

**Faithlife, LLC PAYMENT PROGRAM
PROCESSING SERVICES TERMS AND CONDITIONS**

This Processing Services Terms and Conditions, along with the Rules Summary ([link](#)) and other documents incorporated herein by reference (“**Processing Agreement**”) shall govern Sub-Merchant’s participation in the Processing Services (defined herein), provided by Faithlife, LLC. For purposes of this Processing Agreement, Partner shall be referred to as “**Sub-Merchant**” or “**you**,” and Faithlife, LLC shall be referred to as “**Faithlife**,” “**we**,” or “**us**.” Sub-Merchant and Faithlife shall each be referred to as a “**Party**,” and collectively as “**Parties**.”

WHEREAS, Sub-Merchant and Faithlife desire to set forth, among other things, terms and conditions under which Faithlife will provide to Sub-Merchant services that facilitate Sub-Merchant’s acceptance of card payments, e-check, and/or ACH payments for goods, donations, and services provided to Cardholders (“**Processing Services**”);

WHEREAS, Faithlife is party to an agreement with an Acquirer and a Bank under which Acquirer and Bank provide payment processing and Association sponsorship services to Faithlife on behalf of Sub-Merchant and other sub-merchants of Faithlife; and

WHEREAS, as a condition of providing services to Faithlife on behalf of Sub-Merchant, Acquirer, and Bank require that Faithlife include certain terms and conditions in the agreement relating to the payment processing services being provided to Sub-Merchant.

THEREFORE, Faithlife and Sub-Merchant hereby agree to the terms and conditions set forth herein.

On and subject to the terms and conditions hereof, during the Term of this Processing Agreement, Faithlife is: (i) acting in the capacity of a “Payment Service Provider” (under the Visa Rules) and a “Payment Facilitator” (under the MasterCard Rules) and will provide you card processing services as described herein; and (ii) will provide you with additional services as agreed by the Parties. Faithlife provides processing services with respect to credit card transactions including Visa U.S.A., Inc. (“Visa”), MasterCard Worldwide (“MasterCard”), DFS Services LLC (“Discover Network”), American Express, PayPal, JCB, Discover, Diners Club (“Associations”), as well as e-check and ACH transactions. With respect to inadvertent or intentional acceptance of a transaction other than the type or service anticipated for your account (including, without limitation, a different card type), you will be subject to payment to us of our then-current fee(s) with respect to such card, transaction or service and be liable, obligated and responsible for any such transaction or service to the same extent as you would be if it were of an anticipated card type or service.

You will honor a card by accepting it for payment. You will not engage in any acceptance practice or procedure that discriminates against, or discourages the use of, any particular card type elected by you and approved by us, in favor of any competing card brand also elected and approved. You understand and agree that you are expressly prohibited from presenting sales transactions for any purposes related to any illegal or prohibited activity, including but not limited to money-laundering or financing of terrorist activities. For all Association credit or debit cards (“**Cards**”) issued by an Association member (“**Issuers**”), you will honor all cards within the card types elected and approved in accordance with this Processing Agreement. For example, if you elect and are approved to accept Visa credit cards, you will submit payments from Visa-branded credit card Cardholders without regard to whether the credit card is a Visa-branded rewards credit card or Visa-branded business purpose credit card. You acknowledge that no party will acquire any right, title, or interest in or to the marks of any Associations. You will not assign to any third party any of the rights to use the marks of any Associations, and the Associations may use information obtained in the application to perform credit review or otherwise monitor you in connection with Card marketing and administrative purposes.

1. DEFINITIONS. For the purposes of this Processing Agreement, the definitions contained in this herein shall apply to the Processing Services notwithstanding anything to the contrary, including alternative definitions in any other agreement between you and Faithlife. Further, as used in this Processing Agreement, the following terms shall apply:

- A. “**ACH Transaction**” An electronic payment transaction originated by you and processed through the ACH Network in the Federal Reserve System.
- B. “**Acquirer**” shall mean Vantiv, LLC, which is the entity contracted by Faithlife to submit sales drafts and transaction information to the Associations on behalf of Faithlife and to receive and pay to Faithlife settlement funding for such sales transactions.

- C. **“Bank”** shall mean Fifth Third Bank, which is the financial institution member of the Associations and provides Association sponsorship for card transactions submitted by Faithlife` for processing hereunder. Acquirer and Bank shall collectively be **“Member Bank.”**
- D. **“Cardholder”** shall mean the person whose name is embossed on a payment card and any authorized user of such card.
- E. **“Bank of First Deposit”**: In a Check 21 transaction, the financial institution which receives the Entry from Faithlife or its Check 21 Service Provider and transmits the Entry through the Federal Reserve Bank system for transmittal to the Customer’s financial institution for debit or credit to the Customer’s account.
- F. **“Check 21”**: The Check for the 21st Century (Check 21) Act and all regulations pertaining to the Check 21 Act.
- G. **“Check 21-ACH Service Provider”**: A service provider who provides services for a Check 21 Transaction or for an ACH Transaction.
- H. **“Check 21 Transaction”**: An electronic payment transaction utilizing a Substitute Check image permitted by Check 21.
- I. **“Customer”**: Sub-Merchant’s customer who submits a payment to Sub-Merchant by means of a paper check or ACH transfer.
- J. **“Entry”**: A transaction submitted by Sub-Merchant for processing by the Services and further defined in the NACHA Rules.
- K. **“Hardware”** shall mean the scanner equipment used to electronically scan and capture the paper check image.
- L. **“NACHA Rules”**: The then-current rules, regulations and procedural guidelines published by the National Automated Clearing House Association (“NACHA”) and/or all regional payment alliances associated with NACHA.
- M. **“Originating Depository Financial Institution”** or **“ODFI”**: In an ACH Transaction, the financial institution which receives the Entry and transmits the Entry to its ACH Operator for transmittal to a Receiving Depository Financial Institution for debit or credit to the Customer’s account, as these terms are further defined in the NACHA Rules.
- N. **“Services”**: All services provided to the Sub-Merchant under this Processing Agreement, whether provided by Faithlife, the Check 21-ACH Service Provider, or another third party service provider, as described herein.
- O. **“Settlement Account”**: A commercial demand deposit bank account which Sub-Merchant has established for Faithlife’s access and use, or that of the Check 21-ACH Service Provider, to settle financial payment transactions processed by Faithlife or the Check 21-ACH Service Provider on behalf of Sub-Merchant.
- P. **“Substitute Check”**: The electronic image of a paper check, as defined in Check 21.

2. **CONFLICTING TERMS.** In the event that any terms and conditions in this Processing Agreement differ from those in any other agreement between you and Faithlife, including but not limited to indemnification obligations, limits of liability, and any and all other terms and conditions, the terms and conditions in this Processing Agreement shall prevail for purposes of the Processing Services and this Processing Agreement.

3. **SUB-MERCHANT OBLIGATIONS AND REQUIREMENTS.**

A. **Association Operating Rules and Compliance.** Sub-Merchant acknowledges that Acquirer and Bank must maintain closer controls over high-volume sub-merchants of Faithlife and, therefore, Sub-Merchant must immediately notify us if it has, or in Sub-Merchant’s reasonable opinion will have, greater than \$1M in annual card sales volume processed hereunder (based upon the date Sub-Merchant’s account is boarded) for any one Association. If you reach or exceed \$1M in Visa or MasterCard transactions in any twelve month period, you acknowledge that Faithlife may terminate this Processing Agreement and you may be required to establish a direct contractual relationship with Acquirer and Bank, provided that you meet Acquirer’s then-current merchant acceptance criteria, in order to continue submitting transactions for processing. You agree that in the event that such direct contractual relationship with Acquirer is so required, you will, subject to acceptance by Acquirer, be bound by the terms of Acquirer’s “Merchant Services Agreement for Sub-Merchants” found at ([link](#)). Acquirer’s standard terms for such direct agreement are subject to change by Acquirer; in the event that the then-current version of such direct agreement has been substantively changed, you will be provided with the then-current version prior to acceptance. Further, you shall comply with all laws, regulations and other legal requirements, including NACHA Rules, as well as the Associations’ operating rules (**“Operating Rules”**), including the Operating Rules applicable to the Visa PSP and MasterCard Payment Facilitator programs and all applicable local, state, and federal laws, rules, and regulations (“Applicable Laws”). The Operating Rules are available on websites, such as <http://www.usa.visa.com/merchants> and <http://www.mastercardmerchant.com>, as updated from time to time. Further, Sub-Merchant acknowledges receipt and review of the Bank Card Sub-Merchant Rules and Regulations (the **“Rules Summary”**), as amended from time to time, which are incorporated into this Processing Agreement by reference. Sub-Merchant agrees to fully comply with, all of the terms and obligations in the then current Rules Summary, as changed or updated by Acquirer from time to time. Without limiting the foregoing, Sub-Merchant agrees that it will fully comply

with any and all confidentiality and security requirements of the USA Patriot Act (or similar law, rule, or regulation), the Associations, including but not limited to Payment Card Industry Data Security Standard ("PCI"), the Visa Cardholder Information Security Program, the MasterCard Site Data Protection Program, and any other program or requirement that may be published and/or mandated by the Associations. Should any Operating Rules(s) not be publicly available or otherwise made available to Sub-Merchant, such unavailability shall not alter or limit Sub-Merchant's obligation to comply with the Operating Rules. Sub-Merchant agrees that it will not take any action that could interfere with or prevent the exercise of this right by the Associations. In the event of any inconsistency between any provisions hereof and the Operating Rules, the Operating Rules will govern to the fullest extent possible under Applicable Laws.

B. Check Processing Services Requirements. All checks deposited electronically through the use of the Services shall be subject to the following requirements:

1. The original paper check will not be deposited through the Services more than once;
2. All checks will conform to the requirements of Sub-Merchant's deposit agreement with its financial institution;
3. All checks will conform to the requirements of the applicable NACHA Rules and Check 21;
4. Sub-Merchant, as applicable, shall review and validate the accuracy and completeness of the check data being captured including but not limited to the amount of the check and the legibility of the check image generated from the use of the Services.

C. Selection and Use of Hardware. Sub-Merchant is solely responsible for the selection, use and operation of the Hardware used to capture the electronic image of the paper checks using the Service, including the quality of the scanned check image results generated from the Hardware. Hardware utilized must be certified for use with the Services in order to be deemed compatible with the Services.

D. Identify Sub-Merchant. To the extent Sub-Merchant interacts with Cardholder, Sub-Merchant will prominently and unequivocally inform the Cardholder of the identity of the Sub-Merchant at all points of interaction so that the Cardholder readily can distinguish the Sub-Merchant from any other party, such as a supplier of products or services to Sub-Merchant, including Faithlife. Further, Sub-Merchant must ensure that the Cardholder understands who is responsible for the card transaction, including delivery of the products (whether physical or digital), acceptance of donations, or provision of the services that are the subject of the card transaction, and for customer service and dispute resolution, all in accordance with the terms applicable to the card transaction. On an ongoing basis, you must promptly provide Faithlife with the current address of each location, all "doing business as" (DBA) names used by you, and a complete description of goods sold and services provided by you. You agree to provide us with 30 days' prior written notice of your intent to change your business form or entity in any manner and/or of your intent to sell or otherwise transfer greater than 50% all of your stock or assets to any other person or entity. You may not use the Processing Services for any service other than as set forth in this Processing Agreement

E. Third Parties. 1. Faithlife and Sub-Merchant may use one or more third party service providers ("TPSP's"), including but not limited to the Check 21-ACH Service Provider, in connection with the Processing Services and/or the processing of some or all of its Card transactions or other transactions. In no event shall Sub-Merchant use a TPSP unless such TPSP is compliant with PCI and/or the Payment Application Data Security Standard ("PA-DSS"), depending on the type of TPSP, as required by the Operating Rules. Sub-Merchant acknowledges and agrees that Sub-Merchant shall cause its TPSP to complete any steps or certifications required by any Association (e.g., registrations, PA-DSS, PCI, audits, etc.), and shall cause its TPSP to cooperate with Acquirer in completing any such steps or certifications (if applicable), and in performing any necessary due diligence on such TPSP. Sub-Merchant shall be solely responsible for any and all applicable fees, costs, expenses and liabilities associated with such steps, registrations and certifications. Sub-Merchant shall bear all risk and responsibility for conducting Sub-Merchant's own due diligence regarding the fitness of any TPSP(s) for a particular purpose and for determining the extent of such TPSP's compliance with the Operating Rules and Applicable Laws. Sub-Merchant expressly agrees that neither Acquirer, Bank, nor Faithlife shall in any event be liable to Sub-Merchant or any third party for any actions or inactions of any TPSP used by Sub-Merchant, even if Acquirer, Bank, or Faithlife introduced or recommended such TPSP.

2. Without limiting the foregoing, Sub-Merchant shall be solely liable and responsible for all damages, losses, expenses and claims arising from any of the following:

- (a) Duplication of images of deposited checks using the Services;
- (b) Alteration of scanned images of deposited checks;
- (c) Inaccurate or incomplete data captured from the deposited checks;
- (d) Deposit of checks on accounts with insufficient funds, counterfeit checks, fraudulent checks, or checks bearing unauthorized or forged endorsements;
- (e) Acts of fraud, negligence or willful misconduct committed by employees, agents or subcontractors of Merchant in depositing checks using the Services;
- (f) Hardware failure or use of scanner hardware not certified by the Check 21-ACH Service Provider or

- Faithlife; or
- (g) Failure to properly store or destroy original checks once the scanned image has been captured.

3. Each TPSP shall be an intended third party beneficiary of this Processing Agreement between Faithlife and Sub-Merchant. Each TPSP shall have the right to enforce directly against Sub-Merchant, the terms of this Processing Agreement which relate to the provision of the TPSP's processing services to Sub-Merchant and the ownership and protection of the intellectual property rights of the TPSP and its licensors in and to its processing services. Sub-Merchant acknowledges that the TPSPs shall have no responsibility or liability with regard to Faithlife's obligations to Sub-Merchant under this Processing Agreement.

F. Operating Account. 1. Sub-Merchant shall establish a demand deposit account at a financial institution through which fees, charges and credits due in accordance with this Processing Agreement may be processed ("**Operating Account**"), and with respect to Check 21 and ACH Transactions, includes the Settlement Account. "Operating Account" shall be used to describe all accounts established by the Sub-Merchant for the purposes described herein. The Operating Account shall be utilized for deposits from Payment Card, ACH, or eCheck Processing transactions. Sub-Merchant shall advise Faithlife of the name and address of the financial institution, routing number and account number of the account. Sub-Merchant authorizes Faithlife to debit fees and charges from the Operating Account either daily, monthly or at other times deemed appropriate by Faithlife through the ACH network or by a manual debit of the account. Sub-Merchant shall maintain the Operating Account throughout the term of this Processing Agreement, to include any extensions or renewals thereof. Sub-Merchant shall, at all times, maintain sufficient funds in the Operating Account to ensure that any and all fees, charges, and costs provided for under this Processing Agreement are paid, including any reserve requirements set by Faithlife in accordance with this Processing Agreement. Sub-Merchant agrees to deposit funds into the Operating Account as required in order to ensure that sufficient funds are maintained in the Operating Account at all times.

2. With respect to Check 21 Transactions and ACH Transactions: In the event that the Check 21-ACH Service Provider's ODFI is acting as the ODFI for Sub-Merchant, the following provisions shall apply:

(i) Sub-Merchant shall immediately reimburse the Check 21-ACH Service Provider for any shortfalls that occur due to non-sufficient funds in the Operating Account. The Check 21-ACH Service Provider reserves the right to delay the availability of funds for deposit without prior written notices to Sub-Merchant if in its sole discretion the Check 21-ACH Service Provider deems itself at financial or relative risk for any and all Services performed under this Processing Agreement.

(ii) Sub-Merchant hereby acknowledges and agrees that the Check 21-ACH Service Provider shall have a right of setoff against any and all fees, returns and refunds owed the Check 21-ACH Service Provider by Sub-Merchant under this Processing Agreement.

G. Sub-Merchant Authorization and Waiver. Sub-Merchant authorizes Faithlife to make deposits to or withdrawals from the Operating Account. Faithlife will have no signatory or ownership rights in the Operating Account and will have no right to negotiate or assert ownership rights in deposited funds. Sub-Merchant shall be responsible for all Bank charges and Sub-Merchant shall designate employees authorized to make changes to the Operating Account. Any changes proposed to the Operating Account shall be submitted in writing to Faithlife and must be approved in writing by Faithlife. Should Sub-Merchant modify these terms without following the aforementioned process, Sub-Merchant indemnifies and holds Faithlife harmless for any administration and ACH activity initiated by Faithlife or its employees. If required by Faithlife, or by any financial institution where the Operating Account is maintained, Sub-Merchant agrees to sign any other additional documents to authorize the deposits and withdrawals, including without limitation, ACH transactions. Sub-Merchant waives any claims for loss or damage arising out of any charges or debits to the Operating Account against any other designated financial institution where the account is maintained.

H. Retention of Sales Information. Sub-Merchant shall retain all original sales drafts or legible microfilm or electronic copies of all sales drafts and transaction records for at least three years in a limited access area. Sub-Merchant is responsible for maintaining complete backup records of all information relating to orders, inquiries, purchases, sales, and any other customer information.

I. Rights to Dispute Charges; Reports; Invoices. You expressly agree that your failure to notify us that you have not received any settlement funds within three (3) business days from the date that settlement was due to occur, or fail to reject any report, notice, or invoice within thirty (30) business days from the date the report or invoice is made available to you, shall constitute your acceptance of the same. In the event you believe that Faithlife has failed in any way to provide the Processing Services, you agree to provide Faithlife with written notice, specifically detailing any alleged failure, within sixty (60) days of the date on which the alleged failure first occurred.

J. Cardholder Data Security. You agree you are fully responsible for the security of data collected through your website or otherwise in your possession or control including cardholder data. Cardholder data is any personally identifiable information associated with an individual's credit card or debit card, including Primary Account Numbers (PAN), cardholder name, expiration date, or service code. You expressly agree to comply with the PCI and to provide validation of compliance to Faithlife upon request.

K. **Data Incident Notification.** You will immediately notify us of any Data Incident (defined in Section 9), regardless of the source, including any from any of your third-party service providers. You agree that upon your suspected or actual discovery of a Data Incident, you will not alter or destroy any related records. You agree to maintain complete and accurate documentation regarding any modifications made to the records. You will share with us and our servicers information related to your or any Associations' investigation related to any actual or suspected Data Incident (including, but not limited to, forensic reports and systems audits), and we and our servicers may share that information with Associations. Upon notice to you, we or our services, or the respective representatives of each may conduct remote electronic scans of your systems to confirm compliance with the requirements of the Associations and Applicable Laws. You must promptly cooperate with any such parties to facilitate the scans.

L. **Notice.** Any notice provided by you to Faithlife under this Agreement shall be provided to: Faithlife Compliance Team at security@faithlife.com or by physical mail to:

Faithlife, LLC
Attention: Faithlife Compliance Team
1313 Commercial Street
Bellingham, WA. 98226

4. SECURITY INTEREST; RESERVE; SETOFF RIGHTS.

A. **Security Interest and Lien.** Sub-Merchant hereby grants a security interest and lien upon the Operating Account or any substitute account now and in the future and all proceeds thereof to Faithlife to secure all fees, costs, and charges due in accordance with this Processing Agreement, including all fees indicated in the Faithlife application or any other agreement between you and Faithlife, including without limitation, chargebacks, return entries, refunds and Association fees or fines. In the exercise of its rights with regard to the security interest and lien, Faithlife may only debit the Operating Account to the extent of the then-existing amounts due and shall only do so if Faithlife becomes reasonably concerned about whether the Sub-Merchant will otherwise fulfill its financial obligations. The security interest and lien granted herein shall survive the termination of this Processing Agreement until all amounts due are determined and paid in full. Sub-Merchant hereby authorizes Faithlife to prepare all documents or to take other actions reasonably necessary to perfect its security interest or lien in the Operating Account or any substitute account therefore. Sub-Merchant appoints Faithlife as its attorney-in-fact to execute such documents as necessary or desirable to accomplish perfection of any security interests. The appointment is coupled with an interest and shall be irrevocable as long as Sub-Merchant owes any amount to Faithlife.

B. **Establishment of Reserve Account.** We may withhold funds by temporarily suspending or delaying payouts of proceeds to you and/or designate an amount of funds that you must maintain in your Operating Account or in a separate reserve account ("**Reserve**") to secure the performance of your obligations under any agreement between you and Faithlife. We may require a Reserve for any reason related to your use of the Processing Services. The Reserve will be in an amount as reasonably determined by us to cover potential losses to Faithlife. The Reserve may be raised, reduced or removed at any time by Faithlife, in its sole discretion, based on your payment history, a credit review, the amount of any arbitration award or court judgment against you in Faithlife's favor, or otherwise as Faithlife or Acquirer may determine or require. If you do not have sufficient funds in your Reserve, we may fund the Reserve from any funding source associated with the Processing Services, including any funds (A) deposited by you, (B) due to you, or (C) available in your Operating Account, or other payment instruction registered with us. You authorize us to make any withdrawals on debits from the Reserve or your Operating Account, without prior notice to you, to collect amounts that you owe us. You shall have no ability to make withdrawals from the Reserve Account without the written consent of Faithlife.

C. **Funding of Reserve Account; Setoff Rights.** The Reserve Account may be funded by deduction from payments due Sub-Merchant, a charge against the Operating Account, or against any of Sub-Merchant's accounts at the financial institution at which Sub-Merchant maintains the Operating Account. Subject to Faithlife's approval and agreement, the reserve may be funded by an irrevocable letter of credit. The amount required to be maintained in the Reserve Account and the terms and conditions for maintaining the account shall be established by Faithlife in its discretion. Upon termination of this Processing Agreement, Faithlife may require an additional reserve to cover possible indebtedness to Faithlife for transactions initiated prior to termination. This Reserve Account will be maintained for a minimum of six (6) months from the termination date or until such time as Faithlife determines that the release of the funds to Sub-Merchant is prudent, in the best interest of Faithlife, commercially reasonable, and Sub-Merchant's account with Faithlife is fully resolved. Upon expiration of this period, any balance remaining in the Reserve Account will be paid to Sub-Merchant. In addition to any other legal or equitable remedy available to it in accordance with this Processing Agreement or by law, Faithlife may set off any amounts due to Faithlife under this Processing Agreement against (i) any amounts which Faithlife would otherwise deposit to the Operating Account, (ii) any other amounts Faithlife may owe Sub-Merchant under this Processing Agreement or any other agreement between Sub-Merchant and Faithlife, or (iii) against any property of Sub-Merchant in the possession or control of Faithlife.

D. **Auditing and Credit Investigation.** Sub-Merchant authorizes Faithlife, or its respective agents to investigate the background and personal credit history of any of the principals and employees associated with Sub-Merchant's business from time to time, and to obtain a business report on Sub-Merchant's business from Dunn & Bradstreet or any company

providing a similar service. Faithlife may terminate this Processing Agreement if the information received in any investigation is unsatisfactory in Faithlife's sole discretion. Faithlife may also audit from time to time Sub-Merchant's compliance with the terms of this Processing Agreement. Sub-Merchant shall provide all information requested by Faithlife necessary to complete the audit. Upon Faithlife's request, Sub-Merchant shall provide all of its books and records, including financial statements for Sub-Merchant and personal financial statements for all guarantors. Sub-Merchant authorizes Faithlife to make on-site visits to any and all of the Sub-Merchant's locations with regard to all information necessary or pertinent to the Services.

5. SUB-MERCHANT REPRESENTATIONS AND WARRANTIES.

A. Without limiting any other warranties hereunder, you represent, warrant and covenant with us and with the submission of each card transaction, the following representations, warranties and/covenants:

- i. Each transaction is genuine and arises from a bona fide transaction, permissible under the Operating Rules and Applicable Laws, by the Cardholder directly with you;
 - ii. Each transaction represents a valid obligation for the amount shown on the sales draft and does not involve the use of a card for any other purpose;
 - iii. Each transaction represents an obligation of the related Cardholder for the amount of the transaction;
 - iv. The amount charged for each Card transaction is not subject to any dispute, set off or counterclaim;
 - v. Each transaction amount is only for respective merchandise or services (including taxes, but without any surcharge) sold, leased, or rented to a Cardholder by you and, except for any delayed delivery or advance deposit transactions expressly authorized by this Processing Agreement that merchandise or service was actually delivered to or performed for the Cardholder entering into that transaction simultaneously upon your accepting and submitting that transaction for processing;
 - vi. With respect to each transaction, you have no knowledge or notice of any fact, circumstance, or defense which would indicate that such transaction is fraudulent or not authorized by the related Cardholder or which would otherwise impair the validity or collectability of that Cardholder's obligation arising from that transaction or relieve that Cardholder from liability with respect thereto;
 - vii. Each transaction is made in accordance with this Processing Agreement and Applicable Law; and
 - viii. Each sales draft is free of any alteration not authorized by the related Cardholder.
- B. You represent and warrant that you do not have any prior or currently pending regulatory actions or inquiries from any governmental or quasi-governmental authority concerning any aspect of your operations, business, or organization, unless you have disclosed such action or inquiry to Faithlife in writing prior to entering into this Agreement. Further, you represent and warrant that you have never previously been terminated by any provider of card processing services (including but not limited to another "Payment Facilitator" or "Independent Sales Organization"), unless you have disclosed termination to Faithlife in writing prior to entering into this Agreement.
- C. You represent and warrant that you are authorized to carry on your own business as it is conducted and to enter into this Processing Agreement. You have not changed the nature of your business, card acceptance practices, delivery methods, return policies, or types of products or services sold requiring a different merchant category code under Operating Rules, in a way not previously disclosed to us. You will use the Services only for your own proper business or organizational purposes and will not resell, directly or indirectly, any part of the Services to any person. You, or your third-party service providers, have not filed, or intend to file, a bankruptcy petition not previously disclosed to us. All information and data you provide to us, or for which you engage a third party to provide to us, is complete, truthful, accurate, valid, your lawful property, and you have the right to communicate such information. You own or otherwise have the full right and authority to use and disseminate all information, data, graphics, text, video, music, or other intellectual property which forms a part of your website, or which you use in your advertising. You and your third-party service providers are legally authorized to sell any product or services offered and have obtained all necessary regulatory approvals and certificates ("**Certificates**"). You will provide us any copies of Certificates immediately upon receipt of our request. You represent and warrant that you have obtained all necessary regulatory approvals, certificates and licenses to provide any services you intend to offer and that you are in compliance with the regulations of the Federal Trade Commission and the Federal Communications Commission and shall comply with all present and future federal, state and local laws and regulations of the United States, including, without limitation, the Federal Fair Credit Reporting Act, the Federal Truth-in-Lending Act, the Electronic Fund Transfers Act, the Federal Equal Credit Opportunity Act, as amended, and the Telephone Disclosure and Dispute Resolution Act, as applicable

6. TERM AND TERMINATION.

A. Term: This Processing Agreement shall become effective upon Faithlife's provision of the Processing Services to Sub-Merchant, and, unless sooner terminated in accordance with this Processing Agreement, shall remain in effect for a

term of one (1) year (the "Initial Term"). At the end of the Initial Term, this Processing Agreement shall renew automatically for successive terms of one year, unless either Party provides written notice of termination to the other Party as set forth herein. All existing obligations, warranties, indemnities, and agreements with respect to transactions entered into before such termination shall remain in full force and effect and Sub-Merchant shall remain liable for all obligations to Faithlife incurred prior to the termination of this Processing Agreement.

B. **Termination.** Faithlife may, in its sole discretion, suspend or terminate the Services at any time in its reasonable discretion upon notice to you. Faithlife may selectively terminate one or more of Sub-Merchant's approved locations or certain Services without terminating this Processing Agreement. Note that, upon termination, pending recurring charges may be automatically cancelled, funds due may be subject to additional holding periods (whether by Faithlife, Acquirer, or Bank), and Faithlife will take any steps reasonably necessary to collect outstanding obligations or as required under the Rules or by Acquirer, Bank, or Associations. If this Processing Agreement is terminated and Sub-Merchant requests assistance from Faithlife with moving to a new processor, Sub-Merchant agrees to pay Faithlife for its then-fees associated with such deconversion services as provided by Faithlife; provided, however, in no event shall Faithlife be obligated to provide deconversion services to Sub-Merchant.

C. **Early Termination.** If, prior to the date on which the then-current term of this Processing Agreement is scheduled to expire Sub-Merchant chooses to discontinue receiving the Processing Services from Faithlife, Sub-Merchant shall provide thirty day (30) written notice to Faithlife. Notwithstanding anything to the contrary, Sub-Merchant shall also reimburse Faithlife for any damage, loss or expense incurred by Faithlife as a result of a breach by Sub-Merchant, including any damages set forth in any addendum and/or schedule and/or exhibit hereto and including all past due, unpaid and/or future invoices for services rendered by Faithlife in connection with this Exhibit. All such amounts shall be due and payable by Sub-Merchant upon demand.

7. FEES.

A. Sub-Merchant agrees to pay all fees, including, but not limited to processing fees, monthly service fees and set-up fees in accordance with this Processing Agreement and any other agreement between Sub-Merchant and Faithlife. Faithlife's current standard fees for the Services are found at giving.faithlife.com/pricing, and shall apply as of the date on which Faithlife begins providing Processing Services to Sub-Merchant. However, if Faithlife has agreed in writing to fees different from such standard fees, such different fees shall apply. Sub-Merchant also agrees to pay Faithlife the amount of any fees, charges, or penalties assessed against Faithlife by any Association, Issuer, Acquirer, Bank, or other third party. If Sub-Merchant does not pay sums due to Faithlife within 30 days of the invoice date, Faithlife may charge and Sub-Merchant agrees to pay a late fee of 1.5% per month on the outstanding balance, or the highest amount allowed by law, whichever is less. Should Faithlife take any action against Sub-Merchant to collect sums due hereunder, Sub-Merchant agrees to pay all costs associated with such collection efforts, including but not limited to reasonable attorney's fees. Notwithstanding any other provision of this Processing Agreement, Sub-Merchant shall be responsible for all amounts imposed or assessed to Sub-Merchant, Faithlife, Acquirer, or Bank in connection with this Processing Agreement by third parties such as, but not limited to, Associations and third-party service providers (including telecommunication companies) to the extent that such amounts are not the direct result of the gross negligence or willful misconduct of Acquirer, Bank, or Faithlife, as applicable. Such amounts include, but are not limited to, fees, fines, assessments, penalties, loss allocations etc. Any changes or increases in such amounts shall automatically become effective upon notice to Sub-Merchant. In the event that Acquirer assesses Faithlife with the cost of funds associated with a circumstance where Acquirer, for whatever reason, advances settlement or any amounts and/or delays the assessment of any fees, Sub-Merchant shall be fully responsible for any portion of such assessment that is attributable to the Processing Services for Sub-Merchant. From time to time, Faithlife may change all non-pass through rates, fees and charges set forth in this Processing Agreement (including the standard fees set forth online, accessed through the link above, or other agreed upon fees). Faithlife will provide a minimum of 30 days written notice to Sub-Merchant of all amendments to non-pass through rates, fees, and charges. Notice may be given on the Sub-Merchant statement. Following receipt of such notice, Sub-Merchant may terminate this Processing Agreement by providing written notice of termination to Faithlife within 30 days, effective 30 days following such written notice of termination.

B. **Exception Processing Fees.** Faithlife may also impose sub-merchants fees associated with exceptions processing including: \$2.50 per ACH return and \$20 per chargeback in addition to the amount of the return or chargeback. These fees, if applicable, may be netted from the other funds due to the submerchant or debited via ACH from the Operating Account.

C. Sub-Merchant agrees to pay all federal, state, and local sales, use, income, property and excise taxes, which may be assessed in connection with the Services and related products provided under this Processing Agreement. Sub-Merchant agrees and understands that Faithlife or its designee will provide information reporting to the Internal Revenue Services and applicable state treasurers for all reportable payment transactions of Sub-Merchant. If necessary, Faithlife or its designee will conduct backup withholding on the revenue generated by the reportable payment transactions of the Sub-Merchant.

8. **AUDITS.** At any reasonable time (during normal business hours) upon reasonable notice to you, you shall allow auditors, including the auditors of any Association or any third party designated by Faithlife, Member Bank, or the applicable Association, to review the files held and the procedures followed by you at any or all of your offices or places of business. You agree that the cost of such audit shall be borne by you. You shall assist such auditors as may be necessary for them to complete their audit. In the event that a third-party audit is required by an Association, Member Bank or regulatory agency, and/or required by the Operating Rules or Applicable Laws, Faithlife may, at its option, and at Sub-Merchant's sole expense, either retain a third party to perform the audit, or require that Sub-Merchant directly retain a specific third party auditor. If Faithlife requires that Sub-Merchant directly retain the auditor, Sub-Merchant shall promptly arrange for such audit to be performed, and will provide Faithlife, Member Bank, and the Associations with a copy of any final audit report.

9. **INDEMNIFICATION AND LIMITATIONS OF LIABILITY.**

A. **Indemnification.** Sub-Merchant shall indemnify, defend, and hold harmless Faithlife, and its directors, officers, employees, affiliates and agents, and the Check 21-ACH Service Provider, from and against all proceedings, claims, losses, damages, demands, liabilities and expenses whatsoever, including all reasonable legal and accounting fees and expenses and all reasonable collection costs, incurred by Faithlife, its directors, officers, employees, affiliates and agents resulting from or arising out of the Processing Services, Sub-Merchant's payment activities, the business of Sub-Merchant or its customers, any sales transaction acquired by Acquirer or Member Bank, any noncompliance with the Operating Rules (or any rules or regulations promulgated by or in conjunction with the Associations) by Sub-merchant or its agents (including any TPSP), any issue, problems, or disputes between Acquirer and any Sub-merchant, or Bank and Sub-Merchant, any Data Incident, any infiltration, hack, breach, or violation of the processing system of Sub-merchants, TPSP, or any other third party processor or system, or by reason of any breach or nonperformance of any provision of this Processing Agreement, on the part of Sub-Merchant, or its employees, agents, TPSPs, or customers. The indemnification obligations hereunder shall survive the termination of this Processing Agreement and any other agreement between Faithlife and Sub-Merchant. Without limiting the foregoing, such indemnity includes and damages, losses, expenses, or claims arising from any breach by Sub-Merchant of Section 3.E (Third Parties) subsection 2. "**Data Incident**" is defined as any alleged or actual compromise, unauthorized access, disclosure, theft, or unauthorized use of a Card or Cardholder information, regardless of cause, including without limitation, a breach of or intrusion into any system, or failure, malfunction, inadequacy, or error affecting any server, wherever located, or hardware or software of any system, through which Card information resides, passes through, and/or could have been compromised.

B. **Limitation of Liability.** EXCEPT AS EXPRESSLY PROVIDED HEREIN (INCLUDING THE PROVISIONS OF SECTION 9.A ("INDEMNIFICATION") AND SECTION 6.B. ("EARLY TERMINATION")), NEITHER PARTY SHALL BE LIABLE FOR ANY INCIDENTAL, SPECIAL, PUNITIVE, EXEMPLARY, INDIRECT, OR CONSEQUENTIAL DAMAGES, SUFFERED BY THE OTHER PARTY OR ANY THIRD PARTY, REGARDLESS WHETHER SUCH DAMAGES WERE KNOWN OR FORESEEABLE OR WHETHER SUCH PARTY WAS APPRISED OF SUCH DAMAGES, IN CONNECTION WITH THE PROCESSING SERVICES OR THIS PROCESSING AGREEMENT. SUB-MERCHANT SHALL NOT BE ENTITLED TO RECOVER DAMAGES FROM FAITHLIFE OR BANK THAT EXCEED THE FEES RETAINED BY FAITHLIFE FROM UNDER THIS PROCESSING AGREEMENT DURING THE ONE (1) MONTH PERIOD IMMEDIATELY PRIOR TO THE EVENT GIVING RISE TO THE CLAIM FOR DAMAGES. Nothing in the foregoing limitations is in any way intended, and shall not be construed, to limit (i) Sub-Merchant's obligation to pay any fees, assessments or penalties due under this Processing Agreement, including but not limited to those imposed by telecommunications services providers, VISA, MasterCard and/or other Association(s); or (ii) any damages due from Sub-Merchant related to the failure by Sub-Merchant to exclusively receive the Services from Faithlife; or (iii) Sub-Merchant's obligation to indemnify Faithlife pursuant to this Processing Agreement. In no event will Faithlife be liable for any damages or losses (i) that are wholly or partially caused by Sub-Merchant, or its employees, agents, or TPSPs. Further, Faithlife shall not be liable to Sub-Merchant or Sub-Merchant's customers or any other person for (i) any loss caused by a transaction downgrade resulting from defective or faulty software or equipment or (ii) any loss or liability resulting from the product or service of a third party.

C. **Warranty Disclaimer.** SUB-MERCHANT ACKNOWLEDGES THAT FAITHLIFE HAS NOT PROVIDED ANY WARRANTIES, EXPRESS OR IMPLIED, WRITTEN OR ORAL, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PURPOSE WITH RESPECT TO THE PROCESSING SERVICES PROVIDED HEREIN. SHOULD THERE BE ERRORS, OMISSIONS, INTERRUPTIONS, OR DELAYS RESULTING FROM FAITHLIFE'S PERFORMANCE OR FAILURE TO PERFORM OF ANY KIND, FAITHLIFE'S LIABILITY SHALL BE LIMITED TO CORRECTING SUCH ERRORS, IF COMMERCIALY REASONABLE. SUB-MERCHANT HEREBY ACKNOWLEDGES THAT THERE ARE RISKS ASSOCIATED WITH THE ACCEPTANCE OF CARDS AND SUB-MERCHANT HEREBY ASSUMES ALL SUCH RISKS EXCEPT AS MAY BE EXPRESSLY SET FORTH HEREIN.