank, its agents, employees, officers or directors. The Bank, its agents, employees, officers and directors shall not, in any event, be liable for indirect, special, consequential or punitive loss or damage of any kind (including lost profits, loss of business or loss of goodwill), in each case, whether or not foreseeable, even if the Bank, its agents, employees, officers or directors have been advised of the likelihood of such loss or damage, and regardless of whether the claim for loss or damage is made in negligence, gross negligence, for breach of contract or otherwise; provided, however, that the foregoing shall not apply to the extent such loss or damage is caused by fraud on the part of the Bank, its agents, employees, officers or directors. Customer shall promptly provide the Bank with a notice of any claims it receives regarding a Service.

**11.2 Force Majeure.** Neither the Bank nor the Customer shall be liable for any loss or damage, expense or liability of any nature to the other for its failure to perform or delay in the performance of its obligations resulting from an act of God, act of governmental or other authority, de jure or de facto, legal constraint, civil or labour disturbance, fraud or forgery (other than on the part of the other party or its employees), war, terrorism, catastrophe, fire, flood or electrical, computer, mechanical or telecommunications failure or malfunction, including inability to obtain or interruption of communications facilities, or failure of any agent or correspondent, or unavailability or failure of or the effect of rules or operations of a payment or funds transfer system, including non-availability of appropriate foreign exchange or foreign currency, or any cause beyond its reasonable control.

## **12. Reimbursement.**

The Customer agrees to reimburse the Bank, and its agents, employees, officers and directors, for any and all claims, damages, demands, judgments, liabilities, losses, costs and expenses (including attorneys' fees) (collectively, "Losses") arising out of or resulting from: (i) the Bank's acceptance or execution of any request, direction or transaction in connection with any Account or any Service provided to the Customer, including Items and Instructions; or (ii) the Bank's payment of any taxes, interest or penalty otherwise due from the Customer paid on the Customer's behalf, or for which the Bank has no responsibility under the Account Terms, the Service Terms or any Account Documentation. Notwithstanding the foregoing, the Bank shall not be reimbursed for any Losses to the extent resulting directly from its own negligence, willful misconduct or fraud.

## **13. Notices.**

All Account Statements and notices may be sent to the Customer by ordinary mail, courier, facsimile transmission, electronic transmission (including SWIFT communication and emails), through internet sites, or by such other means as the Customer and the Bank may agree upon from time to time, at the address of the Customer provided to the Bank. Unless otherwise arranged, all notices to the Bank must be sent to the Bank officer or service representative managing the Account or to any other address notified by the Bank to the Customer in writing from time to time, and must be sent by ordinary mail, by courier, by facsimile transmission, by electronic transmission or by such other means as the Customer and the Bank agree upon from time to time. The Bank shall have a reasonable time to act on any notices received.

## **14. Termination.**

Unless otherwise agreed, either the Bank or the Customer may close an Account or terminate a Service by giving the other party not less than thirty (30) calendar days' prior written notice of intent to close or terminate. Notwithstanding the foregoing, either party may terminate an Account or a Service upon written notice to the other party in the event of: (i) a breach of the Account Terms, Account Documentation or Service Terms by the other party; (ii) the other party's inability to meet its debts as they become due, receivership, administration, liquidation, or voluntary or involuntary bankruptcy; or the institution of any proceeding therefor, any assignment for the benefit of the other party's creditors, or anything

analogous to the foregoing in any applicable jurisdiction, or a determination in good faith by the terminating party that the financial or business condition of the other party has become impaired; (iii) a determination by the terminating party, in its sole opinion, that termination is necessary or required by applicable legal, tax or regulatory requirements, or as a result of a court or regulatory agency order or proceeding; or (iv) a good faith belief by the terminating party that the other party is engaged in activities that are inconsistent with the terminating party's policies. The Bank shall have a reasonable opportunity to act upon any termination request. The Bank shall not be precluded from completing a request or instruction received by it prior to a termination request based on receipt of such termination request. Notwithstanding anything to the contrary in any Service Terms, upon the closing of an Account, all Services linked to such Account are simultaneously terminated (unless otherwise specifically agreed to by the parties) and the Bank's obligations in respect of such Account or Services will terminate. However, any such closing or termination shall not affect the Customer's liabilities to the Bank arising prior to, or on, such closing or termination, all of which shall continue in full force and effect. In the absence of instructions from the Customer, the Bank may transfer balances to an unclaimed moneys account, or issue a cashier's check, sending it to the address of the Customer provided to the Bank.

## 15. Account Disclosures.

- 15.1 **Rejection of Funds.** The Bank may return or refuse to accept all or any part of a deposit or credit to an Account, at any time, and will not be liable to the Customer for doing so, even if such action causes outstanding items to be dishonored and returned, or payment orders to be rejected.
- 15.2 **Withdrawal.** The Bank may refuse to allow withdrawals from Accounts in certain circumstances, including where: (i) there appears to be a dispute relating to an Account, including disputes regarding the persons authorized to issue instructions; (ii) legal process affecting the Account is received by the Bank, including a levy, restraining notice or order of a court or other competent authority; (iii) the Account is being used as collateral to secure indebtedness to the Bank or its affiliates; (iv) documentation requested by the Bank has not been presented; or (v) the Customer fails to pay its indebtedness to the Bank or its affiliates on time.
- 15.3 **Payable Branch; Deposits Outside of the U.S.** Any amount standing to the credit of any Account with the Bank is payable exclusively at a branch in the country at which the Account is held; however, payment may be suspended from time to time in order to comply with any applicable law, governmental decree or similar order, in any jurisdiction, for the time period affecting the Bank, its officers, employees, affiliates, subsidiaries, agents or correspondents. The Customer acknowledges that deposits held in a branch of the Bank located outside the United States are not payable in the United States and: (i) are not insured by the Federal Deposit Insurance Corporation or any other United States governmental agency; (ii) are subject to cross-border risks; and (iii) have a lesser preference as compared to deposits held in the United States in the event of a liquidation of the Bank.
- 15.4 **Commissions and Rebates.** In connection with the provision of any Service by the Bank to the Customer, the Bank may from time to time receive commission, rebate or similar payments from other banks or third parties.

## 16. Governing Law.

- 16.1 **Governing Law.** The Account Terms, the relevant Account Documentation and the rights and obligations of the Customer and the Bank in respect of each Account shall be governed by and construed in accordance with the laws of the State of New Hampshire.
- 16.2 **Limitation of Claims.** Any claim in connection with any Account or Service, unless a shorter period of time is expressly provided, must be brought against the Bank within two (2) years of the occurrence of the event giving rise to the claim, except as prohibited by applicable law.
- 16.3 **Venue.** In relation to each Account, the courts of the country or state of New Hampshire shall have exclusive jurisdiction to settle any disputes that arise out of or are connected with the Account Terms, the Account Documentation and/or the Account and the Customer agrees to submit to the jurisdiction of such courts. This section is for the benefit of the Bank only and does not prevent the Bank from taking proceedings in the courts of any other country or state with jurisdiction including, to the extent allowed by law, concurrently in any number of countries or states.

## 17. Miscellaneous.

- 17.1 **Languages.** If the Account Terms, Account Documentation or Service Terms are translated into, or appear in a language other than English, the English language version shall control.
- 17.2 **Successors.** The term Bank in the Account Terms, the Service Terms and any Account Documentation shall include any successors of the Bank, including assignees or successors of JPMorgan Chase Bank, N.A. or its affiliates or any person who under the laws of its jurisdiction of incorporation or domicile, has assumed the rights and obligations of the Bank or its affiliates hereunder or to which the same has been transferred. The Bank may, at any time, assign or transfer all or any of its rights and obligations hereunder to an affiliate of JPMorgan Chase Bank, N.A..
- 17.3 **Order of Precedence.** Any terms of any supplement, amendment, agreement, Service Terms or notice that are inconsistent with a provision of the Account Terms or the Account Documentation shall supersede such provision of the Account Terms or the Account Documentation for purposes of the particular Account or Service that is the subject thereof. The Account Terms and Account Documentation supersede and replace any other account conditions previously sent to the Customer.
- 17.4 **Interpretation.** Section and subsection headings are for convenience only and shall not affect the meaning of the Account Terms, the Service Terms and any Account Documentation. References to Schedules, Sections, Subsections and Clauses are to Schedules, Sections, Subsections and Clauses of the Account Terms, the Service Terms and any Account Documentation. Words in the singular import the plural and vice versa.

If any provision of the Account Terms, the Service Terms and any Account Documentation shall be held to be illegal, invalid, or unenforceable the validity of the remaining portions of the Account Terms the Service Terms and any Account Documentation shall not be affected. The term "including" shall in all cases mean "including without limitation" unless otherwise indicated. The term "affiliates" shall mean with respect to any entity, an entity, whether directly or indirectly, that controls, is controlled by, or is under common control with that entity. The term "applicable laws" or similar terms shall mean any law, statute, order, decree, rule, injunction, license, consent, approval, agreement, guideline, circular or regulation of a government authority.

- 17.5 Compliance; Transaction Screening.** The Customer shall comply with all applicable laws and the Bank's policies notified to the Customer. The Bank is required to act in accordance with Bank policies, the laws of various jurisdictions relating to the prevention of money laundering and the implementation of sanctions, including economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State. The Bank is not obligated to execute payment orders or effect any other transaction where a party to the transaction is a person or entity with whom the Bank is prohibited from doing business by any law applicable to the Bank, or in any case where compliance would, in the Bank's opinion, conflict with applicable law or banking practice or its own policies and procedures. Where the Bank does not execute a payment order or effect a transaction for such reasons, the Bank may take any action required by any law applicable to the Bank including freezing or blocking funds. Transaction screening may result in delays in the posting of transactions and/or funds availability. The Bank may direct the Customer (a) to make changes to the activity in the Customer's Accounts, including to cease and desist from using the Accounts for particular types of transactions or for transactions involving particular parties from time to time, and (b) not to use the Accounts to send payments with certain characteristics. The Customer agrees to comply with such directions.
- 17.6 Amendments; Supplements; Waivers.** The Account Terms may be amended or supplemented on notice to the Customer, including by terms contained in any Service Terms or Account Documentation. The Service Terms may be amended or supplemented on notice to the Customer. These amendments or supplements may impose restrictions on the Accounts and Services, as the Bank deems necessary in the course of its business, and will be effective on notice to the Customer or at such other time to be specified in the notice; provided that amendments or supplements that are required by law may be implemented immediately or as required by law. By signing an Account signature card, Account application or similar document or by using or continuing to use any of the Accounts or Services, the Customer agrees to the Account Terms, the Account Documentation, Service Terms and any amendments or supplements, as applicable. All amendments must be in writing
- The Bank may waive any of provision of these Account Terms, the Account Documentation or the Service Terms, but such waiver shall apply only on that occasion. Such waiver shall not constitute a waiver of any other provision of the Account Terms, the Account Documentation or the Service Terms. Any such waiver shall not affect the Bank's right to enforce any of its rights with respect to other customers or to enforce any of its rights with respect to later transactions with Customer and is not sufficient to modify the terms and conditions of the Account Terms, the Account Documentation or the Service Terms. The rights and remedies in the Account Terms, the Service Terms and any Account Documentation are cumulative and are not exclusive of any other rights or remedies provided by applicable law.
- 17.7 Waiver of Immunity.** The State acknowledges that, at the time of this contract, per N.H. Rev. Stat. Ann. § 491-B, the superior court has jurisdiction to enter judgment against the state of New Hampshire founded upon this contract with the state, and that if such statutory waiver of immunity is abrogated, JPMorgan can terminate the agreement for convenience upon 30 days' notice."
- 17.8 Internet Services; Notice of Claims.** The Customer agrees at its sole expense: (i) to advise each of its employees, officers, agents or other persons accessing any Service by or on behalf of Customer ("Users") of their obligations under the Account Terms, Account Documentation or under any Service Terms or ancillary Service material, including the obligation to refrain from using the Service via the Internet in the countries identified by the Bank; and (ii) to provide the Bank with all information reasonably necessary to setup and provide Services for the Customer, including advising the Bank of the countries from which Users will access any Service via the Internet.
- 17.9 Recordings.** The Bank or the Customer, at its sole discretion, may make and retain recordings of telephone conversations between the Customer and the Bank.
- 17.10 Instructions.** All Instructions, whether Items, payment orders or otherwise, are subject to applicable laws, and rules, policies, operations and practices of the applicable clearing or settlement systems or payment networks.
- 17.11 Electronic Copies.** The Bank may retain copies (paper, electronic or otherwise) of any documents or Items relating to the Accounts and Services in a form preserving an image of any such documents or Items, including signatures, or a regular business record and discard the original documents or Items. The Customer hereby waives any objection to the use of such records in lieu of their paper equivalents for any purpose and in any forum, venue or jurisdiction, including objections arising from the Bank's role or acquiescence in the destruction of the originals.
- 17.12 Intellectual Property.** All intellectual property rights in or relating to a Service, including any trademarks, service marks, logos, and trade names used in conjunction with a Service are the property of the Bank or its licensors and are protected by applicable copyright, patent, trademark and other intellectual property law. Except as provided herein, the Customer shall not reproduce, transmit, sell, display, distribute, establish any hyperlink to, provide access to, modify, or commercially exploit in whole or in part any part of a Service, without the prior written consent of the Bank.
- 17.13 Know Your Customer.** To assist in the prevention of the funding of terrorism and money laundering activities, applicable law may require financial institutions to obtain, verify, and record information that identifies each person who opens an account. What this means for the Customer: when the Customer opens an Account, the Bank may ask for the Customer's name, address, date of birth (for natural persons), and/or other information and documents that will allow the Bank to identify the Customer. The Bank may also request and obtain certain information from



third parties regarding the Customer. For purposes of this provision, the Customer, to the extent required by applicable law, shall include any Authorized Person or signatory on an Account.

**Information.** To fulfill the Bank's "know your customer" responsibilities, the Bank will request information from the Customer from time to time, inter alia, regarding the Customer's organization, business, Third Parties and, to the extent applicable, Authorized Persons and beneficial owner(s) of the Customer, the Customer's customers, and their beneficial owners, including relevant natural or legal persons, and the Customer shall procure and furnish the same to the Bank in a timely manner. The Bank may also request further information and/or documentation in connection with the provision of the Services. Any information and/or documentation furnished by the Customer is the sole responsibility of the Customer and the Bank is entitled to rely on the information and/or documentation without making any verification whatsoever (except for the authentication under the security procedures, as applicable). The Customer represents and warrants that all such information and/or documentation is true, correct and not misleading and shall advise the Bank promptly of any changes and, except as prohibited by applicable law, the Customer agrees to provide complete responses to the Bank's requests within the timeframes specified. The Customer will notify the Bank in writing if any Accounts or monies it holds or places with the Bank are subject to restrictions or otherwise held or received by the Customer in a capacity other than previously disclosed to the Bank, including but not limited to monies being held for the benefit of third parties, whether as fiduciary or otherwise, monies subject to encumbrances, monies received as intermediary, processor or payment service provider, or arising from undisclosed business or similar sources. The Bank may, at its sole discretion and subject to such further conditions as it may impose, including, without limitation, execution of further documentation in form and manner acceptable to the Bank, permit the holding of such Accounts or deposits or receipt of funds. Unless prohibited by applicable law, the Customer agrees to promptly disclose to the Bank activity in the Customer's Accounts that is suspicious or violates applicable laws or sanctions.

If the Customer fails to provide or consent to the provision of any information required by this Section, the Bank may close any Account or suspend or discontinue providing any Service without further notice.

**17.14 Click-Thru.** The Bank may deliver, make available and/or make accessible terms and conditions applicable to Accounts and Services to the Customer via electronic means and channels (including by posting such terms on a Bank website). The Bank may request that an Authorized Person "click" its approval of such terms. Subject to applicable law, the Customer agrees that the act of "clicking" its approval (or any similar act which has the same effect) with respect to any such terms will be evidence of Customer's acceptance of the applicable terms and conditions, to the same extent, and with the same force and effect, as if Customer had manually executed a written version of such terms and conditions.

**18. Interpleader; Reimbursement.**

If the Bank determines that there is a dispute regarding the ownership of or entitlement to funds held by the Bank for the account of the Customer, the Bank may apply to an appropriate court in the State of New Hampshire for resolution of the dispute and may pay the funds into the court pending resolution. The Customer agrees to reimburse the Bank for any related expenses, including its attorneys' fees and costs incurred in connection with the resolution of such disputes or in connection with the Bank's response to, any legal process, including subpoenas, interrogatories and other written questions, garnishments, attachments, levies, writs, restraining notices, court orders, civil investigative demands, requests or demands from regulators or law enforcement, or summonses, complaints or petitions relating to an Account.

**19. Provisional Recredit.**

In connection with any dispute regarding an Account, the Bank may choose to credit the Account pending completion of the Bank's investigation of the dispute. If the Bank determines that the Customer is not entitled to such credit, then, the Bank may reverse the provisional recredit to the Account, even if that reversal results in an overdraft.

# INTEGRATED RECEIVABLES & PAYABLES CONNECT SERVICE TERMS

V1.0\_07\_31\_18

Modified for New Hampshire

JPMorgan Chase Bank, N.A. (the "Bank") will provide the Customer with the Service described herein, which includes the Bank's Integrated Receivables Connect Service, Integrated Payables Connect Service, access to Connect Website, IVR, Call Center, Point-of-Sale, file transmission, API, reporting and analysis capabilities, in accordance with the provisions of these Service Terms. These Service Terms supplement the account documentation, including the Account Terms, ACH Origination Service Terms, Check Print Service Terms and other applicable Service Terms, as amended from time to time (collectively, the "Account Documentation"). By acknowledging or signing the applicable Account Documentation or by using or continuing to use the Service, the Customer agrees to these Service Terms. If and to the extent there is a conflict between the Account Documentation and these Service Terms, the provisions of these Service Terms shall prevail. Capitalized terms used herein and not otherwise defined shall have the meanings specified in the Account Documentation.

## 1. Definitions.

"ACH" means the automated clearing house system.

"Debit Entry" and "Credit Entry" shall have their meanings set forth in the NACHA Rules.

"API" means Application Programming Interface.

"Authorized User" means any person who has been designated by a written notice from the Customer to act on behalf of the Customer under these Service Terms.

"Authorization" means an authorization from the Payer or Payee to the Customer that may be obtained (i) by the Bank on behalf of the Customer through Connect Website, IVR or Call Center, or (ii) by the Customer, in either case before originating a Debit Entry or Credit Entry to the Payer's or Payee's deposit account.

"Call Center" means the Bank's call center operations that provides privately branded call center support for the Customer's customer.

"Card" means a physical card used to access an account or account number through which Payment Brand payment services are delivered, authorized and established between a Payer and a Payment Brand, or representatives or members of a Payment Brand that the Customer accepts from Payers as payment for goods or services. Cards include, but are not limited to, credit or debit cards, stored value cards, loyalty cards, and electronic gift cards.

"Connect Website" means the Bank hosted website that allows Payers and Payees to Enroll in order to make or receive Electronic Payments.

"Connect Website Terms and Conditions" means the terms and conditions which may be provided by the Bank to the Payer or Payee which govern the Payer's or Payee's use of or access to the Connect Website.

"Convenience Fee" means a charge to a Payer's Card, checking account or savings account for the convenience of using the Technology.

"Electronic Payment" means the payment of amounts specified by the Customer to be paid (i) by the Payer to the Customer or (ii) by the Customer to the Payee, through ACH or Card.

"Enroll" or "Enrollment" means the process through which the Payees or Payers provide their bank account or Card details using the Technology in order to make or receive Electronic Payments.

"Integrated Payables Connect Service" means a Service that enables the Customer to make an Electronic Payment using the Technology.

"Integrated Receivables Connect Service" means a Service that enables the Customer to receive an Electronic Payment using the Technology.

"IVR" means the Bank provided Interactive Voice Response (IVR) system.

"Merchant Processor" means the provider of services necessary to authorize, process and settle, as applicable, Payers' Card transactions contemplated hereunder.

"NACHA" means the National Automated Clearing House Association.

"NACHA Rules" means the operating rules and guidelines of NACHA.

"Payee" means either a consumer or business customer of the Customer to whom an Electronic Payment is made by the Customer once the Payee completes the Enrollment.

"Payee Information" means information related to a Payee that is either (i) obtained by the Customer or (ii) obtained by the Bank directly from the Payee in connection with the Enrollment.

"Payer" means either a consumer or business customer of the Customer who makes an Electronic Payment to the Customer by completing the Enrollment.

"Payer Information" means information related to a Payer or the Payer's Card that is either (i) obtained by the Customer or the Bank from the Payer's Card or (ii) obtained by the Bank directly from the Payer in connection with the Enrollment.

"Payment Brand" is any payment method provider whose payment method is accepted by Merchant Processor for processing, including, but not limited to Visa, U.S.A., Inc., MasterCard International, Inc., Discover Financial Services, LLC, American Express and other credit and debit card providers, and debit network providers.

"Payment Instructions" means the instructions provided by the Customer to the Bank to originate Debit or Credit Entries to the checking or savings

account of each Payer or Payee or process Card payments, as applicable, as per the Enrollment.

**"Paper Check Payments"** means the service by which the Bank prints and mails check payments on behalf of the Customer for Payees who have not completed Enrollment.

**"Point-of-Sale" or "POS"** means an electronic payment terminal provided by the Bank to the Customer to accept Card payments from the Payers at the point of sale.

**"Pre-registration Inbound File"** means the file provided by the Customer that may include Payee Information or Payer Information that the Bank uses to register Payees or Payers on the Connect Website.

**"Rules and Regulations"** means the NACHA Rules, the Payment Brand rules, standards and guidelines, including without limitation security standards relating to privacy, data security or other applicable association or clearinghouse rules and all other applicable laws, regulations and industry rules, each as amended from time to time.

**"Settlement Account"** means the designated account of the Customer held with the Bank used for settlement purposes.

**"Technology"** means the Bank's (or its licensor's) IVR, API, Point-of-Sale and/or Connect Website, as applicable, which have been designed to facilitate payments between Payees or Payers and the Customer, using as applicable, Cards or ACH.

2. **Integrated Receivables Connect Service.** The Customer shall use the Integrated Receivables Connect Service to facilitate Electronic Payments from Payers to the Customer using the Technology relating to various transactions entered into between the Payer and the Customer. The Payer may choose not to Enroll or cancel an existing Enrollment at its discretion. If the Payer completes the Enrollment, the Bank will process the Electronic Payments through ACH or Card, as applicable.
  - 2.1 **ACH Processing.** If the Payer chooses to make Electronic Payments through a bank account, the Bank will initiate Debit Entries to the checking or savings accounts of Payers. All Electronic Payments originated through ACH shall be governed by the ACH Origination Service Terms.
  - 2.2 **Card Processing.** If the Payer chooses to make Electronic Payment using a Card, such transactions will be submitted to the Merchant Processor according to its formats and procedures. In processing and transmitting Electronic Payments through Cards, the Bank's sole responsibility will be to transmit such files to the Merchant Processor. The Bank will have no responsibility for applying any payments on such file to a Payer's Card account or for any other credit card processing functions, nor will the Bank have any responsibility for any action or inaction of the Merchant Processor.
  - 2.3 **Obligations of the Customer.** In connection with the Integrated Receivables Connect Service, the Customer shall have the following obligations:
    - (a) The Customer shall provide the Bank with all information and materials reasonably necessary to implement the Integrated Receivables Connect Service for use by the Customer.
    - (b) The Customer may provide to the Bank a Pre-registration Inbound File, in a format and through a secure channel acceptable to the Bank, using such security procedures as the Bank may prescribe. The Pre-registration Inbound File shall include the name, email address, mailing address for each Payer and any other information agreed upon by the Bank and the Customer. The Bank may reject or delay processing of the Pre-registration Inbound File if it is incomplete or otherwise does not meet the standards the Bank specifies for acceptance. The Customer will promptly notify the Bank of any changes to any such information provided by the Customer to the Bank.
    - (c) The Customer shall provide the Bank with Payment Instructions to originate Debit Entries to the checking or savings account of each Payer as per the Enrollment.
    - (d) Except as otherwise provided in (f), the Customer (as the Originator of each Debit Entry originated hereunder) authorizes the Bank to obtain an Authorization on the Customer's behalf from each Payer when the Payer uses ConnectWebsite, IVR or Call Centre for initiating Electronic Payments.
    - (e) If applicable, the Customer shall provide consumer Payers with all required disclosures pursuant to the Rules and Regulations and as otherwise agreed to by the parties, including but not limited to, where the Customer is accepting POS transactions, ensuring that all required disclosures relating to Convenience Fees are made by the Customer to each Payer at the point-of-sale. The Customer shall certify its compliance with the disclosure requirements in writing to the Bank on an annual basis.
    - (f) The Customer shall obtain an Authorization from each Payer when the Payer directly provides the bank account or Card details to the Customer.
    - (g) The Customer shall execute any additional documents related to payment processing by Merchant Processor as provided by the Bank.
  - 2.4 **Obligations of the Bank.** In connection with the Integrated Receivables Connect Service, the Bank shall have the following obligations:
    - (a) The Bank shall provide the form of Authorization when the Payer uses ConnectWebsite, IVR or Call Centre for initiating Electronic Payments. The Payer must agree to the Authorization prior to making an Electronic Payment.
    - (b) The Bank will manage the Enrollment of the Payers and processing of the Payment Instructions from the Customer.
    - (c) The Bank shall comply with the Rules and Regulations applicable to the Bank as provider of the Service.
  - 2.5 **Convenience Fees.** Convenience Fees shall be charged to the Payer in relation to the Service if mutually agreed upon by the Customer and the Bank. The Bank may initiate a separate transaction for the collection of Convenience Fees and will submit the transaction to the Merchant Processor or ACH, as applicable. Convenience Fees will either be retained by the Bank or the Customer, as mutually agreed upon by the parties. The party retaining the Convenience Fee shall be responsible for paying any applicable fees and taxes related to the Convenience Fees.
3. **Integrated Payables Connect Service.** The Customer shall use the Integrated Payables Connect Service to initiate Electronic Payments by either

providing the Bank with Payee Information or enabling the Payee to complete Enrollment using the Technology. The Payee may choose not to Enroll or cancel an existing Enrollment at its discretion. If the Payee completes the Enrollment, the Customer authorizes the Bank to initiate Credit Entries to the checking or savings account of the Payee as per the Enrollment. If the Payee does not complete the Enrollment or cancels the Enrollment before the Customer instructs the Bank to make the Electronic Payment, the Customer may authorize the Bank to make Paper Check Payments to the Payee, if applicable. All Electronic Payments processed through ACH shall be governed by the ACH Origination Service Terms. All Paper Check Payments shall be governed by the Check Print Service Terms.

**3.1 Obligations of the Customer.** In connection with the Integrated Payables Connect Service, the Customer shall have the following obligations:

- (a) The Customer shall provide the Bank with all information and materials reasonably necessary to implement the Integrated Payables Connect Service for use by the Customer.
- (b) The Customer may provide to the Bank a Pre-registration Inbound File, in a format and through a secure channel acceptable to the Bank, using such security procedures as the Bank may prescribe. The Pre-registration Inbound File may include the name, email address, mailing address for each Payer and any other information agreed upon by the Bank and the Customer. The Bank may reject or delay processing of the Pre-registration Inbound File if it is incomplete or otherwise does not meet the standards the Bank specifies for acceptance. The Customer will promptly notify the Bank of any changes to any such information provided by the Customer to the Bank.
- (c) The Customer is responsible for validating the bank account information provided by the Payee in the Enrollment before providing Payment Instructions to the Bank.
- (d) The Customer shall provide the Bank Payment Instructions to originate Credit Entries to the checking or savings account of each Payee as per the Enrollment or as per the Payee Information provided by the Customer, as applicable.
- (e) Except as otherwise provided in (f), the Customer (as the Originator of each Credit Entry originated hereunder) authorizes the Bank to obtain an Authorization on the Customer's behalf from each Payee during Enrollment on ConnectWebsite.
- (f) The Customer shall obtain an Authorization from each Payee when the Payee directly provides the bank account details to the Customer.

**3.2 Obligations of the Bank.** In connection with the Integrated Payables Connect Service, the Bank shall have the following obligations:

- (a) The Bank shall provide the form of Authorization when the Payee uses the Connect Website to complete an Enrollment and Connect Website Terms and Conditions. The Payee must agree to the Authorization and accept the Connect Website Terms and Conditions prior to receiving Electronic Payment as per the Enrollment.
- (b) The Bank will manage the Enrollment of the Payee and processing of the Payment Instructions from the Customer.
- (c) The Bank shall comply with the Rules and Regulations applicable to the Bank as provider of the Service.

**4 Settlement Account.** The Customer agrees not to close the Settlement Account without giving the Bank at least five (5) banking days' prior written notice and substitution of another Settlement Account at the Bank. The Customer authorizes the Bank to initiate electronic debit and credit Entries and adjustments to the Settlement Account in connection with the Electronic Payments. This authorization shall remain in full force and effect until termination of these Service Terms.

**5 Chargebacks/ Return /Reversals.** The Customer shall have full liability if any Card or ACH transactions for which the Customer or any Payee/ Payer has been given provisional credit is the subject of a chargeback, return or reversal, or if final settlement is not received by the Bank or Merchant Processor for any reason. In such event, where applicable, the Bank will charge back the amount to the Settlement Account or claim a refund from the Customer. The Bank will credit the Settlement Account for the amount of any returned Credit Entries upon receipt by the Bank of settlement and after any applicable resubmissions are completed.

**6 Additional Responsibilities of the Customer.** In connection with the Service, the Customer agrees to:

- (a) Maintain the Customer's IVR, API and website, as applicable, as well as any related actual links and session transfer capabilities.
- (b) Maintain the URLs to which Payers or Payees are returned after completing an Electronic Payment or Enrollment, as applicable, through Connect Website.
- (c) Procure and maintain, at its sole expense, all hardware and browser capabilities, software and telecommunications equipment necessary to access and use the Service, including any updates or upgrades required by the Bank in order to continue performing the Service, in accordance with the Bank's recommended system configuration.
- (d) Use commercially reasonable efforts to ensure that its vendors, if applicable, cooperate fully with the Bank to achieve inter-operability of the Technology and Service with the Customer's or its vendor's hardware and software. The Bank will have the right to, at its discretion, reject any data file that it reasonably believes will interfere with the ability of the Technology or Service to process data in accordance with these Service Terms.
- (e) Advise each Authorized User of his or her obligations under these Service Terms.
- (f) Provide appropriate and sufficient data to authenticate Payers/Payees, as applicable, including but not limited to delivery of data that will be: (1) used to validate a Payer/ Payee when attempting to access Connect Website; (2) used to authenticate Payer/ Payee when the Bank is not performing the authentication; and (3) used to validate the Payer/Payee, as applicable, after a successful session transfer.
- (g) Maintain the confidentiality of any passwords, codes, digital certificates, security devices and related instructions for use of the Services, which may be revised from time to time upon notice to the Customer, and if the Customer believes or suspects that any such information or instructions have been accessed by unauthorized persons, the Customer shall promptly notify the Bank and advise the Bank as to the effect of the security breach and the corrective actions to be taken to restore or verify security.

- 7 Representation, Warranties and Covenants.** The Customer represents, warrants and covenants to the Bank that (a) the Customer shall comply with the Rules and Regulations applicable to the Customer; (b) each Payer or Payee as applicable has agreed and authorized that their mailing address, email address, telephone number and bank account details, as applicable and available, will be shared with the Bank and the Bank's agents and vendors in connection with the Service; (c) the Customer shall not use the Service for international ACH transactions or cross border payments, which are prohibited under these Service Terms; and (d) in relation to the Integrated Payables Connect Service, the Customer has verified the accuracy of the information in the Enrollment and the Bank is authorized to make an Electronic Payment as per the Enrollment or Paper Check Payment on behalf of the Customer, as applicable. The Customer agrees to reimburse the Bank, its agents, employees, officers and directors, for any and all claims, damages, demands, judgments, liabilities, losses, costs and expenses (including attorneys' fees) resulting directly or indirectly from the Customer's breach of any representation, warranty or covenant under these Service Terms.
- 8 Intellectual Property Ownership.** The Bank hereby grants the Customer a non-exclusive, non-assignable, non-transferable, non-sub licensable, revocable right ("Trademark License") to display the J.P. Morgan Logo: (a) in a form to be provided by the Bank, (b) solely on the Customer's internet website; and (c) solely in connection with the Customer's use of the Service as described in these Service Terms (the "Permitted Purpose"). Customer will use the J.P. Morgan Logo only for the Permitted Purpose and solely in accordance with J.P. Morgan's brand guidelines ("Brand Guidelines"), available at [www.jpmorganbrand.com](http://www.jpmorganbrand.com). Upon Bank's request, the Customer will: (i) submit to the Bank for prior approval all proposed uses of the J.P. Morgan Logo; and (ii) provide to the Bank samples of all uses of the J.P. Morgan Logo and any other documents or information which may permit the Bank to determine if the Customer's use of the J.P. Morgan Logo meets quality standards and specifications and directions supplied or approved by the Bank. The Customer shall not incorporate the J.P. Morgan Logo, any derivative of the J.P. Morgan Logo or any mark which is similar to the J.P. Morgan Logo, into Customer's name, and shall not use the J.P. Morgan Logo or any mark similar to the J.P. Morgan Logo, in the promotion of any products or services other than as authorized under this Service Terms or in the promotion of any individual or entity other than J.P. Morgan or its affiliates. Ownership of the J.P. Morgan Logo and the goodwill relating thereto shall remain vested in the Bank both during the period of these Service Terms and thereafter. Any use of the J.P. Morgan Logo by the Customer shall inure to the benefit of the Bank. The Trademark License granted pursuant to this Section shall terminate immediately upon the termination of this Service Terms or as otherwise specified by Bank, for any reason, with or without cause. Upon such termination, Customer shall discontinue all use of the J.P. Morgan Logo. The Customer grants the Bank a non-exclusive limited license to use the Customer's name, trademarks, service marks, symbols, logos, domain names and trade names, as applicable, for use in connection with the provision of the Service.
- 9 Reliance on Information.** Without limitation of the foregoing, the Bank is authorized to rely on the content, accuracy and completeness of all information and data received from the Customer or any Payer or Payee. The Bank will not be liable for any loss or damage arising out of the inaccuracy thereof, including any errors in the Payer Information or Payee Information and any resulting erroneous Electronic Payments. The Customer shall be solely responsible for the security and integrity of all information and data supplied or transmitted to the Bank including during transmission to the Bank.
- 10 DISCLAIMER. THE SERVICE IS PROVIDED "AS IS" AND "AS AVAILABLE". TO THE MAXIMUM EXTENT PERMITTED UNDER APPLICABLE LAW, ALL WARRANTIES AND REPRESENTATIONS, EXPRESS, STATUTORY OR IMPLIED, WITH REGARD TO THE TECHNOLOGY OR SERVICE ARE HEREBY DISCLAIMED, INCLUDING ANY WARRANTIES OF MERCHANTABILITY, SATISFACTORY QUALITY, FITNESS FOR A PARTICULAR PURPOSE AND COURSE OF DEALING OR USAGE OF TRADE OR WARRANTIES OF NON-INFRINGEMENT OR WARRANTIES AS TO ANY RESULTS TO BE OBTAINED FROM THE USE OF THE SERVICE. THE BANK DOES NOT WARRANT OR GUARANTEE THE SECURITY, SEQUENCE, TIMELINESS, ACCURACY, PERFORMANCE OR COMPLETENESS OF THE DATA OR THAT ANY PART OF THE SERVICE WILL BE ERROR-FREE, WITHOUT DELAY OR UNINTERRUPTED. CUSTOMER ACKNOWLEDGES THAT THERE ARE CERTAIN SECURITY, CORRUPTION, TRANSMISSION ERROR, AND ACCESS AVAILABILITY RISKS ASSOCIATED WITH USING OPEN NETWORKS SUCH AS THE INTERNET AND CUSTOMER ASSUMES ALL SUCH RISK. CUSTOMER SHALL MAKE AN INDEPENDENT ASSESSMENT OF THE ADEQUACY OF THE INTERNET IN USE OF THE SERVICE PURSUANT TO THE BANK'S PROCEDURES.**
- 11 Withdrawal of Access/Suspension of Service.** The Bank may, in its reasonable discretion, instruct the Customer to terminate access to any Authorized User or individual and the Customer agrees to promptly comply with such instructions. The Bank reserves the right to deny, suspend or revoke access to the Service, in whole or in part, if the Bank believes the Customer and/or its Authorized Users are in breach of these Service Terms or are otherwise using or accessing the Service inconsistent with the terms and conditions hereof. The Bank may, at any time, in its sole discretion, cancel or suspend a Payer's or Payee's use of or access to Technology and Service, as may be required by applicable law, rule or regulation or by the Bank's policies and procedures.
- 12 Customer Agreement with Payer/ Payee.** The Customer acknowledges and agrees that the Bank shall not be deemed to have any knowledge (imputed or otherwise) of any of the terms or conditions of any agreement between the Customer and any Payer or Payee nor for the performance thereof. Notwithstanding the foregoing, in the event the Bank becomes aware that the content of any communication or agreement between the Customer and any Payer or Payee relating to the Service is incorrect or contains information that the Bank in its reasonable discretion finds objectionable, the Bank shall have the right to require the Customer to modify or amend such communication or agreement to the Bank's reasonable satisfaction.
- 13 Termination.** Upon termination of these Service Terms as provided in the Account Terms, all rights to the Service and Technology, including, but not limited to use and access, will automatically terminate. The Customer will discontinue its use of the Service and Technology, and upon request from the Bank, will return to the Bank any and all Services, equipment, software, documentation, Technology or other deliverables provided to the Customer by the Bank, including any copies thereof held by the Customer.

# Consolidated Service Terms

J.P. Morgan Chase provides an array of treasury services to meet your business needs. This booklet contains important information about J.P. Morgan Chase solutions that we provide. If you would like to add a service that is covered in this booklet, please contact your Commercial Banking Representative

**TREASURY SERVICES (United States)**  
**Commercial Bank**

Welcome to JPMorgan Chase Bank, National Association ("J.P. Morgan", "Chase", or "Bank"). We are pleased that you have decided to maintain a banking relationship with us. This Consolidated Service Terms booklet ("Booklet") contains the terms and conditions for certain cash management services ("Service Terms") J.P. Morgan may provide to you. By executing the Account Terms Acceptance Letter, Certificate Regarding Accounts, Business Signature Card, service implementation form or similar document, or by using or continuing to use any of the services referenced herein after receipt of this Booklet, you agree that the Service Terms included in this Booklet, in addition to the Account Terms and such supplements, amendments, notices and additional service terms provided to you from time to time will govern your existing and future deposit accounts maintained with us, in addition to those services that the Bank provides to you, as applicable.

This Booklet includes Treasury Services Service Terms applicable to all Commercial Banking customers. All Service Terms are subject to the Bank's Account Terms. Any modifications to this Booklet, including but not limited to any changes, amendments, deletions, and/or additions, will not be binding upon the Bank unless such modifications are acknowledged and agreed to in writing by an officer of JPMorgan Chase.

We look forward to serving your business needs and thank you again for choosing Chase.

**SERVICES FOR CUSTOMERS**

- A. ACH Origination
- B. ACH Transaction Blocking & ACH Transaction Review
- C. Lockbox
- D. Coin & Currency
- E. Positive Pay, Reverse Positive Pay and Payee Verification
- F. Controlled Disbursements
- [RESERVED]
- G.
- H. [reserved]
- I. ACH Tax Payment
- J. [RESERVED]
- K. Electronic Channels

## Service Terms – Consolidated Service Terms Booklet

The services described herein (each a "Service") are subject to the Bank's Account Terms (as may be amended from time to time), which are hereby incorporated by reference into each Service Terms. By using any of the Services described hereunder, the Customer acknowledges that it has received and agreed to the Account Terms, as supplemented by these Service Terms. Capitalized terms in the Service Terms, unless otherwise defined herein, shall have the meanings set forth in the Account Terms

### A. ACH ORIGATION

The Automated Clearing House (ACH) is a batch processing payment system that U.S. banks use to exchange and settle credit and debit transactions on behalf of their clients or themselves. The origination of ACH Entries and the transmission and issuance of related transactions and information will be pursuant to these terms and the Operating Rules and Guidelines (collectively the "Rules") of the National Automated Clearing House Association. Capitalized terms used in this subpart, unless otherwise defined in this subpart shall have the same meanings as set forth in the Rules. The Customer and the Bank agree to comply with and be bound by the Rules as in effect from time to time, including without limitation, the provision making payment of a Credit Entry by an RDFI to the Receiver provisional until receipt by the RDFI of final settlement for such Credit Entry and the Customer acknowledges that it has received notice of such rule and of the fact that if such settlement is not received, the RDFI will be entitled to a refund from the Receiver of the amount credited and the Customer will not be deemed to have paid the Receiver the amount of such Credit Entry.

1. **Service.** Bank provides automated clearing house ("ACH") origination services that will enable Customer to do one or more of the following:
  - originate ACH Debit Entries;
  - originate ACH Credit Entries; and
  - instruct the Bank to issue or transmit prenotifications, reversals, requests for return, notifications of change or other information pertaining to the Entries.

Origination of ACH Credit Entries and origination of ACH Debit Entries are two separate services and approval or set up for one ACH service does not automatically create the ability to utilize the other. The Rules and these Service Terms shall apply to all Entries, whether or not transmitted through an ACH Operator.

It is Customer's responsibility to provide Entries and instructions to Bank with all the necessary information to complete Customer's requested transactions. Customer agrees to transmit Entries to Bank in the manner, at the times and in accordance with approved media, content and format as agreed by Bank and Customer. Bank may reject or delay processing transactions or information if instructions are not complete or are inaccurate, contain an inactive Company ID or otherwise do not meet the criteria Bank specifies for acceptance. All requests to Bank must be received by Bank before Bank's established cut-off time in order for processing to commence on that ACH processing day. Any request that is incomplete or that Bank finishes receiving after the relevant cut-off time will be processed by Bank on the next day Bank processes ACH transactions. All transactions are subject to acceptance by Bank. Bank will notify Customer of any transactions or other transmissions that are rejected or returned. If Customer wants Bank to re-process those transactions or transmissions, Customer must correct them and re-submit them. Customer agrees to furnish Bank with copies of any authorizations or notifications, if requested, as well as any other information reasonably requested by Bank relating to Entries originated by the Customer. Customer shall provide Bank's auditors and other personnel with reasonable access at all reasonable times to the Customer's facilities, data and records relating to the initiation of Entries for the purpose of auditing Customer's compliance with these Service Terms and the Rules.

2. **Security and Data Protection Procedures.** All instructions received by Bank in Customer's name are subject to verification pursuant to mutually agreed security procedures. If Bank follows those procedures, Bank may process and transmit transactions or information in Customer's name. Unless Customer and Bank both otherwise agree, transmissions to Bank will be authenticated and/or encrypted using commercially reasonable security technologies meeting standards acceptable to Bank. If Customer uses a security procedure other than as described above, Customer acknowledges that Customer refused Bank's security procedure and chose another and Customer agrees to be bound by any transaction, whether or not authorized, issued in Customer's name and accepted by Bank in compliance with the security procedure Customer chose. If Customer elects not to utilize recommended message authentication and/or encryption technology, Customer assumes all responsibility for unauthorized disclosure or unauthorized access to Customer's data that occurs during transmission or while such data is in storage. Customer shall not disclose any Receiver's account number or routing number to any third party for such third party's use, directly or indirectly, in initiating a separate Debit.
3. **Settlement and Exposure Limits.** On the settlement date, Bank will credit Customer's account with Bank that Customer specifies for the total of:
  - Customer's Debit Entries that Bank processed for settlement that day;
  - RCCs issued for deposit to Customer's account on that day; and
  - any returned or reversed Credit Entries.



Bank may delay the availability of funds deposited into Customer's account by Debit Entry or RCC until those transactions cannot be reversed in accordance with the Rules or applicable law.

Bank will debit Customer's account with Bank that Customer specifies for the total of Credit Entries processed in Customer's name and for any returned Debit Entries and RCCs. Bank may require Customer to pay Bank the amount of any Credit Entries on the date of transmission to Bank or otherwise prior to the settlement date. Bank also may require Customer to maintain collateral with Bank in an amount Bank specifies.

Bank may from time to time establish or revise maximum dollar limits for the total value of all outstanding files of Credit Entries and/or Debit Entries and RCCs that Bank will release on Customer's behalf. Bank may change or cancel the limits at any time without prior notice to Customer; although Bank will try to notify Customer before Bank does that.

4. **Warranties; Reimbursement.** Except as specified below, Customer will be deemed to make the same warranties to Bank as Bank makes pursuant to the Rules. In the case of an Entry to another account with Bank, warranties will be deemed to be given as of the time Bank first processes the Entry. Customer will not be deemed to warrant the power of the Bank under applicable law to comply with the requirements of the Rules or the conformity of Entries and other data Bank transmits to the file specifications contained in the Rules. The Customer further represents, warrants and covenants that (a) each Entry and RCC it originates will comply with all applicable U.S. laws and regulations and acknowledges that Entries may not be initiated that violate the laws of the United States, (b) unless Customer has identified itself to Bank as a Third Party Sender (as defined in Section 7) and obtained Bank's express consent to originate Entries as a Third Party Sender, Customer will not originate any Entries, or use any of its Company IDs to originate Entries, on behalf of third parties (including, without limitation, any affiliate of Customer), and (c) Customer will not permit a third party to originate Entries using a Customer account as the offset account unless Customer obtains Bank's express consent to do so.

Customer agrees to reimburse Bank and Bank's employees, officers, directors and agents, for any and all claims, demands, losses, liabilities or expenses (including attorneys' fees and costs) resulting directly or indirectly from (a) Customer's breach of any warranty made under these Service Terms and (b) compliance by Bank and the RDFI with any request Customer makes for a cancellation, stop payment, reversal or recall of any Entry or any RCC created by Bank under Section 1 hereof.

Bank shall have no responsibility for any delay by any ACH Operator or RDFI in processing any Entry the Bank transmits to the ACH Operator or failure to process or credit or debit any such Entry.

5. **Stop Payments; Reversals and Recalls; Rejections.** Customer's instruction to cancel, stop payment of, reverse or recall one or more Entries must be received by Bank in such time and manner as Bank specifies. Bank will process these transactions in accordance with Bank's procedures advised to Customer. Any reversal or recall initiated by Bank is subject to acceptance by the RDFI. Instructions to reverse or recall an ACH Credit Entry that are not initiated by Customer in time to meet the prescribed NACHA deadline for reversals may be originated by Bank as a Debit Entry; Customer shall obtain authorization from the Receiver in accordance with the Rules for any such Debit Entry and all other terms of these Service Terms applicable to Debit Entries shall apply. Entries or other instructions may not be amended or modified.

If Customer originates Debit Entries to an account or accounts at a financial institution that is not a Participating Depository Financial Institution in the ACH system (such account hereafter called a "Non-ACH Eligible Account"), all such Debit Entries will be rejected unless Customer subscribes to a service, subject to Bank's prior consent, pursuant to which Bank will process each such Debit Entry to a Non-ACH Eligible Account by preparing a remotely created check, as such term is defined in Federal Reserve Regulation CC (an "RCC"), on the Customer's behalf. The RCC will be drawn in the amount and on the Non-Eligible ACH Account of the individual or entity specified as the receiver in the Customer's instructions and will be deposited to the Customer's designated account with Bank. Such RCC will thereafter be processed through the check clearing system. If the Customer is using such service, the Customer hereby authorizes the Bank to create each RCC as described herein and the Customer warrants to the Bank, with respect to each RCC, that the person on whose account the RCC is drawn authorized the issuance of such RCC in the amount and to the payee stated in the RCC. The Customer authorizes the Bank to debit the Customer's account for any claim or return based upon an unauthorized RCC. All other terms herein related to Entries shall also apply to RCCs created under this Section. The Bank shall not create or process RCCs or other paper drafts in lieu of ACH Debits under any circumstances other than for Non-ACH Eligible Accounts and only when the Bank has consented to provide such service, even if the Customer includes an instruction in its file for the Bank to otherwise originate an RCC or paper draft.

6. **Third Party Service Providers.** Customer may choose to use a third party service provider or service bureau to issue Entries or other instructions, handle returned Entries or perform other functions for and on Customer's behalf. If Bank accepts such Entries or other instructions, Customer will be bound by them. Customer is responsible for all actions taken or not taken by Customer's provider and Customer is responsible for all costs and expenses of Customer's provider.
7. **Third Party Sender.** If Customer is a Third Party Sender, as such term is hereafter defined, (a) Customer warrants that the Originator has agreed to be bound by the Rules and has satisfied the obligations of an Originator under the Rules; (b) in any case where the Originator fails to perform its obligations under the Rules as an Originator, Customer shall reimburse the Bank harmless for any and all claims, demands, losses, liabilities and expenses, including attorneys' fees and costs, that result directly or indirectly from the failure of the Originator to perform its obligations as an Originator under the Rules; (c) Customer agrees to cooperate with Bank regarding any request for information concerning the identity of any Originator; and (d) Customer represents, warrants and covenants that neither these Service Terms nor anything related to the ACH Origination Services violates, contravenes or is inconsistent with any of the terms, conditions or provisions of any agreement, understanding or arrangement between Customer and the Originator. Further, Bank will rely on Customer to evaluate the legitimacy of the Originators and their transactions originated by Customer and for ensuring that instructions do not involve illegal activities. Customer must notify Bank immediately if Customer suspects or become aware of any activity or transaction of an Originator that Customer believes may be of an illegal or illegitimate nature or that involves the proceeds of illegal activity or that was conducted, in part or whole, for the purpose of disguising the source of funds. Bank will be entitled at any time upon notice to Customer to decline to provide the ACH Origination Services, or terminate the provision of ACH Origination

Services, for any Originator on whose behalf are originating Entries if Bank determines that there are excessive returns or reversals of Entries originated on behalf of such Originator or if Bank becomes aware of any information indicating suspicious, fraudulent or illegal activity related to such Originator or for any other reason. As used herein, "Third Party Sender" means an entity that is not an Originator, that has authorized an ODFI or another Third Party Sender to transmit, for the account of the Third Party Sender or another Third Party Sender, (i) a credit entry to the account of a Receiver in order to effect a payment from the Originator (i.e., the third party on whose behalf the Third Party Sender is transmitting the entry) to the Receiver, or (ii) a debit entry to the account of a Receiver in order to effect a payment from the Receiver to the Originator (i.e., the third party on whose behalf the Third Party Sender is transmitting the entry). Without limitation of the foregoing, Third Party Senders include U.S. regulated financial institutions, brokers and other financial intermediaries as well as any other regulated or unregulated payment processors that are customers of the Bank and use their accounts to process payments for third parties (including affiliates of the Customer).

8. **IAT Entries.** If Customer is originating Entries that are required to be formatted under the Rules as IAT Entries, Customer will comply with all applicable Rules relating thereto, and Customer will originate such Entries only through one of Bank's ACH origination channels that support IAT origination. Some of Bank's ACH origination channels do not accommodate IAT Entries; upon request, the Bank will advise Customer as to which of Bank's ACH origination channels can be used for IAT origination.

If a foreign currency conversion is performed by Bank in connection with an IAT Entry, Customer acknowledges that the foreign currency exchange rates fluctuate, and accepts the risk of such fluctuation, including fluctuations in rate between the time Customer submits the Entry Data Instructions and the time the transaction is executed and/or reversed, returned or recalled. Any payment returns and/or reversals will be credited to Customer's account in the currency in which Customer's account is denominated, and Customer is responsible for any rate fluctuations.

In the event of an erroneous or duplicate IAT Entry originated for payment to a receiving bank outside the United States, the rights of Bank and Customer with respect to reversal or recall of such Entry are subject to the laws, regulations and payment system rules of the receiving bank's jurisdiction.

Customer acknowledges and agrees that IAT Entries may be delayed in processing or posting due to the Bank's or RDFI's review of such Entries for OFAC compliance. Further, Customer understands and acknowledges that unlike PPD Credit Entries, there is no requirement under the Rules that IAT Credit Entries that are made available to an RDFI by its ACH operator by 5:00 pm on the banking day prior to the Settlement Date be made available to the Receiver at the opening of business on the Settlement date; cleared IAT Credit Entries must be made available no later than the Settlement Date of the Entry, but funds are not required to be available at opening of business on the Settlement Date.

9. **Incorporation of Account Documentation; Termination.** The provisions of the account documentation, including terms and conditions governing the operation of business accounts and services, are incorporated into these Service Terms by reference. By acknowledging or signing the applicable account documentation or by using or continuing to use the ACH Origination Services, Customer agrees to these Service Terms. In addition to Bank's termination rights under the aforementioned documentation, Bank shall have the right to terminate or suspend these Service Terms and the Services upon notice to Customer in the event of the Customer's breach of the Rules.

## B. ACH TRANSACTION BLOCKING & ACH TRANSACTION REVIEW

ACH Transaction Blocking is a Service that allows a Customer to block and return ACH debit and credit Entries originated to the Customer's account with the Bank. ACH Transaction Review allows the Customer to review ACH debit and credit Entries originated and posted to the Customer's account with the Bank and to instruct the Bank to return some or all of these transactions.

### 1. ACH Transaction Blocking:

- (a) **Service.** The Customer can select from a variety of authorization or blocking criteria and advise the Bank in a manner and form acceptable to the Bank. The Bank will return any blocked transaction indicating that the ACH debit was not authorized or that the ACH credit was refused.
- (b) **Company IDs.** If the Customer elects an option that blocks or allows ACH debits or credits from specified companies, the Customer must supply the Bank with the applicable ACH Company ID of the Originator as it appears on the Company/Batch Header Record. The Company ID will be the sole criterion for blocking debit and credit Entries (unless Customer has also set maximum dollar limits) and Bank will have no obligation to take any other steps to determine the identity of the Originator. The Customer will be solely responsible for obtaining the correct Company ID for each such Originator.

The Customer understands that Company IDs are not unique and that a Company ID may identify more than one Originator, and one Originator may have multiple Company IDs. The Customer understands that Company IDs are not a perfect filter and that transactions from Originators may be blocked or allowed if the Originator uses a Company ID other than the one Customer identifies. The Bank will not be responsible for transactions blocked or allowed in accordance with the instructions the Customer provides for the Company ID.

- (c) **Transactions Not Affected by Blocking.** ACH debit and credit blocks do not apply to certain transactions. The following types of ACH-related transactions will not be blocked:

- debits or credits to the Customer's account to offset any ACH credit or debit Entries originated by the Customer through Bank ;
- reversals of previously received ACH credit or debit Entries;

- returns or reversals by the RDFI of ACH debit or credit Entries originated by the Customer through the Bank;
- Reclamation Entries (debits);
- debits or credits to the Customer's account initiated by the Bank or Bank's agent or affiliate to correct processing errors, effect back valuations, make other adjustments or, with respect to debits, for fees, charges or other amounts the Customer owes the Bank or Bank's affiliates; and
- debits or credits to the Customer's account that the Bank posts pursuant to its internal procedures in order to comply with applicable law, regulations or payment system rules or guidance.

## 2. ACH Transaction Review:

- (a) **Service.** Customer shall use filter criteria available through the service to select the types or categories of incoming ACH debit and/or credit transactions it wishes to review or the Customer may elect to review all incoming ACH transactions subject to Section 2(d) below.
- (b) **Review and Return Process.** Based upon the filter criteria selected by the Customer, ACH transactions meeting that criteria will be made available for the Customer to review not later than a designated time on the banking day following the day on which the transactions are posted to the Customer's account. The details provided by the Bank for each Entry will include account number, dollar amount, company ID, receiver's name, standard entry class code and settlement date.
- (c) The Customer shall advise the Bank by means of an agreed upon transmission method not later than the Bank's designated cut-off time on the same day as transaction information is made available of those transactions, if any, that are unauthorized and that the Customer wishes to return. The Bank is entitled to rely on any instructions which it receives and which it reasonably believes to be genuine. The Bank shall return all such transactions and make corresponding adjustments to the Customer's account to which the transactions had been posted. All transactions reported to the Customer as to which Bank does not receive a timely instruction from the Customer will remain posted or be returned based on the Transaction Review profile default decision setting established by the Customer.
- (d) **ACH Transactions Not Subject to Review.** The following types of ACH transactions will not be made available for the Customer's review and decisioning:
  - debits or credits to the Customer's account to offset any ACH Entries originated by the Customer through the Bank ;
  - reversals of previously received ACH Entries;
  - returns or reversals by the RDFI of ACH Entries originated by the Customer through the Bank;
  - Reclamation Entries;
  - debits or credits to the Customer's account initiated by the Bank or Bank's agent or affiliate to correct processing errors, effect back valuations, make other adjustments, or to comply with legal requirements or for fees or charges the Customer owes the Bank or Bank's affiliates; and
  - if the Customer is also subscribing to the ACH Transaction Blocking service, any transactions blocked and returned pursuant to that service.
- (e) **Certain Reviewed Transactions Maybe Returned/Posted Despite Instructions.** Certain transactions reviewed and approved by the Customer may nevertheless be returned by the Bank. This will happen if (i) there are insufficient funds in the Customer's account to cover the amount of an ACH debit or other charge, (ii) a stop payment was previously placed on the transaction, or (iii) the Bank determines the transaction must be returned for legal or regulatory reasons. Certain transactions that the Customer advises should be returned may nevertheless be posted by the Bank; these include ACH debits or credits to the Customer's account that the Bank posts pursuant to its internal procedures in order to comply with applicable law, regulations or payment system rules or guidance.

## C. LOCKBOX

Lockbox is a remittance processing Service offered to customers to support their accounts receivables business needs. Through this service, the Customer's remittance deposits are sent to a Post Office Box and picked up by the Bank and delivered to or via courier for further processing and posting to the Customer's deposit account.

1. **Service.** The Bank will maintain the Post Office Box for the Customer's remittances and will have unrestricted and exclusive access to the Post Office Box while providing the Lockbox Service. Customers requiring Caller Service or Business Reply Mail Service for remittance collection must obtain prior approval from the Bank. Upon approval, the Customer will secure such services directly with the United States Postal Service (the "USPS") and ensure the Bank is authorized to collect the mail. The Bank shall not be responsible for delays in processing due to the Customer's

failure to pay the USPS for such services or any other action taken or not taken by USPS. The Bank may direct clients to include specific codes or formats within their assigned address in order to ensure mail is identified correctly. The Customer is responsible for ensuring their customers' remittances are properly addressed in order to prevent delays in processing.

2. **Deposit; Endorsement.** The Bank will collect all mail delivered to the designated Post Office Box, and will open the mail, process the checks eligible for this service (the "Items") and credit the funds to the Customer account or process for collection the Items received, except: i) Items which the Customer has instructed the Bank in writing, and the Bank has agreed not to process; ii) Items which the Bank believes should receive the Customer's special attention; iii) Items for which the Customer is not the payee, unless the Customer has provided proper authorization to process for credit or collection of such Items; and iv) any other matter or merchandise received. The Bank will not process such excepted Items or other matters or merchandise, but will forward them to the Customer unprocessed. The Bank assumes no responsibility for the inadvertent processing of Items excepted from processing. The Bank will process credit card payments as point of sale transactions, obtaining authorization as required by applicable card rules; provided, however, the Bank will not place phone calls for authorization of referrals or process credit transactions. The Bank shall not be deemed a merchant processor and shall not be liable for any data entry errors or any chargeback. The Bank assumes no liability for any matter or merchandise received through the Post Office which is not a depositable item, including cash. Any failure by the Bank to process an item other than as provided herein does not constitute a failure by the Bank to exercise ordinary care. The Customer shall be liable to the Bank as a general endorser on all Items processed by the Bank.
3. **Differing Amounts.** If the amount of an Item written in words and figures differ, the Item will be processed for amount written in words. If the Item is accompanied by an invoice or statement and the amount on the statement matches the amount written in figures, and the Customer has requested, and the Bank has agreed, to process such Item for the amount written in figures, the Item may be processed for the amount written in figures. In the event the Bank processes the Item for the amount written in figures, the Customer agrees to reimburse the Bank for any losses, liabilities and expenses which may arise from that action.
4. **Foreign Items.** This Service is limited to Items drawn on domestic banks so to the extent the Bank notices that any Items drawn on foreign banks have been deposited, such Items shall be forwarded to Customer as unprocessable.
5. **Returned Items; Re-presentation.** If any Item is returned to the Bank unpaid for any reason or there is a claim involving an Item deposited to the Customer Account, the Bank will charge back that Item, together with any fees or other amounts allowed on such claims or for returned Items, against the Customer Account, regardless of whether such debit causes an overdraft to the Customer Account. If, however, the Bank has been instructed in writing by the Customer to re-present Items which have been dishonored or returned to the Bank unpaid for reasons other than account closed, the Bank may do so automatically and without notice to the Customer, and the Bank reserves the same rights to debit the Customer Account should any such Items remain unpaid after the re-presentation.
6. **Security for Imaged Items.** The Bank has specified Security Procedures for receiving and accessing Imaged Items, imaged Documents and lockbox transaction data. The Bank is not obligated to send any images or data or allow access through the Delivery Media to any images or data which are not requested or accessed in accordance with the Security Procedures. The Customer acknowledges that once a CD-ROM is received, or it has accessed images by any Delivery Media, persons having access to the Customer's computers and image archives may have access to the Imaged Items, Imaged Documents and lockbox transaction data.
7. **Image Option.** If the Customer elects and this image option is available at the designated Bank processing location, the Bank will provide images of the Items ("Imaged Items") received together with images of related documents ("Imaged Documents"), through the media ("Delivery Media") and at the intervals agreed upon between the Bank and the Customer. The Customer may receive additional service material, including user guides, software licenses and other terms in connection with the selection of this option.
8. **Original Documents; Image Storage.** Unless the Bank has agreed otherwise, the Bank will image all Items and associated remittances and retain original documents on site for no longer than 14 days. All original documents will be destroyed 14 days after processing. If the Customer uses the Bank's Regional Retail Lockbox product, associated original documents are retained on site no longer than 7 days. The Bank will store Imaged Items for a period of seven (7) years from the date of the applicable transaction regardless of any additional imaging service requested by the Customer. If the Customer elects storage of Imaged Documents, the Bank will store Imaged Documents for a period of thirty (30) days (Short Term Storage) to ten (10) years (Long Term Storage) from the processing date of the applicable transaction, per the Customer's selection. If the Customer elects to image and not store Imaged Documents with the Bank, such images will be delivered to the Customer via daily Direct Image Transmission.
9. **Accuracy; Legibility.** The information delivered to the Customer through the Delivery Media will be the same as the information in the data entry file provided to the Customer for the applicable time period. If the data entry file contains errors, those errors will also occur on the Delivery Media. The Bank will provide images that are as legible as possible given the legibility of the underlying remittance documents and the selected Delivery Media. The Bank has no liability or responsibility for the condition of the original remittance items provided to the Bank, and it reserves the right to review and approve sample remittance items for legibility prior to providing this service. The Customer is responsible for reviewing images obtained through the Delivery Media and to promptly notify the Bank of any images that are not clear.
10. **Disclosures.** As between the Customer and the Customer's clients, if applicable, certain payments collected hereunder may be subject to various cut-off times and payment deadlines (the "Disclosures"). The Customer acknowledges and agrees that the Bank has no duty to inquire as to the content of any such Disclosures, is not bound by them, and makes no representations or warranties, explicitly or implicitly, regarding same. The Customer is responsible for ensuring that the processing and payment cut-off times established by the Bank are in compliance with the Disclosures and Customer's responsibilities under applicable laws and regulations. The Customer further acknowledges and agrees that the data processed by the Bank belongs to the Customer or the Customer's clients.

## D. COIN & CURRENCY

Coin and Currency Services, also referred to as Cash Vault Services, provides coin and currency delivery and deposit services to companies that use large quantities of cash. With a nationwide vault network, Customers can place orders for coin and currency, make deposits and track activity by location through electronic reporting options.

### 1. Cash Orders

- 1.1. **Placement of Cash Orders.** The Customer may issue written instructions for the Bank to release United States coin and currency ("Cash") to an armored courier service (the "Courier") as designated by the Customer in accordance with the Bank's guidelines ("Cash Order"). The Customer acknowledges that Cash Orders may be transmitted to the Bank only during such times as set forth in the guidelines. The Bank is authorized to debit the account of the Customer designated in the Cash Order for the amount set forth in the Cash Order. If the Bank has agreed to such an arrangement, the Customer may also place a Cash Order directly at one of the Bank's branch locations by issuing a check to debit the Customer's account at the Bank or as a "cash for cash" exchange. If there are insufficient funds in the designated account, the Bank is authorized to refuse the Cash Order, to fill a partial Cash Order or to debit the designated account even if such debit causes an overdraft, or to debit any other account of the Customer at the Bank.
- 1.2. **Cash Order Limits.** The Bank and the Customer may agree to limit the amount of Cash that may be delivered pursuant to a Cash Order ("Cash Limit").
- 1.3. **Discrepancies for Cash Orders.** All Cash Orders must be validated by the Customer within 24 hours of receipt. If a currency strap, coin bag or wrapped coin discrepancy is identified, the Customer may contact Cash Services Customer Support at 888-872-0517 to request a Cash Order Claim Form. The completed form and proper documentation must be sent to the Bank and post marked within 48 hours of receipt of the Cash Order. Any claims post marked after the 48 hour period may be denied and the Customer will have no right to refuse or receive an adjustment after such time period.
- 1.4. **Cancellations and Amendments.** A Cash Order may be cancelled by the Customer telephonically, electronically or in writing by a person the Bank reasonably believes to be authorized to act on behalf of the Customer and only if the cancellation is received within a reasonable time before the Cash is delivered to the Courier ("Cancellation"). A Cash Order may only be amended telephonically and the Bank will not be responsible for any change in a Cash Order it has received. Any attempt to amend a Cash Order electronically may result in duplicate Cash being delivered.
- 1.5. **Notice of Rejection/Execution.** If the Bank rejects a Cash Order request, it will promptly notify the Customer of the reason. The Bank will notify the Customer when it has executed a Cash Order. Unless, within three (3) business days after receipt of notification of the execution of a Cash Order the Customer notifies the Bank in writing that a Cash Order was unauthorized or otherwise unenforceable against the Customer, the Bank shall not be liable for executing the Cash Order as notified, including any loss of interest.
- 1.6. **Security Procedure.** The Bank must receive a Cash Order using a touch-tone telephone, or other electronic communications device mutually agreed upon by the Customer and the Bank, based upon codes assigned by the Bank to the Customer that identify the Customer and the location (collectively, "Codes"). The Customer agrees that use of the Codes constitutes a security procedure for verifying the authenticity of the Cash Order as being that of the Customer ("Security Procedure")... The Customer and the Bank will maintain reasonable security and control of the Codes. The Bank is not responsible or liable for detecting any error in the transmission or content of any Cash Order or Cancellation and the Security Procedure is not intended to detect any such error. No agreement or instruction of the Customer restricting acceptance of any Cash Order or Cancellation is binding on the Bank, except as set forth in these Service Terms or in a writing signed by the Customer and the Bank. These Security Procedures do not apply to Cash Order requests made by the Customer at one of our branch locations when the Customer is making a "cash for cash" exchange or issuing a check to debit the Customer's account at the Bank.
- 1.7. **Geographical Limitations.** The Customer represents and warrants that all Cash Orders will be used by Customer in its normal course of business at the Customer's store/office locations in the United States.

### 2. Cash Deposits

- 2.1. **Standard Courier Service.** The Customer may deliver and pick up shipments of Cash or checks to or from the Bank by using the services of a Courier that has been authorized by the Bank, who will act solely as the Customer's agent. The Courier must comply with the Bank's guidelines, as amended from time to time, and must maintain all licenses and permits required by law in addition to adequate insurance to cover its liabilities in providing courier services to the Customer. The Bank may refuse to permit any courier to enter its premises with or without cause, in which case the Bank will use reasonable efforts to promptly notify the Customer. With regard to Customer's Courier, Customer is responsible for any individual's actions while at the Bank's facilities including theft, property damage, intentional crimes and any other act or omission even if such actions would be considered outside the scope of their employment and whether the individual is impersonating an employee of the courier if the Bank has followed its customary procedures for identifying the individual.
- 2.2. **Deposit Presentation and Processing for Standard Courier Service.** With regard to deposits delivered to one of the Bank's vault locations, the Customer's Courier must deliver deposits in sealed tamper-proof plastic security deposit bags that meet the standards described in the Bank's guidelines and contain only Cash and checks. The bags may also contain food stamps if the Customer provides proof satisfactory to the Bank of the Customer's authority to redeem food stamps. The Bank will open the bags and process the deposits.

- (a) **Delivery to Vault.** If the Bank agrees to accept the Customer deposits at a vault location, the Bank will provide a receipt indicating the number of bags it has received. This receipt is not an acknowledgment of the contents of any bag, nor is any telephonic or other acknowledgment of a deposit of which the Customer notifies the Bank by telephone or by electronic means.
- (b) **Delivery to Branch for Delayed Processing.** If the Bank agrees to accept the Customer deposits at a branch location, the Bank will not verify the amount of the deposits at the time of receipt but will provide the Customer with a receipt showing the amount indicated in the Customer's deposit slip. This receipt is not an acknowledgment of the contents of any bag.
- 2.3. **Courier Service through the use of a Smart Safe or Recycler Machine.** The Customer may use the services of a courier that has been authorized by the Bank, who will act solely as the Customer's agent. The courier must comply with the Bank's guidelines, as amended from time to time, and must maintain all licenses and permits required by law in addition to adequate insurance to cover its liabilities in providing courier services. The Bank may refuse to permit any courier to enter its premises with or without cause, in which case the Bank will use reasonable efforts to promptly notify the Customer. The Customer will receive Advance Credit only for Cash placed in Deposit Cassette (as defined below) component of the machine. The Customer's courier is authorized to transmit the Cash information only with regard to the Deposit Cassette component of the machine to the Bank on the Customer's behalf and the Bank, upon receipt of such data transmission, will provide provisional credit to the Customer's designated account. The courier will deliver the Cash to the Bank as directed by the Bank at the Customer's expense. The Customer authorizes the Bank to instruct the courier to pick up any Cash for which the Bank has given provisional credit at any time at the Customer's expense. For purpose of these Service Terms, "Deposit Cassette" is the component of the machine whereby the Customer places Cash into such component and only the courier is able to access such Cash once it is placed in the Deposit Cassette.
- 2.4. **Deposit Presentment and Processing through the use of a Smart Safe or Recycler Machine.** The Customer agrees that once the Cash is in the Deposit Cassette component of the machine, the Customer no longer has any ownership, control or rights with regard to the physical Cash and that the Bank is authorized to rely upon the transmitted information from the Customer's courier with regard to deposits or adjustments to the Customer's deposit account with the Bank. Once the Customer's courier has completed the verification of the Cash from the Deposit Cassette component of the machine and has transmitted the deposit/adjustment information to the Bank, the Cash is then placed into the Bank's inventory at the courier's location. In the event of a dispute related to the amount credited to the Customer's deposit account, the Customer will initiate its claim and request for an investigation with its courier.
- 2.5. **Discrepancies.** All deposits are subject to verification. If there are differences between the amount credited by the Bank and the amount shown on the deposit slip prepared by the Customer, the receipt provided to the Customer or its agent upon initial presentment or the transmission received from the courier on the Customer's behalf, the currency will be re-counted for discrepancies over the minimum amount specified in the Cash Vault Services Product Guide, the "Threshold" amount, the Customer's representative designated in the service implementation questionnaire will be notified of the adjustment, and an adjustment fee will be charged. If the discrepancy is in the Threshold amount or less, the Bank will not adjust the Customer's account, the Bank will retain the discrepancy amount, and no adjustment fee will be charged. The Bank's determination and records as to its receipt of any bag and as to the contents of any bag is conclusive and binding on the Customer.
- 2.6. **Relationship upon Delivery of Bags.** Until the Bank recounts the contents of the bags and enters a final credit to the Customer's account, the Bank is not responsible for any claimed contents of the bags. The Customer should not include anything in a bag other than Cash and its deposit slip, and the Bank shall have no responsibility or liability if there is any other property included or claimed to have been included in a bag...
- 2.7. **Delivery to Unattended Facility.** If the Bank agrees to allow the Customer to use one of the Bank's unattended facilities (including but not limited to a night depository or commercial ATM), the Bank may provide the Customer with an access device (such as a key or card that may require a personal identification number ("PIN")). The Customer must return all access devices to the Bank upon request. The Bank will process any deposits delivered to an unattended facility as provided for in the Bank's guidelines. If the Customer receives a receipt from an unattended facility, the receipt is not an acknowledgment of the contents of any bag or of the receipt of any bag. While the Customer or the Customer's Courier is physically present at one of the Bank's unattended facilities, the Customer is a licensee only and the Bank has no responsibility for the safety of the Customer or its Courier while at such facility.
- 2.8. **Liability at Unattended Facility.** The Customer assumes all risks of using any unattended facilities, including risks of theft, robbery and personal injury; the Bank is not responsible if a facility fails to operate properly in any way, including failing to open, close, lock or unlock. It is the Customer's responsibility to verify that its bags have dropped down completely into the facility, and the Customer agrees that it will not leave any bags in any facility that does not appear to be operating properly. The Bank will not be liable to the Customer if any unattended facility, tele-entry or online system is closed or otherwise unavailable for use at any time.
- 2.9. **Geographical Limitations of Cash Deposits.** Cash Deposits must be delivered to the Bank by Customer's courier and from Customer's physical store/office locations in the United States. Cross-border cash deposits (i.e., cash brought into the United States from outside the United States) are strictly prohibited

## E. POSITIVE PAY, REVERSE POSITIVE PAY AND PAYEE VERIFICATION

JPMorgan Chase Bank, N.A. (the "Bank") will provide Customer, in accordance with the provisions set forth in these Service Terms, with one or more of the services listed below (each a "Service") that help prevent check fraud on deposit accounts by identifying discrepancies between checks ("Items") presented to the Bank for payment from the Customer's demand deposit account associated with the Service (the "Account") and those Items that are

issued by Customer. The provisions of the Bank's account documentation, including terms and conditions governing the operation of business accounts and services as well as other service guides or material (the "Account Documentation") are incorporated into these Service Terms by reference. By signing the applicable Account Documentation or by using or continuing to use any of these Services, the Customer agrees to these Service Terms.

#### **1. Services.**

With Positive Pay, the Customer sends check issuance information to the Bank and the Bank compares such information to Items being presented for payment. With Reverse Positive Pay, the Bank sends the Customer information on Items being presented for payment and the Customer does its own comparison. Payee Verification is an enhanced feature for Positive Pay whereby the Customer includes payee name information and the Bank compares such information against the payee names on Items being presented. As a condition precedent for receiving Payee Verification, the Customer must be receiving Positive Pay in connection with the same Account.

#### **2. Issuance Information.**

The following information is defined as "Issuance Information" for each Item: i) Account number on which the Item is drawn; ii) Item serial number; iii) dollar amount; iv) issue date, (not as part of Reverse Positive Pay); and v) for Payee Verification only, the payee name. For Positive Pay and Payee Verification, the Customer will provide the Bank the Issuance Information by the banking day on which the Customer issues Items by means of a mutually agreed upon transmission method. The Bank will compare the Issuance Information with the Items presented to the Bank for payment against the Account. For Reverse Positive Pay, the Bank will send the Customer the Issuance Information and the Customer will compare such information with the Items they have issued.

#### **3. Discrepancies.**

For Positive Pay and Payee Verification, if an Item is presented to the Bank for which it has not received timely Issuance Information or that contains information different from the Issuance Information for that Item, the Bank will notify the Customer by means of a mutually agreed upon method, by the designated time of the Banking Day following the Banking Day the Item is presented to the Bank for payment. The Customer shall advise the Bank by means of a mutually agreed upon method by the designated time on that same Banking Day whether any such Item is authorized for payment ("Presentment Decision"). In the event that the Customer fails to timely inform the Bank about any Item for which a Presentment Decision is requested, the Bank is authorized to return such Item unless otherwise agreed by the Customer and the Bank. For Reverse Positive Pay, the Bank will provide Issuance Information to the Customer of Items presented for payment; the Customer shall advise the Bank by means of a mutually agreed upon method by the designated time on that same Banking Day whether any such Item is not authorized for payment, and in the event that the Customer fails to timely inform the Bank as required, the Bank is authorized to pay such Item(s) unless otherwise agreed by the Customer and the Bank. The Bank is entitled to rely on any instructions by the Customer which it receives and which it reasonably believes to be genuine. If a Customer attempts to change an instruction previously given by sending an email or other message to the Bank, the Bank may, but has no obligation to, act upon such change request.

#### **4. Payee Verification Additional Terms.**

For Payee Verification, Customer acknowledges that Items which have been converted to ACH transactions prior to being presented for payment will not be eligible for this service and the payee name information will not be compared to the Issuance Information for Items that have been converted to ACH transactions. If Customer fails to provide the Issuance Information in the file format required by the Bank, the Bank will not be liable for failing to detecting any discrepancy between the Item and the Issuance Information or for processing and payment of such Item. The Bank reserves the right to set a threshold amount for Items (as may be revised by the Bank from time to time) to be reviewed under the Payee Verification service (the "Threshold Amount"). The Items below the Threshold Amount will be handled according to the standard Account Documentation governing the Customer's Account; however, Customer will not be liable for such Items if the discrepancy would have otherwise been detected under this Service. With regard to Payee Verification, the Bank will compare the payee name provided in the Issuance Information to the payee lines contained in the name/address block identified on the Item (presented as provided for in the Bank's set-up requirements) and will otherwise be limited to those parameters specifically agreed to by the Customer and Bank.

#### **5. Voided Items.**

The Customer agrees to place a void on an Item in the Issuance Information only with respect to Items that are not in circulation. If the Customer decides to stop pay an Item that it has already issued, the Customer is required to place a Stop Payment request pursuant to the relevant terms of the Account Documentation, outside of these services.

#### **6. Item Payment.**

The Bank is not obligated to maintain signature cards for the Account and whether or not the Bank does maintain such signature cards, in no event shall the Bank be obligated to inspect any Item for the presence or authenticity of any signature or to determine whether any signature is authorized. The Customer acknowledges that the Bank's adherence to these procedures in these terms, in lieu of signature examination, will constitute the exercise of good faith and ordinary care by the Bank in handling Items presented for payment against the Account.

#### **7. Over the Counter Presentment.**

The Bank may, without liability to the Customer, refuse to pay any Item presented for encashment at any of the Bank's branch locations. If an Item is presented for encashment at one of the Bank's branch locations at the teller line and the account is under the Positive Pay or Payee Verification Service, the Customer authorizes the Bank to pay such Item based upon the Positive Pay information at the teller line. If an Item is presented for encashment at one of the Bank's branch locations at the teller line and the account is under the Reverse Positive Pay Service, (i) the Customer authorizes the Bank to pay such Item pursuant to the Bank's policies and procedures for encashment, (ii) Customer assumes the risk of any loss that would have been prevented through the use of Positive Pay or Payee Verification services; and (iii) Customer agrees to unconditionally reimburse the Bank for any and all liability loss or claim relating to an Item being cashed or returned over-the-counter. The Bank may charge a person who cashes an Item drawn on the Customer's Account a fee at the time of encashment.

## F. CONTROLLED DISBURSEMENTS

Controlled Disbursement Accounts help customers effectively manage the disbursement process to gain control over idle balances and automate funding transfers and is designed to provide disbursement totals early each business day.

1. **Controlled Disbursement Account.** Each controlled disbursement account ("Controlled Disbursement Account"), except as set forth herein, shall be opened and maintained in accordance with the Account Documentation. Customer agrees that if it fails to utilize one of the Bank's positive pay services on the Controlled Disbursement Account, that failure will constitute Customer negligence contributing to the making of any unauthorized signature and Customer assumes the risk that checks or drafts ("Items") presented against the Controlled Disbursement Account may be forged or altered, to the extent that the positive pay services the Bank offers may have prevented any loss. The Bank will have no liability for any loss related to an Item presented against the Controlled Disbursement Account which would otherwise generally have been returned under such positive pay services.
2. **Payment of Items.** Bank, on each banking day, will advise Customer of the total amount of Items drawn against the Controlled Disbursement Accounts that are presented for payment, on that day, to the Bank by a Federal Reserve Bank or another depository institution pursuant to a same-day settlement arrangement. Bank will honor Items which are properly payable, but shall have no obligation to pay any Item should sufficient immediately available funds to cover such Items not be transferred to the Controlled Disbursement Account in accordance with these Service Terms and the Account Documentation.
3. **Over-the-Counter Presentment.** Bank may, without liability to Customer, refuse to pay any Item presented for encashment at any of the Bank's branch locations.
4. **Funding Account for Controlled Disbursement.** Customer will maintain with Bank a designated account for purposes of funding the Controlled Disbursement Account, or the funding account may be maintained at an affiliated bank or other financial institution (the "Funding Account"). Customer authorizes Bank to debit the Funding Account for the total amount of the Items presented and any funds transfers against the Controlled Disbursement Account, and to promptly transfer such amount to the Controlled Disbursement Account even though such a debit may bring about or increase an overdraft. All funds transfers from the Funding Account to the Controlled Disbursement Account shall be in immediately available funds. Customer will maintain sufficient available funds in the Funding Account to cover Items and funds transfers presented against the Controlled Disbursement Account, and the Bank shall have no obligation to transfer funds, process Items for payment or complete any funds transfers unless there are sufficient available funds in the Funding Account. The Bank is authorized to debit the Funding Account for any obligations owed directly or indirectly on the Controlled Disbursement Account. The Bank shall not be liable for failure to pay any Item presented for payment against any Controlled Disbursement Account due to insufficient funds in the Funding Account.
5. **Media.** Bank will transmit to Customer by the transmission method or media agreed to by Customer and Bank information regarding Customer's Controlled Disbursement Account.
6. **Routing Transit Number.** Customer agrees to use the designated controlled disbursement account routing transit number on the Items it issues from the Controlled Disbursement Account. Customer acknowledges that if it fails to use such designated controlled disbursement account routing transit number the Bank is authorized to terminate this Service or any Service feature upon notice to the Customer.
7. **Financial Condition.** In the event of the deterioration of the financial condition of the Customer, as determined in the Bank's sole discretion, the Bank may immediately terminate the Service, any Service feature, and/or may convert any Controlled Disbursement Account to a stand-alone demand deposit account without prior notice to the Customer.
8. **Third Party Usage.** Customer agrees that it will not permit a third party to write checks on or otherwise issue payment transactions or instructions on Customer's Controlled Disbursement Account. Customer agrees to reimburse the Bank for any and all actions, claims, demands, losses, liabilities or expenses whatsoever, including attorney's fees and costs, resulting directly or indirectly from Customer's breach of this Section 8. This Section 8 shall survive the termination of these Service Terms. Notwithstanding anything to the contrary, Customer acknowledges that, if Customer breaches this Section 8, Bank may immediately terminate this Service or any Service feature upon notice to the Customer.

## G. [RESERVED]

## H. [RESERVED]

## I. ACH TAX PAYMENT

1. **Service.** Bank will provide a service (the "Service") whereby Customer can direct Bank, via touchtone telephone or internet platform, to make tax payments through the automated clearing house (ACH) system from an account with Bank that Customer specifies. Customer may use the service to pay:
  - any federal taxes covered by the Federal Tax Deposit Coupons (Form 8109) that Customer has executed and delivered to Bank from time to time;



- certain state taxes; and
- certain municipal taxes.

Bank may pay taxes from Customer's account in accordance with any instructions issued in Customer's name that Bank verifies pursuant to the security procedures specified in these Service Terms. In using the Service, Customer agrees to comply with and be bound by the Operating Rules of the National Automated Clearing House Association ("NACHA Rules").

- 2. Receipt of Instructions and Cancellations.** Customer may issue instructions and cancellations only during service hours that Bank specifies, and Customer acknowledges that Bank may change such service hours upon prior notice to Customer. Bank must receive instructions, including but not limited to payment cancellation instructions, not later than 6:00 p.m. ET (or such other time as Bank specifies) on the Business Day prior to the day on which the tax payment is due. For purposes of this Section, "Business Day" means a day on which the Bank is open for business in its New York office. Instructions received after such time shall not be processed until the following business day and Customer shall be liable for any charges, fees or costs associated with such payment. Bank may reject or delay processing of a tax payment if the request is not complete or is inaccurate or otherwise does not meet the criteria Bank specifies for acceptance herein or in the User Guide (as hereafter defined).

The Service is not designed or intended to be used for any ACH tax payment that is required to be formatted as an "International ACH Transaction" (or IAT) under the NACHA Rules. Customer agrees not to use or attempt to use the Service to originate any ACH tax payment that is required to be formatted under the NACHA Rules as an "International ACH Transaction" (or IAT). Customer shall reimburse the Bank for any and all claims, demands, losses, fines, penalties, damages, liabilities and expenses, including, without limitation, legal fees and expenses, resulting directly or indirectly from any ACH tax payment processed or requested to be processed by Customer via the Service which should have been formatted under the NACHA Rules as an IAT.

- 3. Tax Payment Security Procedures.**

- (a) A Bank-issued or approved access code and PIN and/or other security device ("Security Device") is required to access the Service. The Customer shall be bound by and adhere to the security procedures and other procedures for use of the Service advised to it in writing through any medium by the Bank, as may be revised from time to time upon notice to the Customer (the "User Guide"). The Customer shall notify the Bank immediately of loss or theft of a Security Device, any unauthorized use of a Security Device or any other breach of security. The Bank may dishonor or disable any Security Device at any time and will inform the Customer of the same. The Customer agrees that any use of the Service with a Security Device is deemed to be carried out directly by and on behalf of the Customer. The Customer agrees to safeguard all Security Devices and to instruct each Authorized User (as defined below) to do the same.
- (b) This Section 3(b) applies to use of the Service through the designated internet platform, but does not apply to touchtone telephone access. Customer shall designate an administrator (the "Administrator") who shall have authority in accordance with the operational instructions for the Service provided to Customer in the User Guide. Customer agrees to notify Bank of any change in Administrator in the manner and form designated by Bank. Any such changes shall be effective at such time as Bank has received such notice and has had a reasonable opportunity to act upon it. In accordance with the procedures contained in the User Guide, the Administrator shall be responsible for (i) designating individuals as users ("Authorized Users"); (ii) identifying the functions of the Service; (iii) requesting, creating, controlling, disseminating, and/or canceling user entitlements; (iv) receiving and distributing materials, notices, documents and correspondence relating to the security procedures; and (v) advising each Authorized User of his/her obligations hereunder and under the User Guide. The Administrator shall provide to the Bank, upon the Bank's request, a list of Authorized Users.

- 4. Open Network Access.** The Customer acknowledges that there are certain security, corruption, transmission error and access availability risks associated with using open networks such as the internet, and the Customer assumes all such risks. The Customer shall make an independent assessment of the adequacy of the internet and the Bank's security procedures. The Customer further acknowledges that the selection and use by it of any third party security and communications software and third party service providers is the sole responsibility of the Customer, and the Bank disclaims all risks related thereto, notwithstanding that the Bank may recommend certain security and/or communications software and services. The Customer agrees to, at its sole expense, procure and maintain all hardware, browsers, software and telecommunications equipment necessary to access the Service in accordance with the Bank's recommended system configuration.
- 5. Funding.** Customer authorizes Bank to debit Customer's applicable account for the amount of each tax payment and for any applicable bank fees and charges when due. In the event Customer does not have sufficient funds in Customer's applicable account to cover the amount of a tax payment, Bank shall have no obligation to make the tax payment for Customer. Bank may require Customer to pay Bank the amount of each tax payment on the date of transmission of the tax payment instruction or otherwise prior to the tax payment due date. Bank may from time to time establish or revise maximum dollar limits for the total value of all outstanding files of tax payments that Bank will release on customer's behalf. Bank may change or cancel the limits any time without prior notice to Customer, although Bank will try to notify Customer before Bank does that. Funds Bank receives and holds pursuant to the Service shall be held as a deposit liability to Customer and not in trust for Customer or the taxing authority.
- 6. Warranties; Reimbursement.** Except as specified below, Customer will be deemed to make the same warranties to Bank as Bank makes pursuant to the NACHA Rules although Customer will not be deemed to warrant the power of the Bank under applicable law to comply with the requirements of the NACHA Rules or the conformity of tax payments and other data Bank transmits to the file specifications contained in the NACHA Rules. Customer further represents and warrants to Bank that: (i) Customer shall not access the Service from any jurisdiction in which the Service is not authorized; and (ii) each tax payment Customer originates will comply with applicable U.S. laws and regulations and Customer acknowledges that payments may not be initiated that violate the laws of the United States.

Customer agrees to reimburse Bank and Bank's employees, officers, directors and agents, for any and all claims, demands, losses, liabilities or expenses (including attorney's fees and costs) resulting directly or indirectly from (a) Customer's breach of any warranty made under this Section and (b) compliance by Bank with any request Customer makes for a cancellation, stop payment, reversal or recall of any tax payment.

Bank shall have no responsibility for any delay by any ACH Operator (as such term is defined in the NACHA Rules) or taxing authority in processing any tax payment Bank transmits to such entity or failure by such entity to process or apply any tax payment.

7. **Stop Payments; Reversals and Recalls.** Customer's instruction to stop payment of, reverse or recall one or more tax payments must be received by Bank in such time and manner as Bank specifies. Bank will process these transactions in accordance with Bank's procedures advised to Customer. Any reversal or recall initiated by Bank is subject to acceptance by the relevant taxing authority. Tax payment instructions may not be amended or modified.
8. **Payment Limits.** Bank may from time to time establish or revise (a) maximum dollar limits for each payment to be made by the Customer to a specified taxing authority, and (b) aggregate limits for all payments to be made by the Customer to a specified taxing authority within a 24-hour period. Bank may change or cancel the limits at any time without prior notice to Customer, although Bank will endeavor to give prior notice to Customer. Bank may require Customer to pay Bank the amount of any tax payment on the date of transmission to Bank or otherwise prior to the settlement date. Bank also may require Customer to maintain collateral with Bank in an amount Bank specifies.
9. **Limitation of Liability.** Bank's maximum aggregate liability in connection with the Service shall be limited as provided in the Account Documentation (as defined in Section 9 below) and shall be further limited to the lesser of the amount of any penalty or interest actually imposed by the applicable taxing authority or the total fees Customer paid Bank during the prior 12 months.
10. **Incorporation of Account Documentation; Termination.** The Bank's terms governing the operation of business accounts and services ("Account Documentation") are incorporated herein, as the same may be amended from time to time. If and to the extent that there is a conflict between the Account Documentation and these Service Terms, the provisions of these Service Terms shall prevail. In addition to Bank's termination rights under the Account Documentation, Bank shall have the right to terminate or suspend these Service Terms and the Service upon notice to Customer in the event of Customer's breach of the NACHA Rules.

## J. [RESERVED]

## K. ELECTRONIC CHANNELS

### 1. Service and Service Terms.

The Bank will provide a service (the "Service") for electronic access to the Customer's account information, reports and data (collectively, "Data") and for the electronic transmission to the Bank of messages, service requests, and payment and non-payment instructions (each an "Instruction") and from the Bank of messages, notifications and alerts, via the J.P. Morgan Access<sup>®</sup> Online<sup>SM</sup>, J.P. Morgan Access<sup>®</sup> Mobile<sup>SM</sup>, J.P. Morgan Host-to-Host/managed file transfer and J.P. Morgan Treasury Services API channels. The Bank reserves the right to modify the applications and products available via the Service. The Service is governed by these terms (the "Service Terms"), which incorporate the Bank's terms governing the business accounts and services, including service terms that govern the Bank's processing of Instructions transmitted via the Service (collectively, the "Account Documentation"), as the same may be amended from time to time. If and to the extent that there is a conflict between the Account Documentation and these Service Terms, the provisions of these Service Terms shall prevail. Capitalized terms used in these Service Terms, and not otherwise defined, have the meaning set forth in the Global Account Terms or other account terms applicable to the Customer.

### 2. Security Procedures and Other Controls

2.1. **General.** The security procedures for each channel are set forth below, as may be modified on notice to the Customer through any medium (each, a "Security Procedure"). Any Instruction, the authenticity of which has been verified through a Security Procedure, shall be effective as that of the Customer, whether or not authorized, and notwithstanding that the Instruction may result in an overdraft of an Account. Controls unilaterally implemented by the Bank shall not be deemed to be Security Procedures for purposes hereof unless explicitly identified as such in writing. The Customer is responsible for implementing any procedures and requirements set forth in the applicable documentation provided to it by the Bank, as well as any subsequent modification to the procedures and requirements that are designed to strengthen the Security Procedures.

#### 2.2. Security Procedures for Access Online and Mobile Channels.

2.2.1. **Access Online.** The Security Procedure for verifying payment Instructions given in the Customer's name via the Access Online channel is validation of a user ID and confidential password of an Authorized User (as defined in Section 2.5 below), a token code generated by a Bank issued or approved security device ("Security Device") assigned to that Authorized User and Bank transaction review as specified in Section 2.4.

- 2.2.2. **Access Mobile.** The Security Procedure for verifying payment Instructions given in the Customer's name via the Access Mobile channel is either (i) validation of the registration with the Bank of the mobile device, a biometric identifier, and the private swipe key of an Authorized User (as defined in Section 2.5 below) and transaction review as specified in Section 2.4 or (ii) validation of a user ID and confidential password of an Authorized User (as defined in Section 2.5 below), a token code generated by Security Device assigned to that Authorized User and transaction review as specified in Section 2.4.
- 2.2.3. **Controls Offered to Customer.** For Access Online and Mobile, the Customer may choose to apply certain controls offered by the Bank to the Customer from time to time designed to reduce the Customer's risk of erroneous or unauthorized transactions. The Customer is responsible for choosing controls that are appropriate for the Customer taking into account, among other things, the nature and scale of the Customer's business, including the size, type and frequency of payment orders normally issued to the Bank, and the nature of its technical environment, internal accounting controls and information security policies and procedures (collectively, "Customer Internal Controls"). The Security Procedure that is established by agreement of the Customer and the Bank herein is established in view of the Customer Internal Controls applied by the Customer.
- 2.3. **Security Procedures and Certificate Procedures for Host-to-Host/Managed File Transfer and API Channels.** The Security Procedure for verifying payment Instructions given in the Customer's name via the Host-to-Host/managed file transfer and API channels is authentication of a digital signature certificate, which authenticates transmitted files on the basis of the corresponding security key (the "Signature Certificate") and transaction review as provided in Section 2.4. The Customer and the Bank will use the following procedures for the use of a transport certificate, which establishes a secure session between the Bank and the Customer on the basis of a corresponding security key (the "Transport Certificate") and the Signature Certificate. Each of the Signature Certificate and the Transport Certificate are referred to herein as a "Certificate" and the corresponding security key as a "Security Key".
- 2.3.1. **Certificate Procedures and Requirements.** The Customer shall comply with the Bank's procedures and requirements for Certificates and Security Keys notified to the Customer, including but not limited to Certificate validity period, key strength and cryptographic specifications, as amended from time to time. Any request to the Bank to add, update or delete a Security Key shall include the applicable Certificate, a text file or other physical representation of the public Security Key of such Certificate and any other information in the manner and form designated by the Bank. The Bank shall have the right to rely on any request that the Bank believes in good faith to have been sent by the designated security administrator ("Security Administrator"), notwithstanding that such Security Administrator may be a third party agent acting on behalf of the Customer.
- 2.3.2. **Certificate Expiration.** Notwithstanding any courtesy notifications the Bank may send to the Customer regarding the Customer's impending Certificate expiration, the Customer acknowledges that it is the Customer's sole responsibility to update the Certificate prior to its expiration date. The Bank shall have no liability for any loss or damage (including, for the avoidance of doubt, any indirect, special, punitive or consequential damages or losses) arising from the Customer's failure to timely update its Certificate. To allow for proper execution of administrative procedures, and to prevent any lapse in service or emergency procedures, the Customer must request a Certificate change at least 30 days prior to actual Certificate expiration.
- 2.4. **Transaction Review.** In addition to the Security Procedures described above, the applicable Security Procedure for each channel also includes transaction review based on various risk characteristics. The transaction review shall be conducted in accordance with commercially reasonable protocols selected by the Bank. Additional authentication from the Customer, such as call-back verification, may be required to complete certain transactions identified by the Bank through transaction review.
- 2.5. **Confidentiality/Security Breach.** The Customer will be responsible for safeguarding and ensuring that the Security Procedures and Security Devices are known to and used (i) in the case of Access Online and Mobile, only by individuals designated as users by the Security Administrators ("Authorized Users"), or, (ii) in the case of the Host-to-Host/managed file transfer and API channels, only by the Security Administrators. The Customer shall notify the Bank immediately in the event of any loss, theft or unauthorized use of a Security Procedure or a Security Device or any other breach of security. The Bank may dishonor or disable any Security Device or any aspect of the Security Procedures at any time without prior notice and will inform the Customer of the same. In addition, each Customer must implement its own physical and logical security, as well as management controls, that appropriately protect the hardware, software, and access controls used in the transaction process from unauthorized access and use.
- 2.6. **Security Administrator Designation.** The Customer shall designate Security Administrators who shall have equal authority as specified in Section 2.7 below. The Bank is entitled to rely on any such designation of a Security Administrator. The Customer agrees to notify the Bank of any change in Security Administrators in the manner and form designated by the Bank. Any such change shall be effective at such time as the Bank has received such notice and has had a reasonable opportunity to act upon it.
- 2.7. **Security Administrator Responsibilities.** Each Security Administrator shall be authorized by the Customer to and be responsible for (i) designating individuals as Authorized Users with respect to the Access Online and Mobile channels; (ii) identifying the functions of the Service that each Authorized User may access; (iii) requesting, creating, controlling, disseminating, and/or canceling user entitlements with respect to the Access Online and Mobile channels; (iv) managing the Customer's Certificates and corresponding Security Keys with respect to the Host-to-Host/managed file transfer and API channels; (v) receiving and distributing materials, notices, documents and correspondence relating to the Security Procedures; and (vi) advising each Authorized User of his/her obligations hereunder or under any of the applicable Account Documentation. The Security Administrators shall provide to the Bank, upon the Bank's request, a list of Authorized Users for the Access Online and Mobile channels. In the absence of a valid designation of a Security Administrator at any time or in the event that, after reasonable efforts, the Bank is unable to contact a Security Administrator, the Bank may deliver Security Devices and materials and deliver/receive Security Keys to/from any person authorized to act on behalf of the Customer with respect to the Accounts.

2.8. **Processing.** The Customer acknowledges that the application of the Security Procedures and any controls unilaterally implemented by the Bank may cause delays in processing Instructions or result in the Bank declining to execute an Instruction.

### 3. **Open Network Access; Equipment**

THE SERVICE IS PROVIDED "AS IS" AND "AS AVAILABLE". TO THE MAXIMUM EXTENT PERMITTED UNDER APPLICABLE LAW, ALL WARRANTIES AND REPRESENTATIONS, EXPRESS, STATUTORY OR IMPLIED, WITH REGARD TO THE SERVICE ARE HEREBY DISCLAIMED, INCLUDING ANY WARRANTIES OF MERCHANTABILITY, SATISFACTORY QUALITY, FITNESS FOR A PARTICULAR PURPOSE AND COURSE OF DEALING OR USAGE OF TRADE OR WARRANTIES OF NON-INFRINGEMENT OR WARRANTIES AS TO ANY RESULTS TO BE OBTAINED FROM THE USE OF THE SERVICE. TO THE EXTENT THAT ANY IMPLIED WARRANTIES CANNOT BE DISCLAIMED UNDER APPLICABLE LAW, ANY SUCH IMPLIED WARRANTIES ARE LIMITED IN DURATION TO 30 DAYS FROM THE INITIAL DELIVERY DATE OF THE RELEVANT SERVICE. THE BANK AND ITS THIRD PARTY DATA AND SERVICE PROVIDERS DO NOT WARRANT OR GUARANTEE THE SECURITY, SEQUENCE, TIMELINESS, ACCURACY, PERFORMANCE OR COMPLETENESS OF THE DATA OR THAT ANY PART OF THE SERVICE WILL BE ERROR-FREE, WITHOUT DELAY OR UNINTERRUPTED.

The Customer is responsible for, at its sole expense, obtaining, installing, maintaining and operating all browsers, software, hardware, telecommunications equipment or other equipment (collectively, "System") necessary for the Customer to access and use the Service in accordance with the Bank's recommended system configuration. The Bank makes no endorsement of any System or third party site, notwithstanding that the Bank may recommend certain Systems or provide a link to a third party site where the Customer may download software. The Customer shall at all times maintain current and effective anti-virus, anti-spyware or other security software and shall take all reasonable measures to maintain the security of its System. The Customer acknowledges that there are certain security, corruption, transmission error, and access availability risks associated with using open networks such as the Internet. The Customer further acknowledges that it has made an independent assessment of the adequacy of the Internet, the System and the Security Procedures in connection with the use of the Service. The Customer assumes all risks and liabilities associated with the operation, performance and security of its System and the use of the Internet or other open networks, failure or use of Customer's or third party equipment, hardware, browsers, operating systems and/or other software or programs, and services or persons outside of the Bank's control, and the Bank disclaims all such risks. The Customer shall not use any equipment, hardware, software or program that harms the Bank. The Customer agrees to reimburse the Bank, and its agents, employees, officers and directors, for any and all claims, damages, demands, judgments, liabilities, losses, costs and expenses arising, directly or indirectly, from the Customer's use of Customer's or third-party software or program. The Bank may in its discretion provide training or information on best practices to the Customer from time to time but in so doing it will not be considered a consultant or advisor with respect to cybersecurity.

### 4. **Instructions; Data**

- 4.1. The Customer shall be solely responsible for the genuineness and accuracy, both as to content and form, of all Instructions given to the Bank's in the Customer's name and verified through the applicable Security Procedure.
- 4.2. The Customer acknowledges that Data may not have been reviewed by the Bank, may be inaccurate, and may be periodically updated and adjusted. The Bank is not obligated to assure the accuracy of Data and will not be liable for any loss or damage arising out of the inaccuracy of Data. Further, the Bank shall have no liability for the receipt or viewing by any party of Data sent to the destinations designated by the Customer, including but not limited to email addresses, fax and telephone number(s).

### 5. **Customer Warranties**

The Customer represents, warrants and covenants to the Bank that: (i) prior to submitting any document or Instruction that designates Authorized Users, the Customer shall obtain from each individual referred to in such document or Instruction all necessary consents to enable the Bank to process the data set out therein for the purposes of providing the Service; (ii) the Customer has accurately designated in writing or electronically the geographic location of its Authorized Users and shall provide all updates to such information; (iii) the Customer shall not access the Service from any jurisdiction which the Bank informs the Customer or where the Customer has knowledge that the Service is not authorized; and (iv) the Security Procedures offered to the Customer conform to the Customer's wishes and needs and the Customer has not requested Security Procedures other than those expressly agreed by the Customer and the Bank. The Customer hereby represents, warrants and covenants to the Bank that these Service Terms constitute its legal and binding obligations enforceable in accordance with its terms.

### 6. **Miscellaneous**

- 6.1. The additional jurisdiction specific provisions set forth in the attached Exhibit are applicable to the Customer based on the domicile of the Customer. Where any local laws or regulations of any jurisdiction apply as a result of the Customer's Authorized Users accessing the Service from such jurisdiction or as a result of the location of such accounts in such jurisdiction, the jurisdictional specific provisions of that jurisdiction set forth in the attached Exhibit shall apply to the use of the Service by such Authorized Users.
- 6.2. These Service Terms shall be governed by and construed in accordance with the laws of the State of New Hampshire, USA (without reference to the conflict of laws rules thereof).
- 6.3. To the extent permitted under New Hampshire law, all disputes relating to or in connection with these Service Terms solely arising outside the United States shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules. The place of arbitration shall be (i) Singapore where the dispute arises solely in Asia and (ii) London where the dispute arises elsewhere (other than the United States) and the arbitration shall be conducted in English, except that (a)

disputes solely between a Customer domiciled in the People's Republic of China and JPMorgan Chase Bank (China) Company Limited shall be submitted to the China International Economic and Trade Arbitration Commission ("CIETAC") for arbitration in accordance with its rules in effect at the time an application is made, with the place of arbitration being Beijing and the arbitration being conducted in English; and (b) disputes involving a Customer domiciled in Taiwan shall be irrevocably submitted to the exclusive jurisdiction of the courts of the State of New Hampshire. With respect to any dispute, suit, action or proceedings arising in the United States relating to these Service Terms, the Customer irrevocably submits to the exclusive jurisdiction of the courts of the State of New Hampshire and any of the United States District Courts located in the State of New Hampshire.

## **7. Mobile**

- 7.1. Accepting use of the Bank's SMS text notification service and/or Access Mobile channel constitutes the Customer's authorization for the Bank to send Data, message notifications and alerts through any communication service providers, including both Internet and telecommunications providers, which shall each be deemed to be acting as the Customer's agent. Such providers may not encrypt communications.
- 7.2. Authorized Users may be required to accept an application agreement or license in order to download Access Mobile. The Customer acknowledges that the Account Documentation shall in all cases govern the provision of these services.
- 7.3. The Customer acknowledges that the Bank shall not be liable for any delays in any Data, message notification or alert delivered via any mobile device.

## **Exhibit A - Jurisdiction Specific Provisions**

### **A. Australia & New Zealand**

To the extent that any supply made by the Bank under these Service Terms is a taxable supply for the purposes of the Australian Goods and Services Tax, or that goods and services tax under the New Zealand Goods and Services Tax Act 1985 is payable in respect of any supply under this License Agreement, ("GST"), the fees payable in respect of that taxable supply ("original amount") will be increased by the amount of GST payable in respect of that taxable supply. Customer must pay the increased amount at the same time and in the same manner as the original amount.

### **B. Indonesia**

The Bank and the Customer agree that, for the effectiveness of any termination of these Service Terms or the Services provided hereunder, they hereby waive any provisions, procedures and operation of any applicable law to the extent a court order is required for the termination of these Service Terms and the Account Documentation as applicable to the services provided under these Service Terms.

Section 4.2 shall be replaced by "Except for losses directly resulting from errors or delay caused by the Bank's gross negligence or willful misconduct, the Customer acknowledges that the Bank shall not be liable for any delays in any Data, message notification or alert delivered via any mobile device."

### **C. Malaysia/Labuan**

In relation to accounts held in Malaysia (excluding Labuan) and/or where the Service is provided in Malaysia (excluding Labuan) references in the Service Terms to "Bank," shall mean J.P. Morgan Chase Bank Berhad. In relation to accounts held in Labuan and/or where the Service is provided in Labuan, references in the Service Terms to "Bank," shall mean J.P. Morgan Chase Bank, N.A., Labuan Branch. The Service provided by J.P. Morgan Chase Bank Berhad shall be accessed through <http://www.jpmorganaccess.com.my> and the Customer undertakes not to access or utilize or attempt to access or utilize the Service through any other JPMorgan website.

### **D. Republic of China (Taiwan)**

Section 4.2 shall be replaced by "Except for losses directly resulting from errors or delay caused by the Bank's gross negligence or willful misconduct, the Customer acknowledges that the Bank shall not be liable for any delays in any Data, message notification or alert delivered via any mobile device."

The Customer acknowledges that it will take steps to ensure it enters into the correct website before attempting to access the Service.

### **E. European Union.**

The Customer acknowledges that it is not a "consumer" for the purpose of the European Union's Electronic Commerce Directive ("ECD") (i.e., that it is not an individual) and agrees that the Bank shall not be required to make any disclosures or do any other thing which a non-consumer may agree not to require under the UK rules and legislation implementing the ECD. For further information on the Bank, please see "Notice regarding EU e-commerce information" in the Terms & Conditions on <http://www.jpmorgan.com>.

- (i) Details of the Bank's processing activities of personal data can be found in its EMEA Privacy Policy, which is available on the Bank's website at [www.jpmorgan.com/privacy/EMEA](http://www.jpmorgan.com/privacy/EMEA). The Bank's EMEA Privacy Policy may be updated or revised from time to time without prior notice. The EMEA Privacy Policy may be used to assist the Customer with providing a fair processing notice to the Customer's underlying data subjects.
- (ii) The Customer agrees that it has established rights necessary to provide personal data to the Bank and that the Customer will provide any requisite notice to individuals and ensure that there is a proper legal basis for the Bank to process the personal data as described in and for the purposes detailed in the Bank's EMEA Privacy Policy. Both the Customer and the Bank will comply with its respective obligations under applicable privacy laws.

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Eligibility for particular products and services is subject to final determination by J.P. Morgan and/or its affiliates.

# State of New Hampshire

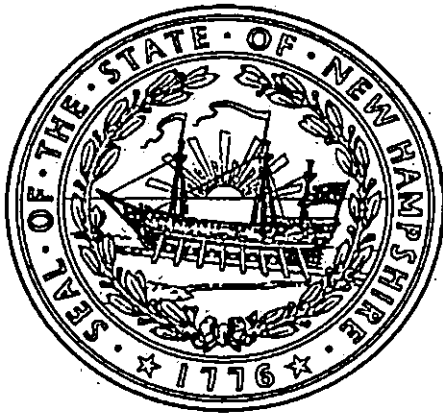
## Department of State

### CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that PAYMENTECH, LLC is a Delaware Limited Liability Company registered to transact business in New Hampshire on July 30, 2007. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 581827

Certificate Number: 0004518874



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed  
the Seal of the State of New Hampshire,  
this 22nd day of May A.D. 2019.

A handwritten signature in black ink, appearing to read "William M. Gardner".

William M. Gardner  
Secretary of State

**PAYMENTECH, LLC**

**SECRETARY'S CERTIFICATE**

I, W. Paul Hankins, Secretary of Paymentech, LLC, a limited liability company organized and existing under the laws of the State of Delaware ("Paymentech"), do hereby certify as follows:

Executive Director, Business Development Director Senior, Matt Leman, is duly authorized to execute and deliver merchant contracts and other instruments on behalf of Paymentech.

IN WITNESS WHEREOF, I have signed this Secretary's Certificate on the 21<sup>st</sup> day of May, 2019.

PAYMENTECH, LLC

By: 

W. Paul Hankins





# CERTIFICATE OF LIABILITY INSURANCE

DATE(MM/DD/YYYY)  
07/23/2018

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Aon Risk Services Northeast, Inc. New York NY Office 199 Water Street New York NY 10038-3551 USA	<b>CONTACT NAME:</b> PHONE (A.C. No. Ext): (866) 283-7122      FAX (A.C. No.): 800-363-0105 E-MAIL ADDRESS:	
	<b>INSURER(S) AFFORDING COVERAGE</b>	
<b>INSURED</b> JPMorgan Chase & Co. and subsidiary, affiliated, and associated companies thereof 270 Park Avenue New York NY 10017-2070 USA	<b>INSURER A:</b> National Union Fire Ins Co of Pittsburgh 19445	
	<b>INSURER B:</b> New Hampshire Insurance Company 23841	
	<b>INSURER C:</b> American Home Assurance Co. 19380	
	<b>INSURER D:</b> Illinois National Insurance Co 23817	
	<b>INSURER E:</b>	
	<b>INSURER F:</b>	

Holder Identifier:

COVERAGES      CERTIFICATE NUMBER: 570072344059      REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS. Limits shown are as requested

INSR LTR	TYPE OF INSURANCE	ADDITIONAL INSURED	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Blanket Contractual Liability <input checked="" type="checkbox"/> Host Liquor Liability Included GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO. <input checked="" type="checkbox"/> LOC OTHER:		GL4611631	06/01/2018	06/01/2019	EACH OCCURRENCE \$2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$1,000,000 MED EXP (Any one person) Excluded PERSONAL & ADV INJURY \$2,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000
A	AUTOMOBILE LIABILITY		CA 7742258 All Other States	06/01/2018	06/01/2019	COMBINED SINGLE LIMIT (Ea accident) \$5,000,000
A	<input checked="" type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> HIRE AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS ONLY		CA 7742259 MA CA 7742260 VA	06/01/2018	06/01/2019	BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$10,000		8E28189527	06/01/2018	06/01/2019	EACH OCCURRENCE \$10,000,000 AGGREGATE \$10,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY <input checked="" type="checkbox"/> ANY PROPRIETOR / PARTNER / EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N N/A	WC014590601 All Other States WC014590606 ME	06/01/2018	06/01/2019	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE-EA EMPLOYEE \$1,000,000 E.L. DISEASE-POLICY LIMIT \$1,000,000

Certificate No : 570072344059

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

The insurance maintained by JPMorgan Chase & Co. provides for the following coverage enhancements in keeping with the terms of the signed contracts, leases and/or agreements in place: Blanket Additional Insured where required. Coverages are Primary and Non-contributory where required. Blanket Contractual Liability, Host Liquor Liability is included in the General Liability policy, waiver of Subrogation is included where required. The Landlord, Landlords Agent(s), Landlords Lender(s), Ground Lessor(s), Vendor(s), Clients and any other party as required by the signed contract, lease and/or agreement are listed as additional insured as their interests may appear and when applicable.

<b>CERTIFICATE HOLDER</b>  Evidence of Insurance for JPMorgan Chase & Co. and subsidiary, affiliated and associated companies thereof 270 Park Avenue New York NY 10017-2070 USA	<b>CANCELLATION</b> SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	<b>AUTHORIZED REPRESENTATIVE</b>  <i>Aon Risk Services Northeast, Inc.</i>

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AGENCY CUSTOMER ID: 10243827

LOC #:



# ADDITIONAL REMARKS SCHEDULE

Page \_ of \_

AGENCY Aon Risk Services Northeast, Inc.		NAMED INSURED JPMorgan Chase & Co.	
POLICY NUMBER See Certificate Number: 570072344059			
CARRIER See Certificate Number: 570072344059	NAIC CODE	EFFECTIVE DATE:	

**ADDITIONAL REMARKS**

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,  
FORM NUMBER: ACORD 25 FORM TITLE: Certificate of Liability Insurance

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER	
INSURER	
INSURER	
INSURER	

**ADDITIONAL POLICIES** If a policy below does not include limit information, refer to the corresponding policy on the ACORD certificate form for policy limits.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
	WORKERS COMPENSATION						
C		N/A		WC 014590603 CA	06/01/2018	06/01/2019	
B		N/A		WC014590602 AZ IL NJ NY TX	06/01/2018	06/01/2019	
D		N/A		WC014590604 FL	06/01/2018	06/01/2019	
B		N/A		WC014590605 MA ND OH WA WI WY	06/01/2018	06/01/2019	
B		N/A		WC014590600 MN	06/01/2018	06/01/2019	



State of New Hampshire  
 DEPARTMENT OF ADMINISTRATIVE SERVICES  
 OFFICE OF THE COMMISSIONER  
 25 Capitol Street - Room 120  
 Concord, New Hampshire 03301

NOV 15 1994

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 Jm

5/18/16

VICKI V. QUIRAM  
 Commissioner  
 (603)-271-3201

JOSEPH B. BOUCHARD  
 Assistant Commissioner  
 (603)-271-3204

May 5, 2016

Her Excellency, Governor Margaret Wood Hassan  
 and the Honorable Council  
 State House  
 Concord, New Hampshire 03301

*Sole Source*

**REQUESTED ACTION**

Authorize the Department of Administrative Services, Division of Procurement and Support Services to enter into a **sole source** contract for merchant card processing services with JPMorgan Chase Bank NA, Paymentech, LLC, (VC#272967), Dallas, Texas, for a not to exceed price of \$15,000,000. This contract is effective upon Governor and Council approval through May 17, 2019. Funding for this service shall be paid by the Liquor Commission initially and any other respective state agency at the rates quoted herein.

**EXPLANATION**

This contract will provide credit and debit card processing services for state agencies depending on their business needs. This contract will initially be utilized by the Liquor Commission to process credit and debit card transactions and pass through gift card information to a third party gift card processor for approximately 80 stores located throughout the state. Time is of the essence as the State's current payment switch will not be Payment Card Industry (PCI) compliant after October 28, 2016.

JPMorgan Chase Bank NA, Paymentech, LLC (Paymentech) was selected because they are currently processing the Liquor Commission's merchant card transactions and passing through their gift card information to a third party company, GiveX, that maintains their current gift card database. Paymentech is also certified with the proposed Verifone point of sale devices. This request is noted as **sole source** because there is not sufficient time to convert the credit, debit and or gift card data to another payment processor. Utilizing Paymentech will enable the State to minimize the time to move to the new point of sale devices so that we are in compliance with Payment Card Industry (PCI) and Europay MasterCard Visa (EMV) requirements while ensuring continuity of operations for credit, debit and gift card processing services for the Liquor Commission.

Respectfully submitted,

*Vicki V. Quiram*

Vicki V. Quiram  
 Commissioner

Subject: Statewide Contract for Merchant Card Processing Services

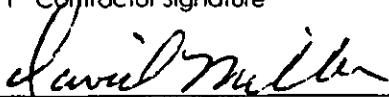

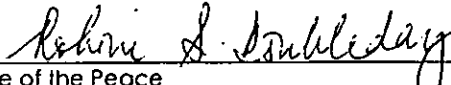

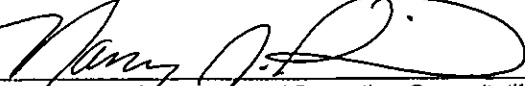
**Notice:** This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

**AGREEMENT**

The State of New Hampshire and the Contractor hereby mutually agree as follows:

**GENERAL PROVISIONS**

**1. IDENTIFICATION.**

1.1 State Agency Name Department of Administrative Services		1.2 State Agency Address 25 Capitol Street Concord, NH 03301	
1.3 Contractor Name JPMorgan Chase Bank NA, Paymentech, LLC		1.4 Contractor Address 14321 DALLAS PARKWAY DALLAS, TX 75254	
1.5 Contractor Phone Number 603-896-8439	1.6 Account Number	1.7 Completion Date 5/3/2019 <sup>9M 5.16</sup> 5/17/2019	1.8 Price Limitation \$15,000,000.
1.9 Contracting Officer for State Agency Lisa Pollard		1.10 State Agency Telephone Number (603) 271-7272	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory DAVID MILLER VICE PRESIDENT, CREDIT	
1.13 Acknowledgement: State of <u>Texas</u> County of <u>Dallas</u> On <u>May 3, 2016</u> , before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace  			
1.13.2 Name and Title of Notary or Justice of the Peace Rohoni S. DOUBLEDAY - Executive Asst - Legal Dept.			
1.14 State Agency Signature  Date: <u>5/10/16</u>		1.15 Name and Title of State Agency Signatory Vicki V. Quiram, Commissioner	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By:  On: <u>5/10/2016</u>			
1.18 Approval by the Governor and Executive Council (if applicable) By: _____ On: _____			

**State of New Hampshire Department of Administrative Services  
Bureau of Purchase and Property  
Statewide Contract for Merchant Card Processing Services**

**2. EMPLOYMENT OF CONTRACTOR/SERVICES TO BE PERFORMED.** The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT A which is incorporated herein by reference ("Services").

**3. EFFECTIVE DATE/COMPLETION OF SERVICES.**

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.18, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.14 ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

**4. CONDITIONAL NATURE OF AGREEMENT.** Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

**5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.**

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

**6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.**

6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. This may include the requirement to utilize auxiliary aids and services to ensure that persons with communication disabilities, including vision, hearing and speech, can communicate with, receive information from, and convey information to the Contractor. In addition, the Contractor shall comply with all applicable copyright laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and

**State of New Hampshire Department of Administrative Services  
Bureau of Purchase and Property  
Statewide Contract for Merchant Card Processing Services**

guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

**7. PERSONNEL.**

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement.

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

**8. EVENT OF DEFAULT/REMEDIES.**

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

**9. DATA/ACCESS/CONFIDENTIALITY/ PRESERVATION.**

9.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

9.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

9.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

**10. TERMINATION.** In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in the attached EXHIBIT A.

**State of New Hampshire Department of Administrative Services  
Bureau of Purchase and Property  
Statewide Contract for Merchant Card Processing Services**

**11. CONTRACTOR'S RELATION TO THE STATE.** In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

**12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.** The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written notice and consent of the State. None of the Services shall be subcontracted by the Contractor without the prior written notice and consent of the State.

**13. INDEMNIFICATION.** The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

**14. INSURANCE.**

14.1 The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate; and

14.1.2 special cause of loss coverage form covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than thirty (30) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each certificate(s) of insurance shall contain a clause requiring the insurer to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than thirty (30) days prior written notice of cancellation or modification of the policy.

**15. WORKERS' COMPENSATION.**

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A ("Workers' Compensation").

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim, or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

**16. WAIVER OF BREACH.** No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

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**17. NOTICE.** Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

**18. AMENDMENT.** This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no such approval is required under the circumstances pursuant to State law, rule or policy.

**19. CONSTRUCTION OF AGREEMENT AND TERMS.** This Agreement shall be construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

**20. THIRD PARTIES.** The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

**21. HEADINGS.** The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

**22. SPECIAL PROVISIONS.** Additional provisions set forth in the attached EXHIBIT C are incorporated herein by reference.

**23. SEVERABILITY.** In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

**24. ENTIRE AGREEMENT.** This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire Agreement and understanding between the parties, and supersedes all prior Agreements and understandings relating hereto.



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EXHIBIT A  
STATEMENT OF WORK

**1. CONTRACT**

**1.1 Contract Documents.**

This Contract consists of the following Contract Documents:

Form P-37	General Provisions
Exhibit A	Statement of Work & Definitions
Exhibit A-1	Services
Exhibit B	Compensation
Exhibit C	Special Provisions to Form P-37
Exhibit C-1	Additional Provisions

**1.2 Order of Precedence**

In the event of conflict or ambiguity among any of the Contract Documents, the following Order of Precedence shall govern: Exhibit C-1, the Paymentech agreement shall take precedence over any conflicting term and shall take precedence over any matter related to the Settlement Account, any matter related to Payment Brand Rules and compliance therewith, any matter related to the right of Contractor to establish a Reserve account and the rights of Contractor to terminate.

- a. Form P-37, *General Provisions*, as modified in Exhibit C, and Exhibit C-1;
- b. Exhibits A through B

**1.3 Non-Exclusive Contract**

This is a Non-Exclusive Contract; provided, however, it is agreed that the State agrees that the Transactions generated by, through or related to the State's Liquor Commission shall be processed exclusively by Contractor. The State, at its sole discretion, may otherwise retain other contractors or other sources to provide Services or Deliverables procured under this Contract.

**2. CONTRACT TERM/COMMENCEMENT OF WORK**

The Initial Term of this Contract shall commence upon approval of Governor and Executive Council (the "Effective Date"), and extend through May 17, 2019.

The Contractor shall commence full performance of the Services on the Effective Date at 12:01 a.m. Contractor is responsible for timely performance of the Contractor's obligations under this Contract.

**3. SERVICES**

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The Contractor shall furnish the State with the Services required under this Contract, and as more fully set forth in Exhibit A-1, *Services*.

**4. COMPENSATION**

The Contract price for Contractor's processing fees, method of payment, and terms of payment are set forth in Exhibit B: *Compensation*.

**5. CONTRACT MANAGEMENT**

**5.1 Contractor Point Of Contact**

5.1.1 The Contractor shall assign a Contractor Point of Contact who shall serve as the representative of the Contractor for administrative and contract management matters.

5.1.2 The Contractor Point of Contact shall function as this Contractor's representative for administrative and management matters. The Contractor Point of Contact shall be available to promptly respond to inquiries from the State during Normal Business Hours. The Contractor Point of Contact shall work diligently and use his/her commercially reasonable efforts on the Project. The Contractor Point of Contact shall be qualified to perform the obligations required of the position under this Contract. Contractor will provide written notice to State upon replacement of the Contractor Point of Contact. Such Contractor Point of Contact shall be of comparable skills.

**Account Team Access** Contractor shall provide telephone, facsimile, and Internet e-mail access to each individual on the Contractor account team. General toll free numbers shall be provided for telephone and facsimile services on a statewide basis. Contractor shall make a good faith effort to resolve all inquiries from the State within twenty-four (24) hours or the next business day.

**5.2.1 The Contractor Point of Contact is:**

Kate Frawley  
Corporate Relationship Manager  
4 Northeastern Blvd  
Salem, NH 03079  
(603) 896-8693  
[Kate.frawley@chasepaymentech.com](mailto:Kate.frawley@chasepaymentech.com)

**5.3 State Contract Manager**

The State shall assign a contract manager who shall function as the State's representative with regard to Contract administration. The State Contract Manager is:

Lisa Pollard, Director, Procurement and Support Services  
New Hampshire Department of Administrative Services  
25 Capitol Street, Room 101  
Concord, NH 03301  
Office (603.271.7272)  
[Lisa.pollard@nh.gov](mailto:Lisa.pollard@nh.gov)

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**5.4 Dispute Resolution**

Prior to the filing of any formal proceedings with respect to a dispute (other than an action seeking injunctive relief with respect to intellectual property rights or Confidential Information or any issue relating to Payment Brand Rule or Security Standard compliance), the party believing itself aggrieved (the "Invoking Party") shall call for progressive management involvement in the dispute negotiation by written notice to the other party. Such notice shall be without prejudice to the invoking party's right to any other remedy permitted by this contract.

The following table sets forth the responsible parties for each level of the dispute resolution and the corresponding time allotment for resolution at each level.

Level	The Contractor	The State	Cumulative Time Allotted
Primary		Lisa Pollard (603.271.7272)	5 business days
First		Michael Connor (603.271.6899)	10 Business days
Second		Vicki Quiram (603.271.3201)	15 Business days

The allotted time for the first level negotiations shall begin on the date the invoking party's notice is received by the other party.

**DEFINITIONS**

Capitalized terms used in this Contract shall have the meanings given below:

"ACH/EFT"	Automated Clearing House/electronic funds transfer; often used interchangeably; an ACH payment is a form of electronic funds payment that is sent from one bank to another via the ACH network which is federally regulated and operates pursuant to the rules and stands set by National Automated Clearing House Association (NACHA)
"Agency"	A State of New Hampshire agency, division, office, department, bureau, commission or other entity performing a governmental or proprietary function for the State of New Hampshire which has been reviewed and approved by Contractor and which has agreed to be bound by the terms and conditions of the Agreement
"Application"	A statement of Merchant's financial condition, a description of the characteristics of Merchant's business or organization, and related information Merchant has previously or concurrently submitted to Contractor including credit, financial and other business related information, to induce Contractor to enter into this Agreement with Merchant and that has induced Contractor to process Merchant's Transactions under the terms and conditions of this Agreement.
"Card"	See either Credit Card or Debit Card.
"Cardholder"	A person whose name is embossed on the Card (or Debit Card, as applicable) and any authorized user of such Card.

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“Chargeback”	A reversal of a Transaction Merchant previously presented to Contractor pursuant to Payment Brand Rules.
“Confidential Information”	Information the parties shall keep confidential from unauthorized disclosure.
“Contract”	Is as defined in this Agreement
“Contract Documents”	Documents that comprise this Contract as identified in Exhibit A, SOW, Section 1.1.
“Contract Manager”	The persons identified by the State and Contractor in Exhibit A, SOW.
“Contractor”	Paymentech LLC
“Conveyed Transaction”	Any Transaction conveyed to a Payment Brand for settlement by such Payment Brand directly to Merchant.
“Customer”	The person or entity to whom a Payment Instrument is issued or who is otherwise authorized to use a Payment Instrument.
“DAS”	N.H. Department of Administrative Services
“Data Compromise Event”	An occurrence that results, or could result, directly or indirectly, in the unauthorized access to or disclosure of Transaction Data and/or Payment Instrument Information.
“Effective Date”	The date on which this Contract takes effect upon Governor and Executive Council approval; the date the Agreement takes effect pursuant to Item 2 of Exhibit A.
“EMV”	Means Europay, MasterCard and Visa; chip-based payment card, containing an embedded microprocessor that has information needed to use the card for payment.
“Form P-37”	The State of New Hampshire’s standard form contract, Form P-37, <i>General Provisions</i> .
“GAAP”	Generally Accepted Accounting Principles
“Governor and Executive Council”	The New Hampshire Governor and Executive Council.
“Initial Term” or “Term”	The period from the Effective Date through the initial completion date set forth in Section 1.7 of the Form P-37.
“IP”	Internet Protocol
“IVR”	Interactive Voice Response System available via Touch-Tone phone
“Issuing Bank”	Means the financial institution or other member of a Payment Brand that has a contractual relationship with the Customer for the issuance of a Payment Instrument.

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"Member"	Means JPMorgan Chase Bank, N.A. or other entity providing sponsorship to Paymentech as required by all applicable Payment Brands. Member is a principal party to this Agreement and Merchant's acceptance of Payment Brand products is extended by the Member.
"Merchant", "Merchants" or "Merchant Agency (ies)"	The State of NH agencies, Merchants, and as modified from time to time by the agreement of the parties as provided in Exhibit C-1, during the Term.
"Settlement Account"	Settlement bank accounts has the meaning set forth in section 4.2 of Exhibit C-1. The term "Merchant Account" shall have the
"Merchant ID Number" or "Merchant"	An identification number assigned by the Contractor to an individual Merchant.
"Non-Exclusive Contract"	A contract that does not restrict the State from seeking alternative contractors or sources for the products and services provided under this Contract. This Contract shall be deemed Nonexclusive except to the extent provided for in this Contract.
"Normal Business Hours"	Normal Business Hours – 8:00 a.m. to 5:00 p.m. EST, Monday through Friday excluding State of New Hampshire holidays. State holidays are: New Year's Day, Martin Luther King Day, President's Day, Memorial Day, July 4 <sup>th</sup> , Labor Day, Veterans Day, Thanksgiving Day, the day after Thanksgiving Day, and Christmas Day.
"Order of Precedence"	The order in which Contract Documents govern in the event of any conflict or ambiguity among them.
"Payment Application"	Means a third party application used by merchant that is involved in the authorization or-settlement of Transaction Data.
"Payment Brand"	Means any payment method provider whose payment method is accepted by Paymentech for processing, including, without limitation, Visa Inc., MasterCard International, Inc., Discover Financial Services, LLC, and other credit and debit card providers, debit network providers, gift card, and other stored value and loyalty program providers. Payment Brand also includes the Payment Card Industry Security Standards Council and the Electronic Payment Association (frequently referred to as "NACHA").
"Payment Brand Rules"	Means all bylaws, rules, programs, regulations, specifications, and manuals, as they exist from time to time, of the Payment Brands.
"Payment Card Industry Data Security Standards" or "PCI"	A set of security standards established by Payment Card Industry Security Standards Council.

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<p>“Payment Instrument” or “Payment Card”</p>	<p>Means an account, or evidence of an account, authorized and established between a Customer and a Payment Brand, or representatives or members of a Payment Brand that Merchant accepts from Customers as payment for a good or service. Payment Instruments include, but are not limited to, credit and debit cards, stored value cards, loyalty cards, electronic gift cards, authorized account or access numbers, paper certificates, and credit accounts. Use of the term Payment Instrument or Payment Card throughout this Agreement includes any Payment Instrument with an embedded microcomputer EMV chip.</p>
<p>“Payment Instrument Information”</p>	<p>Means information related to a Customer or the Customer’s Payment Instrument, that is obtained by Merchant from the Customer’s Payment Instrument, or from the Customer in connection with his or her use of a Payment Instrument (e.g., a security code, a PIN number, credit limits, account balances, or the customer’s zip code when provided as part of an address verification system). Without limiting the foregoing, such information may include a the Payment Instrument account number and expiration date, the Customer’s name or date of birth, PIN data, security code data (such as CVV2 and CVC2), and any data read, scanned, imprinted, or otherwise obtained from the Payment Instrument, whether printed thereon, or magnetically, electronically, or otherwise stored thereon. For the avoidance of doubt, the data elements that constitute Payment Instrument Information shall be treated according to their corresponding meanings as “cardholder data” and “sensitive authentication data” as such terms are used in the then current PCI DSS.</p>
<p>“Payment Method Provider”</p>	<p>Visa, U.S.A., Inc., MasterCard International, Inc., Discover Financial Services, LLC and other Credit Card and Debit Card providers, or any debit network providers, whose payment method Contractor accepts for processing.</p>
<p>“Paymentech” or “Chase Paymentech”</p>	<p>Means Paymentech, LLC, a Delaware limited liability company, having its principal office at 14221 Dallas Parkway, Dallas, Texas 75254.</p>
<p>“PCI”</p>	<p>Payment Card Industry</p>
<p>“PCI Security Standards Council”</p>	<p>The PCI Security Standards Council is an open global forum for the ongoing development, enhancement, storage, dissemination and implementation of security standards for account data protection.</p> <p>The PCI Security Standards Council’s mission is to enhance payment account data security by fostering broad adoption of the PCI Security Standards. The organization was founded by American Express, Discover Financial Services, JCB International, MasterCard Worldwide, and Visa Inc.</p>

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“POS” or “Point of Sale”	Point of sale service for Credit and/or Debit cards and E-checks.
“Refund”	Means any refund or credit issued for any reason, including, without limitation, for a return of merchandise or cancellation of services, and any adjustment of a Transaction.
“Refund Policy”	Means a written policy with regard to Refunds.
“Retrieval Request”	Means a request for information by a Customer or Payment Brand relating to a claim or complaint concerning a Transaction.
“Sales Data”	Electronic record of a sale representing payment by use of a Card or a refund/credit to a Cardholder.
“Security Standards”	Means all rules, regulations, standards, or guidelines adopted or required by the Payment Brands or the Payment Card Industry Security Standards Council relating to privacy, data security, and the safeguarding, disclosure, and handling of Payment Instrument Information, including, without limitation, the Payment Card Industry Data Security Standards (“PCI DSS”), Visa’s Cardholder Information Security Program (“CISP”), Discover’s Information Security & Compliance Program (“DISC”), American Express’s Data Security Operating Policy, MasterCard’s Site Data Protection Program (“SDP”), Visa’s Payment Application Best Practices (“PABP”), the Payment Card Industry’s Payment Application Data Security Standard (“PA DSS”), MasterCard’s POS Terminal Security program, and the Payment Card Industry PIN Transmission Security program (“PCI PTS”), in each case as they may be amended from time to time.
“Services”	The services and products Contractor shall furnish the State under this Contract.
“Service Provider”	Means any party that processes, stores, receives, transmits, or has access to Payment Instrument Information on Merchant’s behalf, including, without limitation, its agents, business partners, contractors and subcontractors.
“Settled Transaction”	Means a Transaction conducted between a Customer and Merchant utilizing a Payment Instrument in which consideration is exchanged between the Customer and Merchant for the purchase of a good or service or the Refund of such purchase and the value for such Transaction is settled by the Payment Brand through Paymentech to the Merchant.
“Statement of Work” or “SOW”	Exhibit A, <i>Statement of Work</i> .
“State” or “State of New Hampshire”	DAS and/or Merchants, as applicable.
“State Fiscal Year” or “SFY”	The New Hampshire State Fiscal Year which begins on July 1 <sup>st</sup> and ends on June 30 <sup>th</sup> of the following calendar year

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"Stored Value Card Transaction"	Means a Transaction in which a Customer adds or redeems value to or from a stored value card, gift card, or loyalty Payment Instrument issued by or on behalf of Merchant.
"Tokenization"	The process of breaking a stream of text up into words, phrases, symbols or other meaningful elements called tokens.
"Transaction"	Means a transaction conducted between a Customer and Merchant utilizing a Payment Instrument in which consideration is exchanged between the Customer and Merchant.
"Transaction Data"	Means the written or electronic record of a Transaction, including, without limitation, an authorization code or settlement record, which is submitted to Paymentech
"Transaction Receipt"	Means an electronic or paper record of a Transaction generated upon completion of a sale or Refund, a copy of which is presented to the Customer.
Treasurer	State of N.H. Treasurer



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**EXHIBIT A-1 SERVICES**

**1. GENERAL PROCESSING REQUIREMENTS**

**CREDIT CARDS, DEBIT CARDS AND STORED VALUE CARDS**

Contractor shall provide credit card processing services, (authorization, settlement and reporting) for Visa, Master Card, American Express and Discover. Contractor shall provide processing services and solutions for Debit Cards and Credit Cards.

**Discover and American Express**

Contractor shall convey Transactions in accordance with section 4.3 of Exhibit C-1 for any Agency that becomes a party to this Agreement and which processes Discover or American Express transaction directly through Discover or American Express. The Contractor shall support Discover Full Service where the Contractor fully handles the processing of Discover transaction similar to Visa and MasterCard transaction.

**Security**

Contractor shall comply with all Payment Card Industry Standards, (PCI). Contractor shall remain in compliance with PCI DSS during the initial term of this Contract and any subsequent renewal period.

**Settlement**

Only after Contractor has performed its required reviews to add agencies or locations and appropriate documentation has been completed to bind such entities under the Agreement, the State Treasurer shall assign any and all bank accounts for State Agency settlements and merchant activity. No merchant numbers or identifications shall be assigned to State Agencies without written notification from Merchant Card Services and approved by the State Treasury and the Department of Information Technology.

Contractor shall post funds received on behalf of distinct merchants (e.g., individual State Agencies) to the State's bank accounts designated by the Treasurer. Any bank account changes will be made by the State, or pursuant to the State's direction.

**Settlement Transmission**

Once conversion to the Chase platform is complete, settlement data shall go over the same connection as authorization data.

**Credit Card Deposit**

The Contractor shall provide provisional settlement into State accounts generally within forty- eight (48) hours upon receipt of settlement funds by Contractor; provided, however, it is expressly agreed and understood that settlement shall be subject to the terms and conditions set forth in section 4 of Exhibit C-1.

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**Reconciliation of Receipts**

All receipts into State accounts shall be reconciled by the Agency through daily Contractor reports and a unique identification number for that Agency.

**Representation**

The State shall be assigned a dedicated Contractor Account Representative that can be contacted by phone and email. Contractor's after hours representatives can be reached by a toll free number.

The Contractor Account Representative shall correspond with the State's Merchant Card Services office for all Agency requirements including, but, not limited to, setting up new merchant accounts, access to reporting tools or Virtual Terminals, and any other modifications to a Merchant Agency's processing.

**Reconciliation of Receipts.**

All receipts into Merchant Account(s) shall be capable of reconciliation by Merchant Agencies through daily report(s) and their respective Merchant ID Numbers.

**Cooperation**

The Contractor shall fully cooperate with the Merchant in the implementation of any new Services which the parties have mutually agreed to include under this Agreement including any new services that may be mutually agreed upon in the future.

**1. REPORTING REQUIREMENTS**

**System Requirements**

- The Contractor shall provide a single internet based/on-line system for report generation.
- The system shall provide the ability for each Agency to view only the financial data for their Chain Merchant ID and allow access to view the individual data for a specific location under their Chain Merchant ID.
- The reporting system shall allow Treasury and DAS Merchant Card Services to view financial data at a statewide level.
- The Contractor shall provide sales, payment and accounting detail as mutually agreed for each Internet application

**Reporting to Agencies, DAS Merchant Card Services and the Treasury Department**

At a minimum, the Contractor shall provide the following:

- Daily and monthly reports of all transactions, regardless of volume;
- Online web access shall include, but is not limited to, current plus 13 months of summary and 6 months of historical data detailing:
  - Transaction type

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- o Dollar amount of transaction with any associated identified
- o Date and time of transaction
- o Date of settlement
- o Daily subtotal by transaction type for each Agency.
- o Authorization number for transaction
- o The full customer credit card number (The credit card number should be masked unless an Agency requests access to view the full card number and has a valid business reason to do so)

If additional historical data is needed a request can be submitted to the Contractor.

- Reports similar to, but not limited to, the following:

**1. Checking Account Report**

- *Ability To Search by:*
  - Date Range (From and To)
- *Results Returned:*
  - Summary List of Batches by Date and by Merchant ID
- *Drilldown:*
  - Merchant ID Summary Batch to the Transaction Detail

**2. Authorization Code Report**

- *Ability To Search by:*
  - Authorization Code
  - Date Range

(Within ALL MID#s)
- *Results Returned:*
  - Transaction Detail based upon the authorization code

**3. Charge Back Report**

- *Ability to Search by:*
  - Date Range, and/or
  - Merchant ID#
- *Results Returned:*
  - Transaction Detail related to the Chargeback

**4. Funding Report lists bank account info by Checking Account**

- *Ability to Search by*
  - Date Range
- *Results Returned*
  - Summary of Fees by Merchant ID
- *Drilldown*
  - Detail of Fees by Merchant ID

**5. Summary of Historical Bank Fees**

- Ability to Search by
  - Merchant ID
- *Results Returned*
  - Fees for the Merchant ID by Month/Year

**6. Summary of Batches for a Merchant ID Report**

- *Ability to Search by*
  - Date Range
- *Results Returned*
  - Summary of Batches for ALL Merchant IDs

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- *Drilldown*
  - Batch Transaction Detail by Merchant ID
- Customized reports as specified and agreed to by the Merchant Agency and Contractor

**Online Chargeback Reporting**

- The Contractor shall provide immediate online access to outstanding retrieval requests and chargebacks.
- The Contractor shall allow and provide a fully electronic online chargeback system that shall accept electronic signatures and support files to satisfy outstanding retrieval requests and chargebacks.

**Monthly Statement**

The Contractor shall provide each Merchant Agency a detailed online monthly statement of sales and all charges incurred. Each Merchant Agency shall have access to its monthly statement.

**Data Export**

The Contractor shall provide data export capabilities to Microsoft Excel and CSV file, format (Comma Delimited).

**3. FUNCTIONAL REQUIREMENTS AND CAPABILITIES**

**Access Methods**

**Communications**

Contractor shall accommodate dial-up, direct connection and Internet technologies as required by each Merchant Agency.

The State requires 98% authorization system availability or better.

Dial-up shall run on a toll free telephone number.

Contractor shall have the capability of providing direct connection methods which are IP based.

**Interfaces**

Contractor shall accommodate stand-alone, integrated Internet browser and API based interfaces.

**Stand-alone:** Contractor may obtain from contractor, to the extent available, for the then current fee, the devices to be used, or allow the use of Merchant-owned or -leased devices, which shall provide magnetic stripe readers, chip card, PIN pads, and batch totals for the end of business.

**Gateway:** Contractor shall provide a gateway tool that has multiple processing methods as

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follows:

- **Internet browser/ Virtual Terminal:** Merchant can submit Transactions and make corrections and adjustments as required via the Internet through a Virtual Terminal. The Virtual Terminal shall have the capability to process payments that are swiped on a USB swipe device connected to the computer; however, it shall not be required.
- **Internet API:** To allow an Agency's Internet applications to interface with the Contractor's Electronic Payment System, (EPS).
  - **Hosted Payment Page:** Contractor shall provide a method that allows a Merchant Agency to connect their website to a hosted payment page ("Pay Here") that goes to the Contractor's gateway to process the actual transaction. This method shall have the ability to accept credit cards, debit cards and echecks. The Hosted Payment Page shall allow the State to include State Agency elements such as, but shall not be restricted to, State Seal and Agency verbiage, to advise Cardholders that they have reached an approved State site. In the event that the State is utilizing the Contractor's Hosted Payment Page, the Contractor assumes all responsibility for a secure payment page hosted by a fully PCI compliant infrastructure.

**Processing Methods**

Contractor shall provide for both Authorization Only and Capture methods of processing.

- **Authorization Only:** Merchant shall acquire authorizations from the Contractor and the Merchant shall submit transactions for all its locations as a batch at the end of the day for settlement purposes.
- **Capture:** Merchant shall acquire authorization and the Contractor shall capture all transaction information and submit transactions as instructed by the Merchant for settlement purposes.

**Other Services**

- **Mobile solutions**
  1. Upon the State's request when such services are requested to be implemented, the Contractor will provide the State fees for a mobile solution that can be used to take payments at various events using a mobile Wireless terminal or other device. The Wireless device may have access to a secure WiFi Network following all PCI Requirements. The State may request such services and the parties agree to cooperate and to implement according to a mutually agreed upon schedule.
  2. The Contractor shall have a mobile application that can be used on a Smart Phone to take payments at various events. The application shall be PCI Compliant. Said services shall be available upon the request of the State, and the parties agree to cooperate and implement according to a mutually agreed upon schedule. Contractor will provide the State with the fees for these services in writing upon written request by the State.

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**Stored Value Card**

Currently Contractor is a service provider of Givex USA Corporation ("Givex") and is currently contractually permitted to convey stored value Transactions to Givex. As a service provider of Givex, Contractor will convey such Transactions to Givex so long as it is contractually permitted to convey the Merchant's stored value Transactions and it has not received notice from Givex that Givex will be receiving stored value Transactions directly from the Merchant. In the event that Givex ceases to process Merchant's stored value card information, Contractor agrees that it shall pass Merchant's stored value card information through another Contractor-certified third party vendor.

**MERCHANT ACCOUNTS AND HIERARCHY**

It is agreed and understood that the State shall work with Contractor to satisfy Contractor's Know Your Customer requirements and credit risk requirements throughout the term of the Agreement. The Contractor shall maintain the State's current multiple tier merchant hierarchy. At a minimum, these tiers shall include:

**Corporate Merchant ID:** State of New Hampshire – All Chain Merchant IDs fall under this Corporate Merchant ID.

**Chain Merchant ID:** A State Agency's main Merchant ID – All outlet or merchant locations IDs for the Agency fall under this chain merchant ID. Generally an Agency shall have one of these.

**Merchant:** Each outlet (Merchant location) usually has its own merchant number under the Agency's chain merchant ID. Generally an Agency shall have one or more of these merchant IDs.

The Contractor may supplement this basic scheme in order to facilitate reporting. The merchant hierarchy shall be used for reporting and the generation of statements and invoices. Each Agency / chain Merchant shall receive a monthly statement detailing all sales, processing and interchange fees. All charges and fees for individual Chain / Agencies are to be deducted from the designated account once monthly as outlined herein.; provided, however, with respect to chargebacks or penalties, the relevant provisions of Exhibit C-1 will govern and such amounts will be passed through to the State as provided in the Select Agreement, Exhibit C-1.

The Contractor shall establish and maintain all merchant accounts including both merchant identification numbers (MIDs) and terminal identification numbers (TIDs).

The Contractor shall provide the Project Manager with MIDs and TIDs when the accounts are established. The State will ensure that all requests must come through the DAS Merchant Card Services. No Agency shall be allowed to directly submit a Merchant ID request to create, terminate or modify an existing Merchant ID. All Merchant ID request are reviewed and approved by the Department of Administrative Services, the Department of Information Technology and the Treasury Department prior to being submitted to the Contractor.

**Separate Merchant Numbers**

The Contractor must allow separate merchant numbers to be available for different agencies or locations which have agreed to be bound by the terms of this Contract within the Agency structure.

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**5. CUSTOMER SUPPORT SERVICES**

The Contractor shall provide complete customer support services inclusive of the following:

**Account Management**

The Contractor shall provide a single point of contact for the State or its representative. This point of contact, shall meet on a mutually agreed schedule with appropriate State agency representatives to review and discuss past and future performance issues. Contractor agrees to use all best commercially reasonable efforts to respond to material inquiries from the State within twenty-four (24) hours or the next business day.

**Support for Suspicious Activities**

The Contractor shall provide voice authorization services that shall allow a Code 10 Agent to interact with a Merchant representative when suspect or suspicious activities have been identified. The appropriate course of action will be issued by the Code 10 Agent to the Merchant representative. Voice authorization charges shall not apply to a Code 10 request.

**Setup and Training**

The Contractor shall provide adequate training to Agency personnel when setting up a new Merchant ID. This training shall include, but not be limited to, overview of merchant PCI requirements and important procedures for processing that minimize costs to the State.

Contractor shall provide each Merchant location with training manuals; voice authorizations manuals; response codes and error codes; and AVS Response Codes.

**Ongoing training and monitoring**

The Contractor shall provide training as mutually agreed regarding monitoring of Merchant Agencies relative to security, self-audits and processing. This ongoing training and monitoring shall include, but is not limited to, information relative to industry best practices, security, fraud and suggestions for improvement.

**Semi-annual business review meeting**

The Contractor shall provide a semi-annual business review meeting to provide information and guidance on the Merchant Agencies' performances including, but not limited to, processing, chargebacks, interchange rates, and suggestions on how and where the Merchant Agencies could improve performance.

Semi-annual business review meetings shall be on-site at a State location at no additional cost to the State.

**STATE OF NEW HAMPSHIRE'S DEDICATED MERCHANT CARD SERVICES**

All Agency or Non-Agency requests for new services or modifications to existing services shall come through the Department of Administrative Services Merchant Card Services prior to any

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Statewide Contract for Merchant Card Processing Services**

changes. The Contractor shall comply with this request and work with DAS Merchant Card Services to implement new services or modifications as requested by the State. Modifications to the Agreement shall be as set forth in section 15 of Exhibit C-1.

DAS Merchant Card Services shall be the primary contact for all services. No Agency or Non-Agency may request services or modification without the assistance of DAS Merchant Card Services. If any State Agency or Non-Agency contacts the Contractor for any changes to existing services or request for new services they shall be directed back to the State's Merchant Card Services team. This applies to all of the following, but is not limited to, new Merchant ID Requests, access to any and all reporting systems, Virtual Terminals, equipment requests, new services, modification to current services and termination of services.

**TRANSFER OF SERVICES AFTER TERM**

Provided the State is not in default of the Agreement, the Contractor will use reasonable efforts to assist in the coordination of the transfer of services upon expiration of this contract to enable the State to remain processing Transactions at the rates set forth in this Agreement. The Contractor shall work with the State for a period not to exceed a six (6) months after the termination of the Agreement; provided, however, Contractor shall not be required to perform any service other than its normal business operations in providing Services during the transition period.

**6. SUPPLIES**

Contractor shall provide to all Merchants: credit card slips, signage, and manual imprinters at Contractor's then current fees.



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**EXHIBIT B: COMPENSATION**

The State shall pay the Contractor for the Processing Fees and Services in accordance with the Rates set forth below in the Fee Schedules ("Schedule A-1 & Schedule A-2"). In no event shall payments for processing services furnished to the State under this Contract exceed the Total Price Limitation set forth in Section 1.8 of the Form P-37 which is fifteen million dollars (\$15,000,000). It is expressly acknowledged and agreed that such Price Limitation shall not apply to: (i) Payment Brand pass through fees such as interchange assessments or other Payment Brand fees, (ii) Payment Brand fees, fines and penalties including, without limitation, excessive chargebacks or PCI Compliance assessments, fines and penalties and other related costs, or (iii) costs or expenses associated with Payment Brand Rule compliance, including without limitation, forensic examinations that may be required as set forth in section 12.2 of Exhibit C-1

**Payment**

Transaction charges, equipment purchases (if applicable), and other charges related to the Services will be reported separately for each State Agency which is subject to the agreement. The State will make payment to the Contractor by authorizing a direct debit from a designated State account. The Contractor shall provide a detailed online statement for all monthly charges.

**PAYMENT AND NOTIFICATION**

- **Notification** – In accordance with section 9 of Exhibit C-1, The Contractor shall notify the State in writing of any fees, assessments, dues, or other charges, including, but not limited to, increases and decreases, in Contractor's processing fees prior to them taking effect against the State. With respect to Contractor's processing fees only, the State shall not be liable for any fees, fines, assessment or other charges that Contractor has not communicated to the State, in writing, and that have not been agreed to by the State prior to them taking effect against the State.
- The Contractor shall make reasonable efforts to promptly notify the State of any fines, fees or assessments that have been levied to them on behalf of the State
- **Payment** - The State shall pay Contractor by a direct debit from a designated Merchant Account as provided in Exhibit C-1.

**OVERPAYMENTS TO THE CONTRACTOR**

To the extent an overpayment has been mutually agreed to, the Contractor shall promptly return to the State the full amount of any overpayment or erroneous payment upon notice from the State.

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**Schedule A-1 to Merchant Agreement**

Merchant: State of New Hampshire

NHPPNSCHEDULEA1CPT117 2015G-01 1.3.15.1

Assumptions	
Transaction related assumptions	
Payment Transaction Sales Volume	\$227,528,203
Average Transaction Amount	\$71.34
PIN Debit / EBT Transactions	2,704,956
Conveyed Transactions	474,030
Safetech Encrypted Items	N/A

Other assumptions	
Number of locations	80
Authorization / Capture %	105.0%
Chargebacks as % of Sales Transactions	0.0300%
Billing Frequency	Monthly

Target Qualification Level:		
MasterCard:	Merit III	MM3
Visa:	CPS Retail	VPSC
Discover:	PSL Retail - Core	0164

**1. Fees applied on every transaction**

Payment Brand Interchange & any incremental discount rate % - MasterCard, Visa and Discover assess an Interchange Rate, Interchange Fee, Assessment Fee and Network Fee for each transaction. These rates and fees will be passed through at cost. Payment Brand Interchange rates can be accessed by visiting the Learning & Resources section of Chase Paymentech's website, and selecting "Understanding Interchange".

MasterCard, Visa & Discover Interchange Rates	as set by each Payment Brand
MasterCard, Visa & Discover Incremental Discount Rate	N/A
PIN Debit and/or EBT Network Fees	All standard PIN Debit Network Fees will be assessed
PIN Debit - Incremental Discount Rate	N/A
JCB (Japanese Credit Bureau)	N/A
Voyager Discount Rate (if settled)	N/A

Payment Brand Assessments			Payment Brand Network Fees		
			Credit	Debit	
MasterCard	Credit transactions < \$1000 and all Debit transactions	0.120%	MasterCard Network Access & Brand Usage Fee (NABU) (charged per Authorization & per Refund)	\$0.0195	\$0.0195
	Credit transactions > \$1000	0.140%			
Visa	Debit transactions	0.110%	Visa Processing Fee (APF) (charged per Authorization & per Refund)	\$0.0195	\$0.0155
	Credit transactions	0.130%			
Discover		0.130%	Discover Data Usage Fee	\$0.0195	\$0.0195
MC File Transmission Fee per transaction *			Visa Financial Transaction Fee		
\$0.0014			\$0.0018		

\* MasterCard assesses a file transmission fee based on the number of bytes of data contained in a transmitted file. Because file size may vary from transaction to transaction, the parties acknowledge that it is not possible to accurately translate the byte based fee into a consistently accurate transaction-based fee.

In light of the foregoing, the parties have agreed that Merchant shall pay Chase Paymentech a fee in the amount stated above for each transaction submitted under this Agreement. Such fee shall be deemed to be the file transmission fee imposed by MasterCard on each transaction for all purposes of this Agreement, and Chase Paymentech may change the amount of such fee in accordance with the terms of this Agreement in the event MasterCard changes the amount or calculation of its file transmission fee.

Transaction Fees		Authorization Fees	
MasterCard per transaction	N/A	MasterCard per authorization	\$0.0250
Visa per transaction	N/A	Visa per authorization	\$0.0250
Discover per transaction	N/A	Discover per authorization	\$0.0250
JCB per transaction	N/A	JCB per authorization	N/A
American Express per transaction	N/A	American Express per authorization	\$0.0250
PIN Debit per transaction	\$0.0250	Voyager per authorization	N/A
EBT per transaction	N/A	Wright Express per authorization	N/A
Check Verification - Scan per transaction	N/A	Private Label per authorization	N/A
Voyager per transaction	N/A	Dial Backup authorization surcharge	\$0.0100
Wright Express per transaction	N/A	<b>Encryption Fees</b>	
Hosted Pay Page per transaction	N/A	Safetech Encryption per transaction	N/A
		Safetech Tokenization per transaction	N/A

Customer Initials	x <u>OTL</u>	Please initial to acknowledge page 1 of the Schedule A pricing sheet
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Contractor Initials: DM  
Date: 5-3-16

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2. One Time and Periodic Fees					
<b>One Time Fees</b>		<b>Monthly Fees</b>		<b>Monthly Fees – Pass Thru</b>	
Account Setup Fee	N/A	Monthly Service Fee <sup>1</sup>	N/A	Visa Fixed Acquirer Network Fee <sup>4</sup>	Varies
Rush Fee	N/A	Monthly Minimum Fee <sup>2</sup>	\$25.00		
Terminal Reprogram Fee	N/A	Monthly Helpdesk Fee	N/A		
PIN Debit Setup Fee	N/A	Online Reporting Tool	N/A		
PIN Pod Encryption Fee	N/A	Safetech Encryption <sup>3</sup>	N/A		
				<b>Annual Fees</b>	
				Annual Fee	N/A

Internet Product: <b>NetConnect</b>			
Setup fee	N/A	Monthly fee	N/A
Third Party Setup fee	N/A	Third Party Monthly fee	N/A

- 1 - Monthly service fees will be debited for the first time in the month after your account has been set up. These fees will be debited regardless of whether you are processing transactions through your account.
- 2 - We will apply the Monthly Minimum Fee only when the total amount of all processing fees (Sections 1, 3A, & 4) is less than \$25.00. If your processing fees do not reach \$25.00, we will charge the difference. For example, if processing fees total \$17.00 we would charge an additional \$8.00 to meet the \$25.00 minimum.
- 3 - If Merchant obtains point of sale device(s) from Chase Paymentech for use with Safetech Encryption, the following additional fees shall be assessed: (a) a one-time fee of \$10.00 per device; and (b) an encryption injection fee of \$34.95 per device per occurrence. These assessments are in addition to the above Safetech Encryption Fee(s). If Merchant obtains point of sale device(s) from a third party, additional fees may apply. Merchant acknowledges and understands that its use of any fraud mitigation or security enforcement solution (e.g. an encryption product or service), whether provided to merchant by Paymentech or a third party, in no way limits Merchant's obligation to comply with the Security Standards or Merchant's liabilities set forth in this Agreement.
- 4 - Visa Fixed Acquirer Network Fee is a monthly fee assessed by Visa based on Merchant Category Code (MCC), dollar volume, number of merchant locations, number of Tax IDs, and whether the physical Visa card is present or not present at the time of the transaction. This fee can vary monthly.

3. Per Incidence Fees		
<b>3A. Per Incidence Fees: Charged every time your account incurs one of the below items</b>		
Chargeback Fee	\$5.00	Charged when a cardholder or card-issuing bank formally protests a charge
Voice Authorization Fee	\$0.65	Charged when you call the Voice Authorization phone number to authorize a credit card
AVS Fee – Electronic	N/A	Charge for each electronic address verification authorization
Batch Settlement Fee	N/A	Charged for each batch of transaction(s) you submit for settlement
ACH fee	N/A	Charged for each ACH (transmission of funds) sent to your account
ACH Return Fee	\$25.00	Charged when Chase Paymentech is unable to debit fees from your account
<b>3B. Per Request Fees: Charged every time you request one of the below items</b>		
Statement Fee (Email / ROL)	N/A	No charge if statements are sent to a valid email address or accessed by Merchant through Resource Online, as elected by Merchant on the Application.
Statement Fee (Mail)	\$5.00	Charged each month Chase Paymentech mails a statement (whether at the request of Merchant or because delivery to a valid email address has failed)
Statement Fee (Reprint)	N/A	Charged for each archived statement you request to have printed
Supplies: Billed Per Order	N/A	Charges for supply orders vary based on the items ordered
Dynamic Debit Surcharge Fee	N/A	Charged for each PIN Debit transaction routed with the Dynamic Routing product
PIN Debit Injection Fee	\$40.00	Charged when merchant elects PIN Debit processing and applies to each device not purchased from Chase Paymentech.
Statement Type:	Resource Online	No Statement / No Recap
Statement Frequency:	N/A	

Customer Initials	x <u>  <i>vu</i>  </u>	Please initial to acknowledge page 2 of the Schedule A pricing sheet
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State of New Hampshire Department of Administrative Services  
Bureau of Purchase and Property  
Statewide Contract for Merchant Card Processing Services

4. Payment Brand Fees – Per Incidence		
MC Acquiring License Fee *	0.0040%	Charged on MasterCard Gross Sales volume. See additional information under Payment Brand Charges section on page 4.
MC Digital Enablement / Card Not Present Fee	0.010%	Charged on MasterCard Card Not Present Gross Sales volume.
DI Network Authorization Fee	\$0.0025	Charged by Discover on all authorizations for card transactions that are settled through the Discover Network.
MC Auth Access Fee – AVS Card Present	\$0.010	Charged by MasterCard when a merchant uses the address verification service to validate a cardholder address.
MC Auth Access Fee – AVS Card Not Present	\$0.010	
MC Auth Access Fee	\$0.005	Charged by MasterCard when an authorization is reversed or the authorization is provided by MasterCard if the card issuer is not available.
MC Card Validation Code 2 Fee	\$0.0025	Charged by MasterCard when a merchant submits the Card Validation Code 2 (CVC2) in an authorization request.
MC SecureCode Transaction Fee	\$0.030	Charged on MasterCard SecureCode transactions that are sent for verification.
MC Account Status Fee (Intra-regional)	\$0.025	
MC Account Status Fee (Inter-regional)	\$0.03	
Visa Zero \$ Account Verification Fee	\$0.025	Charged by MasterCard or Visa when a merchant uses this service to do an inquiry that a card number is valid.
MC Processing Integrity Fee	\$0.055	Charged when a card is authorized but not deposited and the authorization is not reversed in a timely manner.
Visa Misuse of Authorization Fee	\$0.048	
Visa Zero Floor Limit Fee	\$0.10	Charged when a transaction is deposited but never authorized.
Visa Transaction Integrity Fee	\$0.10	Applies to Visa Debit & Prepaid transactions that do not meet qualification criteria for Custom Payment Service (CPS) categories.
MC Cross Border Assessment Fee	0.60%	Charged by MasterCard, Visa and Discover on foreign bank issued cards.
Visa International Service Assessment Fee	0.80%	
Discover International Service Fee	0.80%	
MC International Support Fee	0.85%	Additional fee charged by MasterCard, Visa and Discover on foreign bank issued cards.
Visa Interregional Acquiring Fee	0.45%	
Discover International Processing Fee	0.50%	
Visa Partial Auth Non-Participation Fee	\$0.01	Applies to Petroleum merchants using automated fuel pumps that do not support Partial Authorization.
MC Global Wholesale Travel Transaction Program B2B Fee	1.57%	Applies to Travel merchants for transactions qualifying at the MasterCard Commercial Business-to-Business interchange category.

5. Other Fees			
Fee Description	Amount	Fee Description	Amount

Customer Initials	x <u>  JML  </u>	Please initial to acknowledge page 3 of the Schedule A pricing sheet
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Contractor Initials:   DM    
Date:   5-3-16

State of New Hampshire Department of Administrative Services  
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Equipment Swap Fees		
Type	Description	Fee
Replacement Fee (swap)	In warranty - Terminals, Printers, & Pinpads <sup>1</sup>	\$50.00
Replacement Fee (swap)	Out of warranty - Terminals, Printers, & Pinpads: Replacement (swap) fees vary based on Manufacturer and Model and will fall within the specified range to the right	\$100 - \$500
Injection Fee (swap)	Safetech Encryption Injection	\$34.95
Restocking Fee	Return equipment for any reason other than repair	\$150.00
Late Fee	For all equipment returned late, or not returned	\$500.00

1) New Equipment Warranty timeframes

5 years – Verifone Vx520, Vx820 PIN Pad, 1000SE PIN Pad; Ingenico ICT250

1 year – all other new equipment

In warranty coverage applies only to new equipment purchased or leased from Chase Paymentech

Amount payable upon Termination

In addition to the other amounts due under this Agreement (including without limitation, the fees and charges described in this Schedule A), you may owe an amount in the event you terminate this Agreement. Whether you will owe that amount, and how much you will owe, will be determined in accordance with Section 10 of the Merchant Agreement.

Payment Brand Charges

Part of the fees that we charge you for processing your transactions consist of fees we pay to the Payment Brands. These charges, called "Payment Brand Charges", include, but are not limited to, interchange rates, assessments, file transmission fees, access fees, and international and cross border fees. Therefore, in addition to the rates set forth above, you also will be charged Payment Brand Charges. Payment Brand interchange rates can be accessed online by visiting the Learning & Resources section of Chase Paymentech's website, and selecting "Understanding Interchange".

Please note that Chase Paymentech may, from time to time, elect not to charge you for certain existing, new or increased Payment Brand Charges. If we elect not to charge you, we still reserve the right to begin charging you for existing, new or increased Payment Brand Charges at any time in the future, upon notice to you. No such Payment Brand Charges will be imposed retroactively.

\* MasterCard assesses the MasterCard Acquiring License Fee annually to each Acquirer based on the total annual volume of MasterCard-branded sales (excluding Maestro PIN debit volume) of its U.S. domiciled merchants. To fairly distribute the fee across all Chase Paymentech MasterCard-accepting merchants, a rate of 0.004% will be applied to all of your MasterCard gross sales transactions.

**IF YOU SELECT TO USE NETCONNECT, PLEASE READ THE FOLLOWING CAREFULLY**

NetConnect is a product that utilizes the Internet for the transmission to us of your Card transactions. We cannot and will not be responsible for the reliability or security of your transmissions to us while they are in transit to us via the Internet. We strongly recommend that you maintain a dial back-up option to us for transmission of Card transactions for use during periods when your Internet connection is unavailable. Transactions sent to us via a dial back-up option during such periods will be billed the additional amount listed as "Dial Backup Authorization Surcharge".

6. Authorized Signature	
Authorized Representative Signature: Must appear on Merchant Application section 11	
<p><u>Vicki V. Quiram</u></p> <p>Printed Name</p>	<p><u>Commissioner</u></p> <p>Title</p>
<p>x <u>Vicki V. Quiram</u></p> <p>Signature</p>	<p><u>5-10-16</u></p> <p>Date</p>

Please ensure you have initialed pages 1, 2 and 3

State of New Hampshire Department of Administrative Services  
Bureau of Purchase and Property  
Statewide Contract for Merchant Card Processing Services



## Schedule A-2 to Merchant Agreement

Merchant: State of New Hampshire

NAPP/SCHEDULE A2 PT 17 20160401 V3.10.1

Assumptions	
Transaction related assumptions	
Payment Transaction Sales Volume	\$52,955,976
Average Transaction Amount	\$3,000.00
PIN Debit / EBT Transactions	0
Conveyed Transactions	10,000
Safetech Encrypted Items	N/A
Other assumptions	
Number of locations	1
Authorization / Capture %	105.0%
Chargebacks as % of Sales Transactions	0.0300%
Billing Frequency	Monthly

Target Qualification Level:

MasterCard:	Merit I	MM1
Visa:	CPS E-Commerce Basic	VCEB
Discover:	PSL E-Commerce - Core	D463

1. Fees applied on every transaction	
<small>Payment Brand Interchange &amp; any incremental discount rate % – MasterCard, Visa and Discover assess an Interchange Rate, Interchange Fee, Assessment Fee and Network Fee for each transaction. These rates and fees will be passed through at cost. Payment Brand interchange rates can be accessed by visiting the Learning &amp; Resources section of Chase Paymentech's website, and selecting "Understanding Interchange".</small>	
MasterCard, Visa & Discover Interchange Rates	as set by each Payment Brand
MasterCard, Visa & Discover Incremental Discount Rate	N/A
PIN Debit and/or EBT Network Fees	All standard PIN Debit Network Fees will be assessed
PIN Debit – Incremental Discount Rate	N/A
JCB (Japanese Credit Bureau)	N/A
Voyager Discount Rate (if settled)	N/A

Payment Brand Assessments		
MasterCard	Credit transactions < \$1000 and all Debit transactions	0.120%
	Credit transactions > \$1000	0.140%
Visa	Debit transactions	0.110%
	Credit transactions	0.130%
Discover		0.130%
MC File Transmission Fee per transaction *		\$0.0014

Payment Brand Network Fees		
	Credit	Debit
MasterCard Network Access & Brand Usage Fee (NABU) <small>(Charged per Authorization &amp; per Refund)</small>	\$0.0195	\$0.0195
Visa Processing Fee (APF) <small>(Charged per Authorization &amp; per Refund)</small>	\$0.0195	\$0.0155
Discover Data Usage Fee	\$0.0195	\$0.0195
Visa Financial Transaction Fee	\$0.0018	

\* MasterCard assesses a file transmission fee based on the number of bytes of data contained in a transmitted file. Because file size may vary from transaction to transaction, the parties acknowledge that it is not possible to accurately translate the byte based fee into a consistently accurate transaction-based fee.

In light of the foregoing, the parties have agreed that Merchant shall pay Chase Paymentech a fee in the amount stated above for each transaction submitted under this Agreement. Such fee shall be deemed to be the file transmission fee imposed by MasterCard on each transaction for all purposes of this Agreement, and Chase Paymentech may change the amount of such fee in accordance with the terms of this Agreement in the event MasterCard changes the amount or calculation of its file transmission fee.

Transaction Fees	
MasterCard per transaction	N/A
Visa per transaction	N/A
Discover per transaction	N/A
JCB per transaction	N/A
American Express per transaction	N/A
PIN Debit per transaction	\$0.0250
EBT per transaction	N/A
Check Verification – Scan per transaction	N/A
Voyager per transaction	N/A
Wright Express per transaction	N/A
Hosted Pay Page per transaction	\$0.1500

Authorization Fees	
MasterCard per authorization	\$0.0250
Visa per authorization	\$0.0250
Discover per authorization	\$0.0250
JCB per authorization	N/A
American Express per authorization	\$0.0250
Voyager per authorization	N/A
Wright Express per authorization	N/A
Private Label per authorization	N/A
Dial Backup authorization surcharge	N/A
Encryption Fees	
Safetech Encryption per transaction	\$0.0250
Safetech Tokenization per transaction	\$0.0050

Customer Initials	x	<i>bl</i>	Please initial to acknowledge page 1 of the Schedule A pricing sheet
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2. One Time and Periodic Fees					
One Time Fees		Monthly Fees		Monthly Fees - Pass Thru	
Account Setup Fee	N/A	Monthly Service Fee <sup>1</sup>	N/A	Visa Fixed Acquirer Network Fee <sup>4</sup>	Varies
Rush Fee	N/A	Monthly Minimum Fee <sup>2</sup>	\$25.00		
Terminal Reprogram Fee	N/A	Monthly Helpdesk Fee	N/A		
PIN Debit Setup Fee	N/A	Online Reporting Tool	N/A		
PIN Pad Encryption Fee	N/A	Safetech Encryption <sup>3</sup>	N/A		
Annual Fees					
Annual Fee	N/A				

Internet Product: Orbital Gateway			
Setup fee	\$50.00	Monthly fee	\$20.00
Third Party Setup fee	N/A	Third Party Monthly fee	N/A

- 1 - Monthly service fees will be debited for the first time in the month after your account has been set up. These fees will be debited regardless of whether you are processing transactions through your account.
- 2 - We will apply the Monthly Minimum Fee only when the total amount of all processing fees (Sections 1, 3A, & 4) is less than \$25.00. If your processing fees do not reach \$25.00, we will charge the difference. For example, if processing fees total \$17.00 we would charge an additional \$8.00 to meet the \$25.00 minimum.
- 3 - If Merchant obtains point of sale device(s) from Chase Paymentech for use with Safetech Encryption, the following additional fees shall be assessed: (a) a one-time fee of \$10.00 per device; and (b) an encryption injection fee of \$34.00 per device per occurrence. These assessments are in addition to the above Safetech Encryption Fee(s). If Merchant obtains point of sale device(s) from a third party, additional fees may apply. Merchant acknowledges and understands that its use of any fraud mitigation or security enhancement solution (e.g. an encryption product or service), whether provided to merchant by Paymentech or a third party, in no way limits Merchant's obligation to comply with the Security Standards or Merchant's liabilities set forth in this Agreement.
- 4 - Visa Fixed Acquirer Network Fee is a monthly fee assessed by Visa based on Merchant Category Code (MCC), dollar volume, number of merchant locations, number of Tax IDs, and whether the physical Visa card is present or not present at the time of the transaction. This fee can vary monthly.

3. Per Incidence Fees			
3A. Per Incidence Fees: Charged every time your account incurs one of the below items			
Chargeback Fee	\$5.00	Charged when a cardholder or card-issuing bank formally protests a charge	
Voice Authorization Fee	\$0.65	Charged when you call the Voice Authorization phone number to authorize a credit card	
AVS Fee - Electronic	N/A	Charge for each electronic address verification authorization	
Batch Settlement Fee	N/A	Charged for each batch of transaction(s) you submit for settlement	
ACH fee	N/A	Charged for each ACH (transmission of funds) sent to your account	
ACH Return Fee	\$25.00	Charged when Chase Paymentech is unable to debit fees from your account	
3B. Per Request Fees: Charged every time you request one of the below items			
Statement Fee (Email / ROL)	N/A	No charge if statements are sent to a valid email address or accessed by Merchant through Resource Online, as elected by Merchant on the Application.	
Statement Fee (Mail)	\$5.00	Charged each month Chase Paymentech mails a statement (whether at the request of Merchant or because delivery to a valid email address has failed)	
Statement Fee (Reprint)	N/A	Charged for each archived statement you request to have printed	
Supplies: Billed Per Order	N/A	Charges for supply orders vary based on the items ordered	
Dynamic Debit Surcharge Fee	N/A	Charged for each PIN Debit transaction routed with the Dynamic Routing product	
PIN Debit Injection Fee	\$40.00	Charged when merchant elects PIN Debit processing and applies to each device not purchased from Chase Paymentech.	
Statement Type:	Resource Online	No Statement / No Recap	Statement Frequency: N/A

Customer Initials	x <u>ll</u>	Please initial to acknowledge page 2 of the Schedule A pricing sheet
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Bureau of Purchase and Property  
Statewide Contract for Merchant Card Processing Services

4. Payment Brand Fees – Per Incidence		
MC Acquiring License Fee *	0.0040%	Charged on MasterCard Gross Sales volume. See additional information under Payment Brand Charges section on page 4.
MC Digital Enablement / Card Not Present Fee	0.010%	Charged on MasterCard Card Not Present Gross Sales volume.
DI Network Authorization Fee	\$0.0025	Charged by Discover on all authorizations for card transactions that are settled through the Discover Network
MC Auth Access Fee – AVS Card Present	\$0.010	Charged by MasterCard when a merchant uses the address verification service to validate a cardholder address
MC Auth Access Fee – AVS Card Not Present	\$0.010	
MC Auth Access Fee	\$0.005	Charged by MasterCard when an authorization is reversed or the authorization is provided by MasterCard if the card issuer is not available.
MC Card Validation Code 2 Fee	\$0.0025	Charged by MasterCard when a merchant submits the Card Validation Code 2 (CVC2) in an authorization request
MC SecureCode Transaction Fee	\$0.030	Charged on MasterCard SecureCode transactions that are sent for verification.
MC Account Status Fee (Intra-regional)	\$0.025	Charged by MasterCard or Visa when a merchant uses this service to do an inquiry that a card number is valid
MC Account Status Fee (Inter-regional)	\$0.03	
Visa Zero \$ Account Verification Fee	\$0.025	
MC Processing Integrity Fee	\$0.055	Charged when a card is authorized but not deposited and the authorization is not reversed in a timely manner
Visa Misuse of Authorization Fee	\$0.048	
Visa Zero Floor Limit Fee	\$0.10	Charged when a transaction is deposited but never authorized
Visa Transaction Integrity Fee	\$0.10	Applies to Visa Debit & Prepaid transactions that do not meet qualification criteria for Custom Payment Service (CPS) categories
MC Cross Border Assessment Fee	0.60%	Charged by MasterCard, Visa and Discover on foreign bank issued cards.
Visa International Service Assessment Fee	0.80%	
Discover International Service Fee	0.80%	
MC International Support Fee	0.85%	Additional fee charged by MasterCard, Visa and Discover on foreign bank issued cards.
Visa Interregional Acquiring Fee	0.45%	
Discover International Processing Fee	0.50%	
Visa Partial Auth Non-Participation Fee	\$0.01	Applies to Petroleum merchants using automated fuel pumps that do not support Partial Authorization
MC Global Wholesale Travel Transaction Program B2B Fee	1.57%	Applies to Travel merchants for transactions qualifying at the MasterCard Commercial Business-to-Business interchange category.

5. Other Fees			
Fee Description	Amount	Fee Description	Amount

Customer Initials	x <u>by</u>	Please initial to acknowledge page 3 of the Schedule A pricing sheet
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Contractor Initials: DM  
Date: 5.3.16



State of New Hampshire Department of Administrative Services  
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Equipment Swap Fees		
Type	Description	Fee
Replacement Fee (swap)	In warranty - Terminals, Printers, & Pinpads <sup>1</sup>	\$50.00
Replacement Fee (swap)	Out of warranty - Terminals, Printers, & Pinpads: Replacement (swap) fees vary based on Manufacturer and Model and will fall within the specified range to the right	\$100 - \$500
Injection Fee (swap)	Safetech Encryption Injection	\$34.95
Restocking Fee	Return equipment for any reason other than repair	\$150.00
Late Fee	For all equipment returned late, or not returned	\$500.00

1) New Equipment Warranty timeframes

5 years – Verifone Vx520, Vx820 PIN Pad, 1000SE PIN Pad; Ingenico ICT250

1 year – all other new equipment

In warranty coverage applies only to new equipment purchased or leased from Chase Paymentech

Amount payable upon Termination

In addition to the other amounts due under this Agreement (including without limitation, the fees and charges described in this Schedule A), you may owe an amount in the event you terminate this Agreement. Whether you will owe that amount, and how much you will owe, will be determined in accordance with Section 10 of the Merchant Agreement.

Payment Brand Charges

Part of the fees that we charge you for processing your transactions consist of fees we pay to the Payment Brands. These charges, called "Payment Brand Charges", include, but are not limited to, interchange rates, assessments, file transmission fees, access fees, and international and cross border fees. Therefore, in addition to the rates set forth above, you also will be charged Payment Brand Charges. Payment Brand interchange rates can be accessed online by visiting the Learning & Resources section of Chase Paymentech's website, and selecting "Understanding Interchange".

Please note that Chase Paymentech may, from time to time, elect not to charge you for certain existing, new or increased Payment Brand Charges. If we elect not to charge you, we still reserve the right to begin charging you for existing, new or increased Payment Brand Charges at any time in the future, upon notice to you. No such Payment Brand Charges will be imposed retroactively.

<sup>1</sup> MasterCard assesses the MasterCard Acquiring License Fee annually to each Acquirer based on the total annual volume of MasterCard-branded sales (excluding Maestro PIN debit volume) of its U.S. domiciled merchants. To fairly distribute the fee across all Chase Paymentech MasterCard-accepting merchants, a rate of 0.004% will be applied to all of your MasterCard gross sales transactions.

6. Authorized Signature	
Authorized Representative Signature: Must appear on Merchant Application section 11	
<p style="text-align: center;"><u>Vicki V. Quiram</u></p> <p>Printed Name</p>	<p style="text-align: center;"><u>Commissioner</u></p> <p>Title</p>
<p>x <u>Vicki V. Quiram</u></p> <p>Signature</p>	<p style="text-align: center;"><u>5-10-16</u></p> <p>Date</p>

Please ensure you have initialed pages 1, 2 and 3

**State of New Hampshire Department of Administrative Services  
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**Exhibit C – Special Provisions**

The following provisions are provided to amend the General Provisions contained in the Form P-37:

**EXHIBIT C – SPECIAL PROVISIONS  
STATE OF NEW HAMPSHIRE PAYMENTECH LLC MERCHANT CARD PROCESSING AGREEMENT**

The following will replace the corresponding provisions in the P-37, General Terms and Conditions:

1. Replace 3. **EFFECTIVE DATE/COMPLETION OF SERVICES** with the following:

**3. EFFECTIVE DATE/COMPLETION OF SERVICES**

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on May 18, 2016 or upon the date of approval of the contract by Governor and Executive Council, whichever is later.

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7. The State expressly understands and agrees that notwithstanding any approval of the Agreement, Contractor shall not commence processing any Transactions until boarding services are completed as further described in Exhibit A.

2. Replace Section 4. **CONDITIONAL NATURE OF AGREEMENT** with the following:

**4. CONDITIONAL NATURE OF AGREEMENT.** The continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and the State shall have the right to terminate this Agreement immediately upon giving the Contractor written notice of such termination. Notwithstanding the foregoing, the State shall remain liable for any amounts or liabilities incurred prior to such termination.

3. Replace Section 5. **CONTRACT PRICE/PRICE LIMITATION/PAYMENT** with the following:

**5. CONTRACT PRICE/PRICE LIMITATION /PAYMENT**

5.1 The Contract Price, method of payment, and terms of payment for Contractor's processing fees are identified and more particularly described in Schedule A to Exhibit C-1 and referred to in Exhibit B which is incorporated herein by reference.

5.2 The payment by the State of the Contract Price for Contractor's processing fees shall be the only and the complete reimbursement to the Contractor for Contractor's processing fees, incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation for Contractor's processing fees to the Contractor for the Services.

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4. Replace Section 6. **COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/EQUAL EMPLOYMENT OPPORTUNITY** with the following:

**6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY**

6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws to the extent such laws are applicable to Contractor as a processor. This may include the requirement to utilize auxiliary aids and services to ensure that persons with communication disabilities, including vision, hearing and speech, can communicate with, receive information from, and convey information to the Contractor. In addition, the Contractor shall comply with all applicable copyright laws:

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

6.3 If this Agreement is funded in any part by monies of the United States, the State shall advise Contractor and the Contractor shall comply with all the provisions of Executive Order NO. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to provide the State with copies of the relevant documentation regarding the processing of its Transactions.

5. Replace Section 7. **PERSONNEL** with the following:

**7. PERSONNEL**

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor agrees that all of its personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, The Contractor shall not actively solicit, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to actively solicit, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of the Agreement.

7.3 The Contracting Officer specified in block 1.9 of his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State; provided, however, the State decision adds to finality shall in any way limit Contractor's rights or remedies under this Agreement, Exhibit C-1 or otherwise at law or in equity.

6. Replace 8. **EVENT OF DEFAULT/REMEDIES** with the following:

**8. EVENT OF DEFAULT/REMEDIES.**

**State of New Hampshire Department of Administrative Services  
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8.1 Notwithstanding the provisions of section 10.2 of Exhibit C-1, any one or more of the following acts or omissions of the Contractor shall constitute an event of default by Contractor hereunder ("Event of Default"):

8.1.1 failure by Contractor to provide EPS satisfactorily or on schedule;

8.1.2 failure by Contractor to submit any material report required hereunder;

8.1.3 failure by Contractor to perform any other covenant, term or condition of this Agreement;

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, thirty (30) days from the date of the notice, and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 the rights and remedies of Contractor for the State's events of default shall be governed by section 10.2 of Exhibit C-1.

7. Replace Section 9 **DATA / ACCESS / CONFIDENTIALITY / PRESERVATION** with the following:

**DATA / ACCESS / CONFIDENTIALITY / PRESERVATION**

9.1 As used in this Agreement, the word "data" shall mean all information obtained during the performance of, or acquired by reason of, this Agreement, including, but not limited to, all drawings, analyses, graphic representations, computer printouts, notes, letters, memoranda, papers and documents, all whether finished or unfinished.

9.2 All reports provided by Contractor, to the extent permitted by the Payment Brand Rules, and which has been received from the State, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

9.3 To the extent not addressed by section 12 of Exhibit C-1 or the Payment Brand Rules and to the extent permitted be applicable state and federal law, each party agrees to hold the other party's confidential data in confidence using a standard of care equal to the standard of care the receiving party uses to safe guard its own confidential data, which shall in no event be less than a standard of reasonable care. The Parties agree and understand that the confidentiality of data shall be governed by NH RSA, Chapter 91-A and all other applicable state and federal laws.

9.4 Notwithstanding anything to the contrary in this Agreement, the parties agree that Transaction Data is subject to the Payment Brand Rules.

8. Replace Section 10. **TERMINATION** with the following:

**10. TERMINATION**

In the event of an early termination of the Agreement by the State for any reason other than the completion of the Services upon the State's request, the Contractor shall deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, shall make available the existing report ("Termination Report") describing in detail all Services performed, and the processing fees earned, to and including the date of termination. The form subject matter, content, and number of copies of the Termination Report shall be identical to those previously provided to the State under the agreement. The foregoing shall not relieve the State of its responsibility for any other liability that arose prior to termination, including but not limited to, liability for chargebacks, fees, fines or penalties of the Payment Brands.

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9. Replace Section 12. ASSIGNMENT/DELEGATION/SUBCONTRACTS with the following:

See Exhibit C-1, Paragraph 15.3

10. Replace Section 13. INDEMNIFICATION with the following:

See Exhibit C-1, Paragraph 16.3. // /

11. Replace Section 14. INSURANCE with the following:

**14.INSURANCE.**

14.1 The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 commercial general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate; and  
14.1.2 special cause of loss coverage form or its equivalent covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N. H. Department of Insurance, and issued by insurers permitted in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than 10 days after renewing each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and or incorporated herein by reference. Contractor shall provide the Contracting Officer identified in block 1.9 or his or her successor, no less than thirty (30) days prior written notice of cancellation of the policy.

12. Replace Section 16 WAIVER OF BREACH with the following:

**16. WAIVER OF BREACH.** No failure by either party to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of either party to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the defaulting party.

13. Replace Section 17 NOTICE with the following:

**17. NOTICE.** Any notice by a party hereto to the other party regarding matters in litigation only shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4 herein. Notices may otherwise be provided as described in in Section 15 of Exhibit C-1.

14. Replace Section 18 AMENDMENT with the following section:

**18. AMENDMENT** Except as provided in Section 15 of Exhibit C-1, this Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of State of New Hampshire unless no such approval is required under the circumstances pursuant to State law, rule or policy.

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Initials jm

Contractor

Date 5-3-16

Contractor Initials: jm  
Date: 5-3-16

State of New Hampshire Department of Administrative Services  
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Statewide Contract for Merchant Card Processing Services

Exhibit C -1 – Additional Provisions

The following provisions are in addition to the General Provisions contained in the Form P-37, as amended by Exhibit C.



SELECT MERCHANT PAYMENT INSTRUMENT PROCESSING AGREEMENT  
U.S. AGREEMENT

JPMorgan Chase Bank, N.A., a national banking association ("Member"), Paymentech, LLC, a Delaware limited liability company ("Paymentech"), and State of New Hampshire Department of Administrative Services, the State of New Hampshire ("Merchant" or "State").

WHEREAS, Member is a member of several Payment Brands and Paymentech is authorized, through Member, to process the Merchant's Transactions; and

WHEREAS, Merchant wishes to accept Payment Instruments from its Customers as a method of payment for goods or services offered by Merchant;

ACCORDINGLY, in consideration of the mutual promises made and the mutual benefits to be derived from this Agreement, Paymentech, Member, and Merchant agree to the following terms and conditions intending to be legally bound:

**1. MERCHANT'S ACCEPTANCE OF PAYMENT INSTRUMENTS.**

During the term of this Agreement, Paymentech shall be Merchant's non-exclusive provider of Transaction processing services (including, without limitation, the authorization, conveyance and settlement of Transactions), for Merchant agencies that agree to be subject to this Agreement as provided herein; provided, however, notwithstanding the foregoing, it is agreed that Paymentech shall be Merchant's exclusive processor for all Transactions arising out of or related to Merchant's Liquor Commission. Merchant does not guarantee a minimum number or percentage of the Merchant's overall transactions as part of this Agreement. Notwithstanding anything to the contrary in Merchant's P-37 document, Merchant agrees that each additional agency will be subject to review by Paymentech for credit risk and compliance purposes and that Merchant shall be liable for each such agency's compliance with the obligations of this Agreement. Merchant agrees that it shall advise Paymentech of any changes to locations of the Liquor Commission and the parties agree to cooperate and coordinate regarding the addition or removal of Liquor Commission locations. Merchant shall submit to Paymentech Transaction Data generated from its selected Transactions via electronic data transmission according to Paymentech's formats and procedures throughout the term of this Agreement.

**1.2 Certain Payment Acceptance Policies and Prohibitions.**

(a) Each Transaction must be evidenced by its own Transaction Receipt completed in accordance with Payment Brand Rules.

(b) Merchant shall not require the Customer to pay the fees payable by Merchant under this Agreement.

(c) Merchant shall never issue Refunds for Transactions by cash or a cash equivalent (e.g., check) unless required by law or permitted by the Payment Brand Rules.

(d) Except to the extent prohibited by the Payment Brand Rules or applicable law, Merchant may request or encourage a Customer to use a Payment Instrument other than the Payment Instrument initially presented by the Customer.

(e) Except to the extent permitted by the Payment Brand Rules and applicable law, Merchant must not establish a minimum or maximum Transaction amount as a condition for honoring a Payment Instrument.

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(f) Merchant shall examine each Payment Instrument physically presented at the point of sale to determine that the Payment Instrument presented is valid and has not expired. Merchant shall exercise reasonable diligence to determine that the authorized signature on any Payment Instrument physically presented at the point of sale corresponds to the Customer's signature on the Transaction Receipt. If the Payment Instrument is not signed by the Customer, Merchant must obtain additional Customer identification.

(g) With respect to any Transaction for which a Customer is not physically present at the point of sale, such as in any on-line, mail, telephone, pre-authorized or recurring Transaction, Merchant must (i) have notified Paymentech on its Application, or otherwise obtained Paymentech's prior written approval, of Merchant's intention to conduct such Transactions; and (ii) have appropriate procedures in place to ensure that each Transaction is made to a purchaser who actually is the Customer. Merchant acknowledges that under certain Payment Brand Rules, Merchant cannot rebut a Chargeback where the Customer disputes making the purchase and Merchant does not have an electronic record (e.g., "swiping" or "tapping" a Payment Instrument) or physical imprint of the Payment Instrument.

(h) Merchant agrees to accept all categories of Visa and MasterCard Payment Instruments (i.e., debit and credit cards), unless Merchant has notified Paymentech on its Application or otherwise in writing of its election to accept one of the following "limited acceptance" options: (i) all Visa and MasterCard consumer credit cards and Visa and MasterCard commercial credit and debit cards; or (ii) Visa and MasterCard debit cards only (but no credit cards). Notwithstanding the election of one of the foregoing limited acceptance options, Merchant must honor all foreign bank-issued Visa or MasterCard Payment Instruments. If Merchant elects one of the limited acceptance categories: (Y) Merchant must display appropriate signage to indicate the limited acceptance category; and (Z) Paymentech, at its option, may process any Transactions submitted to Paymentech outside of the limited acceptance category, in which case such Transactions will be assessed the applicable interchange fees plus any additional fees/surcharges assessed by Paymentech or the Payment Brands.

(i) Merchant shall not split a single Transaction into two or more Transactions to avoid or circumvent authorization limits or monitoring programs.

(j) Merchant shall not accept Payment Instruments for the purchase of scrip, as defined by the Payment Brand Rules.

(k) Merchant shall not require a Customer to complete a postcard or similar device that includes the Customer's Payment Instrument account number, expiration date, or any other account data in plain view when mailed.

(l) Except to the extent expressly permitted by law or the Payment Brand Rules, Merchant shall not add any tax or surcharge to Transactions. If any tax or surcharge amount is imposed, such amount shall be included in the Transaction amount and shall not be collected separately. Furthermore, Merchant must provide at least thirty (30) days prior notice to Paymentech and the Payment Brands of its intent to impose a surcharge. All of Merchant's surcharge practices must comply with applicable laws and Payment Brand Rules, including, but not limited to, those laws and Payment Brand Rules governing the amount of the surcharge, and Customer disclosures.

(m) Merchant shall not request or use a Payment Instrument account number for any purpose except as payment for its goods or services, unless required by the Payment Brand Rules in order to support specific services offered by the Payment Brands.

(n) At all times Merchant must prominently and clearly inform Customers of the identity of Merchant at all points of interaction so that the Customer can readily distinguish Merchant from any third party, such as a supplier of products or services to the Merchant.

**1.3 Payment Brand Rules.** Merchant agrees to comply with (a) all Payment Brand Rules as may be applicable to Merchant and in effect from time to time; and (b) such other procedures as Paymentech may from time to time prescribe for the creation or transmission of Transaction Data.

**1.4 Requirements for Certain Transactions.** As to each Transaction submitted to Paymentech during the term of this Agreement, Merchant represents and warrants that:

(a) The Transaction Data (i) represents a payment for or Refund of a bona fide sale or lease of the goods, services, or both, which Merchant has provided in the ordinary course of its business, as represented in its Application; and (ii) is not submitted on behalf of a third party.

(b) The Transaction Data represents an obligation of the Customer for the amount of the Transaction.

(c) The Transaction is not for any purpose other than payment for the current Transaction, and, except to the extent permitted under the Payment Brand Rules, the Transaction does not represent the collection of a dishonored check or the collection or refinancing of an existing debt.

(d) At the time Merchant submits Transaction Data to Paymentech for processing: (i) Merchant has completed the Transaction with the Customer; (ii) the goods have been provided or shipped, or the services actually rendered to the



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Customer; and (iii) for recurring Transaction, Merchant has obtained the Customer's consent for the recurring Transaction. For approved prepayments, Merchant must advise the Customer (i) that payment is being made in advance of the shipment or provision of goods or services;

and (ii) the time when shipment or provision of the goods or services is expected.

(e) The Transaction Data is free from any material alteration not authorized by the Customer.

(f) The amount charged for the Transaction is not subject to any dispute, setoff, or counterclaim.

(g) Merchant has not disbursed or advanced any cash to the Customer (except as authorized by the Payment Brand Rules) or itself or to any of its representatives, agents, or employees in connection with the Transaction, nor has Merchant accepted payment for effecting credits to a Customer.

(h) The goods or services related to each Transaction are Merchant's property or Merchant has the legal right to sell them.

(i) Merchant has made no representation or agreement for the issuance of Refunds except as stated in Merchant's Refund Policy, which has been previously submitted to Paymentech in writing as provided in Section 3, and which is available to the Customer.

(j) Any Transaction submitted to Paymentech to credit a Customer's account represents a Refund for a Transaction previously submitted to Paymentech.

(k) Merchant has not submitted any Transaction that Merchant knows, or should have known, to be fraudulent, illegal, damaging to the Payment Brand(s), not authorized by the Customer, unenforceable or uncollectible, or otherwise prepared or submitted in violation of any provision of this Agreement, applicable law, or Payment Brand Rules.

**1.5 Installment, Prepaid and Recurring Transactions.**

(a) Unless specifically stated in its Application or otherwise approved in writing by Paymentech in advance, Merchant shall not accept Payment Instruments in connection with installment plans. If the Customer pays in installments or on a deferred payment plan, as previously approved by Paymentech, a Transaction Data record has been prepared separately for each installment transaction or deferred payment on the dates the Customer agreed to be charged. All installments and deferred payments, whether or not they have been submitted to Paymentech for processing, shall be deemed to be a part of the original Transaction.

(b) For recurring Transactions, Merchant shall (i) obtain the Customer's consent to periodically charge the Customer on a recurring basis for the goods or services purchased; (ii) retain this permission for the duration of the recurring services and provide it upon request to Paymentech or the Issuing Bank of the Customer's Payment Instrument; and (iii) retain written documentation specifying the frequency of the recurring charge and the duration of time during which such charges may be made. Merchant shall not submit any recurring transaction after receiving: (iv) a cancellation notice from the Customer; or (v) notice from Paymentech or any Payment Brand (via authorization code or otherwise) that the Payment Instrument is not to be honored. Merchant shall include in its Transaction Data the electronic indicator that the Transaction is a recurring Transaction.

**1.6 Stored Value Card Transactions** – Currently Contractor is a service provider of Givex USA Corporation ("Givex") and is currently contractually permitted to convey stored value Transactions to Givex. As a service provider of Givex, Contractor will convey such Transactions to Givex so long as it is contractually permitted to convey the Merchant's stored value Transactions and it has not received notice from Givex that Givex will be receiving stored value Transactions directly from the Merchant. In the event that Givex ceases to process Merchant's stored value card information, Contractor agrees that it shall pass Merchant's stored value card information through another Contractor-certified third party vendor.

2. **AUTHORIZATIONS.** Merchant is required to obtain an authorization code through Paymentech, in accordance with this Agreement, for each Transaction. To the extent required by the Payment Brand Rules, each authorization request must include the Payment Instrument's expiration date. Merchant acknowledges that authorization of a Transaction indicates that the Payment Instrument (a) contains a valid account number; and (b) has an available credit balance sufficient for the amount of the Transaction; but, it does not constitute a representation from Paymentech, a Payment Brand, or Issuing Bank that a particular Transaction is in fact a valid or undisputed Transaction entered into by the actual Customer. Paymentech reserves the right to refuse to process any Transaction Data presented by Merchant unless it includes a proper authorization.

**3. REFUND AND ADJUSTMENT POLICIES AND PROCEDURES; PRIVACY POLICIES.**

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**3.1 Refund Policy.** Merchant is required to maintain a Refund Policy and to disclose such Refund Policy to its Customers, prior to completion of the Transaction at the point of sale. Merchant must also disclose its Refund Policy to Paymentech. Any material change to Merchant's Refund Policy must be submitted to Paymentech, in writing, not less than fourteen (14) days prior to the effective date of such change. Paymentech reserves the right to refuse to process any Transactions made subject to a revised Refund Policy of which Paymentech has not been notified in advance. To the extent that Merchant operates an electronic commerce website through which Transaction Data is generated, Merchant must include its Refund Policy on the website in accordance with Payment Brand Rules.

**3.2 Procedure for Refund Transactions.** If, under Merchant's Refund Policy, Merchant allows a Refund, Merchant shall prepare and deliver to Paymentech Transaction Data reflecting any such Refund within three (3) days of approving the Customer's request for such Refund. The amount of a Refund cannot exceed the amount shown as the total on the original Transaction Data except by the exact amount required to reimburse the Customer for shipping charges that the Customer paid to return merchandise. Merchant shall not accept any payment from a Customer as consideration for issuing a Refund. Merchant shall not give cash (or cash equivalent) refunds to a Customer in connection with a Transaction, unless required by law or permitted by the Payment Brand Rules.

**3.3 Customer Data Protection Policies.** To the extent that Merchant operates an electronic commerce website through which Transaction Data is generated, in addition to any requirements otherwise set forth in this Agreement, Merchant shall display the following on its website: (a) its name and the name that will appear on the Customer's Payment Instrument statement; (b) its Customer data privacy policy; (c) a description of its security capabilities and policy for transmission of Payment Instrument Information; and (d) the address of Merchant's fixed place of business (regardless of website or server locations). Furthermore, Merchant must offer its Customers a data protection method such as 3-D Secure or Secure Sockets Layer (SSL).

**4. SETTLEMENT.**

**4.1 Submission of Transaction Data.** Failure to transmit Transaction Data to Paymentech within one (1) business day following the day that such Transaction originated could result in higher interchange fees and other costs, as well as increased Chargebacks. Unless Merchant has notified Paymentech on its Application or Paymentech has otherwise agreed in writing in advance, Merchant

shall not submit Transactions for processing until (a) the Transaction is completed; (b) the goods are delivered or shipped; (c) the services are performed; or (d) Merchant has obtained the Customer's consent for a recurring Transaction. Paymentech may from time to time contact Customers to verify that they have received goods or services for which Transactions have been submitted. Paymentech reserves the right to refuse to process any Transaction Data presented by Merchant if Paymentech reasonably believes that the Transaction may be uncollectible from the Customer or was prepared in violation of any provision of this Agreement, applicable law, or the Payment Brand Rules. For all Transactions, Paymentech will submit Merchant's Transaction Data to the applicable Payment Brands.

**4.2 Merchant's Settlement Account.** In order to receive funds from Paymentech, Merchant must designate and maintain one or more accounts used primarily for business purposes at a bank that is a member of the Automated Clearing House system or the Federal Reserve wire system (collectively referred to as "Settlement Account"). During the term of this Agreement, and thereafter until Paymentech notifies Merchant that all amounts due from Merchant under this Agreement have been paid in full, Merchant shall not close its Settlement Account without giving Paymentech at least five (5) days' prior written notice and substituting another Settlement Account. Merchant is solely liable for all fees, costs, and overdrafts associated with the Settlement Account. Merchant authorizes Paymentech or its authorized agent(s) to initiate electronic credit and debit entries (via ACH, wire transfer, or other means) to the Settlement Account, or any other bank account designated by Merchant in writing, at any time without regard to the source of any monies therein, and this authority will remain in full force and effect until Paymentech notifies Merchant that all amounts due from Merchant under this Agreement have been paid in full. Paymentech will not be liable for any delays in receipt of funds or errors in Settlement Account entries caused by third parties, including, without limitation, delays or errors by the Payment Brands or Merchant's bank.

**4.3 Conveyed Transactions.** For Conveyed Transactions Merchant shall have a valid agreement in effect with the applicable Payment Brand. If Merchant submits Conveyed Transactions to Paymentech and Merchant does not have a valid agreement with the applicable Payment Brand, Paymentech may, but shall not be obligated to, submit such

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Transaction Data to the applicable Payment Brand and to share with them information about Merchant (from the Application or otherwise) as may be required to approve Merchant's acceptance of the Payment Brand's Payment Instrument. Payment of proceeds due Merchant for Conveyed Transactions shall be governed by the agreement Merchant has with the applicable Payment Brand, and Paymentech does not bear any responsibility for their performance thereunder, including, without limitation, the funding and settlement of Merchant's Conveyed Transactions.

**4.4 Transfer of Transaction Settlement Funds.** Subject to Section 4.3, for all Transactions, Paymentech will submit Merchant's Transaction Data to the applicable Payment Brand. Promptly after Paymentech receives funds for Settled Transactions from the Payment Brands, Paymentech will provisionally fund the Settlement Account. The proceeds payable to Merchant shall be equal to the amounts submitted by Merchant in connection with its Transaction Data minus the sum of the following: (a) all fees, charges, and other amounts described on Schedule A or that Merchant has otherwise agreed to pay; (b) all Refunds and Chargebacks; (c) all Reserve Account (as defined in Section 4.6) amounts; (d) all fees, charges, fines, assessments, penalties, or other liabilities that may be imposed on Paymentech or Member from time to time by the Payment Brands and related costs and expenses incurred by Paymentech in connection with the processing of Merchant's Transactions which are not a result of Paymentech's negligence. Merchant agrees that all amounts are due and payable as provided in this Agreement. In the event Paymentech does not deduct such amounts from Merchant's proceeds when such amounts are due and payable, Merchant agrees to pay all such amounts to Paymentech immediately without any deduction or offset. Additionally, Paymentech may debit the Settlement Account or Merchant's Reserve Account for such amounts at any time.

Furthermore, Merchant agrees to reimburse Paymentech, Member, the Payment Brands, and their respective affiliates, officers, directors, employees, agents, and sponsoring banks from any losses, liabilities, and damages of any and every kind (including, without limitation, Paymentech's costs, expenses, arising out of any claim, complaint, or Chargeback (a) made or claimed by a Payor with respect to any Transaction or Transaction Data submitted by Merchant; (b) caused by Merchant's noncompliance with this Agreement or the Payment Brand Rules (including without limitation any breach of a representation or warranty made by Merchant or Merchant's failure to comply with the Security Standards); (c) resulting from any voluntary or involuntary bankruptcy or insolvency proceeding by or against Merchant; or (d) related to Merchant's placement or the placement of any person owning or controlling Merchant's business in one or more databases of terminated or high risk merchants maintained by the Payment Brands. The obligations provided for in this Section shall survive termination of this Agreement and do not apply to any claim or complaint to the extent they are caused by Paymentech's own negligence or willful misconduct.

**4.5 Negative Amounts.** Merchant shall maintain sufficient funds in the Settlement Account to prevent the occurrence of a negative balance. In the event that the proceeds from Merchant's Settled Transactions or the balance of Merchant's Settlement Account are not sufficient to pay amounts due under this Agreement, in addition to any other rights and remedies Paymentech may have under this Agreement, Paymentech may pursue one or more of the following options:

- (a) demand and receive immediate payment for such amounts;
- (b) debit the Settlement Account for the amount of the negative balance;
- (c) apply funds held in the Reserve Account against the negative amount; and
- (d) withhold all or some of Merchant's Settlement funds and apply them against the negative amount.

Furthermore, if the amount represented by Merchant's Transaction Data in any day is negative due to Refunds or credits being submitted by Merchant in excess of its proceeds from Transactions, Merchant shall immediately provide Paymentech with sufficient funds to prevent the occurrence of a negative balance.

**4.6 Reserve Account.** If:

- (a) there is a material breach of the Agreement by Merchant;
- (b) Merchant materially changes its billing practices in relation to shipment of goods or fulfillment of services, or changes Refund Policies currently in place and fails to notify Paymentech in advance;
- (c) Merchant is receiving excessive Chargebacks (as defined in Section 7.3 below);
- (d) Merchant significantly alters the nature of its business or product lines;
- (e) Paymentech has reasonable grounds to believe that it may be or become liable to third parties for the provisional funds extended to Merchant; or
- (f) Paymentech has reasonable grounds to believe that it may be subject to any additional liabilities arising out of or relating to this Agreement, including, without limitation, any fines, fees, or penalties assessed against Paymentech or

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Member by any of the Payment Brands arising out of or relating to Merchant's Transactions, Chargebacks, or failure to comply with the Payment Brand Rules or the Security Standards;

then each such event may subject Paymenttech to additional risk (such risk being hereinafter referred to as "Anticipated Risk"). In any such event, Paymenttech may temporarily suspend or delay payments to Merchant during Paymenttech's investigation of the issue and/or designate an amount of funds that Paymenttech must maintain in order to protect itself against Anticipated Risks (such funds being hereinafter referred to as the "Reserve Account"), which may be funded in the same manner as provided for negative balances in Section 4.5. The Reserve Account will contain sufficient funds to cover any unbilled processing costs plus Paymenttech's estimated exposure based on reasonable criteria for Chargebacks, Refunds, unshipped goods and/or unfulfilled services, and all additional Anticipated Risks. Paymenttech may (but is not required to) apply funds in the Reserve Account toward, and set off any funds that would otherwise be payable to Merchant against, the satisfaction of any amounts which are or may become due from Merchant pursuant to this Agreement. Funds in the Reserve Account will be held and controlled by Paymenttech, will not bear interest, and may be commingled with other funds. Effective upon Paymenttech's establishment of a Reserve Account, Merchant irrevocably grants to Paymenttech a security interest in any interest Merchant may now have or later acquire in any and all funds, together with the proceeds thereof, that may at any time be in the Reserve Account and that would otherwise be payable to Merchant pursuant to the terms of this Agreement. Merchant agrees to execute and deliver to Paymenttech such instruments and documents that Paymenttech may reasonably request to perfect and confirm the security interest in the Reserve Account funds. Upon (i) satisfaction of all of Merchant's obligations under this Agreement Paymenttech will pay to Merchant any funds then remaining in the Reserve Account.

The Reserve Account shall be fully funded upon three (3) days' notice to Merchant, or in instances of fraud or an Event of Default, Reserve Account may be immediate, whereupon notice of said establishment of the Reserve Account will occur within a commercially reasonable period of time after the occurrence. Such Reserve Account may be funded by all or any combination of the following: (i) one or more debits to Merchant's Settlement Account or any other accounts held by Paymenttech or any of its affiliates; (ii) one or more deductions or off sets to any payments otherwise due to Merchant; (iii) Merchant's delivery to Paymenttech of an irrevocable letter of credit; or (iv) if Paymenttech so agrees, Merchant's pledge to Paymenttech of a freely transferrable and negotiable certificate of deposit established by JP Morgan Chase Bank NA. Any such letter of credit shall be issued or established by a financial institution acceptable to Paymenttech and shall be in a form acceptable to Paymenttech. In addition to the foregoing methods of funding, Merchant shall have the option of funding the Reserve Account in any manner which is mutually agreeable between Merchant and Paymenttech. It is expressly acknowledged and understood that a Reserve Account to be established as a result of an Anticipated Risk of the type identified in section 4.6 (e) or (f) above under no circumstances be subject to any Price limitation set forth in the P-37 Agreement or any exhibit or attachment thereto.

5. **ACCOUNTING.** Paymenttech will supply a detailed statement reflecting the activity of Merchant's account(s) by online access (or otherwise if agreed to by both parties) and Merchant shall ensure that any online access to such statements is secure. If Merchant believes any adjustments should be made with respect to Merchant's Settlement Account, Merchant must notify Paymenttech in writing within ninety (90) days after any such adjustment is or should have been effected.

6. **RETRIEVAL REQUESTS.** In order to comply with Retrieval Requests, Merchant shall store and retain Transaction Data and Transaction Receipts in compliance with the Payment Brand Rules, including any time frames set forth therein. Within the timeframe indicated in the Retrieval Request or otherwise provided for in the Payment Brand Rules, but in no event more than twenty one (21) days from the date the Retrieval Request is initiated with the Issuing Bank, Merchant must, to the extent required by the Payment Brand Rules or the Retrieval Request itself, provide to Paymenttech, via certified or overnight mail, confirmed fax, or upload to Paymenttech's Online Chargeback Management System: (a) written resolution of Merchant's investigation of such Retrieval Request; (b) legible copies of valid Transaction Receipt(s); and (c) any additional supporting documentation. Merchant acknowledges that failure to fulfill a Retrieval Request timely and in accordance with Payment Brand Rules may result in an irreversible Chargeback.

7. **CHARGEBACKS.**

7.1 **Chargeback Reasons.** Merchant shall not require a Customer, as a condition for honoring a Payment Instrument, to sign a statement that waives the Customer's right to dispute the Transaction. Furthermore, Merchant has full liability for all Chargebacks. Following are some of the most common reasons for Chargebacks:

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- (a) Merchant fails to issue a Refund to a Customer upon the return or non-delivery of goods or services;
- (b) A required authorization/approval code was not obtained;
- (c) The Customer claims that the Payment Instrument is lost, stolen, counterfeit, or fraudulent
- (d) The Transaction or Transaction Data was prepared incorrectly or fraudulently;
- (e) Paymentech did not receive Merchant's response to a Retrieval Request in accordance with Section 6;
- (f) The Customer disputes the Transaction or the authenticity of the signature on the Transaction Receipt, or claims that the Transaction is subject to a set-off, defense, or counterclaim;
- (g) The Customer refuses to make payment for a Transaction because, in the Customer's opinion, a claim or complaint has not been resolved or has been resolved in an unsatisfactory manner; or
- (h) The credit or debit card comprising the Payment Instrument was not actually presented at the time of the Transaction or Merchant failed to obtain an electronic record or physical imprint of such Payment Instrument, and the Customer denies making the purchase.

**7.2 Response to Chargebacks.** If Merchant has reason to dispute or respond to a Chargeback, then Merchant must do so by the date provided on the applicable Chargeback notice. Paymentech will not investigate or attempt to obtain a reversal or other adjustment to any Chargeback if Merchant has not timely responded to the notice.

**7.3 Excessive Chargebacks.** If Merchant is receiving an excessive amount of Chargebacks, as determined by the Payment Brands from time to time, in addition to Paymentech's other remedies under this Agreement, Paymentech may take one or more of the following actions: (a) review Merchant's internal procedures relating to acceptance of Payment Instruments and notify Merchant of new procedures Merchant should adopt in order to avoid future Chargebacks; (b) notify Merchant of a new rate Paymentech will charge to process Merchant's Chargebacks; (c) to the extent applicable, require Merchant to replace any magnetic-strip-only point of interaction terminal or electronic cash register with an EMV chip-capable terminal; or (d) establish a Reserve Account. Merchant also agrees to pay any and all penalties, fees, fines, and costs assessed against Merchant, Paymentech, and/or Member relating to Merchant's violation of this Agreement or the Payment Brand Rules with respect to Merchant's acceptance of Payment Instruments, its Transactions, or with respect to excessive Chargebacks under this Section.

**7.4 Claims of Customers.** Following a Chargeback, Merchant may resubmit applicable Transaction Data for a second presentment, but only in accordance with Payment Brand Rules. To the extent Paymentech has paid or may be called upon to pay a Chargeback or Refund for or on the account of a Customer and Merchant does not reimburse Paymentech as provided in this Agreement, then

for the purpose of Paymentech obtaining reimbursement of such sums paid or anticipated to be paid, Paymentech has all of the rights and remedies of such Customer under applicable federal, state, or local laws and Merchant authorizes Paymentech to assert any and all such claims in its own name for and on behalf of any such Customer individually or all such Customers as a class.

**8. DISPLAY OF PAYMENT BRAND MARKS.** Merchant is prohibited from using the Payment Brand Marks, as defined below (sometimes referred to herein as "Marks"), other than as expressly authorized by Paymentech in writing or by the Payment Brands. Payment Brand Marks mean the brands, emblems, trademarks and/or logos that identify a Payment Brand. Additionally, Merchant shall not use the Payment Brand Marks other than to display decals, signage, advertising, and other forms depicting the Payment Brand Marks that are provided to Merchant (a) by the Payment Brands; (b) by Paymentech pursuant to this Agreement; or (c) as otherwise approved in writing by Paymentech. Merchant may use the Payment Brand Marks only to promote the services covered by the Marks by using them on decals, indoor and outdoor signs, advertising materials, and marketing materials; provided, that all such uses by Merchant must be approved by Paymentech and consistent with Payment Brand Rules. Merchant shall not use the Payment Brand Marks in any way that Customers could believe that the goods or services offered by Merchant are sponsored, endorsed, or guaranteed by the owners of the Payment Brand Marks. Merchant recognizes that it has no ownership rights in the Payment Brand Marks. Merchant shall not assign the rights to use the Payment Brand Marks to any third party. Merchant's right to use the Payment Brand Marks hereunder terminates with the termination of this Agreement.

**9. FEES; ADJUSTMENTS.**

**9.1 Schedule A.** Merchant shall pay all applicable fees for all Transactions, which shall be calculated and payable

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pursuant to this Agreement. Merchant acknowledges that the fees stated in Exhibit B are based upon the assumption that Merchant's Transactions will qualify for certain interchange rates as determined in each case by the applicable Payment Brand. If any of Merchant's Transactions fail to qualify for such interchange rates, Paymentech shall process each such Transaction at the applicable interchange rate determined by the applicable Payment Brand. Unless otherwise indicated on Exhibit B, Merchant shall be solely responsible for all communication expenses required to facilitate the transmission of all Transaction Data to Paymentech. Fees payable under this Agreement that contain a fraction of a cent will be rounded up to the next full cent.

**9.2 Price Adjustments.** Fees set forth in this Agreement are based upon Merchant's annual volume, average Transaction size, and other information provided by Merchant or contained in this Agreement. To the extent any of the foregoing proves to be inaccurate, Paymentech may modify the pricing provisions in this Agreement with thirty (30) days' prior written notice to Merchant. Furthermore, the fees set forth on Exhibit B and any additional pricing supplements may be adjusted to reflect increases by Payment Brands in interchange, assessments, or other Payment Brand fees, additional fees imposed by the Payment Brands, or increases in third party fees identified in this Agreement. Merchant shall pay all such fees, as so adjusted. Each such adjustment shall become effective upon the date the corresponding increase or additional fee is implemented by the Payment Brand or third party provider.

**10. TERMINATION.**

**10.1 Term.** This Agreement takes effect upon approval of NH Governor and Council and continues for three (3) years from such date.

**10.2 Events of Default.** Notwithstanding anything to the contrary in Merchant's terms and conditions in document P-37 or any agreement to which this Agreement is attached and made a part of, it is agreed that this section shall take precedence over any other term or condition that may appear to conflict with this section. If any of the following events shall occur (each an "Event of Default"):

- (a) any transfer or assignment in violation of Section 15.3 of this Agreement;
- (b) irregular Transactions by Merchant, excessive Chargebacks, or any other circumstances which, in Paymentech's discretion, may increase Paymentech's or Member's exposure for Merchant's Chargebacks or otherwise present an Anticipated Risk to Paymentech;
- (c) any representation or warranty in this Agreement is breached in any material respect or was or is incorrect in any material respect when made or deemed to be made;
- (d) Merchant fails in any material respect to perform any of its obligations with respect to the funding or establishing of a Reserve Account, as detailed in Section 4.6;
- (e) material breach of Section 1.1;
- (f) Merchant fails in any material respect in performance or observance of any term, covenant, condition, or agreement contained in this Agreement, including, without limitation, compliance with Payment Brand Rules and Security Standards;
- (g) a case or other proceeding shall be commenced by or against Merchant 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 Merchant, or of all or any substantial part of the assets, domestic or foreign, of Merchant, 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 Merchant (including, without limitation, an order for relief under the Bankruptcy Code) shall be entered;
- (h) Paymentech, in its sole reasonable discretion, deems Merchant to be financially insecure;
- (i) any Payment Brand (i) notifies Paymentech or Member that it is no longer willing to accept Merchant's Transaction Data; or (ii) requires Paymentech or Member to terminate or limit this Agreement or Merchant's ability to accept Payment Instruments from Customers;
- (j) Merchant or any person owning or controlling Merchant's business is listed in one or more databases of terminated or high risk merchants maintained by the Payment Brands;
- (k) Merchant engages in conduct that (i) causes Paymentech or Member to violate the Payment Brand Rules or applicable law; (ii) results in Paymentech's, Member's, or Merchant's participation in a risk-based program under the Payment Brand Rules; or (iii) creates or could tend to create harm or loss to the goodwill of any Payment Brand, Paymentech, or Member;
- (l) for a period of more than sixty (60) consecutive days, Merchant does not transmit Transaction Data to Paymentech;

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- (m) Merchant fails to comply with Section 15.15; or
- (n) Paymentech's Transaction processing services under this Agreement fail to conform to generally accepted standards for such services in the Transaction processing industry;

then, the non-defaulting party may terminate this Agreement by providing the defaulting party with written notice of termination. Following receipt of such notice, and solely for termination based on subsections (c), (f) and (n), the defaulting party shall have thirty (30) days to cure the Event of Default, and the Agreement shall terminate in the event such cure is not effected by the end of such period. No cure period shall be provided when termination is based any other Event of Default.

If this Agreement is terminated by Paymentech for Merchant's default hereunder, Merchant acknowledges that Paymentech may be required to report Merchant's business name and the names and other identification of its principals to the Payment Brands. Merchant expressly agrees and consents to such reporting in the event Merchant is terminated for any reason specified, and Merchant agrees to waive any and all claims which Merchant may have as a result of such reporting.

**10.3 Other Events.** In addition to the remedies above and any rights Paymentech may have under this Agreement, Paymentech may suspend the processing of some or all of Merchant's Transactions upon: (a) an occurrence of an Event of Default by Merchant; (b) receipt by Paymentech of notice that a Payment Brand intends to impose any fine or penalty as a result of excessive Chargebacks or Merchant's acts or omissions; or (c) receipt by Paymentech of objections or concerns expressed by a Payment Brand which render Paymentech's continued processing of Merchant's Transactions unduly burdensome, impractical, or risky.

**10.4 Account Activity After Termination; Termination Reserve.** The provisions governing processing and settlement of Transactions, all related adjustments, fees and other amounts due from Merchant, and the resolution of any related Chargebacks, disputes, or other issues involving Transactions, will continue to apply even after termination of this Agreement, with respect to all Transactions made prior to such termination or after such termination, as described below. After termination of this Agreement for any reason whatsoever, Merchant shall continue to bear total responsibility for all Chargebacks, fees, fines, assessments, credits, and adjustments resulting from Transactions processed pursuant to this Agreement and all other amounts then due or which thereafter may become due to Paymentech under this Agreement or which may be due to Paymentech before or after such termination to either Paymentech or Member. If Merchant submits Transaction Data to Paymentech after the date of termination, Paymentech may, at its sole discretion and without waiving any of its rights or remedies under this Agreement, process such Transaction Data in accordance with and subject to all of the terms of this Agreement.

Subject to the Price Limitation Upon notice of termination of this Agreement, Paymentech may estimate the aggregate dollar amount of anticipated Chargebacks, Refunds, and Anticipated Risks that Paymentech reasonably anticipates subsequent to termination, and Merchant agrees to immediately deposit such amount in its Settlement Account, or Paymentech may withhold such amount from Merchant's settlement funds in order to establish a Reserve Account pursuant to and governed by the terms and conditions of this Agreement.

The Reserve Account shall be fully funded upon three (3) days' notice to Merchant, or in instances of fraud or an Event of Default, Reserve Account may be immediate, whereupon notice of said establishment of the Reserve Account will occur within a commercially reasonable period of time after the occurrence. Such Reserve Account may be funded by all or any combination of the following: (i) one or more debits to Merchant's Settlement Account or any other accounts held by Paymentech or any of its affiliates; (ii) one or more deductions or off sets to any payments otherwise due to Merchant; or (iii) Merchant's delivery to Paymentech of an irrevocable letter of credit. Any such letter of credit shall be issued or established by a financial institution acceptable to Paymentech and shall be in a form acceptable to Paymentech. In addition to the foregoing methods of funding, Merchant shall have the option of funding the Reserve Account in any manner which is mutually agreeable between Merchant and Paymentech. It is expressly acknowledged and understood that a Reserve Account to be established as a result of an Anticipated Risk of the type identified in section 4.6 (e) or (f) above under no circumstances be subject to any Price limitation set forth in the P-37 Agreement or any exhibit r attachment thereto.

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**11. INDEMNIFICATION.**

**11.1 Paymentech.** Paymentech agrees to indemnify Merchant and its affiliates, officers, directors, employees, and agents from any losses, liabilities, and damages of any and every kind (including, without limitation, Merchant's costs, expenses, and reasonable attorneys' fees) arising out of any Chargeback or third party claim or complaint (a) made with respect to any error in Transaction Data caused by Paymentech or by malfunctions of Paymentech's processing systems; (b) caused by Paymentech's noncompliance with this Agreement, the Payment Brand Rules, or the Security Standards; or (c) resulting from any voluntary or involuntary bankruptcy or insolvency proceeding by or against Paymentech. This indemnification does not apply to any claim or complaint relating to Merchant's failure to resolve a payment dispute concerning merchandise or services sold by Merchant or Merchant's negligence or willful misconduct. The indemnification provided under this Section 11.1 shall survive termination and is subject to the limitation of liability set forth in Section 14 of this Agreement.

**12. TRANSACTION DATA AND PAYMENT INSTRUMENT INFORMATION; PAYMENT CARD INDUSTRY COMPLIANCE.**

**12.1 Merchant financial information, information related to Merchant's Transactions, and other information that Merchant provides to Paymentech may be shared by Paymentech with its affiliates and the Payment Brands. Paymentech will not otherwise disclose or use such information other than (a) as necessary to process Merchant's Transactions or otherwise provide services and maintain Merchant's account pursuant to this Agreement; (b) to detect, prevent, reduce, or otherwise address fraud, security, or technical issues; (c) to enhance or improve Paymentech's products and services generally; or (d) as required or permitted by the Payment Brands or applicable law. Paymentech may prepare, use, and/or share with third parties, aggregated, non-personally identifiable information derived from Transaction Data of all of Paymentech's customers or specific segments of Paymentech's customers.**

**12.2 Payment Card Industry Compliance.** Merchant acknowledges and understands the importance of compliance with the Security Standards, such as those relating to the storage and disclosure of Transaction Data and Payment Instrument Information. Therefore, Merchant shall not disclose or use Payment Instrument Information, other than (a) to Merchant's agents and contractors for the purpose of assisting Merchant in completing a Transaction; (b) to the applicable Payment Brand; or (c) as specifically required by law or pursuant to a government or regulatory demand. Furthermore, Merchant acknowledges and understands that its use of any fraud mitigation or security enhancement solution (e.g. an encryption product or service), whether provided to Merchant by Paymentech or a third party, in no way limits Merchant's obligation to comply with the Security Standards or Merchant's liabilities set forth in this Agreement.

Merchant is allowed by the Payment Brand Rules to store only certain Payment Instrument Information (currently limited to the Customer's name, Payment Instrument account number, and expiration date) and is prohibited from storing additional Payment Instrument Information, including, without limitation, any security code data, such as CVV2, CVC2, and PIN data, and any magnetic stripe track data. Merchant shall store all media containing Payment Instrument Information in an unreadable format wherever it is stored and in an area limited to selected personnel on a "need to know" basis only. Prior to either party discarding any material containing Payment Instrument Information, the party will render the account numbers unreadable in accordance with the requirements of the Security Standards. If at any time Merchant determines or suspects that Payment Instrument Information has been compromised Merchant must notify Paymentech immediately and assist in providing notification to such parties as may be required by law or Payment Brand Rules, or as Paymentech otherwise reasonably deems necessary.

Merchant agrees to comply with all Security Standards, as defined in DEFINITIONS. Merchant further agrees to provide Paymentech, upon its request, with such tests, scans, and assessments of Merchant's compliance with Security Standards as may from time to time be required by the Payment Brands.

Merchant must immediately notify Paymentech of its use of any Service Provider. Merchant shall ensure that, to the extent required by each Payment Brand, its Service Providers are (d) compliant with all applicable Security Standards; and (e) appropriately registered with, or otherwise recognized as being compliant with the Security Standards, by all applicable Payment Brands. To the extent required by each Payment Brand, all Payment Applications, or software involved in processing, storing, receiving, or transmitting of Payment Instrument Information, shall be (f) compliant with all Security Standards applicable to such Payment Applications or software; and (g) registered with and/or recognized by such Payment Brand(s) as being so compliant. Furthermore, to the extent Merchant is required under the Payment Brand Rules, or Merchant otherwise elects, to utilize EMV chip-capable terminals, all EMV chip-capable terminals used by Merchant must appear on the EMV co-approved terminal list maintained by the Payment Brands.



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Merchant understands that its failure, or the failure of any of its Service Providers, to comply with the Payment Brand Rules, including the Security Standards, or the compromise of any of Payment Instrument Information (whether such Payment Instrument Information is under the control of Merchant or its Service Provider), may result in assessments, fines, and/or penalties by the Payment Brands, and Merchant agrees, to reimburse Paymentech immediately for any such assessment, fine, or penalty imposed on Paymentech or the Member and any related loss, cost, or expense incurred by Paymentech or the Member. If any Payment Brand requires a forensic examination of Merchant or any of Merchant's Service Providers due to a Data Compromise Event, Merchant agrees to cooperate with, and cause all applicable Service Providers to cooperate with such forensic examination until it is completed, including, without limitation, the engagement

of an examiner acceptable to the relevant Payment Brand. Notwithstanding the foregoing, the Payment Brands may (h) directly engage, or demand that Paymentech engage, an examiner on behalf of the Merchant in order to expedite the investigation of the Data Compromise Event; or (i) pursuant to the Payment Brand Rules, permit Paymentech to investigate the Data Compromise Event. In either scenario, Merchant agrees, to pay for all costs and expenses related to such forensic examination including all of Paymentech's costs actually incurred relating to such forensic examination.

Paymentech understands that its failure to comply with the Payment Brand Rules, including the Security Standards, or the compromise of any of Payment Instrument Information may result in assessments, fines, and/or penalties by the Payment Brands, and Paymentech agrees to be responsible for the payment of any such assessment, fine, or penalty imposed by the Payment Brands on Paymentech or the Member arising out of a Paymentech Data Compromise Event, including for any costs or expenses associated with a forensic examination relating to Paymentech's Data Compromise Event and such liability for fees, fines, penalties or forensic costs and expenses shall be Paymentech's responsibility, and shall not be subject to the limitation of liability set forth in section 14. A Paymentech Data Compromise Event shall be defined as a data compromise directly attributable to a third party gaining unauthorized access to Paymentech's processing systems unless such unauthorized access was obtained via Merchant. In the event a Paymentech Data Compromise Event impacts Merchant, to the extent permitted by law, law enforcement or regulatory authority, Paymentech shall provide prompt notice of such Paymentech Data Compromise Event.

By executing this Agreement, Merchant represents that, in the event of its failure, including bankruptcy, insolvency, or other suspension of business operations, Merchant shall not sell, transfer, or disclose to third parties any materials that contain Transaction Data or Payment Instrument Information. Upon request, Merchant must return such information to Paymentech or provide Paymentech with acceptable proof of its destruction.

**13. INFORMATION ABOUT MERCHANT AND MERCHANT'S BUSINESS.**

**13.1 Additional Financial Information.** The State's financial statements are available on line. In the event that financial statements are not publicly available (and such financial statements shall be no less than twenty (20) months old), Merchant shall provide the requested financial statements to Paymentech.

**13.2 Audit Rights.** With prior notice and during Merchant's normal business hours, Paymentech's duly authorized representatives may visit Merchant's business premises and may examine Merchant's books and records that pertain to Merchant's Transactions or Merchant's compliance with this Agreement.

**13.3 Other Information.** Merchant agrees to provide Paymentech at least thirty (30) days' prior written notice of its intent to change current product lines or services, Merchant's trade name, or the manner in which Merchant accepts Payment Instruments. If Paymentech determines such a change is material to its relationship with Merchant, Paymentech may refuse to process Transaction Data made subsequent to the change or terminate this Agreement. Merchant agrees to provide Paymentech with prompt written notice if Merchant is the subject of any voluntary or involuntary bankruptcy or insolvency petition or proceeding. Merchant's signature on this Agreement authorizes Paymentech to perform any credit check deemed necessary with respect to Merchant.

**14. DISCLAIMER; LIMITATION OF DAMAGES.** Subject to Section 5, Paymentech will, at its own expense, correct any Transaction Data to the extent that such errors have been caused by Paymentech or by malfunctions of Paymentech's processing systems. Under no circumstances will Paymentech's financial liability arising out of or related to its performance of services under this Agreement exceed the total fees paid to Paymentech under this Agreement (net of Payment Brand fees, third party fees, interchange, assessments, penalties, and fines) for the twelve months prior to the

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time the liability arose. It is agreed that Merchant's liability for Paymentech's direct damages actually sustained shall not exceed the Price Limitation set forth in section 1.8 of the P-37 Agreement; provided, however, it is expressly acknowledged and agreed that such Price Limitation shall not apply to: (i) Payment Brand pass through fees such as interchange, assessments or other Payment Brand fees; (ii) Payment Brand fees, fines and penalties including, without limitation, excessive chargebacks or PCI Compliance assessments, fines and penalties and other related costs or (iii) costs or expenses associated with Payment Brand Rule compliance, including without limitation, forensic examinations that may be required as set forth in section 12.2.

**EXCEPT AS OTHERWISE PROVIDED FOR IN THIS AGREEMENT, IN NO EVENT WILL ANY PARTY, ITS RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, OR AFFILIATES, BE LIABLE FOR SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES, REGARDLESS OF THE FORM OF ACTION AND EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. ANY FINES, FEES, PENALTIES, OR ASSESSMENTS IMPOSED BY THE PAYMENT BRANDS RELATED TO MERCHANT'S ACCEPTANCE OF PAYMENT INSTRUMENTS SHALL NOT BE DEEMED TO BE CONSEQUENTIAL DAMAGES. NEITHER PAYMENTECH NOR MEMBER SHALL BE LIABLE OR RESPONSIBLE FOR THE AUTHENTICITY, ACCURACY, CORRUPTION, DISAPPEARANCE, THEFT OF, DAMAGE TO, OR TAMPERING WITH ANY DATA, INCLUDING, WITHOUT LIMITATION, TRANSACTION DATA, TRANSMITTED IN ANY FORM OR FORMAT TO PAYMENTECH BY OR ON BEHALF OF MERCHANT, AND PAYMENTECH AND MEMBER SHALL BE ENTITLED TO RELY ON DATA IT RECEIVES FROM OR ON BEHALF OF MERCHANT IN THE DISCHARGE BY PAYMENTECH AND MEMBER OF ITS OBLIGATIONS HEREUNDER. ALL PARTIES ACKNOWLEDGE THAT THIS IS AN AGREEMENT FOR COMMERCIAL SERVICES. THE UNIFORM COMMERCIAL CODE DOES NOT APPLY AND PAYMENTECH AND MEMBER HEREBY DISCLAIM ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, MADE TO MERCHANT OR ANY OTHER PERSON, 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 PROVIDED UNDER THIS AGREEMENT OR ANY GOODS PROVIDED INCIDENTAL TO SUCH SERVICES.**

**15. MISCELLANEOUS.**

**15.1 Taxes.** The State of New Hampshire is exempt from applicable taxes.

**15.2 Section Headings.** The section headings of this Agreement are for convenience only and do not define, limit, or describe the scope or intent of this Agreement.

**15.3 Assignment; Other Events.**

(a) **Merchant.** Merchant may not transfer or assign this Agreement without the prior written consent of Paymentech. Any purported transfer or assignment of this Agreement by Merchant (including by operation of law, merger, or otherwise) without Paymentech's prior written consent shall be, in Paymentech's sole discretion, null and void and Merchant shall remain bound by the terms and conditions of this Agreement and shall be fully responsible for all Transactions submitted by the purported assignee/transferee, and for all related liabilities arising therefrom. In the case of a permitted transfer or assignment of this Agreement by Merchant, the assignee/transferee shall, as of the effective date of the assignment or transfer, be bound by the terms and conditions of this Agreement and shall be fully responsible for all Transactions submitted and for all related liabilities arising therefrom. 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 Merchant's assets or business, shall have any right to continue or to assume or to assign this Agreement without Paymentech's prior written consent. Merchant agrees to provide Paymentech with not less than thirty (30) days prior written notice of: (i) any sale of all or substantially all of the assets of Merchant; or (ii) any person or entity becoming the beneficial owner, directly or indirectly, of securities representing more than fifty percent (50%) of the combined voting power of Merchant's securities, or otherwise acquires voting control of Merchant.

(b) **Paymentech; Member.** Upon written notice to Merchant, another Payment Brand member may be substituted for Member under whose sponsorship this Agreement is performed and for whom Paymentech is acting as agent hereunder.

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Subject to Payment Brand Rules, Paymentech may assign or transfer this Agreement and its rights and obligations hereunder and may delegate its 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, without prior notice to or consent of Merchant. It is further agreed that in the event of an assignment by Paymentech, Paymentech shall provide written notice Merchant of such assignment and it is agreed that Merchant shall have a one-time right, per assignment, to terminate this Agreement without penalty of any kind by providing Paymentech thirty days' prior written notice of its intent to terminate from the date of the notice of assignment.

**15.4 Parties; Independent Contractor.** This Agreement is binding upon and inures to the benefit of the parties and their respective heirs, administrators, representatives, and permitted successors and assigns. Merchant agrees that it is responsible for its employees' actions. In providing services to Merchant, Paymentech will not be acting in the capacity of agent, partner, or joint venturer; Paymentech is acting solely as an independent contractor.

**15.5 Representations.** The parties shall perform their obligations under this Agreement in compliance with all applicable laws. Merchant represents and warrants that statements made on its Application are true as of the date of this Agreement. Paymentech represents and warrants that its execution of and performance under this Agreement (a) in no way breaches, contravenes, violates, or in any manner conflicts with any of its other legal obligations, including, without limitation, its corporate charter or similar document or any agreement between Paymentech and any third party or any affiliated entity; (b) has been duly authorized by all necessary action and does not require any consent or other action by or in respect of any third party; and (c) that the person signing this Agreement on behalf of Paymentech is duly authorized to do so. Merchant represents and warrants that its execution of and performance under this Agreement (d) in no way breaches, contravenes, violates, or in any manner conflicts with any of its other legal obligations, including, without limitation, its corporate charter or similar document or any agreement between Merchant and any third party or any affiliated entity; (e) has been duly authorized by all necessary action and does not require any consent or other action by or in respect of any third party; and (f) that the person signing this Agreement on behalf of Merchant is duly authorized to do so. Furthermore, if Merchant is undergoing a forensic investigation at the time this Agreement is executed, Merchant represents and warrants that it is fully cooperating with the investigation and agrees to continue so cooperating until the investigation is completed.

**15.6 Publicity.** Neither Paymentech nor Merchant shall issue press releases or otherwise publicize the existence of the business relationship that is the subject of this Agreement, without the prior written consent of the non-disclosing party. The Parties understand that this Agreement is a public record and may be disclosed in accordance with all applicable laws related to public contracts.

**15.7 Severability.** Should any provision of this Agreement be determined to be invalid or unenforceable under any law, rule, or regulation, including any Payment Brand Rule, such determination will not affect the validity or enforceability of any other provision of this Agreement.

**15.8 Waivers.** No term or condition of this Agreement may be waived except pursuant to a written waiver executed by the party against whom such waiver is sought to be enforced.

**15.9 Entire Agreement.** The Payment Brand Rules, Application, taxpayer identification and certification documentation, and all schedules, supplements, and attachments to this Agreement are made a part of this Agreement for all purposes. This Agreement represents the entire understanding between Merchant and Paymentech with respect to the matters contained herein and supersedes any prior agreements between the parties. Merchant agrees that in entering into this Agreement it has not relied on any statement of Paymentech or its representatives. This Agreement, whether as an exhibit or standalone, shall take precedence over any term or condition governing the Reserve Account, Settlement Account and any obligation, liability or responsibility regarding compliance with the Payment Rules and Security Standards.

**15.10 Notices.** Except as otherwise provided in this Agreement, all notices must be given in writing and either hand delivered, faxed, mailed first class, postage prepaid, sent via electronic mail transmission, or sent via overnight courier (and will be deemed to be given when so delivered or mailed) to the addresses set forth below or to such other address as either party may from time to time specify to the other party in writing.

**15.11 Governing Law; Waiver of Right to Contest Jurisdiction; Waiver of Jury Trial.** THIS AGREEMENT WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW HAMPSHIRE WITHOUT REFERENCE TO CONFLICT OF LAW PROVISIONS. ANY ACTION, PROCEEDING, LITIGATION, OR MEDIATION RELATING TO OR ARISING FROM THIS AGREEMENT MUST BE BROUGHT BY PAYMENTECH AGAINST MERCHANT AND DETERMINED EXCLUSIVELY IN

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THE STATE OF NEW HAMPSHIRE. THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVE ANY RIGHTS EITHER OF THEM MAY HAVE TO CONTEST JURISDICTION OR VENUE.

**15.12 Force Majeure.** Neither party will be liable for delays in processing or other nonperformance caused by such events as fires, telecommunications failures, utility failures, power failures, equipment failures, labor strife, riots, war, terrorist attack, nonperformance of Paymentech's vendors or suppliers, acts of God, or other causes over which the respective party has no reasonable control, except that nothing in this Section 15.12 will affect or excuse Merchant's liabilities and obligations for Chargebacks, refunds, or unfulfilled goods and services.

**15.13 Amendment.** Except as otherwise set forth in this Agreement, the Agreement may be amended only by written agreement of the parties. Notwithstanding the foregoing, in the event the terms of this Agreement must be amended pursuant to a change required by the Payment Brand Rules or any third party with jurisdiction over the matters described herein, such amendment will be effective immediately. Merchant's electronic signature or continued submission of Transactions to Paymentech following such notice will be deemed to be Merchant's acceptance of such amendment.

**15.14 Counterparts and Electronic Signature.** This Agreement may be executed in several counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. A signature received via facsimile or electronically via email shall be as legally binding for all purposes as an original signature.

**15.15 Merchant Taxpayer Certification and Paymentech Reporting Obligations.** Pursuant to 26 USC 6050W, Paymentech is a "payment settlement entity", obligated to collect and report certain taxpayer information to the United States Internal Revenue Service. Therefore, in conjunction with the execution of this Agreement, Merchant shall provide Paymentech with the appropriate taxpayer certification documentation via Internal Revenue Service (IRS) Form W-9 (or the appropriate versions of the Form W-8, if applicable). Merchant shall promptly notify Paymentech if there are any changes in this information. Paymentech may deduct withholding taxes, if any, from proceeds payable to Merchant or any entity that is a party to this agreement where required under applicable law. Paymentech may, in accordance with applicable law and from time to time during the term of this Agreement, request Merchant to recertify its tax-exempt certification hereunder. Furthermore, Merchant shall be responsible for any penalties related to the reporting obligations of Paymentech hereunder to the extent such penalties accrue based on the actions or inactions of Merchant despite reasonable notice from Paymentech.

**16. SURVIVAL.** The provisions of Sections 1.6, 4.2, 4.4, 4.5, 4.6, 5, 6, 7, 9, 10.2, 10.4, 10.5, 11, 12, 14, 15, 16 and 17 shall survive the termination of this Agreement.

Contractor Initials: *lm*  
Date: *5-3-16*

**PAYMENTECH, LLC**

**SECRETARY'S CERTIFICATE**

I, W. Paul Hankins, Secretary of Paymentech, LLC, a limited liability company organized and existing under the laws of the State of Delaware ("Paymentech"), do hereby certify as follows:

Vice President of Credit Operations, is duly authorized to execute and deliver merchant contracts and other Instruments on behalf of Paymentech.

The following person is the duly elected, qualified, and acting Vice President of Credit Operations, he is now serving in such capacity and his signature as set forth below is genuine:

Name:

David Miller

Signature:



IN WITNESS WHEREOF, I have signed this Secretary's Certificate on the 3<sup>rd</sup> day of May, 2016.

PAYMENTECH, LLC

By: 

W. Paul Hankins

# State of New Hampshire Department of State

## CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that Paymentech, LLC, a(n) Delaware limited liability company registered to do business in New Hampshire on July 30, 2007. I further certify that it is in good standing as far as this office is concerned, having filed the annual report(s) and paid the fees required by law.



In TESTIMONY WHEREOF, I hereto  
set my hand and cause to be affixed  
the Seal of the State of New Hampshire,  
this 5<sup>th</sup> day of April, A.D. 2016

A handwritten signature in cursive script, appearing to read "William M. Gardner".

William M. Gardner  
Secretary of State



# CERTIFICATE OF LIABILITY INSURANCE

DATE(MM/DD/YYYY)  
05/29/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Aon Risk Services Northeast, Inc. New York NY Office 199 Water Street New York NY 10038-3551 USA	<b>CONTACT NAME:</b>	
	<b>PHONE</b> (A/C. No. Ext): (866) 283-7122	<b>FAX</b> (A/C. No.): 800-363-0105
	<b>E-MAIL ADDRESS:</b>	
	<b>INSURER(S) AFFORDING COVERAGE</b>	
	<b>INSURER A:</b> National Union Fire Ins Co of Pittsburgh	19445
	<b>INSURER B:</b> New Hampshire Ins Co	23841
	<b>INSURER C:</b> Commerce & Industry Ins Co	19410
	<b>INSURER D:</b>	
	<b>INSURER E:</b>	
	<b>INSURER F:</b>	

Holder Identifier :

COVERAGES **CERTIFICATE NUMBER: 570057844067** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS. Limits shown are as requested

INSR LTR	TYPE OF INSURANCE	ADDD/RSR/NSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	<input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b>		GL7266980	06/01/2015	06/01/2016	EACH OCCURRENCE	\$2,000,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR					DAMAGE TO RENTED PREMISES (Ea occurrence)	\$1,000,000
	<input checked="" type="checkbox"/> Blanket Contractual Liability					MED EXP (Any one person)	Excluded
	<input checked="" type="checkbox"/> Host Liquor Liability Included					PERSONAL & ADV INJURY	\$2,000,000
	<b>GEN'L AGGREGATE LIMIT APPLIES PER:</b>						
	<input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC					PRODUCTS - COMP/OP AGG	\$2,000,000
	OTHER:						
A	<b>AUTOMOBILE LIABILITY</b>		CA 7062871	06/01/2015	06/01/2016	COMBINED SINGLE LIMIT (Ea accident)	\$5,000,000
	<input checked="" type="checkbox"/> ANY AUTO		All Other States	06/01/2015	06/01/2016	BODILY INJURY (Per person)	
	<input type="checkbox"/> ALL OWNED AUTOS	<input type="checkbox"/> SCHEDULED AUTOS	CA 7062872			BODILY INJURY (Per accident)	
	<input type="checkbox"/> HIRED AUTOS	<input type="checkbox"/> NON-OWNED AUTOS	MA	06/01/2015	06/01/2016	PROPERTY DAMAGE (Per accident)	
			CA 7062873				
		VA					
A	<input checked="" type="checkbox"/> <b>UMBRELLA LIAB</b> <input checked="" type="checkbox"/> OCCUR		BE19961991	06/01/2015	06/01/2016	EACH OCCURRENCE	\$10,000,000
	<input type="checkbox"/> EXCESS LIAB	<input type="checkbox"/> CLAIMS-MADE				AGGREGATE	\$10,000,000
	DED <input checked="" type="checkbox"/> RETENTION \$10,000						
B	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b>		WC021942689	06/01/2015	06/01/2016	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER	
	<b>ANY PROPRIETOR / PARTNER / EXECUTIVE OFFICER/MEMBER EXCLUDED?</b> (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N N/A	All Other States WC 021942690 NE	06/01/2015	06/01/2016	E.L. EACH ACCIDENT	\$1,000,000
						E.L. DISEASE-EA EMPLOYEE	\$1,000,000
						E.L. DISEASE-POLICY LIMIT	\$1,000,000

Certificate No : 570057844067

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

The insurance maintained by JPMorgan Chase & Co. provides for the following coverage enhancements in keeping with the terms of the signed contracts, leases and/or agreements in place: Blanket Additional Insured where required. Coverages are Primary and Non-contributory where required. Blanket Contractual Liability, Host Liquor Liability is included in the General Liability policy, waiver of subrogation is included where required. The Landlord, Landlords Agent(s), Landlords Lender(s), Ground Lessor(s), Vendor(s), Clients and any other party as required by the signed contract, lease and/or agreement are listed as additional insured as their interests may appear and when applicable.

<b>CERTIFICATE HOLDER</b>	<b>CANCELLATION</b>
Evidence of Insurance for JPMorgan Chase & Co. and subsidiary, affiliated and associated companies thereof 270 Park Avenue New York NY 10017-2070 USA	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. <b>AUTHORIZED REPRESENTATIVE</b> 