

# MERCHANT TERMS AND CONDITIONS

## INTRODUCTION

Congratulations on your decision to process your payments through The CashLINQ Group ("CLQ"). The services provided are a web-based payment processing service by which CLQ processes certain payments as an agent for Merchants ("Services"). CLQ may also, where requested by a Merchant, perform other services on behalf of Merchant as per the terms hereof and the selections of the Merchant made through its Account. In these terms and conditions, unless otherwise specified, the terms "we," "us" or "our" refer to CLQ or third parties utilized in providing Services, and the terms "you" or "your" refers to you, the merchant, the entity that executed this Merchant Services Agreement (the "Agreement"). Your use of the Services shall be deemed agreement to the terms and conditions of this Agreement. Capitalized terms appearing in this Agreement that are not defined in the body of this Agreement are defined in the Glossary at the end hereof.

## 1. RELATIONSHIP ADMINISTRATION

- 1.1. **Exclusive Provider.** You agree that during the initial and any subsequent renewal terms of this Agreement, you will use CLQ as your exclusive payments provider. As such, during that time, you shall not use any third party for any Services that are provided CLQ, such as they are from time to time, including but not limited to Card processing and ACH Services. Subject to the Rules, we reserve the right to provide some or all of the Services through our affiliates and/or other third party service providers.
- 1.2. **Depository Account and ACH Consent.** For the term of this Agreement and so long as you have any outstanding obligations to us under this Agreement, you agree to establish and maintain a Depository Account at a financial institution in the United States of your choosing. The Depository Account is identified in the Application. You authorize CLQ and its affiliates to initiate debit and/or credit entries to your Depository Account, at the depository financial institution named in the Application, and to debit and/or credit the same such account (the "Authorization"). You include in such Authorization the right for CLQ and its affiliates to reverse or debit any credit entries made in error to the Depository Account. You agree that the origination of ACH transactions to your Depository Account must comply with the provision of U.S. law. CLQ may, with the Authorization, make debit or credit entries on the Depository Account for any of your liabilities or Services under this Agreement including but not limited to: (i) provisional funding of your Card and ACH Transactions; (ii) your Fees; (iii) your Chargebacks and Revocations; and (iv) any other charges, fines, fees, penalties, payment of current or past due amounts for equipment lease, rental or purchase, Card Organizations fees, costs arising from replacement or damage to equipment, and other amounts due in connection with an Event of Default or other charges assessed by us, the Card Organizations, third party service providers, network operators and others as pertains to this Agreement. Establishing your Depository Account requires that you provide us with a cancelled check (or letter from your financial institution) and take all steps required by your financial institution to allow us to debit/credit your Depository Account on a recurring basis.
  - 1.2.1. **Dishonored Debits/Credits.** You agree that if any payment, to or from the Depository Account, is dishonored by your financial institution for any reason, we shall issue another debit in substitution for the dishonored debit until such debit is honored. You acknowledge that this authorization to debit/credit your Depository Account is provided for our benefit and is provided in consideration of your financial institution agreeing to process debits against your Depository Account in accordance with the Rules. All subsequent funding may be suspended until you notify CLQ that credits and debits can be processed or you provide a new Authorization (from your then current financial institution). Your financial institution must be able to process and accept credits and debits electronically.
  - 1.2.2. **Notice For Non-recurring Debits.** You waive the right to receive any notice, written or otherwise, from us of the amount to be debited and the date(s) on which such debits are to be processed, as well as notice of any and all future changes to the amounts or payment dates for regular recurring debits. However, for debits other than regular recurring debits and/or one-time payments owing in connection with this Agreement, we will obtain your authorization prior to initiating any such debit.
- 1.3. **Reserve Account.** You understand that at any time we may establish a reserve account for any reason or based upon you committing an Event of Default or upon receipt of your notice of termination of this Agreement (the "Reserve Account"). You understand that the amount you will be required to fund in this Reserve Account will be determined based on factors such as: (i) the amounts of previous settlements, Chargebacks/Revocations, assessments and fines / penalties; (ii) the frequency and amounts of credits and adjustments; (iii) the value of any goods and/or services billed in advance of fulfillment; and (iv) the amount of any Fees or discounts due along with any current or anticipated Card Organizations fees or fines. If funds in your Reserve Account are not sufficient to cover Chargebacks/Revocations, adjustments, fees and other charges due from you, as determined by CLQ, or if we have released funds in your Reserve Account, you agree to promptly pay us such sums upon request. Amounts maintained in the Reserve Account will not necessarily bear interest. We may, to the extent permitted by law and without notice, from time to time, set off, apply or transfer any and all sums standing to the credit of the Reserve Account in or towards the satisfaction of any indebtedness or liability you may incur to us under your Agreement.
- 1.4. **Settlement Funds.** Subject to our rights under this Agreement, all settlement funds received from Visa, MasterCard, Discover, and American Express "Card Organizations", network organization and through the ACH system, and owing to you pursuant to this Agreement (the "Settlement Funds") will be received and held by us, in our capacity as your payment processor and agent until transferred to your Depository Account. Such funds will not constitute a deposit with us, will bear no interest, charges or fees, and may not be eligible for insurance with Federal Deposit Insurance Corporation. As between you and any Card Organization or Bank that has processed Transactions for your benefit and settled the amounts thereof to CLQ, you shall not make any claim against them in respect of funds that have been settled to CLQ as CLQ is accepting them as your payment processor and agent.
- 1.5. **Settlement Calculation.** You agree that we will generally settle transactions based on gross sales, less credits /refunds, adjustments, the applicable Fees when due, Chargebacks/Revocations and any other amounts that you owe us.
- 1.6. **Provisional Debit / Credit.** You agree that all deposits, credits, and other payments to your Depository Account are subject to our final audit, Chargebacks/Revocations and Card Organizations imposed assessments, fees and fines. You agree that we may debit /credit your Depository Account for any deficiencies, overages, fees and pending Chargebacks/Revocations and any pending Card Organizations assessments, fees and fines, including any pending PCI related fees, fines and/or assessments. We may elect to invoice you for any such amounts, net due 30 days after the invoice date or on such earlier date as may be specified.

- 1.7. Merchant Receivables. Upon our payment of all amounts owed to you, in connection with the processing of a Transaction, you agree to assign to us (and grant us a security interest in) all of your rights, title and interest in and to the amounts or receivables owed from the applicable Card Organizations or network organization, and further agree that we have the sole right to receive payment under such receivables. You agree to represent and warrant that you have the only claim, demand, defense or set off against such receivable except as authorized in writing by us. You further represent and warrant that you have no knowledge, nor have received any information that would affect the collection of the amount involved from the Cardholder/Receiver.
- 1.8. Applicable Rules and Laws. You agree to be bound by all applicable Rules and any other card organizations, network, or government agency rules related to the protection of non-public personal information and transaction information security. You acknowledge that the Card Organizations publish and make available their Rules and regulations, bulletins, alerts and directives and agree that it is each party's sole responsibility to review and comply with any such publications as may be applicable to them for compliance with the Rules and this Agreement. The Rules are incorporated into this Agreement by reference.
- 1.9. Merchant Use of Card Organizations and Our Marks. You acknowledge that you are familiar with Card Organization Marks and agree that you will prominently display standard decals, signs, service marks and other promotional materials as required by us and the Card Organizations. You agree not to alter any Marks, display one Card Organizations' Mark more prominently, indicate that any Card Organization endorses your products or services or violate any other Rule or our requirements related to the use and display of any Mark. Upon termination of the Agreement for any reason you agree to discontinue use of Marks.
- 1.10. Cardholder/Receiver Documentation. You agree that you will only process (including imprinting, transmitting or depositing proceeds from) Transactions for your own goods and services sold or donations accepted in the ordinary course of your business. You will ensure that every Transaction receipt (or other evidence of Cardholder/Receiver indebtedness) accurately describes the goods or services sold and delivered. You also agree not to accept Transactions on behalf of any other party or otherwise re-direct payments to any other party without explicit written permission from CLQ.
- 1.11. Confidentiality. The parties agree that, unless they obtain consent from the other party, they will not use, disclose, sell, or disseminate any payment information obtained in connection with a payment Transaction except for purposes of authorizing, completing and settling card Transactions, using or delivering the Services and resolving Chargebacks/Revocations, retrieval requests or similar issues involving Transactions, other than as may be required for a court or governmental agency request, subpoena or order. Neither party will obtain ownership rights in any information relating to and derived from Transactions except as set forth in the Rules.
- 1.12. Protecting Cardholder Information. You agree that you will not compile lists of protected payment card information, as determined by PCI DSS or Transaction information. You also agree to secure all personal information, including Transaction receipts, contracts, rental/lease agreements and warranty information. The parties agree that securing personal information includes limiting access to select personnel (required for compliance with your obligations under this Agreement) and destroying such personal information in a manner that ensures that it is not readable, when no longer required for purposes of compliance with this Agreement.
- 1.13. Collection, Use and Disclosure of Personal Information. You (and if necessary, each principal, Guarantor or other individuals that have signed your Application) agree and consent to the fact that we may, from time to time, obtain and use your credit, financial and related personal information provided in connection with this Agreement and any update, renewal or extension of same for the following purposes: (i) evaluate current and ongoing credit worthiness; (ii) evaluate your eligibility for the Services and establish, administer, service, and collect in respect of the Services and enforce provisions of your Agreement; (iii) to share personal and credit information with and collect such information from our affiliates, agents, representatives, credit reporting agencies, businesses and financial institutions pursuant to the provision of the Services contemplated in your Agreement; (iv) to verify your identity including matching records or credit information; (v) to share personal information in connection with your financial institution holding the Depository Account, Equipment sale / rental / lease providers, automatic debit processors and other third parties to register the security interest as contemplated in this Agreement; (vi) for detecting and preventing fraud and complying with anti-money laundering and terrorist financing regulations, including checking your identity against watch lists established by regulatory agencies or similar bodies and foreign countries; (vii) for evaluating the performance of our merchant portfolio; (viii) to allow our service providers to collect, use, store or process personal information on our behalf; or (ix) to meet legal, regulatory, audit, processing and security requirements. We may otherwise collect, use and disclose personal information as permitted or required by law. You also authorize us to obtain financial and credit information relating to you, from credit reporting agencies, businesses and financial institutions with which you make arrangements with, and references you have provided, in connection with our decision to provide the Services and monitor your financial and credit status. Additionally, you agree to authorize us to share information concerning your business with any of our agents and/or affiliates and applicable, Banks, Issuing Banks, Card Organization, Card Organization members and credit reporting and debt recovery agencies in connection with the performance of the Services set forth in your Agreement. We may also use your (and each Guarantor or other individuals that have signed your Agreement) business and personal information and disclose such information to parties connected with or involved in the proposed or actual financing, insuring, securitization, sale, assignment or other disposal of all or part of our respective businesses or assets (including, for example, your Agreement, accounts or amounts owing to us) for the purposes relating to the evaluation and/or performance of these transactions. Successors and assignees of our business or assets may collect, use and disclose your business or personal information as described in this section. You are aware that pursuant to the *Fair Credit Reporting Act*, you may make a written request within a reasonable time for disclosure of any information received from a consumer reporting agency as authorized hereby.
- 1.14. Third Party Arrangements. Subject to the Rules, you agree that if you make arrangements with a third party to collect, process or store personal information (including names, account numbers, Social Security Numbers, addresses, telephone numbers or birthdays), you are solely responsible for ensuring such third party complies with Card Organizations, PCI DSS, network and our requirements related to personal information, including payment card and Transaction information, confidentiality and security. The parties also agree that any third party arrangement will be documented with a written and executed contract, which includes obligations substantially similar to the ones in your Agreement regarding confidentiality, information security and PCI DSS. You further agree to provide our representatives reasonable access to your facilities and records for the purpose of performing any reasonable inspection and / or copying of your books and records.
- 1.15. Facility and Infrastructure. You acknowledge and agree that you are solely responsible for the implementation, maintenance and security of your locations, the Equipment used in processing Transactions under this Agreement, communication lines, power supply services and all other facility and infrastructure costs.
- 1.16. Merchant Employee Responsibilities. You agree to ensure that all Equipment is monitored during and closed/turned off after business hours to minimize the risk of unauthorized use. You agree to develop security procedures and train your employees on them. Security procedures will include your use of

employee shift logs (maintained for a minimum of 12 months), and directions/conditions for contacting us in the event your employees suspect that your Equipment has been lost, stolen or tampered with.

- 1.17. Initiating Transactions. When a Merchant wishes to initiate a Transaction through the Services, the Merchant hereby appoints CLQ as its payment processor and agent for the purposes of processing and receiving payment by Transactions from its Customers of the Merchant. Merchant hereby instructs CLQ to accept Transactions through the Services, in the amounts specified by the Merchant, and the Merchant agrees that CLQ is acting on behalf of the Merchant in its carrying out of the foregoing and shall honor the terms of each Transaction as if they were carried out by the Merchant itself.
- 1.18. Merchant Release of Customer on Payment to CLQ. CLQ is not a bank, money transmitter or other money services business. The Services consist of payment processing pursuant to which CLQ acts on behalf of Merchants in the processing through Banks and receipt of Transaction payments. As of when CLQ takes possession of any Transaction funds hereunder, as a payment processor and agent of Merchant, Merchant shall grant the Customer who made the Transaction payment the full benefit of such payment including, in the case of donations, for example, issuing a receipt for the donation. Customer's enjoyment of the full benefit of a Transaction payment shall not be delayed by Merchant until that later time when CLQ settles Transaction funds to the Merchant. CLQ reserves the right to monitor use of the Service to ensure compliance with this Agreement. If it is determined you are not in compliance with this Agreement, CLQ reserves the right to take appropriate action including, but not limited to, assessing additional Fees or suspension or termination of the Account. You acknowledge that such monitoring of use may include determining whether or not the Service is accessed under the Account from multiple IP addresses, as well as noting excessive use or users.
- 1.19. Merchant Release of Customer on Payment to CLQ. MERCHANT AGREES AND COVENANTS THAT UPON CLQ RECEIVING A PAYMENT TRANSACTION FROM A CUSTOMER OF THE MERCHANT, THAT AS OF THE RECEIPT BY CLQ OF THE AMOUNT OF THE TRANSACTION, THAT THE CUSTOMER IS THEREBY RELEASED FROM ANY LIABILITY TO THE MERCHANT IN RESPECT OF SUCH AMOUNT PAID. NO DELAY IN PAYMENT BY CLQ ON A GIVEN TRANSACTION AMOUNT TO MERCHANT, FOR ANY REASON, INCLUDING, WITHOUT LIMITATION SEIZURE OF CLQ ASSETS OR BANKRUPTCY OF CLQ, SHALL SERVE TO DIMINISH THE FOREGOING OR ENTITLE MERCHANT TO COLLECT ANY AMOUNT FROM A CUSTOMER THAT HAS BEEN PAID TO CLQ THROUGH THE MERCHANT'S USE OF THE SERVICES. CLQ IS AUTHORIZED TO ISSUE TO ANY CUSTOMER A RECEIPT FOR PAYMENT TO THE MERCHANT, IN THE NAME OF THE MERCHANT, FOR ANY TRANSACTION FUNDS PAID TO THE MERCHANT THROUGH THE SERVICES.

## 2. CARD TRANSACTIONS

- 2.1. The following sections summarize the procedures required for you to accept credit and debit cards issued by Visa, MasterCard, Discover, American Express, and any other Card Organization Cards that you accept for payment of your goods and services.
- 2.2. Card Identification. Legitimate Card Organization Cards have unique visual characteristics, account numbers and anti-fraud/counterfeit measures that you agree to become familiar with. You agree to train all your employees on procedures for examining and identifying questionable payment cards. You are responsible for reviewing Card Organizations' materials published for merchants and familiarizing your employees on characteristics of legitimate cards and strategies used when presenting fraudulent or counterfeit cards.
- 2.3. Card Acceptance and Authorization. You agree to accept credit and debit cards issued by members of the Card Organizations identified on your Merchant Application. When a Cardholder or authorized user presents a credit or debit card for payment or donation, you agree that you will perform the following tasks:
  - 2.3.1. Fair Acceptance. You agree to: (i) sell your goods and/or services at the ticketed or posted price; (ii) not impose fees or special conditions not required or allowed by the Card Organizations Rules and (iii) not offer a discount unless clearly disclosed as a discount from the price available for all other means of payment.
  - 2.3.2. Card Examination. When the card is present, you agree to swipe or imprint the card, or where applicable, insert the chip card into a chip card reader, only to allow Cardholders to purchase your goods and /or services. You agree to: (i) inspect the card signature panel for signs of tampering or alteration (not applicable to chip card transactions); (ii) verify that the signature on the card matches the transaction record (not applicable to chip card transactions); (iii) not require Cardholders to supply personal information (e.g., home /business address or driver license number) as a condition for completing the transaction, unless instructed during the authorization process; (iv) not allow an individual, who is not the Cardholder, to use the card for purchases; and (v) not allow the use of a card to submit a transaction to refinance or transfer a previous debt or to pay for a dishonored check.
  - 2.3.3. Transaction Authorization. You agree to obtain an authorization approval code ("AA Code") for all transactions. You agree that failure to obtain an AA Code for a sales Transaction may result in a Chargeback and/or the termination of your Agreement. AA Codes can be obtained through your Equipment, the voice response unit or the interactive voice response system. Any fees that may be related to authorizations will be charged as a Transaction Fee, if applicable, whether or not the Transaction is approved. You understand that an AA Code only indicates the availability of credit on a Card account at the time the authorization is requested and does not warrant that the person presenting the Card is the rightful Cardholder, nor is it a promise or guarantee that you will not be subject to a Chargeback or debit.
  - 2.3.4. Transaction Referral. You agree that if you receive a referral response to an attempted authorization on a Card, you will not attempt another authorization on the same Card through your Equipment. You further agree that you are responsible for all Card Organizations assessed fines, fees or termination of your Agreement for actions related (but not limited) to: (i) failure to obtain an AA Code; (ii) submitting a Transaction after receiving a decline (even if a subsequent Authorization attempt results in an AA Code); or (iii) attempting to submit multiple/partial Transactions or multiple-authorizations and Transaction(s).
  - 2.3.5. Manual Card Acceptance. If accepting Card Transactions manually or your Equipment is unable to read a card that you swipe or you do not have chip card enabled Equipment, you agree that you will: (i) imprint the embossed information from the card and the merchant plate (your name and merchant number) onto the transaction record; (ii) verify that the signature on the transaction record matches the signature on the back of the card; (iii) provide a transaction record to the Cardholder; (iv) keep a copy of the transaction record for a minimum of 18 months (longer if required by local regulations); and (v) issue credits for refunds (if Cardholder is entitled) where the original purchase was made with a card.
- 2.3.6. Issuing Credits. You agree that you are responsible for issuing credits to cover any refund, price adjustment or other money adjustment due to the Cardholder (other than any involuntary refund required by applicable law). You further agree that you: (i) will not return cash if a card was used in

- the original purchase; (ii) will process each refund or adjustment as specified in the applicable Rules; (iii) may establish a policy limiting refunds or acceptance of returned goods, provided that it follows the refund/return procedures established by each Card Organization including the proper disclosure of such policy; and (iv) will not accept money from a Cardholder to effect a deposit to the Cardholder's account.
- 2.3.7. Suspect Transactions. If the appearance of the card being presented or the behavior of the person presenting it is suspicious in nature, you agree to immediately call the voice authorization center (1-800-944-1111) and ask to speak to a code 10 operator for a "Code 10 Authorization." You agree to answer all questions and follow operator's instructions. If you swipe cards, you agree to confirm that the account number displayed on the Equipment and transaction record matches the number on the card. You agree that if the numbers do not match, you will not accept the card for payment, EVEN THOUGH AN AUTHORIZATION CODE FOR THE MAGNETICALLY SWIPED CARD NUMBER MAY BE RECEIVED.
- 2.3.8. Card Not Present ("CNP") Order Best Practices. To reduce the likelihood of Chargebacks related to CNP orders, we recommend that you: (i) obtain the card expiration date; (ii) clearly print Cardholder's account number, effective and expiration dates, date of Transaction, description of goods and services, amount of Transaction (including shipping, handling, insurance etc.), Cardholder's name, billing address and shipping address, AA Code, your name and address (city and province required); (iii) write "MO" for mail and "TO" for telephone orders on the Transaction record signature line; (iv) maintain a signed Cardholder authorization to submit mail orders; and (v) obtain written Transaction verification on telephone orders.
- 2.3.9. Prior Notice of Internet Payment Services. In addition to the notice and approval required during the acceptance process, you agree to provide CLQ 60 days prior written notice of your intent to convert all or part of your business to Internet payment services. You agree to wait until you receive written approval from us before offering internet payment services. You understand and agree that the sale or disclosure of Personal Information, or other card transaction information to third parties is prohibited, the violation of which may result in Card Organizations and regulatory sanctions and termination of your Agreement.
- 2.3.10. Internet Notice Requirements. You agree to review and abide by all Rules and requirements for the acceptance of payment, display of Marks, retention of records, dispute processing, information security and any other requirements set forth in any guideline, bulletin, alert or other Card Organization publication related to Internet payment services, notices and disclosures. We require that the following (if applicable) be included/displayed in any Internet website that advertises acceptance of Card Organizations cards applicable to this Agreement: (i) a complete description of the goods or services offered, including technical requirements, if any; (ii) your customer service telephone number or email address; (iii) any applicable export or legal restrictions or conditions; (iv) your consumer data privacy and transmission of personal information policies; (v) a description of your transaction security processes; (vi) an itemized list of prices including taxes, shipping charges and the method of shipping; (vii) a description and estimated amount of any additional charge(s) (e.g., delivery charges, customs fees) that applies or may apply; (viii) the total amount payable and the amount and frequency of any periodic payments; (ix) a description of any trade-in arrangement and allowances; (x) service related information (e.g., where will services be performed, for whom, third-party providers etc.); disclosure of the country where the merchant outlet is located; (xi) all required Card Organizations trade and service marks; and (xii) your physical address. You further acknowledge and agree that the servicers are not responsible for the security of the Cardholder data or information stored on our or any Internet service provider's computers, systems or web site(s) and that you will be solely responsible for any liability, fines, or penalties arising from its use, storage, or dissemination of cardholder data.
- 2.3.11. Submission/Deposit of Card Transactions. You agree that you shall present for payment only valid charges that arise from Transactions between you and bona fide Cardholders. You agree to enter each sales transaction into your Equipment (unless your Equipment is not working), conduct, at least once a day, an end-of-day balance of the sales transactions for each piece of Equipment and electronically deliver transaction records for all card transactions, to be processed and settled, prior to the deadlines which you will be advised of from time to time.
- 2.4. Transaction Chargebacks. A Chargeback is a disputed Card Transaction that is returned to us by the Issuing Bank of the Card. Upon notice of a dispute, you agree that it is your responsibility to resolve it directly with the Cardholder. If we receive a Chargeback notice, we will debit your Depository Account for the amount of the Chargeback. In some cases, a card issuer may request a copy of the Transaction record prior to initiating a Chargeback. We will forward these requests to you and deliver your response to the card issuer. You understand that you must respond to these requests within the time frames and manner stated. Due to the short time requirements imposed by the Card Organizations, your failure to timely respond will be communicated to the card issuer and may result in a Chargeback(s) as well as Card Organizations related costs or fees. You agree that comprehensive Chargeback procedures are published by each Card Organization and the following is intended to serve only as a general guideline for compliance:
- 2.4.1. Document Request Procedures. To address a Card issuer's Transaction record request, you should: (i) make a legible copy of the Transaction record, centered on a letter size sheet of paper (one transaction record per page); (ii) write the case number on the copy; (iii) include copies of agreements etc. that may be applicable to the disputed Transaction; (iv) include a copy of the credit, if applicable; and (v) fax or mail the copies to the number/address on the request. You understand that letters are not acceptable substitutes for Transaction records. If the information you provide is both timely and, in our sole discretion, sufficient to warrant representment and /or reversal of the Chargeback, we will do so on your behalf. You understand that representment and/or reversal are contingent upon card issuer/Cardholder acceptance under the applicable Card Organization Rules.
- 2.4.2. Chargeback Reasons. You understand that at the time of a Transaction, if you do not follow proper procedures, the Transaction may be subject to Chargeback. The following outlines the most common types of Chargebacks, categorized into seven broad groups: (i) "Card Authorization Issues" including no account number verification, full authorization not obtained, expired card; (ii) "Cancellations and Returns" including credit not processed and cancellation of a recurring Transaction; (iii) "Fraud" including counterfeit Transaction, unauthorized or fictitious account number; (iv) "Non-Receipt of Goods and Services"; (v) "Processing Errors" including late presentment of a Transaction record, incorrect account number, code or amount; (vi) "Quality of Goods and Services" including defective goods; and (vii) "Non-Receipt of Information" including the codes: "transaction document not received" or "document was illegible."
- 2.5. Europay/MasterCard/Visa ("EMV") Chip Card Compliance. You agree that if you choose not to upgrade to Equipment that has been certified EMV chip card compliant and enabled, you may be liable for payment of the face value of any Transactions, submitted for Chargeback, by the applicable EMV chip card issuer(s), due to lost, stolen and never-received-issue fraud claims. You will also be liable for all Fees associated with such Transactions, as is the case with all Transactions.
- 2.6. American Express Third Party Beneficiary. You agree that in respect of American Express Transactions, American Express shall be a third-party beneficiary under the Agreement entitled to enforce all of the rights of CLQ hereunder.

- 2.7. High CV Sponsored Merchant for American Express. You agree that you will be converted to a direct relationship with American Express if you become a High CV Sponsored Merchant, meaning either: (i) \$1,000,000 or greater in charge volume in a rolling twelve month period; or (ii) greater than \$100,000 in charge volume in any three consecutive months, for American Express acceptance and that upon such conversion you will be bound by the then-current American Express agreement and that American Express will set the discount and other fees payable by you for American Express acceptance.

### 3. ACH TRANSACTIONS

- 3.1. NACHA Operation Rules and Guidelines. You acknowledge that you have a copy of the Rules or will obtain a copy of the Rules, including but not limited to those of NACHA. You agree to be bound by the Rules and to be held liable for any fines or fees issued as a result of noncompliance with the Rules.
- 3.2. Allowed Standard Entry Class Codes ("SEC"). You agree to enter ACH Transactions that are in compliance with the Rules and local, state and federal laws. Acceptable SEC codes are Prearranged Payment or Deposit ("PPD"), Corporate Credit or Debit ("CCD"), and Internet-Initiated ("WEB"). All other ACH Transactions are strictly prohibited. Any Transaction that is authorized either orally or by signature on a source document and then processed through CLQ is strictly prohibited.
- 3.3. Prearranged Payment or Deposit. PPD authorizations: (i) must be in writing, (ii) be readily identifiable as ACH Transactions, (iii) have clear and readily understandable terms, (iv) provide that the Receiver may revoke the authorization only by notifying the Originator (i.e. Merchant) in the manner specified in the authorization, and (v) must be signed or similarly authenticated by the Customer.
- 3.4. Internet-Initiated Authorization Requirements. WEB authorizations: (i) must be in writing that is signed or similarly authenticated by the Receiver via the Internet or a Wireless Network; (ii) the Receiver's instructions for the initiation of the debit entry is communicated via the Wireless Network; (iii) authorization is readily identifiable as an ACH debit authorization; (iv) the authorization must express its terms in a clear and readily understandable manner; and (v) the authorization must provide the Receiver with a method to revoke his authorization by notifying the Merchant in the manner prescribed.
- 3.5. Corporate Credit or Debit Authorization Requirements. CCD authorizations must be an agreement between the Merchant and the Receiver binding the Receiver to the Rules.
- 3.6. Transaction Request for Authorization. A request for authorization is a disputed check Transaction that is returned to us by the Receiving Depository Financial Institution ("RDFI"). Upon notice of a dispute, you agree that it is your responsibility to provide proof of proper authorization for the transaction. If we receive an authorization request, we will request supporting documentation from you and deliver your response to the RDFI. You understand that you must respond to these requests within the time frames and manner stated. Due to the short time requirements imposed by the Rules, your failure to timely respond will be communicated to the RDFI and may result in a return and debit to your account as well as return related costs or fees.
- 3.7. Document Request Procedures. To address an accountholder's transaction record request, you should: (i) make a legible copy of the Transaction record, centered on a letter size sheet of paper (one transaction record per page); (ii) write the case number on the copy; (iii) include copies of agreements etc. that may be applicable to the disputed transaction; (iv) include a copy of the credit, if applicable; and (v) fax or mail the copies to the number/address on the request. You understand that letters are not acceptable substitutes for transaction records. You understand that proof of authorization must meet the requirements as outlined by the Rules and must be supplied within required timeframes.
- 3.8. Revocations. Revocation include return reason codes: R05 (Unauthorized debit to Consumer account using Corporate SEC code), R10 (Consumer Advises not Authorized), R29 (Corporate Customer Advises not Authorized) is used to return an unauthorized entry that posts to the Receiver's account, and R07 (Authorization Revoked) is used to return an unauthorized entry that posts to the Receiver's account where the authorization with the Merchant was previously revoked by the Receiver. No subsequent entries should be initiated by the Merchant unless the Merchant obtains a new authorization from the Receiver.
- 3.9. Settlement. As with other Transactions, ACH transaction funds are received by CLQ in its capacity as a payment processor and agent for Merchant. Merchant agrees to give Customers the full benefit of all Transactions no later than when CLQ is in possession of Transaction funds and not at that later time when such funds are settled to the Merchant.

### 4. ONLINE SERVICES

- 4.1. Online Services. Qsuite, including DonateQ, EventQ and CustomQ, QSafe, ezQlick, and others as released by CLQ and accepted by Merchant from time to time, included in the Services, that are provided through Software operated by CLQ ("CLQ System") and which may be accessed online or through mobile devices through an account that CLQ shall grant to the Merchant (the "Merchant System Account"). If these Services are selected on the Schedule A or the Application, CLQ hereby grants to Merchant a limited, non-transferable, revocable License to use the CLQ System through the Merchant System Account solely for the purpose of accessing the Services purchased hereunder. There will be a confidential password and identification associated with the Merchant System Account that Merchant is prohibited from sharing with third parties. Merchant shall be responsible for and shall, without limitation, indemnify CLQ from and against any and all claims or losses associated with the Merchant System Account or CLQ System. The Merchant System Account shall provide access to CLQ System reporting concerning the Services. All information concerning the Services, including, without limitation pricing, shall be confidential information and may not be disclosed to third parties without consent of CLQ. In order for the CLQ System to operate, it shall collect, store and disclose certain information concerning the Merchant, its Customers, donors and other third parties ("CLQ System Data"). Merchant represents that any and all CLQ System Data that it enters into the CLQ System shall have been so entered with the express consent of the individuals or businesses concerned and that such individuals or businesses have granted Merchant and CLQ the right to use the CLQ System Data for the purpose of providing the Services to Merchant hereunder. Merchant shall, at all times during the term hereof, have a published privacy policy, that shall be consistent with applicable laws and norms and customs in the industry of the Merchant and Merchant shall comply with the terms and conditions of such policy and applicable laws concerning non-public personal information. Upon any termination hereof, the CLQ System Data may be deleted without necessarily a copy thereof being provided to the Merchant. The Merchant is advised to store data concerning its Customers, donors and other third parties with whom it transacts in its own systems in a secure manner. CLQ shall be under no obligation to enable the downloading of CLQ System Data from the CLQ Systems. The Merchant is not obliged to use the whole of CLQ System; it can opt in or out of the various parts thereof through the

Merchant System Account. CLQ is also not obligated to continue providing CLQ System and may cease providing CLQ System Services at any time without necessarily providing the Merchant with advance notice of such termination. CLQ may also add additional CLQ System Services by providing links to such Services in the CLQ System; such new CLQ System Services shall be governed pursuant to this provision specifically and the whole of this Agreement, generally, and shall be subject to the License when Merchant is granted access thereto. Additional terms and conditions applicable to each of the Q Suite Services may be posted at on the CLQ System, but shall not limit the terms of this Agreement except as expressly set out therein. All notices, guidelines and rules applicable to CLQ System posted by CLQ on the CLQ System shall be incorporated herein by reference and shall form part of this Agreement.

- 4.2. Intellectual Property. All elements of the CLQ System such as, without limiting the generality of the foregoing, the object code, source code, algorithms, libraries, texts, articles, photos, illustrations, images, videos and audio materials, are the sole and exclusive property of CLQ and may not be used other than as part of the License. No CLQ System element may be copied, reproduced, distributed, published, translated, downloaded, posted or sent, in any way whatsoever, without the prior written approval of CLQ or the copyright holder.
- 4.3. The names, trade names, trademarks and logos used or posted through the CLQ System are trademarks which are not permitted to be used other than as expressly permitted by CLQ, whether or not they are registered. In the event of any inconsistency between this Agreement and general terms of use found on the CLQ website, the former shall prevail.
- 4.4. In the event that the Marketplace Fairness Act becomes law, or some equivalent statute obliging you to collect state sales tax for online sales, CLQ has the exclusive right to provide or designate a provider of tax lookup and remittance services on terms prescribed by CLQ.

## 5. ADDITIONAL SERVICES

- 5.1. New Products and Services. From time to time, CLQ may notify you about new products and services that may be available and the terms and conditions under which you can obtain them. If your Equipment is capable of supporting these new products and services and you submit a Transaction that engages them, you are deemed to have accepted any terms and conditions related to such new products and services.

## 6. EQUIPMENT

- 6.1. General. CLQ or its affiliates may offer you an Equipment rental plan, Equipment purchase or lease plans, all as described in your Agreement. You understand that while any Equipment lease or purchase agreement that you have is between you and CLQ or its affiliates, we will, from time to time, perform services related to your Equipment. Equipment plans, signup and pricing information are provided on your Schedule A. You agree that, regardless of the Equipment plan, you shall not assign your rights or obligations with respect to, or pledge, lend, or create a security interest in, or directly or indirectly create, incur, assume or allow to exist any other consensually or judicially imposed liens, security interests or encumbrances on, or part with possession of, or lease or sublease the Equipment to any other person, firm or organization without our prior written consent (any such assignment, lease, delegation, sublease, pledge, security interest lien or other action in the absence of such consent shall be null and void). You waive the benefits of all provisions of any law, statute or regulation which would in any manner affect our rights and remedies in connection with your purchase, rent or lease of Equipment or license of Software.
- 6.2. Commercial Use/Compatibility. Under no circumstances will Equipment be provided for home or personal use, by you or your principals, employees or other individuals, nor shall you use or allow the Equipment to be used in any manner or for any purpose for which it is not designed or reasonably suited. You acknowledge that the Equipment and /or Software you purchase, lease, or rent from us may not be compatible with another processor or other third party systems. In no case do we have any obligation to make such Software and /or Equipment compatible with any other processing systems. In the event that you elect to use another processing service provider, upon the termination of your Agreement, you acknowledge that you will not use the Equipment and /or Software obtained under your Agreement.
- 6.3. Equipment/Software Setup, Security and Maintenance. You agree that all Transactions initiated with your Equipment are assumed to be authorized by you and you are responsible for any losses incurred in connection with misused or compromised passwords. Where applicable, you will immediately replace set-up or default passwords and change them regularly and when an individual leaves your employment. You agree not to install PIN pads in locations that would allow others to view Cardholder's use of the pad without also installing shielding or other appropriate countermeasures. You agree to notify us immediately if the Equipment is not working. You acknowledge and agree that you are solely responsible for the security of all Equipment used in processing transactions under your Agreement. You are also responsible for any unauthorized use of the Equipment, regardless of whether such unauthorized use was made by you, your employees, agents, Customers or other third parties. You must review all Equipment user documentation and understand Equipment functionality, capabilities, PIN security measures and cryptographic keys loaded onto the Equipment. You will ensure that no device is connected to your Equipment (regardless of whether this Equipment was provided by us) or permit any physical alteration or modification of your Equipment without our express written permission. You agree that we, or our representatives, may enter your premises for purposes of inspecting, examining or repairing the Equipment at any time. You agree that the Equipment shall be kept at the address(es) indicated and shall not be removed without our prior written consent (except where normal use of the Equipment requires temporary removal). Under no circumstances are we responsible for any injuries, damages, penalties, claims or losses incurred by you or any other person caused by the installation, manufacture, selection, purchase, lease, rental, ownership, possession, modification, condition, use, return or disposition of the Equipment and you agree to reimburse us, defend us and hold us harmless against any claims for any such losses, damages, penalties, claims, injuries or expenses, whether before or after termination of this Agreement.
- 6.4. Cards Not Supported By Us. You understand that the Equipment may allow you to accept cards that are not supported by us and we will calculate our processing fee (for cards we do not support) by taking a percentage of the total amount of the charges made on the card (during the statement period) or a per Transaction Fee for all such card Transactions during the period.
- 6.5. Equipment Purchase. If you agree to purchase Equipment from us: (i) we warrant that, as of its delivery to you only, the Equipment purchased by you is free and clear of all liens and encumbrances; (ii) "Software," defined as computer programs, related documentation, technology, know-how and processes embodied in or provided in connection with the Equipment, will be provided to you in the form of a nonexclusive license to use, for purposes of operating your Equipment (but no right is given to reverse engineer, disassemble or decompile the Software); (iii) you agree to pay the Equipment

purchase price as set forth in your Schedule A (including any return/exchange conditions), which also includes insurance, licenses, shipping/handling, supplies and any other applicable fees and charges; (iv) you agree to pay us the full Equipment purchase price and applicable taxes upon receipt of our invoice or upon your agreement, we will collect the full Equipment purchase price and the applicable taxes from the Depository Account; (v) you agree to comply with all governmental laws, rules and regulations relating to the purchase of the Equipment; and (vi) you agree that Equipment maintenance and repair is your responsibility. Should your Equipment become inoperable, we can provide you with rental Equipment under the terms described below.

- 6.6. Equipment Rental. If you rent Equipment from us, you agree that: (i) your acceptance of any piece of Equipment shall occur at the earlier of your actual acceptance after installation, delivery to you if your site is not ready for installation or seven days after shipment of Equipment that we have not agreed to install for you; (ii) the rental fees shown on your Schedule A may not include any taxes, all of which you shall pay together with (and in addition to) your rental fees; (iii) we are authorized by you to collect rental fees and applicable taxes, on each piece of rented Equipment, for the rental period by initiating debit entries to your Depository Account or by deducting such amounts for as long as you are in possession of our Equipment; (iv) we retain title to the Equipment and ownership and copyright interest in all Software, documentation, technology, know-how and processes embodied in connection with the Equipment and the rental thereof, and that your sole right to the Equipment is to use same for the term of the rental and subject to the terms of this Agreement; and (v) the Equipment is rented "as is" with no representations or warranties, expressed or implied, statutory or otherwise, including, without limitation, as to the suitability of the Equipment for any particular purpose, quality, merchantability, fitness for a particular purpose or otherwise.
- 6.7. Use of Other Equipment. If you choose to use equipment not supplied by us, you understand and agree that you are solely responsible for ensuring that this equipment conforms to, and is installed in accordance with our rules and standards. You further understand and agree that if a third party's equipment is used to electronically process card transactions, such third party becomes your agent for the delivery of card transactions to us via the applicable processing network. You agree to assume full responsibility and liability for any failure of such agent to comply with the operating regulations and rules of the applicable Card Organization or network organization including any violation that results in a Chargeback to it. You agree to remain liable to us to process and submit sales drafts according to your Agreement and further agree that in no case will we be liable for any losses arising out of your use of a third party's equipment. You understand and agree to abide by the Card Organization Rules requiring that you deploy only PIN pads that are PCI compliant.

## 7. SERVICE FEES AND CHARGES

- 7.1. Payment, Charges and Fees. Fees and charges payable by Merchant for the Services shall be as set forth in Schedule A to this Agreement; depending on which Services a Merchant elects to use, additional Fee schedules may be appended hereto indicating the pricing in respect of such additional Services (all such schedules of Fees shall be referred to herein, collectively, as the "Fee Schedule"). Merchant will be paid for indebtedness purchased under this Agreement by credit to Merchant's Depository Account. Merchant shall not be entitled to credit for any indebtedness that arises out of a Transaction not processed in accordance with the terms of this Agreement or the Rules. Availability of any such funds shall be subject to the procedures of the applicable Bank or processor. Chargebacks, Revocations and adjustments will be charged to Merchant's Depository Account on a daily basis. Merchant agrees to pay and Merchant's Depository Account will be charged for the discount, Fees, Chargebacks, and other fees and charges described in this Agreement. Merchant also agrees to pay and Merchant's Depository Account will be debited for all fees, arbitration fees, fines, penalties, etc. charged or assessed by the Card Organizations or network organizations on account of or related to Merchant's processing hereunder, including without limitation with regards to any third party who provides Merchant with services related to payment processing or facilitates Merchant's ability to accept payments and who is not a party to this Agreement. If any type of overpayment to Merchant or other error occurs, Merchant's Depository Account may be debited or credited, without notice, and if Merchant's Depository Account does not contain sufficient funds, Merchant agrees to remit the amount owed directly to CLQ. Merchant agrees not to, directly or indirectly, prevent, block or otherwise preclude any debit by CLQ or a third party designated by CLQ to Depository Account. Merchant represents and warrants that no one other than Merchant has any claim against such indebtedness except as authorized in writing by Member and CLQ. Merchant hereby assigns to Member and CLQ all of its right, title, and interest in and to all indebtedness submitted hereunder and agrees that Member and CLQ have the sole right to receive payment on any indebtedness purchased hereunder.
- 7.2. Flat Rate Billing. Merchant pricing appears in the Fee Schedule. If so indicated in the Fee Schedule, the Services shall be provided in consideration of a single flat rate that is a function of the processing volume of the Merchant. However, such flat rate is based on certain assumptions concerning the nature of the transactions to be processed by the Merchant, some of which assumptions are set out in the Merchant Application. To the extent that the transactions of the Merchant in the Services are other than as per the assumptions, then CLQ reserves the right to, at its sole discretion: (a) suspend performance under this Agreement; (b) terminate this Agreement; or (c) modify the Fee Schedule to reflect certain additional fees payable by the Merchant as more fully described below in this section.
- 7.3. Requests For Financials. Upon our request, you agree to provide us with your most recent quarterly and/or annual audited financial statements as such statements become available to you. If you or your parent is publicly traded, we will obtain said financial statements through other means, so long as you (or your parent) remain publicly traded. You also agree to provide such other financial statements and information concerning your business and your compliance with this Agreement as we may reasonably request.
- 7.4. Error Resolution. You agree to notify CLQ in writing of discrepancies or billing errors within 45 days of the date of the applicable statement or invoice. If you fail to notify CLQ within the 45 day period, you will be deemed to have accepted the fees and charges set forth in the applicable statement or invoice and we will have no obligation to investigate.

## 8. GENERAL TERMS AND CONDITIONS

- 8.1. Assignment / Third Party Services. The parties agree that this Agreement is binding upon the parties, their heirs, successors and assigns and some of the Services in connection with this Agreement may be provided by third parties.
- 8.2. Our Right to Assign/ Subcontract. Subject to the Card Organization Rules, you agree that we may transfer this Agreement and our rights and obligations hereunder (including CLQ's rights and obligations in respect of any purchase, rental or lease of Equipment) to our affiliates and /or any third party with notice to you, and in particular, but without limitation, thereafter any amounts owing by you hereunder will be owed to any such transferee, free from

any rights of set-off or other defenses you may have, all of which you waive. You also agree that we may delegate our duties hereunder to any subcontractors without notice to you. Without limiting any of our other rights in this section, we may assign the Authorization, whether directly or indirectly, by operation of law, change of control, or otherwise, by providing you written notice.

- 8.3. Your Right to Assign. You agree that your transfer or assignment of any right or obligation or interest in this Agreement, without our prior written consent, which will not be unreasonably withheld, by operation of law or otherwise, is null and void.
- 8.4. Notices. Except as otherwise specifically provided, the parties agree that all notices and other communications required or permitted hereunder (other than those involving normal operational matters relating to the Services, which may be delivered via statement message or other means) shall be delivered via mail, courier or facsimile to the addresses set forth by you on your Merchant Application, and to us at: CLQ, 1121 E. Westview Ct. Spokane, WA 99218. Please include your Merchant ID(s), your DBA Name, your Contact name and phone number, and have your Contact sign the notice. Notices and other communications may also be delivered via email or web site publication as agreed to by the parties, from time to time.
- 8.5. Term and Termination. The parties agree that this Agreement shall take effect on the date when we begin providing the Services to you (the "Effective Date"). The parties agree that the initial term of this Agreement shall begin on the Effective Date and continue in full force for a term of three years (or such term as mutually agreed to by the parties). Unless either party provides the other with a written notice of termination at least 60 days prior to the expiration of the then existing term, the parties agree that this Agreement shall automatically renew for successive one year terms. You understand that any transaction documents accepted by us after the date of termination will be returned to you and will not be credited/debited. You agree that termination of this Agreement shall not affect our rights or your obligations relating to any applicable termination fees or Chargebacks that occurred prior to the date of termination, even if the Chargebacks are instigated after the date of termination. Upon termination of this Agreement, you agree to immediately send us all the data relating to Card Transactions made up to the date of termination. Notwithstanding anything to the contrary set forth herein, in the event Merchant terminates this Agreement in breach of this Section, the following amount(s) shall be immediately due and payable to CLQ: the lesser of (a) the maximum amount permitted by state law, and (b) all monthly fees assessed to Merchant under this Agreement and due to CLQ for the remainder of the then existing term of the Agreement, including all minimum monthly Fee commitments. Merchant hereby authorizes CLQ to accelerate the payment of such applicable amount(s) and to deduct such total amount(s) from Merchant's Depository Account, or to otherwise withhold the total amount(s) from amounts due to Merchant from CLQ, immediately on or after the effective date of termination. Notwithstanding the foregoing, if Merchant provides CLQ with written notice within forty-five days of Merchant's execution of this Agreement that it wishes to terminate this Agreement immediately, Merchant shall not be responsible for the payment of the above-referenced amount(s), but shall be responsible for compliance with all other terms and conditions set forth in this Agreement, including but not limited to payment for all fees incurred prior to the termination of this Agreement. Notwithstanding the foregoing, CLQ may terminate this Agreement or any portion thereof upon written notice to Merchant for no reason. Furthermore, CLQ may terminate this Agreement at any time without notice upon Merchant's default in performing under any provision of this Agreement, upon an unauthorized conversion of all or any part of Merchant's activity to mail order, telephone order, Internet order, or to any activity where the card is not physically present and swiped through the Merchant's terminal, upon any failure to follow the Card Acceptance Guide or any Rules, upon any misrepresentation by Merchant, upon commencement of bankruptcy or insolvency proceedings by or against the Merchant, upon a material change in the Merchant's average ticket or volume as stated in the Merchant Application, or in the event CLQ reasonably deems itself insecure in continuing this Agreement
- 8.6. Your Termination Without Cause. In the event we notify you of: (i) an increase in or any additional fees (subject to a 90 days prior notice); (ii) a material change to the terms of this Agreement; or (iii) the addition of any material terms to this Agreement, none of which were previously negotiated and agreed to by the parties, you understand that you may terminate this Agreement without further cause or penalty by providing us 30 days' written notice prior to the effective date of such modification of this Agreement. You agree that continued use of our Services or the Equipment, after the effective date of any modification constitutes acceptance throughout the initial or any renewal term of this Agreement.
- 8.7. Your Termination For Cause. If we materially breach a term of this Agreement or the Card Organization Rules that are applicable to us, you understand that you have the right to provide CLQ with written notice of your intent to terminate this Agreement, unless we remedy our material breach within 30 days of receipt of your notice. If we fail to remedy a material breach, you may terminate immediately following the end of such 30 day period unless you withdraw your notification. You further understand that you have the right to immediately terminate this Agreement and exercise all of your rights and remedies under applicable law and this Agreement if any of the following events occurs: (i) bankruptcy or insolvency proceedings commenced by or against us; or (ii) we breach or misrepresent any of our warranties or representations with respect to this Agreement.
- 8.8. 33.3. Our Termination For Cause. You agree that if you materially breach a term of this Agreement or the Card Organization Rules that are applicable to you, we have the right to provide you with written notice of our intent to terminate this Agreement (including any rental or lease of Equipment), unless you remedy your material breach within 30 days of receipt of our notice. You further agree that we may immediately terminate this Agreement (including any rental or lease of Equipment) and exercise all of our rights and remedies under applicable law and this Agreement if any of the following events (the "Events of Default") occurs: (i) a material adverse change in your business or financial condition including bankruptcy or insolvency proceedings commenced by or against you; (ii) any merger, amalgamation, assignment or transfer of your or your parent's voting control; (iii) the sale of all or a substantial portion of your assets; (iv) fraud; (v) irregular card sales, excessive Chargebacks or any other circumstances which, in our judgment, may increase our risk of loss; (vi) any improper use or presentation of the Marks; (vii) you breach or misrepresent any of your warranties or representations with respect to this Agreement; or (viii) you cancel or revoke your Authorization.
- 8.9. Reporting Termination. If we terminate this Agreement for cause, you acknowledge that we may be required to report your business name and the names and other identification of your principals to the Card Organizations. You expressly agree and consent to such reporting in the event you are terminated as a result of the occurrence of an Event of Default or for any reason specified by the Card Organization(s) as cause. Furthermore, you agree to waive and hold us harmless from and against, any and all claims which you may have as a result of such reporting.
- 8.10. Electronic Signatures. Under the Electronic Signatures in Global and National Commerce Act (E-Sign), this Agreement and all electronically executed documents related hereto are legally binding in the same manner as are hard copy documents executed by hand signature when (1) your electronic signature is associated with the Agreement and related documents, (2) you consent and intend to be bound by the Agreement and related documents, and (3) the Agreement is delivered in an electronic record capable of retention by the recipient at the time of receipt (i.e., print or otherwise store the electronic record). This Agreement and all related electronic documents shall be governed by the provisions of E-Sign. By pressing "Submit", "Accept" or "I Agree", you agree (i) that the Agreement and related documents shall be effective by electronic means, (ii) to be bound by the terms and conditions of this Agreement and related documents, (iii) that you have the ability to print or otherwise store the Agreement and related documents, and (iv) to



authorize us to conduct an investigation of your credit history with various credit reporting and credit bureau agencies for the sole purpose of determining the approval of the applicant for merchant status or equipment leasing. This information is kept strictly confidential and will not be released.

- 8.11. Survival. The parties agree that provisions governing processing and settlement of card transactions, all related adjustments, fees and other amounts due from you and the resolution of any related Chargebacks, Revocations, disputes or other issues involving card transactions will continue to apply even after termination of this Agreement, until all Card Transactions made prior to such termination are settled or resolved. In addition, the following provisions shall survive termination of this Agreement: 1.2 (ACH Authorization), 1.3 (Reserve Account), 1.8 (Law and Rules), 1.11, 1.12 and 1.13 (concerning confidentiality and Cardholder information), 1.19 (Customer Release), 2.4 (Chargebacks), 4.2 and 4.3 (concerning intellectual property) and 8 (General terms).
- 8.12. Your Representations and Warranties. Without limiting any other warranties under this Agreement, you represent and warrant that each card transaction submitted to us for processing: (i) represents a bona fide sale / rental of merchandise or services not previously submitted; (ii) represents an obligation of the Cardholder for the amount of the Card Transaction; (iii) the amount charged for the card transaction is not subject to any dispute, setoff, or counterclaim; (iv) is only for the merchandise or services (including taxes, but without any surcharge) sold or rented and, except for any delayed delivery or advance deposit card transactions expressly authorized by this Agreement, the merchandise or service was actually delivered to or performed for the person entering into the card transaction simultaneously upon your acceptance and submission of the card transaction for processing; (v) does not represent the refinancing of an existing obligation of the Cardholder (including any obligation otherwise owed to you by a Cardholder or arising from the dishonor of a personal check); (vi) to your knowledge or notice of any fact, circumstance or defense which would indicate that was fraudulent or not authorized by the Cardholder or which would otherwise impair the validity or collectability of the Cardholder's obligation arising from such card transaction or relieve the Cardholder from liability with respect thereto; and (vii) was entered into by you and the Cardholder. You further agree to cooperate and provide information requested by servicers, as servicers determine necessary, to facilitate servicers' compliance with any applicable law.
- 8.13. Our Representations and Warranties. Without limiting any other warranties hereunder, we represent and warrant that none of the CLQ Systems infringes on any third party intellectual property rights.
- 8.14. SERVICE AGREEMENT. THIS AGREEMENT IS A SERVICE AGREEMENT. EXCEPT AS EXPRESSLY PROVIDED HEREIN, WE DISCLAIM ALL OTHER REPRESENTATIONS OR WARRANTIES EXPRESS OR IMPLIED, MADE TO YOU OR ANY OTHER PERSON INCLUDING WITHOUT LIMITATION, ANY WARRANTIES REGARDING QUALITY, SUITABILITY, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE OF ANY SERVICES OR ANY GOODS PROVIDED INCIDENTAL TO THE SERVICES PROVIDED UNDER THIS AGREEMENT.
- 8.15. INDIVIDUAL LIABILITY. IN NO EVENT SHOULD ANY PARTY BE LIABLE UNDER ANY THEORY OF TORT, CONTRACT, STRICT LIABILITY OR OTHER LEGAL THEORY FOR LOST PROFITS, LOST REVENUES, LOST BUSINESS OPPORTUNITIES, EXEMPLARY, PUNITIVE, SPECIAL, INCIDENTAL, INDIRECT OR CONSEQUENTIAL DAMAGES, EACH OF WHICH IS HEREBY EXCLUDED BY AGREEMENT OF THE PARTIES, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE OR WHETHER ANY PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
- 8.16. MAXIMUM LIABILITY. NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY (INCLUDING THE INDEMNIFICATION SECTION BELOW), OUR CUMULATIVE LIABILITY FOR ALL LOSSES, CLAIMS, SUITS, CONTROVERSIES, BREACHES OR DAMAGES FOR ANY CAUSE WHATSOEVER (INCLUDING THOSE ARISING OUT OF OR RELATING TO THIS AGREEMENT) AND REGARDLESS OF THE FORM OF ACTION OR LEGAL THEORY SHALL NOT EXCEED THE LESSER OF: (i) \$5,000.00; OR (ii) THE AMOUNT OF FEES RECEIVED BY US PURSUANT TO THIS AGREEMENT FOR SERVICES PERFORMED IN THE IMMEDIATELY PRECEDING 12 MONTHS. THE FOREIGN LIMITATIONS SHALL NOT APPLY TO OUR OBLIGATION TO DELIVER SETTLEMENT FUNDS TO YOU AS PROVIDED HEREIN, SUBJECT TO OUR RIGHT TO SET OFF FROM SUCH SETTLEMENTS ANY AND ALL LIABILITIES YOU MAY HAVE TO US HEREUNDER.
- 8.17. Indemnification. The parties agree to indemnify each other from and against any losses, actions, causes of action, claims, demands, costs, liabilities, expenses, damages, sanctions fines, legal fees or penalties arising from: (i) a party's misrepresentation or breach of warranty, covenant, or any provision under this Agreement; (ii) a party's employees'/agents' fraud, gross negligence, willful misconduct or failure to comply with this Agreement and the Card Organization Rules; or (iii) actions where we have provided third party indemnification(s).
- 8.18. Amendments. This Agreement may be amended only in writing signed by CLQ and Merchant, except that (a) the Card Acceptance Guide and any and all fees, charges, and/or discounts (including without limitation non-qualified surcharge rates) and fees related to any Services may be changed immediately, or (b) CLQ may mail Merchant either a notice describing amendments to this Agreement or an entirely new agreement, which amendments or new agreement will be binding upon Merchant if it deposits sales or credit slips or accepts settlements hereunder after the effective date of such amendment or new agreement set forth in CLQ's notice.
- 8.19. Choice of Law; Venue; Waiver of Jury Trial. The parties agree that this Agreement shall be governed by and construed in accordance with the laws of the State of Washington and the federal laws applicable therein. Each party agrees: (i) that any action or proceeding relating to this Agreement may be brought in any court of competent jurisdiction in Spokane County, Washington State and for that purpose now irrevocably and unconditionally agrees and submits to the jurisdiction of such Washington court; (ii) that it irrevocably waives any right to, and will not, oppose any such Washington action or proceeding on any jurisdictional basis, including forum non conveniens; and (iii) not to oppose the enforcement against it in any other jurisdiction of any judgment or order duly obtained from a Washington court as contemplated by this section. The parties irrevocably waive any and all rights they may have to a trial by jury in any judicial proceeding involving any claim relating to this Agreement. You additionally agree to waive personal service of process and consent that service of process upon you may be made by certified or registered mail, return receipt requested, at the address provided on your Merchant Application.
- 8.20. Force Majeure. No party shall be liable for any default or delay in the performance of its obligations under this Agreement if and to the extent such default or delay is caused directly or indirectly by a force majeure event. In any such event, the non-performing party shall be excused from any further performance and observance of the obligations so affected only for as long as such circumstances prevail and such party continues to use commercially reasonable efforts to recommence performance or observance as soon as practicable.
- 8.21. Severability. The parties intend for every provision of this Agreement to be severable. If any part of this Agreement is not enforceable, the remaining provisions shall remain valid and enforceable.
- 8.22. Entire Agreement and Waiver. The parties agree that this Agreement (along with any attached amendments or schedules (if applicable)) constitutes the entire agreement between the parties with respect to the subject matter thereof, and supersedes any previous agreements and understandings. A party's waiver of a breach of any term or condition of this Agreement shall not be deemed a waiver of any subsequent breach of the same or another term or condition.

## GLOSSARY:

The following terms shall have the meanings listed below:

AA Code – Authorization approval Code provided by an Issuing Bank as defined in Section 2.3.3.

ACH – Automated Clearing House Transaction operated pursuant to the NACHA Rules.

Agreement – this Merchant Services Agreement, the related application form, together with all schedules, the Rules and other terms and conditions incorporated herein by reference and all amendments and replacements hereof.

Application – an application to procure Services completed in paper or electronic form by you, together with any and all information or documents provided in or together with such application. The Application is deemed to form part of the Agreement.

Authorization – access to debit and credit Depository Account granted by you to CLQ in Section 1.2 of the Agreement.

Bank – means an acquiring bank that agrees to process Card Transactions pursuant to the Rules.

Card – a payment instrument, such as a debit card, credit card, prepaid card or other instrument issued by an Issuing Bank pursuant to the Rules.

Card Organization – Visa, MasterCard, Discover, American Express, NACHA.

Cardholder – an individual or other entity that is the valid holder of a Card.

CCD - Corporate Credit or Debit.

Chargebacks/ Revocations – a disputed transaction.

CLQ - The CashLINQ Group, a company having its principal place of business at 1121 East Westview Ct., Spokane, WA 99218 USA.

CLQ System – Software as a Service known as Qsuite, including DonateQ, EventQ and CustomQ, QSafe and ezQlick subject to the License as discussed in Article 4.

CLQ System Data - information concerning the Merchant, its customers, donors and other third parties.

CNP – Card Not Present.

Customer – Cardholder/Receiver that wishes to make a payment to the Merchant for which the Merchant wishes to use the Services.

Depository Account – deposit account held by the Merchant at a financial institution in the United States for CLQ's use for debits and credits as required by the Agreement.

Effective Date – when CLQ begins providing Services.

Equipment – point of sale equipment, such as for example Card acceptance terminals.

Event of Default – acts, omissions or circumstances concerning you that give right to a right on the part of CLQ to terminate this Agreement for cause.

Fee Schedule or Schedule A - all schedules of fees applicable to the Services and the selection of Services chosen by Merchant, as discussed in Section 7.1.

Guarantor – the individual or individuals identified in the Application as personally guaranteeing the obligations of the

Issuing Bank – means a financial institution that is a member of a Card Organization and that issues Cards pursuant to the Rules.

License - a limited, non-transferable, revocable license, for the term of this Agreement only, to use the CLQ System through the Merchant System Account solely for the purpose of accessing the Services purchased.

Marks - names, trade names, logos, symbols and trademarks.

Merchant Account System or Account – An account on the CLQ System, hosted by CLQ, that is unique to the Merchant through which Merchant may access certain information related to the Services.

Merchant, Originator, you or your - the entity that entered into this Agreement with CLQ as identified in the Application.

PCI DSS – Payment Card Industry Data Security Standards as described more fully at <https://www.pcisecuritystandards.org>. PCI DSS standards are incorporated herein by reference.

POS – point of sale.

PPD - Prearranged Payment or Deposit.

RDFI – Receiving Depository Financial Institution.

Receiver –Merchant's ACH customer.

Reserve Account – Merchant funds held by CLQ or Bank to offset risk.

Rules – all applicable federal, state and local laws and Card Organization rules and regulations, such as they may be from time to time including but not limited to PCI DSS rules.

The Visa Rules are available here:

[http://usa.visa.com/merchants/operations/op\\_regulations.html](http://usa.visa.com/merchants/operations/op_regulations.html)

The MasterCard Rules are available here:

<http://www.mastercard.com/ca/merchant/en/getstarted/rules.html>

The Discover Rules are available here:

<http://www.discovernetwork.com/merchants/index.html>

The American Express Rules are available here:

[https://globalpaymentsinc.com/GPDB/AccessDOC.aspx?SubDoc\\_ID=1383](https://globalpaymentsinc.com/GPDB/AccessDOC.aspx?SubDoc_ID=1383)

The NACHA Rules are available here:

<https://www.nacha.org>.

All Rules are incorporated into this Agreement by reference.

SEC - Standard Entry Class Codes.

Services – has the meaning set out in the Agreement.

Software - computer programs, related documentation, technology, know-how and processes in object code form only.

WEB - Internet-Initiated.