

MERCHANT CARD PROCESSING AGREEMENT

This Merchant Card Processing Agreement (the "Agreement") shall govern and control the merchant card payment processing services provided by Bank of The Bahamas Limited and its third-party processing service providers ("Processor") to you the Merchant "Merchant". The Processor and Bank of The Bahamas may hereinafter collectively be referred to as the "Bank". Your acceptance and agreement to the following terms and conditions will occur when you first use our Services or upon your execution of this Agreement, whichever occurs first. This Agreement will remain in full force and effect unless either party terminates it in accordance with this Merchant Agreement.

1. DEFINITIONS.

The following is a list of definitions that will apply to this Agreement.

3-D Secure means the "Three Domain Secure" protocol developed by Visa International Inc. (Visa) branded as "Verified by Visa", the "MasterCard Secure Code" developed by MasterCard International Inc., the "American Express SafeKey" developed by American Express, "ProtectBuy" developed by Diners Club International or "J Secure" by JCB and/or such other products and offerings from time to time which are recognised by EMVCo as compliant with the its 3-D Secure Protocol and Core Functions Specification including successive versions thereof and any amendments thereto.

Account is a facility or arrangement which is provided by the Bank and utilized by a Customer to conduct transactions, inclusive of a chequing or savings account.

Adjustment means a transaction that is initiated by us to correct a Transaction that has been processed to or from your Business or Reserve Account.

Application Form means the application form filled out by Merchant and submitted to Bank in order to apply for the services described in this Agreement.

Assessment means any assessment, fine, liquidated damages, fee, cost, expense or charge of any nature which a Card Association, Other Financial Institution, Alternative Payment Provider or any other third-party levies on you or us at any time, directly or indirectly, in relation to a Service, Transaction or any other aspect of our Agreement or such third-party's relationship with you.

Authentication means data-driven approach to reduce fraud by confirming that the Cardholder consumers are who they say they are in card-not-present channels. Typically driven by risk-based scoring of the Cardholder data and in some cases requires Cardholder response to confirm a purchase Transaction.

Authorization means only that the Cardholder's account has sufficient credit available at the time of the authorization request to support the Transaction and the Card Issuer has approved the Transaction to proceed. For greater certainty, even if an Authorization is provided, the Transaction it supports may not be valid and may be subject to a Chargeback or other Adjustment.

Authorization Number means the number provided by the Card Issuer to evidence an Authorization.

Bank means Bank of The Bahamas Limited.

Business Account means the business deposit account at the Bank through which fees, charges and credits due in accordance with this Agreement will be processed.

Business Day means any day other than a Saturday, Sunday, or public holiday, on which the Bank is regularly open for business.

Card(s) means any Visa-branded, MasterCard-branded credit or debit card, as well as any other card authorized by Bank in writing under this Agreement, such as a Discover Card and American Express Card.

Card Association(s) means Visa Inc. ("Visa"), MasterCard International Incorporated ("MasterCard"), DFS Services LLC ("Discover") and American Express Travel Related Services Company, Inc. ("American Express") or comparable bodies which govern the issuance of Cards and regulate Card acceptance and for which Bank of The Bahamas Limited agrees (in its sole discretion) to provide Card Acquiring Services from time to time.

Card Association Rules and Regulations mean the rules and regulations, as amended from time to time, of each Card Association.

Card Issuer means the Card Association member that issues the Card.

Card-Absent Transaction means where a Transaction is completed under both of the following conditions (i) the Cardholder is not present, and (ii) the Card is not present. Examples include E- Commerce Transactions and mail/phone order Transactions.

Card-Present Transaction means where a Transaction is completed and the Card is present, the Cardholder is present, and an individual representing the Merchant completes the Transaction.

Cardholder means the person to whom a Card is issued, or who is authorized to use the Card.

Chargeback means any item or Transaction that is returned by a Card Issuer as disputed by a Cardholder through the Card Association, whereby the Bank will debit the Merchant's Business Account with the amount of the Chargeback, even if an Authorization was provided.

Claim means any action proceedings, claim, demand, or assessment (including Assessments), fine or similar charge whether arising in contract, tort (including negligence or breach of statutory duty) or otherwise.

Confidential Information means confidential or proprietary information, including but not limited to, the terms of this Agreement, pricing, Card Association Rules and Regulations, trade secrets, documentation concerning a POS Device, advertising, marketing, designs, plans, software, and any other information and documentation provided to you under this Agreement.

Credit Card means a valid Card whose holder has been granted a revolving credit line by his or her issuing financial institution. The Credit Card enables the holder to make purchases up to a prearranged credit limit.

Credit Slip means the form we allow you to use for processing refunds to Cardholders or adjusting the amount of the Transaction.

Data Protection Act (DPA) means the (Privacy of Personal Information) (Statute Laws of The Bahamas, ch. 324A).

Debit Card means a valid Card that is issued by a financial institution which allows a person to access funds in their account maintained with the financial institution in order to process Transactions.



Dispute means a Card dispute and typically refers to a disagreement between a Cardholder and a merchant regarding a Transaction made with a Card. A Dispute may occur for various reasons, such as unauthorized Transactions, billing errors, or dissatisfaction with the purchased goods or services.

eCommerce Merchant means a Merchant that conducts the sale of goods or services electronically over the Internet.

Electronic Commerce (eCommerce) Transactions mean Transactions which are sales, in which the payment order between the Merchant and a Cardholder is given over the Internet and other networks and excludes Mail Order/Telephone Order Transactions.

Fees means Payment Network Fees, Bank Fees and Other Fees.

Floor Limit means the maximum dollar value of a Transaction (of which we notify you from time to time) that can be processed without you obtaining our Authorization prior to completing a Transaction.

Forensic Investigation formal inquiry to gather and analyze evidence of financial misconduct, fraud, or embezzlement in response to specific suspicions or allegations. It involves a focused examination of transactions and records to gather compelling evidence for potential legal action.

Fraud Management Service means the electronic scrutiny and undertaking by the Bank of various risk management tests on the Merchant and Transaction data you send to us.

Initial Term means the first three years of the Agreement.

Mail Order/Telephone Order Transactions (MOTO) mean Transactions, which are Card Not Present Transactions, in which the Cardholder pays using a Card concluded by telephone or mail order, and are other than eCommerce Transactions;

Marks mean a word, name, logo, design, symbol, or combination thereof that an entity uses to identify its goods or services.

Merchant Discount Rate or MDR is the rate the Bank will charge for the services provided under this Agreement. Merchant will be charged either a fixed percentage or a floating percentage of each Transaction processed based on the volume and value of the Transactions, to be agreed upon with Bank. The Bank will notify the Merchant of the MDR from time to time.

Operating Guide means the operating guides, user manuals, instructions, software terms and conditions, and other documentation provided to you under this Agreement, as amended from time to time.

Payment Card Industry Data Security Standard ("PCI DSS") is a set of comprehensive requirements for enhancing payment account data security, as amended from time to time.

Payment Gateway Services means the service provided by The Bank as described in Section 5.

Payment Network means the Card Associations and Affiliated Third-Party Service Providers.

Personal Identification Number or PIN means the confidential number financial institutions issue to Cardholders.

Point of Sale Device ("POS Device") means the electronic equipment that the Merchant uses to perform Transactions and that reads the magnetic strip or chip for the data stored on the Cards.

Prohibited Merchant means a Merchant for whom we determine in our sole discretion, based on the nature of their business, that the Bank is not willing or able to provide services taking into consideration legal or other risk considerations.

Prohibited Transaction means a Transaction carried out by a Merchant in furtherance of a prohibited or illegal activity, Transactions we tell you from time to time are Prohibited Transactions or Transactions that you are not authorized to process under this Agreement.

Refund means a full or partial reversal of a particular Transaction, whereby the funds are reimbursed to the Cardholder on the initiative or request of the Merchant.

Renewal Term means each subsequent three-year term of the Agreement following the Initial Term.

Reserve Account means the account maintained at the Bank for all current or future liabilities of Merchant to Bank which may arise out of this Agreement.

Sales Draft means the electronic or paper record evidencing the purchase of goods or services by a Cardholder and the obligation on the part of the Cardholder to pay the amount specified on the electronic or paper record.

Services means any or all of the Acquiring Services, the Technical Services and/or POS Device leasing services that are provided to you by us under this Agreement.

Technical Services means (i) Payment Gateway Services; (ii) Fraud Management Services; and (iii) such other services as we may specify from time to time in this Agreement.

Transaction means any transaction between the Merchant and Cardholder in which a Card is used, and that involves a sale, a refund, or an Adjustment in the amount of a sale or refund.

Transaction Receipt means an electronic or paper record of a Transaction generated at the point of the Transaction. Detailed requirements for each type of Transaction Receipt are specified in the Card Association Rules and Regulations.

Transaction Record means an electronic or paper record of a Transaction (or copy), which may include a Sales Draft, Credit Slip, Transaction Receipt, or other record showing that a Transaction was authorized or declined.

We, us or our means the Bank.

Website means one or more Internet addresses defined by a Uniform Resource Locator (URL), at which an individual or organization provides information to others often including links to other locations where related information may be found

You and your means the Merchant that is entering into this Agreement.

2. GENERAL TERMS AND CONDITIONS

The following General Terms and Conditions apply to you regardless of which services we provide to you. You agree to comply with any and all Card Association Rules and Regulations and ensure that any and all of your approved third-party service providers also comply with such rules.

2.1 Nature of Your Business and Honouring Cards

You agree not to process Transactions that you know or ought to have known are fraudulent, unauthorized by the Cardholder or Prohibited Transactions.



You are solely responsible for the actions, omissions and willful misconduct of your staff, employees, and independent contractors when they use the services provided under this Agreement. You agree to honour the Card of any Cardholder that is presented to you as a form of payment in accordance with the terms and conditions of this Agreement and you agree that you will, and you will ensure that your employees and establishment will, follow all procedures and instructions that are set forth in this Agreement and the Card Association Rules and Regulations. You also agree to not use our services to process Transactions for another person, entity, or merchant. The Bank reserves the right in its sole discretion at any time to establish a maximum volume of daily, weekly or monthly Transactions and dollar limits per Transaction that you may process.

2.2 Fees

By accepting this Agreement, you agree to pay us charges applicable to you for the services we provide, including without limitation, Merchant Discount Rate ("MDR"), Transaction fees, terminal (POS / eCommerce), Technical Services fees, taxes, certification fees, maintenance fees, Chargeback fees, Card Association fees, interchange fees, and any other fees indicated on the Pricing Schedule (Schedule 1) of this Agreement or other documentation provided to you.

(b) If your merchant account includes terminals, you agree to pay monthly rental fees for each piece of equipment.

You agree to pay any fees or charges relating to eCommerce services set by the Bank from time to time.

(c) All fees, charges, and adjustments payable by you to us for a breach of this Agreement or any amount of a Chargeback or Credit Slip issued by you shall constitute a debt payable to us for which we may automatically debit any of your Account(s) with Bank or its affiliate(s) without prior notice. If a debit results in an overdraft on your Account(s), you agree to pay us the amount of the overdraft plus applicable interest and fees immediately.

You agree to pay all Chargebacks and related costs arising from your Transactions. For reference here are nine (9) reasons that contribute to Chargebacks:

- i. Cardholder or Card issuer requests a copy of the sales slip;
- ii. Cardholder did not authorize the transaction;
- iii. Non-matching account number;
- iv. Transaction was processed more than once to the same cardholder;
- v. Credit not processed;
- vi. No authorization;
- vii. Non-receipt of merchandise;
- viii. Invalid T&E (Travel and Entertainment) transaction; and
- ix. Card used before effective date or after expiration date.

(d) Fees shall be subject to adjustment by the Bank in the event of increases in Payment Network fees, or changes in Applicable Laws or Rules for which the Bank charges additional fees (each a "Pass-Through Increase").

(e) You agree to investigate any errors in Fees on your Business Account for which You receive notice within thirty (30) days of the payment in question and remedy such errors within thirty (30) days of such notice. In the event of an under-payment of Fees, You shall be liable to remedy the underpayment within thirty (30) days after it is notified in writing by the Bank thereof provided that such notice from the Bank to You is within one hundred and twenty (120) days of the occurrence of such underpayment.

(f) All Fees and charges are subject to change, and Bank of The Bahamas reserves the right to institute a new fee structure by giving thirty-days (30) written notice.

2.3 Statements

(a) Upon request, we shall provide you with a statement of your merchant account activity which will include Transactions via email. If you would like to receive your Bank statement electronically, you can request such online service from the Bank. Website, login and password information will be provided to you by the Bank. If you request to receive your monthly statement electronically, you hereby confirm your ability to access the Bank's website and view, download and print the electronic copy of your statement. You agree to review all of the items and Transactions listed on your monthly statement and to notify us in writing within thirty (30) calendar days of the date that the electronic statement is made available to you on the Bank's website, about any concerns or irregularities, including any suspected errors, omissions, incorrect debits, inaccurate Transactions and/or inaccurate revenue. You agree to notify us immediately in writing if you do not receive a statement by mail or if you are unable to view your electronic statement on the Bank's website.

Otherwise, if you do not notify us as required above, you hereby irrevocably agree that:

- All Transactions, charges and payments listed on your monthly statement are correct and binding upon you;
- You forever release us from any claim relating to any listed item or transaction, and any item or transaction suspected to be missing; and
- You will accept our records as proof that the statements and the Transactions listed in them are correct and authentic.

2.4 Confidentiality

(a) You acknowledge that Confidential Information may be disclosed to you during the term of this Agreement. You agree to not directly or indirectly use or disclose the Confidential Information to any third-party other than for the purposes expressly set out in this Agreement, including compliance with the Card Association Rules and Regulations. You agree that upon termination of this Agreement you will return all Confidential Information to us.

(b) You agree to not disclose any Card information, personal information concerning Cardholders or other Transaction information to any third-party except to the Bank or your third-party service providers approved by the Bank for the sole purpose of: (i) assisting you in completing the Transaction; or (ii) as specifically required by applicable law. Otherwise, you may only disclose

Transaction information to approved third parties for the sole purpose of: (i) supporting a loyalty program; or (ii) providing fraud control services. You agree to immediately notify us in writing upon discovery of any unauthorized disclosure of or access to card information, personal information concerning Cardholders or other Transaction information.

(c) You agree to store any material containing Card account numbers or imprints (such as Transaction Receipts, car rental agreements or carbons) in an area limited to selected personnel and to render all data unreadable prior to discarding. You will not (i) retain or store magnetic stripe data or card verification data subsequent to an Authorization; or (ii) request card verification data on any paper form. The sale or disclosure of databases containing Card account numbers, personal information of Cardholders, or other Transaction information to third parties is strictly prohibited.

(d) You agree to comply with the Card Association data security programs and the PCI DSS relating to the protection of cardholder data, as amended from time to time. You can find the PCI DSS at www.pcisecuritystandards.org. You further agree: (i) in the event of a security intrusion, you will fully cooperate with a third-party approved PCI DSS assessor and/or representative to conduct a thorough security review and validate your compliance with PCI DSS; (ii) you are responsible for the security of the Cardholder data in your



possession; (iii) to use the Cardholder data only for the completion of Transaction processing, supporting a loyalty program, providing fraud control services or for other uses specifically required by law; (iv) to continue to treat Cardholder data as confidential after this Agreement is terminated for any reason; and (v) to notify the Bank in writing of any Merchant third-party service provider that may have access to Cardholder information and ensure such third-party service provider complies with PCI DSS.

2.5 Privacy

(a) The parties to this Agreement acknowledge that certain information collected, used and disclosed pursuant to this Agreement may constitute personal information pursuant to the DPA and may be regulated by the DPA and other applicable law. The parties agree that any such information will be collected, used and disclosed in accordance with the DPA and other applicable law and will only be used and disclosed in connection with the services provided hereunder. You acknowledge and agree that our Processor and other Bank third-party service providers may be located outside of The Bahamas. As a result, your information may be accessible by regulatory authorities in accordance with the law of the jurisdictions where our service providers operate.

(b) Each person whose information appears on the Application Form authorizes us to use and disclose without any further notice his/her personal information to respond to any application for our services, to provide our services, enforce the terms of this Agreement, as well as in the following ways:

- To determine that person's financial situation by collecting credit and related financial information from our affiliates, strategic partners, credit agencies, other financial institutions and from references provided by such person;
- To facilitate the provision of our services by sharing that person's information with the Processor, third-party service providers, card issuers, Card Associations, credit agencies and similar parties connected to card services;
- To investigate potentially fraudulent or questionable activities regarding your Account(s) or the use of our services;
- For reporting purposes under card association rules and regulations and to card issuers and card related entities;
- To offer related products and services that might be beneficial to you;
- As required or permitted under applicable law; and
- In the course of an actual or potential sale, reorganization, consolidation or merger of the Bank.

2.6 Providing Information to Us

(a) You agree to promptly provide us with financial information and any other documents that we may reasonably request to ensure that we are comfortable providing you with the services under this Agreement.

(b) You agree to provide (i) us prompt written notice of any material change in your financial condition and any related documents and financial information; and (ii) upon our request, collateral and/or establish a Reserve Account to secure the performance of your obligations under this Agreement.

(c) You also agree to cooperate with us and provide us with information we request regarding your business, including employee shift logs to assist with any suspected fraud related investigation. We may be required to inform a Card Association or other relevant party of your name and the name of your principals if this Agreement is terminated due to your breach, which could affect your ability to obtain Card processing services in the future.

(d) If arrangements are made with a third-party for the purpose of collecting, processing or storing Cardholder names, account numbers or other transaction information, you are responsible for ensuring such third-party's compliance with card association and network organization requirements related to Cardholder and transaction information, confidentiality and security,

including but not limited to the PCI Data Security Standard. You will execute a written contract with such party that includes obligations substantially similar to the ones in the Agreement regarding confidentiality, information security and PCI compliance and the right to inspect the third-party's premises and computers to validate compliance.

(e) The Card Association's Rules and Regulations and PCI DSS Requirements explicitly prohibit the storage of the full contents of the magnetic stripe once the authorization process is completed on any POS equipment. Visa regulations and the PCI DSS also prohibit the storage of the Card Verification Value2 (CVV2) and Personal Identification Numbers (PINs) or PIN blocks.

(f) Subject to the rules of the Card Association, the Bank requires you to disclose any arrangement with a third-party to collect, process or store cardholder data, and be responsible for ensuring such third-party complies with Card Associations PCI DSS, and Bank terms and conditions relating to personal cardholder information, payment card and transaction, confidentiality and security. The merchant also agrees that any third-party arrangement must be documented with a written executed contract which refers to the obligations substantially similar to that contained in this merchant service contract regarding confidentiality, information security, and PCI DSS.

2.7 Business Account and Inactivity

(a) You agree to establish and maintain a Business Account with the Bank to be debited and credited by us in accordance with Section 3.9 relating to settlements and adjustments. In addition to the terms contained herein relating to Transactions, your Business Account will also be subject to the terms and conditions set forth in the Bank's General Account Terms and Conditions Agreement, including without limitation any overdraft terms and conditions.

(b) The Business Account will become inactive if no deposit transactions have been credited to the account for one (1) year. In such an event, the Bank will send a notice to advise you of the inactive status.

2.8 Security Interest, Set Off and Reserve Account

(a) You hereby irrevocably grant us a security interest and lien upon all of your funds in any Reserve Account, Business Account, Sales Drafts, holdbacks and any other Account(s) you have with us or any of our affiliate(s) (collectively the "Secured Assets") to secure any and all amounts you owe to us under this Agreement. You represent and warrant that no other person or entity has a security interest or lien on the Secured Assets, and you will not grant any security interest or lien on the Secured Assets without the prior written approval of Bank. We have the right at any time to set-off and apply any of the Secured Assets against and on account of your obligations to us and any of our affiliate(s) under this Agreement. You acknowledge receipt of a true copy of this Agreement and waive, to the maximum extent permitted by applicable law, all rights to receive copies of financing statements, financing charge statements, verification statements or copies of other notices or filings made by us at any time with respect to any security interest. Upon our request, you agree to execute any additional documentation necessary to evidence or perfect any security interest provided for herein.

(b) Upon our request, you will establish a Reserve Account as collateral for any amount owing by you to the Bank and make payments to us for that purpose in such amounts as are necessary to create and maintain the minimum balance as specified by us in our sole discretion. We reserve the right to increase the minimum balance of the Reserve Account at any time and you agree to deposit any deficiency within two (2) business days or within a time that has been agreed as of the date of our request. You agree, as an irrevocable direction to the Bank, that we may also create or maintain the specified balance of the Reserve Account with deductions from Transaction proceeds or other payments or credits due to you and/or by debiting any other account(s) that you have with the Bank or any of its affiliate(s). The repayment to you of any balance of the Reserve Account is subject to the terms and



conditions of this Agreement. You are not entitled to repayment of any balance of a Reserve Account until you have no further indebtedness or other obligations, outstanding, anticipated or potential, to the Bank under this Agreement and/or under any separate guarantee. You agree that the Bank shall be entitled to retain the funds in the Reserve Account until the later of any time period set forth by the Card Association Rules and Regulations for Chargebacks or twelve (12) months from the date of termination of this Agreement.

You acknowledge and agree that the Reserve Account and any holdbacks are simple debts that do not involve or create any trust, custodial, agency, obligation to segregate or any other similar obligation on the part of the Bank.

2.9 Non-Waiver of Rights and Enforcing this Agreement

You agree that our conduct, actions or failure to enforce any of the terms and conditions of this Agreement does not waive any of our rights under this Agreement or change your obligations under this Agreement.

2.10 Representations and Warranties

You represent and warrant that (i) all of the information provided to us under the Application Form and this Agreement is true and accurate, and that the person(s) signing the Application Form and this Agreement have full power and authority to execute same and to provide such information; (ii) you have obtained any and all necessary government and regulatory approvals, certificates and licences to provide the goods and services to your customers and you will comply with all applicable present and future laws and regulations governing you and your business; (iii) you will use the software programs provided by the Bank and/or the Processor in accordance with the Operating Guide; (iv) each Transaction is not a Prohibited Transaction; (v) you will process Transactions in accordance with the Card Association Rules and Regulations and Operating Guide; and (vi) you will secure and not disclose any passwords or access codes provided by the Bank to you hereunder to any unauthorized third-party.

2.11 Limitation of Liability and Indemnity

(a) You agree that the Bank, Processor and all of their third-party contractors, their parents and affiliates, and their respective officers, directors and employees shall not be responsible for any claims, losses, damages (whether direct, indirect or consequential), liabilities, penalties, fines, costs and expenses caused by a delay or failure to perform the services described herein or by your use of the services and equipment described in this Agreement.

(b) The Bank, Processor and their third-party contractors have provided no warranties hereunder, and expressly disclaim any and all warranties relating to the services provided hereunder, express or implied, including but not limited to any warranty relating to quality, suitability, merchantability, fitness for a particular purpose or otherwise of any services or equipment provided under this agreement. In no event shall the Bank, Processor or their third-party contractors be liable for any 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 such party has been advised of the possibility of such damages. The maximum total cumulative liability for the Bank, Processor, and their third-party contractors hereunder pursuant to any claim based on tort, contract, strict liability or any other legal or equitable theory shall be ten thousand dollars (\$10,000.00).

(c) You agree to indemnify and hold harmless Bank and Processor, and their parents, affiliates and third-party contractors, and their respective directors, officers, employees and agents, from and against any and all claims, losses, damages, liabilities, penalties, fines, costs and expenses (including without limitation attorneys' fees and costs) arising out of or relating to any of the following: (i) your failure to comply with the terms of this Agreement or the

Card Association Rules and Regulations; (ii) the acts or omissions or willful misconduct of your employees, contractors or service providers; (iii) your breach of any representation or warranty set forth herein; (iv) any Cardholder Dispute concerning the quality, condition or delivery of any Merchant product or service; (v) your selection and use of any Internet service provider, telecommunications service provider, POS Device or other equipment or service provider, and the interruption, delay or outage of any such services, POS Device or other equipment; (vi) the theft, misuse, damage or destruction to the Processor's software or system; (vii) any claim brought against Bank by a Card Issuer or Card Association relating to a Transaction processed by you; (viii) your failure to comply with any security procedures set forth in the Card Association Rules and Regulations or PCI DSS or any breach of your data security systems; or (ix) any Card-Absent Transactions, unauthorized Transactions or Prohibited Transactions.

2.12 Communications

You agree that if you require third-party communications support, you will accept our assistance and recommendations in obtaining this support subject to your agreement to the following terms:

- You are solely responsible for all aspects of compatibility, installation, operation, security and systems integration that relate to your third-party communications providers as well as any and all payments due and owing by you to such third-party providers;
- We will have no liability to you for any losses or damages whatsoever that you may suffer due to the failure or disruption of communications service or support;
- You agree to indemnify and promptly reimburse us for any and all payments we may make to any third-party communications service providers on your behalf; and
- You are not a third party beneficiary of any agreement between us and a third-party communications provider.

2.13 Term

The Initial Term of this Agreement will commence on the date you accept the terms and conditions set forth herein and will automatically renew for the Renewal Term unless either party provides ninety (90) calendar days written notice to the other party of its intention to not renew prior to the expiry of the Initial Term or any Renewal Term.

2.14 Termination

We reserve the right to terminate this Agreement for good cause. If this Agreement ends for any reason:

- All amounts owing to us by you will continue to apply;
- The terms and conditions of the Agreement will continue to apply for any Transactions delivered to us before the termination date;
- Your rights to use advertising, card association and bank marks, displays, sales drafts, credit slips, transaction receipts and other items associated with Transactions will end; and you agree to return any and all materials containing such marks to us;
- Your rights to process Transactions under this Agreement will end;
- If applicable, you will return all POS device(s) in the same condition as they were in when you received them except for normal wear and tear. If the POS device(s) is not returned or returned in unacceptable condition, you will be subject to a charge for replacement of such POS device(s);
- You will be paid all amounts owed to you by us as set forth herein less a holdback in an amount sufficient to allow us to settle any potential or anticipated chargebacks, fees and MDR which are payable or may become payable pursuant to this Agreement. If the holdback is insufficient to cover all chargebacks, fees and MDR, you agree to pay the deficiency to us immediately; and
- Your confidentiality, indemnification and payment obligations hereunder will survive the termination of this agreement, as well as all other provisions relating to processing and settlement of Transactions and chargebacks.



2.15 Default

(a) You are in default under this Agreement when any one or more of the following happens:

- You provide false or inaccurate information on the Application Form;
- You breach a representation or warranty set forth in the Application Form or this Agreement;
- You participate in the processing of Transactions that you know or ought to have known to be fraudulent, Prohibited Transactions or otherwise unauthorized Transactions;
- You do not observe or comply with any term or condition set forth in this Agreement or the Card Association Rules and Regulations; or
- You initiate Bankruptcy or insolvency proceedings, or such proceedings are commenced against you by a third-party.

(b) If you are in default, or if we reasonably suspect you have defaulted, we may immediately and without prior notice do any or all of the following:

- Suspend your rights under this Agreement or terminate it;
- Freeze any of your Account(s) with us to secure your obligations hereunder; and
- Take other steps we consider necessary and as permitted under this Agreement.

(c) In addition to all other remedies provided to Bank under this Agreement, if the Bank terminates this Agreement due to your default, or you wish to terminate this Agreement prior to the end of the Initial Term or any applicable Renewal Term, you agree to pay the deactivation fee set forth in the documentation provided to you.

2.16 Personal Guaranty

If an individual agrees to personally guaranty the performance of all obligations of Merchant herein ("Guarantor(s)"), such Guarantor(s) agrees to the following:

- Guarantor(s) shall be jointly and severally bound by the terms of this Agreement to the same extent as Merchant;
- Guarantor(s) unconditionally and irrevocably agrees to personally guarantee the continuing full and faithful performance and payment by Merchant of each and all of Merchant's duties and obligations to the Bank under this Agreement or any other agreement currently in effect or in the future entered into between Merchant or its principals and the Bank, as such agreements now exist or are amended from time to time, with or without notice to Guarantor(s);
- Guarantor(s) understands and agrees that the Bank may proceed directly against Guarantor(s) with or without first or contemporaneously proceeding against the Merchant or any other person to collect hereunder;
- In the event that the Guarantor(s) has an Account with Bank or any of its affiliate(s), Guarantor(s) agrees that the Bank may automatically deduct amounts owing pursuant to this guaranty from such Account(s) in order to satisfy Guarantor(s) obligations hereunder, without notice and without filing any claim or legal action; and
- This is a continuing guaranty binding upon all heirs, administrators, and representatives of the Guarantor(s), and will not be discharged or affected by the release or discharge of Merchant or death of the Guarantor(s); to the fullest extent permissible under applicable law, Guarantor(s) hereby waives all rights of subrogation or indemnity that may be derived from Merchant.
- If you voluntarily make a request to terminate the service, you are required to submit the request in writing to the Merchant Services Department or a designated Branch or Unit. Upon receipt of the termination request by the Merchant Services Department, we will commence the termination process in line with this Agreement's ninety (90) days' notice arrangement.
- Your merchant processor setup shall remain open and maintained in an 'Inactive' status for a period of one hundred and twenty (120) days from the last transaction to ensure that there are no Disputes arising.

- All refundable fees will be withheld until all outstanding balances (if any), are satisfied.

2.17 Changing This Agreement

(a) We reserve the right to change the terms of this Agreement, including without limitation any Bank fees and charges, by providing you notice of the change at least thirty (30) calendar days before the change will become effective. You agree that we may provide notice of any change to you by posting the change on our website, sending you an email, or by regular mail. If you do not agree to the proposed change, you must send written notice to the Bank within thirty (30) calendar days of receiving the notice; in such event, you will be permitted to terminate the Agreement without the obligation to pay the deactivation fee (however all other payment obligations hereunder will continue to apply). In any event, if you do not object to the proposed change in writing or you continue to use the services provided under this Agreement after the thirty-day period, you agree that any and all such amended terms and conditions shall be automatically incorporated into this Agreement and binding upon you. Nothing herein requires the Bank to notify you of any changes imposed by the Card Associations. You agree to regularly review the Card Association Rules and Regulations for any changes that may apply to you.

(b) We reserve the right to change our procedures and security standards at any time. If any change will have a material negative effect on you, we will use reasonable commercial efforts to notify you about the change at least ten (10) calendar days before it becomes effective.

2.18 Changes in Your Business

(a) It is your sole responsibility to tell us immediately of any changes to the information you have previously provided to us, including but not limited to any changes: (i) to your contact information, including address, telephone number and email address; (ii) change in ownership (providing information and contact on each Principal or Corporate Owner (iii) the nature and volumes of your business; or (iv) the way you conduct your business. Failure to do so may result in your default hereunder and we will then be entitled to all remedies provided for in this Agreement.

(b) It is also your sole responsibility to notify us if you are a member of an association recognized by us, and you agree that you will not be entitled to any rights of the association membership unless and until you do so and you receive acknowledgement from us in writing.

2.19 Record Retention and Right to Audit

(a) You agree to keep and maintain the original and copies of all Transaction Records and any other forms and documentation required under the Card Association Rules and Regulations until the later of the following (i) as required by applicable law, as amended from time to time; (ii) three (3) years following the date of the Transaction; or (iii) any longer period set forth in the Card Association Rules and Regulations. You agree to keep such information and records secure in accordance with Sections 2.4 and 2.5.

(b) If we request that you provide us with a copy of a Transaction Record, you agree to provide it to us within five (5) Business Days after our request. If you do not provide us with a requested Transaction Record, or if the Transaction Record you provide does not correspond to the actual Transaction, you agree that the amount of the Transaction shall be subject to a Chargeback and we may automatically deduct such amount from any Account(s) you maintain with the Bank or its affiliate(s).

(c) You agree that the Bank and the Card Association(s) and their third-party designees shall have the right to audit, inspect and copy the Transaction Records and any other records relating to this Agreement at any time during your normal business hours.

2.20 Assignment



You agree that you cannot assign all or any part of this Agreement to any third-party without first obtaining our prior written approval. The Bank shall be entitled to assign any or all of its rights and obligations under this Agreement to any third-party. This Agreement binds you, your successors and permitted assigns.

2.21 Notice

Any notice given under this Agreement by the Bank to you may be made by posting such notice on Bank's website, sending you an email, or delivery to your physical address. You agree to accept notices via the Bank's website and email communications and represent that you have (i) reasonable access to view the Bank's website and email communications, and (ii) the ability to download, save and print such notices and communications. Notices to your email address or physical address will be in accordance with the last known addresses listed in our records.

Notices posted on the Bank's website shall be deemed received by you on the date of posting. Notices sent by email to you shall be deemed received on the date of transmission by the Bank.

2.22 Force Majeure

Neither party shall be liable for any default or delay in the performance of its obligations hereunder (except for your obligation to make payments as set forth herein), if and to the extent such default or delay is due to causes beyond the control and without the fault or negligence of the party claiming excusable delay or a force majeure event, including without limitation any act of God. In such event, the non-performing party shall be excused from any further performance of the obligations so affected only for so long as such circumstances continue, and such party continues to use commercially reasonable efforts to recommence performance as soon as reasonably practicable.

2.23 Governing Law and Dispute Resolution

This Agreement and anything related hereto shall be governed and interpreted in accordance with the laws of the Commonwealth of The Bahamas. The courts of the said Commonwealth of The Bahamas shall have exclusive jurisdiction in relation to any and all disputes or questions relating to this Agreement and the parties hereby irrevocably submit to the jurisdiction of said courts.

2.24 Entire Agreement

The parties agree that the Application form, this Agreement, Operating Guide, and any attached schedules and amendments (if applicable) constitute the entire Agreement between the parties with respect to the subject matter thereof and supersedes any previous agreement(s) and understandings between the parties. If any term of this Agreement is not enforceable under applicable law, the remaining provisions shall remain valid and enforceable. The parties to this Agreement are independent contractors and no partnership, joint venture or employment relationship is created by this Agreement.

3. CARD PROCESSING TERMS AND CONDITIONS

You agree that in addition to the terms and conditions set out herein, you are bound by and will comply with the terms, policies and procedures relating to Card processing services set forth in the Card Association Rules and Regulations, Operating Guide, and other documentation that we provide to you from time to time relating to this Agreement. In the event that you accept American Express Cards, you acknowledge your receipt and agreement to the terms and conditions for American Express Card acceptance.

You hereby acknowledge your receipt, review and agreement to comply with the Card Association Rules and Regulations. You can find the Card Association Rules and Regulations at the following websites:

- Visa: <https://usa.visa.com/run-your-business/resources/merchant-resources.html>

- MasterCard: <https://www.mastercard.us/en-us/business/overview/support/rules.html>
- Discover: <https://www.discoverglobalnetwork.com/#>
- American Express: the rules will be provided to you by American Express.

If you have difficulty viewing or printing the Card Association Rules and Regulations, you agree to contact the Bank for assistance. You agree to review these rules on a regular basis because they are changed from time to time by the applicable Card Association. You agree to use the Bank's Marks and the Card Associations' Marks as approved by us or the applicable Card Association. You will prominently display standard decals, signs and other promotional materials showing the Marks as required by the Card Association Rules and Regulations. You must ensure that your return policy complies with applicable law and is clearly posted or otherwise made known to the Cardholder at the time of the Transaction. You agree to not indicate or imply that a Card Association endorses any of your goods or services. You agree to stop using or displaying any Marks upon receipt of notice from us or the applicable Card Association.

3.1 Financial Accommodation

You acknowledge and agree that any payment made, or credit given to you as settlement for a Transaction is an advance of funds, unless and until the Transaction is not capable of being the subject in whole or in part to a Chargeback or Adjustment.

3.2 Processing Your Card-Present Transactions

Electronic Processing: In order to process Card-Present Transactions, you agree to:

- Ensure that the Cardholder presents a valid Card by examining the Card for the unique visual characteristics, Marks, account numbers and anti-fraud/counterfeit measures of each Card Association that you agree to review and become familiar with under the Card Association Rules and Regulations;
 - Examine the Card to ensure that the current date falls within the valid dates and before the Card expiration date;
- (a) For a Card with Magstripe or Chip with Signature validation:
- Ensure that the Cardholder has signed the signature panel on the back of the Card and ensure that the signature matches the signature on the Transaction Receipt; if the Cardholder has not signed the signature panel, ask the Cardholder to sign it in your presence and provide you with two pieces of identification, one of which must be a government issued document containing the person's photograph to verify the Cardholder's identity;
 - Use the POS Device to read the information contained on the Card by swiping or inserting or tapping the Card at the POS Device;
 - If the account number displays on the POS Device screen, ensure that it matches the number embossed on the Card;
 - Obtain an Authorization Number for the Transaction;
 - Verify that all information is correct and legible on all copies of the Transaction Receipt;
 - Watch the Cardholder sign the Transaction Receipt;
 - Compare the signature on the Transaction Receipt with the signature on the Card and if the two signatures do not match, telephone the Bank for instructions before returning the Card to the Cardholder;
 - Return the Card and Cardholder copy of the Transaction Receipt to the Cardholder and thank them for their purchase;
- (b) For a Card with Chip and PIN validation:
- Prompt the Cardholder: Ask the Cardholder to insert their Card face up, with the chip end first, into the chip-enabled POS Device terminal, or tap their Card on the chip-enabled POS Device terminal, if the value of the Transaction is within the defined limit.



- Ensure the Card Remains in Place: Remind the Cardholder to leave their Card in the POS Device terminal for the duration of the Transaction.
 - Guide the Cardholder: Instruct the Cardholder to follow the on-screen prompts, which may include entering their PIN.
 - Monitor the Transaction: Ensure the Transaction is processed correctly and wait for the confirmation via the Authorization Number.
 - Notify the Cardholder to Remove the Card: Once the Transaction is complete, inform the Cardholder to remove their Card from the terminal.
 - Hand Over the Receipt: Provide the Cardholder with their receipt and thank them for their purchase.
- If you have been made aware that a Card presented to you is subject to a fraud warning or there is some other discrepancy, telephone the Bank for instructions before returning the Card to Cardholder; and
 - “Decline” means the Transaction cannot be authorized. Do not accept the Card. Return the Card to the Cardholder and discretely advise that the Card has been declined. If the Cardholder has questions, refer him or her to the Card Issuer.

(c) It is your sole responsibility to follow the instructions displayed on the POS Device. You are ultimately responsible for all Transactions that are processed through your POS Device. If you use a POS Device to process Transactions, your Floor Limit is zero and you must obtain an Authorization Number for all Transactions. Please refer to the Card Association Rules and Regulations for procedures to follow when the Cardholder adds a gratuity.

(d) Manual Processing.

The Bank no longer offers MOTO type processing of Transactions. As such, if the Merchant makes an unauthorized conversion of all or part of its business to eCommerce or MOTO services or to any activity where the Card is not physically present and swiped, inserted, or tapped at the Merchants POS Device, without the prior written approval of the Bank, the Bank reserves the right to terminate this Agreement.

The Bank offers Card-Absent Transaction processing options to facilitate Transactions where the Cardholder / Card is not present to complete the Transaction. See Section 3.3 Card-Absent Transactions.

3.3 Card-Absent Transactions

The Bank has online access and may monitor Electronic Commerce Transactions performed by a Merchant.

The Merchant agrees to sell its goods and/or services to Cardholders and to accept the Cardholder's card in payment thereof without discrimination.

The Merchant agrees not to impose a surcharge on or discriminate against Purchasers who use a Card. Advertising logos containing the card design will be furnished to the Merchant electronically so that the public will know that their cards will be honored at its Website.

The Card Associations' operating procedures place certain restrictions on advertising. In order to adhere to the operating procedures, the Merchant agrees to use only such advertising that has received the Bank's prior approval. The Merchant also agrees to prominently display the Card logos.

(a) Prior Written Approval for Card-Absent Transactions

You must obtain our prior written approval to complete Card-Absent Transactions. When processing Card-Absent Transactions, you agree to disclose clearly to the Cardholder that you are the Merchant of record and responsible for Transactions, your products and services, customer service, Dispute resolution and all terms and conditions of sale. You agree to comply with applicable law and Card Association Rules and Regulations relating to Card-Absent Transactions. The following additional terms apply to Card-Absent Transactions:

- All Card-Absent Transactions are at Merchant's sole risk. As to each Card-Absent Transaction, you warrant to us that the person whose name is submitted as the Cardholder either made or authorized the purchase. Upon breach of this warranty, we may charge back the Transaction to you. If we charge back the transaction to you, you agree to pay the amount of the transaction, plus any Chargeback fee and Payment Network fine or assessment. We may charge the amount of the Transaction to your Business Account or Reserve Account without notice to you.
- All Card-Absent Transactions must be electronically authorized and you shall obtain the Cardholder name, account number, expiration date, address and Card validation code or verification value. If available and required, you must utilize the address verification service; you must obtain an Authorization for each Transaction; you should obtain the Cardholder's authorization before processing the Transaction;
- You must obtain proof of delivery of the goods or services and retain same; and provide a Transaction Receipt to the Cardholder;
- If you accept a pre-authorized recurring order, the Cardholder must execute and deliver to you a written request and approval to process the Transaction; this written request shall be maintained by you and made available to us upon request; all annual billings must be reaffirmed at least once a year; you shall not deliver goods or perform services covered by a pre-authorized recurring order after receiving notice from the Cardholder that the pre-authorization has been cancelled or notice from us that the applicable Card should not be honoured;
- If available and required, you shall verify the Cardholder's address from the Card Association network; and
- All Card-Absent Transactions are subject to Chargeback if the Cardholder disputes the charge; you understand and agree that Card-Absent Transactions have substantially higher risk of Chargeback and you assume all risk of loss associated with accepting Card-Absent Transactions.

(b) Website Requirements for eCommerce Merchants.

An eCommerce Merchant's website must include and is not limited to the following information:

- A complete description of the goods and services offered, and a proper display of the applicable Card Associations' Marks as set forth in the Card Association Rules and Regulations;
- Return merchandise and refund policy, which includes the communication of the return policy during the order process and the requirement that the Cardholder must be allowed to select a “click to accept” option or other affirmative button to acknowledge the policy;
- Terms and conditions of sale must be displayed on the same screen view as the checkout screen used to present the total purchase amount or within the sequence of web pages the Cardholder accesses during the checkout process;
- Customer service contact information including an email address or telephone number;
- Transaction currency;
- Export and/or Legal restrictions;
- Delivery policy;
- Consumer Data Privacy policy;
- The security method offered for transmission of payment data such as Secure Sockets Layer (SSL) or 3-D Secure; and
- Name and address of the Merchant's outlet permanent establishment, including the Merchant outlet country on the same screen view as the checkout screen used to present the total purchase amount or within the sequence of web pages the Cardholder accesses during the checkout process.

(c) Minimum Encryption-level Standards

If you process eCommerce Transactions, you must ensure and be able to demonstrate to us that you and your service provider meet the minimum encryption level standards for gathering and transmitting Cardholder data such



as industry standard SSL and any other security standards required under the Card Association Rules and Regulations. You also agree that if you or your service provider store Cardholder data within your systems or facilities, at your sole expense, you agree to comply with the requirements of the Card Association Rules and Regulations relating to the security of Cardholder data, including certification that may be necessary to comply with PCI DSS.

(d) 3-D Secure

If you process eCommerce Transactions and your Merchant Risk assessment based on the Bank's policy is designated as "High", you are required to implement the EMV 3-D Secure protocol. 3-D Secure is an eCommerce protocol that authenticates Cardholders to increase approvals and shift Chargeback liability. 3-D Secure enables the exchange of data between you, the Merchant, the Card Issuer and when necessary, the Cardholder, to validate that the eCommerce Transaction is being initiated by the rightful owner of the Card account.

The Bank will advise you of which of its Payment Gateway (MPI) Service Providers you will require to use for 3DS. (MPI is the Merchant Plug In software required for processing 3D Secure transactions). See Section 5 – Technical Services.

(e) Shipping and Delivery

You agree to ship and/or deliver the merchandise or service in accordance with your merchant service terms and conditions. The shipping and delivery terms and conditions must be clearly visible in both online e-commerce processing for Card-Absent transactions and on invoice/payment receipts for Card-Present transactions. Typical ship/delivery times are within seven (7) days of the Transaction Date (including the Transaction Date). Any delayed or extended delivery times for merchandise or services will impact your merchant risk rating and pricing assessment.

3.4 Prohibited Transactions

You agree to only forward legitimate Transactions generated in the ordinary course of your business. You agree to **not** do any of the following relating to any Transaction:

- impose a surcharge on a Cardholder who elects to use a Card in lieu of payment by cash, check or other mode of payment;
- Charge a Cardholder more than the amount the Cardholder would pay if payment were made by cash or check;
- Establish a minimum or maximum dollar Transaction amount;
- Obtain multiple authorizations for amounts less than the total sale amount;
- Obtain authorization for purposes of setting aside Cardholder's credit line for use in future sales;
- Make any special charge to or extract any special agreement or security from any Cardholder in connection with any Transaction;
- Initiate or accept for payment any Transaction which was not originated directly between Merchant and a Cardholder for the sale or lease of goods or the performance of services of the type indicated in the Application Form for card processing services approved by us;
- Honour or accept a Card as payment for any legal services or expenses arising out of or related to (i) the defense of any crime other than a traffic violation; (ii) any domestic relations matter where such services or expenses are furnished to a person whose name is not embossed on the Card; or (iii) any bankruptcy, insolvency, compromise, composition or other process affecting Cardholder's creditors;
- Use Merchant's own Card, or one to which Merchant has access, to initiate a Transaction for the purpose of obtaining credit for Merchant's own benefit;
- Redeposit a previously charged Transaction, regardless of whether the Cardholder consents;
- Initiate a Transaction credit without a balance in your Business Account or Reserve Account equal to the credit;
- Use the Bank's system or software and any data received thereon for any purpose except for determining whether or not Merchant should accept Cards in connection with a current sale or lease of goods or services;

- Use the Bank's system or software and data received thereon for credit inquiry purposes, or any other purpose not authorized by this Agreement;
- Draw or convey any inference concerning a person's credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics or mode of living when any Card is processed and not approved;
- Disclose any information obtained through the Bank's system or software to any person except for necessary disclosures to affected Cardholders, Bank and/or the Issuer;
- Add any tax to Transactions, unless applicable law expressly requires that the Merchant collect such tax. Any tax, if required, must be included in the Transaction amount and not collected separately;
- Disburse funds in the form of traveler's checks, if the sole purpose is to allow the Cardholder to make a cash purchase of goods or services from Merchant;
- Disburse funds in the form of cash as part of any Transaction; a cashback service is not supported by Bank;
- Accept a Card to collect or refinance an existing debt or dishonoured check;
- Initiate a Transaction credit for returned goods or services acquired in a cash transaction;
- Make any cash refund to a Cardholder who has made a purchase with a Card; all Transaction credits will be issued to the same Card account number as the sale;
- Require a Cardholder to complete a postcard or similar device that includes the Card's account number, expiration date, signature or any other Card account data in plain view when mailed; or
- Accept Cards for the purchase of scrip.

3.5 When an Authorization Number is Not Obtained Properly

You have not properly obtained an Authorization Number if you do not act in accordance with this Agreement or you withhold any information that could influence the decision to issue it. Examples include but are not limited to:

- A questionable signature on a Transaction Receipt;
- Any cause to suspect that a Card has been stolen, is counterfeit or has been altered in some way;
- The circumstances of the Transaction are unusual or suspicious; or
- You have been made aware that the Card is subject to a fraud warning.

3.6 Issuing More than One Sales Draft for a Single Transaction

You agree to include the total amount due for each Transaction on a single Transaction Receipt unless:

- The Cardholder pays the balance of the amount due by another means at the time of the Transaction; or
- All or a portion of the goods or services will be delivered or provided at a later date. In this case, there will be two Transaction Receipts, the first Transaction Receipt will be issued for the amount of the deposit and should be clearly marked as a deposit; and the second Transaction Receipt will be completed to indicate payment of the balance owing by clearly marking "balance" when the goods are delivered or the service is provided.

3.7 Processing of Transaction Records

You agree to deliver your Transaction Records to us within three (3) Business Days of the Transaction date, unless a specific exception set forth in the Card Association Rules and Regulations applies.

3.8 Electronic Commerce Transaction Receipt Requirements

Each Electronic Commerce Transaction shall be reflected in an Electronic Commerce Transaction Receipt in the form furnished by the Merchant to the Bank, and which shall contain the following information:

- Electronic Commerce Merchant name*
- Electronic Commerce Merchant online address
- Electronic Commerce Transaction amount (or credit), indicated in transaction currency



- Electronic Commerce Transaction date (or credit), preparation date
- Unique Electronic Commerce Transaction identification number
- Cardholder name
- Authorization code
- Electronic Commerce Transaction type (purchase or credit)
- Description of merchandise/services
- Return/refund policy (if restricted)
- Cardholder's concealed credit card account number
- A recommendation that the Cardholder/Purchaser print or save the transaction receipt for his/her records.

3.9 Settlement and Adjustments

(a) We will use commercially reasonable efforts to settle with you, within two (2) business days of when we receive the Transaction Records, by crediting your Business Account with an amount equal to the value of the Transactions you present to us for settlement in accordance with this Agreement. We will automatically deduct the amount of any and all credits, Refunds, Adjustments, MDR, Chargebacks, Card Association fees and charges, and any other charges due under this Agreement from your Business Account and/or Reserve Account. We reserve the right in our sole discretion to modify the terms of settlement. If you process Transaction Records through an approved third-party service provider, the settlement amount will be reduced by the amount of any Transactions we reject.

(b) You agree that we may at any time debit any of your Account(s) with us or our affiliate(s) the amount of any:

- Fees and charges, including MDR, Transaction fees, Payment Network fees, fines or fixed fees;
- Adjustments;
- Chargebacks;
- Credit Slips issued by you;
- Other credits or debits described or referenced in this Agreement;
- Fees and charges relating to the leasing or purchasing of POS Device(s), Manual Imprinter(s) and any other equipment provided to you hereunder; and
- Any applicable taxes.

(c) You agree to seek reimbursement only from the Bank for the Transactions you process hereunder. You agree not to request or accept reimbursement from any other source for Transaction Records that have been delivered to us and that we have not rejected or returned to you.

3.10 Chargebacks

(a) We do not decide which Transactions are charged back and we do not control the outcome of the Dispute or Chargeback request. You must respond to our request for information regarding a Dispute or Chargeback within five (5) Business Days of our request so that we can facilitate a request to reverse a Chargeback from the Card Issuer. From time to time a Cardholder may be able to chargeback a Transaction even though you have provided the goods or services. Even if an Authorization Number has been issued for a Transaction, we may refuse to accept any such Transaction Record. We will automatically debit your Business Account with the value of the disputed amount of the Transaction upon receipt from the Card Issuer, pending the Dispute / Chargeback case resolution. If a Dispute is valid, the Chargeback deduction will remain on your Business Account.

The Card Issuer may process a Dispute / Chargeback if any one or more of the following applies (this list is not exhaustive):

- The Transaction Record is illegible or does not contain all of the information required by the Agreement and Card Association Rules and Regulations;
- The Transaction was not completed according to the terms of this Agreement;

- The amount of the Transaction exceeds your Floor Limit;
- The Cardholder did not authorize the Transaction, or you otherwise did not get an Authorization Number according to the terms of this Agreement;
- The Card used in the Transaction is one we told you not to accept or subject to a fraud warning;
- The Transaction has been disputed by the Cardholder;
- The Transaction Receipt refers to merchandise which the Cardholder claims has been returned to you or has not been received by Cardholder;
- The Cardholder claims the goods or services referred to in the Transaction Receipt were unsatisfactory;
- The Cardholder has a receipt for a credit or voided Transaction; however, you have not processed it.
- The Cardholder claims to have cancelled a service, but the related credit has not been applied to the Cardholder's statement.
- The Cardholder claims that the Transaction amount is incorrect.
- The Cardholder claims that a single Transaction was processed more than once.
- The Cardholder claims that they paid for the merchandise or service by other means (i.e. cash, cheque, other card, etc.).
- The signature on the Transaction Receipt is not reasonably similar to that on the signature panel of the Card, or is claimed to be a forgery;
- You process a Transaction Receipt for a pre-authorized order after receiving notice from the Cardholder to cancel further Transactions;
- The Transaction was made without the Cardholder's permission;
- You have failed to keep a copy of the Transaction Receipt as set forth herein or after we have asked you to, you have failed to give us a copy of the Transaction Receipt within five (5) Business Days of our request;
- In the case of a Card-Absent Transaction, you did not have our prior written approval to accept Card-Absent Transactions, or a Cardholder disputes a Card-Absent Transaction;
- The Transaction included a cash advance from you to the Cardholder;
- The Transaction was illegal, unenforceable, null or invalid;
- The Transaction involves covering an existing debt or a dishonoured check;
- In an effort to conceal the amount of the Transaction, you divided the amount between more than one Transaction Receipt;
- The full amount of a single Transaction was not authorized;
- You have previously deposited the same Transaction Record and received credit for it;
- The Transaction Record represents a Transaction that never took place;
- You have misrepresented a Transaction, attempted to deposit a Transaction Record that did not result directly from a Transaction between you and the Cardholder, that is a fictitious Transaction or you otherwise attempted to defraud us;
- The Card Issuer charges back all or part of the amount of a Transaction in accordance with the Card Association Rules and Regulations; or
- In any other way, you have not followed the terms of this Agreement or the Card Association Rules and Regulations.

(b) You agree that the amount of any Chargeback is a debt payable by you to the Bank. You agree that we are not responsible for any charged back Transactions.

(c) If your Chargeback volume is excessive, the Card Association may impose Chargeback fees or administration fees and fines. You agree to reimburse Bank for the amount of these and all other fees imposed as a result of your Chargeback activity. We may also set off any such amounts from any Account(s) you maintain with us or our affiliate(s). You will cooperate with us to determine why your Chargeback volume is excessive. You agree to promptly implement any measures that we tell you are necessary to reduce your Chargeback volume. We may suspend or terminate access to your service without notice for any store or location whose Chargeback volume is excessive and/or exceeds the Card Association's acceptable levels.



3.11 Forensic Investigations

If your merchant business requires a forensic investigation, you are mandated to fully cooperate with the investigation until completion.

3.12 Merchant Prohibitions

You agree to observe and comply with any Electronic Transactions laws that may be enacted in The Bahamas and with general standards for Electronic Transactions, as follows:

- (a) You agree to observe business integrity and accordingly will not conduct any activity prohibited by any law in The Bahamas.
- (b) You will know its customer, and accordingly will not knowingly aid or abet any activity prohibited by any law in the Bahamas.
- (c) You will know its own business, and accordingly will inform itself and exercise good judgement so as not knowingly to render any service in respect of any electronic record of information which contravenes sub-clauses (a) and (b) of this Clause, or which ought reasonably to be considered as likely to contravene or already to have contravened The Proceeds of Criminal Conduct Law (1999 Revision), as may be amended from time to time;
- (d) You will protect personal data, and accordingly will respect the privacy, accuracy, and security of personal information.
- (e) You will avoid abusive language, and accordingly not send bulk, unsolicited emails, seek unauthorized access to other people's systems or seek to interrupt other people's use of electronic communications, or enable others to do so.
- (f) You will avoid raising previously disputed charges or seek to misrepresent a previously disputed transaction as a new transaction.

3.13 Contractual Requirements

(a) Transaction Terms

See *Section 3.9 Settlement and Adjustments*, for complete Transactions terms).

(b) Acquirer Disclosure

This Agreement clearly states the Bank's name and location in a manner that makes the Bank's name readily discernable by you.

(c) Merchant Authorization

The Bank may seek to obtain your authorization to research your background including but not limited to, credit background checks, Banking relationships and financial history.

(d) Additional Provisions

- You will avoid depositing a transaction that you know or should have known to be either fraudulent or not authorized by the cardholder.
- You will avoid depositing a transaction that does not result from an act in line with your licensed business activity between the Cardholder and you.
- You will comply with the provision of the data and information security programs.

4. POS DEVICE

4.1. POS Device

You acknowledge and agree that you must lease the POS Device(s) from the Bank. You acknowledge and agree with all the respective terms and conditions herein regarding the POS Device(s).

- (a) The POS Device shall at all times remain the sole and exclusive property of the Bank. You agree to assume full responsibility for the loss, damage and

theft of the POS Device upon receipt by you. You agree to immediately notify us in writing if your POS Device is lost, stolen or used without your authorization, or if your POS Device experiences any malfunctions, errors or other operational problems.

- (b) You agree to install and maintain, at your sole risk and cost, an appropriate communication line for the proper operation of the POS Device. You will also provide and pay for a suitable electrical current and secure place to install and operate the POS Device. You will be solely responsible for any use or misuse of the POS Device and any data or Transactions transmitted through the POS Device.

- (c) The POS Device(s) monthly lease fee and any other fees and expenses to be charged by the Bank will be set forth in the Schedule 1 – Pricing Schedule or other documentation provided to you. You hereby agree to pay and authorize and direct the Bank to automatically deduct any and all such fees and expenses from any of your Account(s) at the Bank or its affiliate(s).

- (d) The Bank will provide service and maintenance of the POS Device, including the provision of parts, for the duration of the lease agreement at no additional cost to you; provided, however, you agree to pay for any maintenance, repairs and cost of replaced parts resulting from your negligence, willful misconduct or failure to comply with instructions provided by the Bank or the manufacturer's operations manual. In addition, you agree to pay for any maintenance, repairs and cost of replaced parts resulting from telephone line problems, electrical problems, accidents, spilled liquids, vandalism, theft, fire, flood, wind, lightning and other acts of God, and any repairs, alterations or modifications to the POS Device not performed by the Bank.

- (e) The Bank will provide separate documentation to you relating to requests and contact information for support and maintenance of the POS Device.

You agree to not allow any third-party other than Bank to provide service or maintenance to the POS Device. If replacement of your POS Device becomes necessary at the sole discretion of the Bank, it may be replaced with any other type of POS Device so long as the replacement can provide the processing services described herein.

- (f) You agree to not (i) remove any labels or tags that are attached to the POS Device; (ii) remove or relocate the POS Device or other equipment provided hereunder without obtaining our prior written approval; (iii) remove, alter or reverse engineer any software used by the POS Device; or (iv) sublet, pledge, assign, or transfer the POS Device to any third-party without our prior written consent.

- (g) Upon termination of this Agreement, you agree to return the POS Device and any other equipment provided hereunder, in good and working condition (except for reasonable wear and tear) at your sole expense to the POS Device Provider. Upon return of the POS device:

- Your merchant processor setup shall remain open and maintained in an 'Inactive' status for a period of one hundred and twenty (120) days from the last Transaction to ensure that there are no Disputes arising.
- All refundable amounts due to you will be withheld until all outstanding balances (if any), are satisfied.

If you do not return the POS Device and any other equipment in such condition, or you are responsible for loss or damage to the POS Device and any other equipment, you hereby authorize Bank to automatically deduct or withhold any and all amounts from your Bank account(s) at Bank or its affiliate(s), necessary to pay for the replacement value of any POS Device and any other equipment provided hereunder. Moreover, your account shall remain open and maintained in an 'Inactive' status for a period of one hundred and twenty (120) days from the last transaction to ensure that there are no



Disputes arising. All refundable fees will be withheld until all outstanding balances (if any), are satisfied.

4.2. No Warranty

Notwithstanding anything to the contrary, you agree that the Bank does not provide any warranties hereunder with respect to the POS Device (physical or virtual) or any other equipment provided hereunder, and the Bank expressly disclaims any and all warranties of any kind, express or implied, including but not limited to any warranty of merchantability or fitness for a particular purpose.

You agree that the Bank and Processor shall not be responsible for and you shall indemnify and hold harmless the Bank and Processor from and against any and all claims, losses, personal injuries, property damage, liabilities, fines, penalties, costs and expenses resulting from or relating to the selection, installation, operation, maintenance or use of the POS Device (physical or virtual).

5. TECHNICAL SERVICES

Where we agree to provide you with Technical Services, the following terms will apply:

5.1. Payment Gateway Services

As part of its Payment Gateway Services, the Bank requires you to use a Gateway Services Provider from the Bank's approved listing of Gateway Services Providers. This selection will be based on the Bank's assessment of your Merchant Risk rating and the feature-set of the Gateway Services Providers at the time of onboarding.

The Bank will provide you with services which may include one or more of the following:

- (i) enabling of Transactions to be routed to one or several Card Associations;
- (ii) technical reception of the information regarding the status of Transactions;
- (iii) information reporting including information related to Transactions, Response messages, Summary Reports for audit and reconciliation purposes;
- (iv) Tokenization Service;
- (v) 3-D Secure Payer Authentication Solutions;
- (vi) Recurring billing and one-off billing management
- (vii) Fraud and Risk Management Service;
- (viii) Hosted Payment Page(s), if applicable;
- (ix) Technical Integration Support;
- (x) Technical Support Services;

The Bank may adjust the content and interfaces of the Gateway Services (including the Hosted Payment Pages, if applicable) to keep the Gateway Service up to date with Card Association and industry requirements. If such adjustments require you to make necessary changes in your software, interfaces or operating procedures, we will inform you as soon as reasonably practicable prior to the execution of such adjustments.

You shall be responsible for your own costs with respect to such changes to your software, interfaces or operating procedures.

INDEMNITY: Where you use the Hosted Payment Pages to process Transactions, you acknowledge and agree that:

- (a) you remain responsible for your own compliance with PCI SSC rules, regulations and/or standards as required of you respectively, directly or indirectly, by applicable Payment Network rule making bodies; and
- (b) where you have customized the Hosted Payment Pages yourself (or where this has been done so at your request), you are responsible for the content of the Hosted Payment Pages and indemnify and hold the Bank harmless from any Claims regarding such content including infringement claims from third parties.

You will:

- provide to us complete, accurate and timely information relating to the Payment Gateway Services;
- ensure that all Third-Party Products arranged by you in connection with the Payment Gateway Services are delivered in a timely manner and comply with any requirements of which we notify you; and
- ensure that appropriate licences and clearances are obtained (and the correct license fees or royalties paid) for the use of all Third-Party Products used in connection with the Payment Gateway Services.

5.2. Fraud Management Service

Where we provide Fraud Management Service to you, the following additional provisions apply:

We will provide the Fraud Management Service in accordance with the terms of this Agreement

You will:

- provide to us complete, accurate and timely information relating to the applicable Fraud Management Service;
- ensure that all Third-Party products arranged by you in connection with the applicable Fraud Management Service are delivered in a timely manner and comply with any requirements of which we notify you; and
- ensure that appropriate licences and clearances are obtained (and the correct license fees, royalties and other sums are paid) for the use of all Third-Party products used in connection with the Fraud Management Service.

You acknowledge and agree that in relation to the Fraud Management Service, we electronically scrutinize and undertake various risk management tests on the Merchant and Transaction data you send to us. This Data is provided or made available by us to you for the purposes of making your own risk assessment. You acknowledge and agree that such risk assessment shall be entirely your own responsibility.

Only you may contact us directly if you are experiencing any problems with the Service. Under no circumstances must you encourage any of your customers to contact us directly, and we will not be responsible for accepting any such contacts.

Accepted and Agreed to this ____ day of _____, _____.

Merchant Name: _____

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

Guarantor(s): the undersigned hereby personally guarantees the performance and payment of all obligations of Merchant herein, and further (i) agrees to all of the terms contained herein, including without limitation the



terms contained in Section 2.16, Personal Guaranty, and (ii) acknowledges receipt of a complete copy of this Agreement.

By: _____

Name: _____

Bank Authorized Representative

By: _____

Name: _____

MERCHANT CARD PROCESSING AGREEMENT

Schedule 1 – Pricing Schedule

Merchant Name: _____

Date: _____

Schedule 1 of this Agreement the **Pricing Schedule** - sets out the Fees applicable to the Services provided to the Merchant.

MERCHANT SERVICES PRICING COMPONENT	Amount (*)
SECURITY	
Merchant Security Requirement: For the duration of this Agreement, and thereafter until the expiry of the Reserve Period, the Merchant must place and maintain with The Bank an amount as set out herein and held in a "Reserve Account", until and unless further updated by the Bank as part of its periodic or annual review process.	\$
POS Devices – Terminal Security Deposit Fee (refundable):	\$
MERCHANT DISCOUNT RATE: (BASE RATE)	
The Merchant Discount Rate or Base Rate is based on criteria determined by the Bank such as risk and sales volume and is set out herein, until and unless further updated by the Bank as part of its periodic or annual review process.	x.yz %
INITIAL ONE-TIME SETUP	
<ul style="list-style-type: none"> ▪ Merchant - Initial Setup (POS Device) 	\$
<ul style="list-style-type: none"> ▪ Merchant – Initial Setup (eCommerce) 	\$
MONTHLY FEES	
<ul style="list-style-type: none"> ▪ POS Devices - Terminal Rental Fees: 	
(a) Wired	\$
(b) Wired	\$
(c) Mobile POS	\$
<ul style="list-style-type: none"> ▪ Maintenance Fee: 	\$
TRANSACTION FEES	
<ul style="list-style-type: none"> ▪ Communication Fee 	
ANCILLIARY FEES	
<ul style="list-style-type: none"> ▪ Dispute (Chargeback Assessment) Fee: 	
<ul style="list-style-type: none"> ▪ Deactivation Fee 	\$ NIL
TECHNICAL SERVICES	
<ul style="list-style-type: none"> ▪ Payment Gateway Service Fees: 	
<ul style="list-style-type: none"> ▪ Fraud Management Service Fees: 	

(*) All Fees noted are VAT inclusive
 All Terms and Conditions including changes to the Pricing Schedule are specified in this Agreement.

Bank Authorized Representative

Name: _____

By: _____