



**ARLINGTON COUNTY, VIRGINIA  
AGREEMENT NO. 21-DPR-SLA-679  
AMENDMENT NUMBER 2**

This Amendment Number 2 is made on 11/7/2023 and amends Agreement Number 21-DPR-SLA-679 ("Contract") dated September 16, 2021, between RecTrac, LLC, dba Vermont Systems, ("Contractor") and the County Board of Arlington County, Virginia ("County").

The County and the Contractor agree to amend the Contract as follows:

1. **Scope of Work:** the following language is **added**:

The Contractor will provide annual maintenance help desk support and hosting services for PayTrac, Vermont Systems Inc.'s payment portal. The services include a one-time configuration of the software on the payment terminals, monthly hosting of PayTrac, and monthly eCheck and credit card transaction fees. These services will be provided at the rates described in the attached Schedule A.

To maintain the highest level of security for payment processing, the County agrees to operate on the most recent release of the software within 30 days of its general release. Extended delays to update the software may impact the ability to safely process transactions and Vermont Systems reserves the right to disable processing until the software is updated.

2. **Contract Documents:** The following documents are added:

- Exhibit D – PayTrac Payment Service Terms and Conditions
- Exhibit E – Merchant Services Agreement for Sub-Merchants
- Exhibit F – Vermont Systems Sub-Merchant Application and Agreement (SMAA)

3. **Payment** is changed to read:

**7. CONTRACT TERM**

The Contractor must submit invoices to the County's Project Officer, who will either approve the invoice or require corrections. The County will pay the Contractor within forty-five (45) days after receipt of an invoice for completed work that is reasonable and allocable to the Contract and that has been performed to the satisfaction of the Project Officer. All payments will be made from the County to the Contractor via ACH. The number of the County Purchase Order pursuant to which goods or services have been delivered or performed must appear on all invoices.

The Contractor also must submit to the County’s Project Officer its W-9 Form, which will include its Federal Employer Identification Number (“FEIN”) or Social Security Number (“SSN”), whichever is applicable, before the County can process payment to the Contractor under the Contract.

- 4. **Contract provision 18. Covid-19 Vaccination Policy For Contracts is deleted in its entirety.**
- 5. **Exhibit B, Contract Pricing** is deleted in its entirety and replaced with the attached Revised Exhibit B, Contract Pricing to add PayTrac credit card processing transaction fees of 3.00% per transaction, an eCheck transaction fee of \$1.00 per transaction, and a monthly software subscription fee of \$25 per merchant account.
- 6. **Exhibit D – PayTrac Payment Service Terms and Conditions** is added and governs the provision of payment processing services. The term of Exhibit D – PayTrac Payment Service Terms and Conditions will commence on the date executed by the County and will run coterminous with the Contract.
- 7. **Exhibit E – Merchant Services Agreement for Sub-Merchants** is incorporated for WORLDPAY, LLC to provide Vermont Systems with certain payment processing services.
- 8. **Exhibit F – Vermont Systems Sub-Merchant Application and Agreement (SMAA)** is incorporated for WORLDPAY, LLC to provide Vermont Systems with certain payment processing services.


All other terms and conditions of the Contract remain in effect.

WITNESS these signatures:

THE COUNTY BOARD OF ARLINGTON  
COUNTY, VIRGINIA

RECTRAC, LLC DBA VERMONT SYSTEMS

AUTHORIZED DocuSigned by:  
SIGNATURE: Dr. SHARON T. LEWIS  
89B86B1AD301462...

AUTHORIZED DocuSigned by:  
SIGNATURE:   
D56F2EAECDD044D...

NAME: DR. SHARON T. LEWIS

NAME: PATRICK HAYDEN

TITLE: Purchasing Agent

TITLE: PRESIDENT

DATE: 11/7/2023

DATE: 11/7/2023

**REVISED EXHIBIT B - CONTRACT PRICING  
7/1/2023 – 6/30/2024**

**Annual Maintenance Pricing**

| <b>Quantity</b> | <b>Item Number</b> | <b>Description</b>             | <b>Unit Price</b> | <b>Amount</b> |
|-----------------|--------------------|--------------------------------|-------------------|---------------|
| 2               | VS-V-WT-MU-AA-M    | 5 Additional WebTrac -         | \$151.41          | \$302.82      |
| 1               | VS-V-WT-EN-PS-PG-M | Gift Card Add-on/Donations/ -  | \$243.34          | \$243.34      |
| 1               | VS-V-WT-EN-PM-M    | WebTrac Pass Mgmt, 40+ -       | \$529.94          | \$529.94      |
| 1               | VS-V-WT-EN-MWT-M   | Mobile Web Trac Enterprise -   | \$746.24          | \$746.24      |
| 1               | VS-V-WT-EN-MRT-M   | Mobile RecTrac Enterprise -    | \$746.24          | \$746.24      |
| 1               | VS-V-WT-EN-LS-M    | WebTrac League Sched, 40+ -    | \$486.68          | \$486.68      |
| 1               | VS-V-WT-EN-IS-M    | WebTrac Internet S/W, -        | \$2,108.93        | \$2,108.93    |
| 1               | VS-V-WT-EN-FR-M    | WebTrac Facility Reserv, -     | \$529.94          | \$529.94      |
| 1               | VS-V-RT-IN-GL-M    | General Ledger Interface -     | \$324.45          | \$324.45      |
| 1               | VS-V-RT-EN-SA-M    | RT SystemAdmin. ENTERPRISE -   | \$594.83          | \$594.83      |
| 1               | VS-V-RT-EN-RN-M    | Equip/Site-ENTERPRISE Annual - | \$811.13          | \$811.13      |
| 1               | VS-V-RT-EN-PT-M    | Personal Tr-ENTERPRISEAnnual - | \$529.94          | \$529.94      |
| 1               | VS-V-RT-EN-PS-M    | POS Inventory/Tickets, -       | \$811.13          | \$811.13      |
| 1               | VS-V-RT-EN-PM-M    | Pass Mgmt Photo-ENTERPRISE -   | \$811.13          | \$811.13      |
| 1               | VS-V-RT-EN-LS-M    | League Sch-ENTERPRISE Annual - | \$529.94          | \$529.94      |
| 1               | VS-V-RT-EN-FR-M    | Fac Reservation-ENTERPRISE, -  | \$811.13          | \$811.13      |

|    |                  |                                |            |             |
|----|------------------|--------------------------------|------------|-------------|
| 50 | VS-V-RT-EN-AU-M  | RecTrac Add'l User Annual MA - | \$54.08    | \$2,703.75  |
| 1  | VS-V-RT-EN-AR-M  | Act Reg-ENTERPRISE Annual -    | \$811.13   | \$811.13    |
| 1  | VS-V-PT-IN-ERI-M | Credit Card Interface -        | \$1,297.80 | \$1,297.80  |
| 1  | VS-V-PT-IN-EC-M  | Electronic Check -             | \$324.45   | \$324.45    |
| 1  | VS-T-PG-MU-WB-M  | Progress WebSpeed Trans Svr, - | \$1,138.82 | \$1,138.82  |
| 1  | VS-T-PG-M        | Progress Annual Maintenance -  | \$1,788.80 | \$1,788.80  |
| 1  | VS-V-WT-EN-AR-M  | WebTrac Activity Reg Annual -  | \$0.00     | \$0.00      |
|    |                  |                                | SUBTOTAL   | \$18,982.56 |
|    |                  |                                | FREIGHT    | \$0.00      |
|    |                  |                                | SALES TAX  | \$0.00      |
|    |                  |                                | TOTAL      | \$18,982.56 |

**Quarterly Hosting Premium Service Pricing**  
**\$11,529 per quarter / \$46,116 per Amendment term 7/1/2023 – 6/30/2024**

| Quantity | Item Number | Description   | Unit Price | Amount      |
|----------|-------------|---|------------|-------------|
| 3        | VS-V-HS-P1  | VSI Cloud Hosting Premium Service - Platinum, First 5 Users Monthly - | \$1,128.75 | \$3,386.25  |
| 3        | VS-V-HS-P2  | VSI Cloud Hosting Premium Service - Platinum, Add'l Users Monthly -   | \$2,714.25 | \$8,142.75  |
|          |             |   | SUBTOTAL   | \$11,529.00 |
|          |             |   | FREIGHT    | \$0.00      |
|          |             |   | SALES TAX  | \$0.00      |
|          |             |   | TOTAL      | \$11,529.00 |

**SCHEDULE A: PAYTRAC PAYMENT SERVICE RATES & FEES \***

| TRANSACTION PARTIES   |  | FUNDING**   |
|---|--|---|
| Customer / Sub-Merchant:  | Arlington County (VA) Department of Parks & Recreation | Funds received by 11:59 pm ET will be deposited in Customer's designated account within three (3) business days |
| Payment Facilitator:  | RecTrac, LLC d/b/a Vermont Systems                     |   |
| Payment Processor:  | WorldPay, LLC  |   |
| Sponsor Bank:   | Fifth Third Bank                                       |   |
| <p>* Customer acknowledges and accepts that VS will collect its fees and charges for Payment Service directly from the EFT/ACH draft associated with the business location.</p> <p>** VS is not responsible for funding delays due to weekends, federal holidays or Force Majeure events or incidents.</p> <p>*** Daily settlement cut-off times are Midnight local time.</p> |  |   |

**SERVICE FEE MODEL**

| CREDIT CARD PROCESSING FEES                      |  |    |        |
|--|--|----|--------|
| Mastercard                                       | Per electronic authorization   | \$ | --     |
|  | Per sale transaction   | \$ | --     |
| Discover   | Credit card account updater fee<br>If & when available and option selected/elected   | \$ | 1.00   |
| AMEX   | Per chargeback request or return processed   | \$ | 25.00  |
|  | Mastercard-Visa-Discover-AMEX acquired gross purchase sale %   |    | 3.00 % |
| ACH PROCESSING FEES (if option selected/elected) |  |    |        |
| ACH/e-Check Processing                           | ACH fee per sale transaction   | \$ | 1.00   |
|  | ACH account updater fee  | \$ | 0.50   |
| INSTANCE-BASED FEES                              |  |    |        |
| Funding Fees                                     | Per fiscal day overdraft fee   | \$ | 110.00 |
|  | Per wired funds transfer   | \$ | 15.00  |
|  | Per ACH credit / debit per funds transfer  | \$ | 0.10   |
| OTHER FEES                                       |  |    |        |
|  | PCI Non-compliance Fee (Monthly rate) per MID, to be assessed if the Customer is found to be PCI non-compliant, not to exceed \$75.00 total. | \$ | 25.00  |
| NOTES  |  |    |        |
|  |  |    |        |

**EXHIBIT D**  
**PAYTRAC PAYMENT SERVICE TERMS AND CONDITIONS**

- 1. SUB-MERCHANT AGREEMENT.** These PayTrac Payment Service Terms and Conditions govern the terms and conditions under which we, as a payment facilitator, will agree to provide you, as a sub-merchant, with certain payment-related services. For purposes of this Sub-Merchant Agreement, the sub-merchant identified in the Sub-Merchant Application and Agreement ("**SMAA**") will be identified as "**you**, "**your**," or "**Sub-Merchant**." These Payment Terms and Conditions, together with your completed and approved SMAA, will form a binding "Sub-Merchant Agreement" between you and the payment facilitator identified in the SMAA ("**we**," "**us**," "**our**," or "**Payment Facilitator**"). If you are receiving Payment Services (defined below) from us, then your Sub-Merchant Agreement will become part of your overall Agreement with us, which Agreement includes, in addition to the Sub-Merchant Agreement, our Terms of Service, Privacy Policy and other referenced exhibits, schedules or addenda. Terms not defined herein shall have the meanings as set forth in Section 1 of the Terms of Service.
- 2. PAYMENT SERVICES.** Provided you satisfy the underwriting criteria for receipt of Payment Services and remain in compliance with the Agreement, we will agree to provide you with the payment services as described in the Agreement (collectively, "**Payment Services**"). In exchange for Payment Services, you agree to pay us the rates, fees and other charges described in the Agreement (collectively, "**Fees**"). Besides us, there are other third parties involved in the facilitation and processing of Payment Services; these third parties include banks (i.e., acquiring bank, sponsor bank), the major card networks/associations such as Visa, Mastercard, Discover and American Express (collectively, "**Card Brands**" unless referred to individually by name), and our designated payment processor ("**Processor**"). Each of these parties serve an important function in the facilitation, processing and settling of transactions associated with your business. By designating us as your agent for payment facilitation services, and remaining in compliance with the terms of the Agreement (including payment of all of our Fees), you will receive the right to accept payments from customers, clients and/or members (collectively, "**End Users**") through validly issued bankcards ("**cards**") associated with the Card Brands, and/or, if approved, through automated clearing house transactions ("**ACH**") regulated by the National Automated Clearing House Association ("**NACHA**"). We will only provide you with Payment Services for transactions run on active, non-defaulted End User agreements properly delivered to us through the appropriate system in accordance with the Agreement's terms and conditions including, without limitation, this Sub- Merchant Agreement.
- 3. APPLICATION PROCESS; UNDERWRITING; APPROVAL FOR PAYMENT SERVICES.** Completion of the SMAA and submission through our standard underwriting process shall be a pre-requisite and pre-condition to your receipt of Payment Services. If you fail to meet our then-current underwriting requirements, or the then-current underwriting requirements of our Processor (as applicable), you shall not be allowed to receive Payment Services. Federal regulations such as the USA Patriot Act or FinCEN require financial institutions (i.e., banks) to verify the identity of persons seeking to open a depository account. Our Processor, in turn, requires that we submit certain information about each sub-merchant through underwriting prior to such sub-merchant's receipt of payment services. Information that we may request includes, but is not limited to, basic sub-merchant information such as entity name, business address, tax number, date of formation, years in business; transaction information, processing volumes, payment types accepted, address of business locations where payments may be accepted; and information about who owns and controls the sub-merchant. It shall be your sole responsibility to provide us with all required information, to ensure the accuracy and

completeness of the information provided, to provide us with timely and accurate updates if your information changes, and to make the required acknowledgements and authorizations related to Payment Services as described in the Sub-Merchant Agreement. We (and our Processor, as applicable) will base underwriting decision on the information provided. If, after approval, we discover that certain information provided in the SMAA was false, incomplete, misleading or inaccurate, as determined by us or our Processor, we reserve the right to suspend or terminate Payment Services immediately at our discretion. If you pass underwriting and your application is approved, then your SMAA will automatically convert to a Sub-Merchant Agreement which incorporates these Payment Terms & Conditions (and other documents forming the Agreement) by reference. Underwriting approval and conversion of your application to a Sub-Merchant Agreement may occur without notice to you. Your failure to notify us of changes to your business may be considered a material breach of the Sub-Merchant Agreement. You expressly authorize us to make business and/or personal credit inquiries (including, without limitation, credit report inquiries into your directors, officers and principals), identity-verification inquiries, transaction-verification inquiries (including, without limitation, contacting End Users to verify transactions), and any other inquiry or background check that we consider reasonably necessary as related to our provision of the Payment Services. You further agree to provide us with any information or documentation requested by the Processor, the Card Brands and/or the bank(s).

4. **DESIGNATION AS LIMITED PAYMENTS AGENT.** By entering into this Sub-Merchant Agreement, you are appointing us as your limited payments agent for the sole purpose of receiving, holding and settling payments made to you for your goods and services as validly entered in and through our system or platform. We will settle payments that are actually received by us to you, less any amounts owed to us, including fees and other obligations, and subject to the terms and conditions of the Agreement, including without limitation, this Sub-Merchant Agreement. You agree that a payment received by us on your behalf satisfies an End User's (i.e., a payor's) obligation to make payment to you, regardless of whether we actually settle the payment to you. If we do not settle the payment to you, you will only have recourse against us and not the End User, as payment is deemed made by an End User to you upon constructive or actual receipt of funds by us. We will process transactions in accordance with your written instructions, the agreement(s) in place with us or End Users, and applicable law, rules or regulations.
5. **DESIGNATED ACCOUNT.** You will be required to open and maintain a business bank account with a U.S.-chartered bank (your "**Designated Account**," or, if you have more than one account, your "**Designated Accounts**"). Each sub-merchant entity must have its own Designated Account and the name on the Designated Account must match the sub-merchant's legal entity name or registered doing-business-as name. All remits or other deposits to you as associated with Payment Services will be made into your Designated Account(s).
6. **PROHIBITED ACTIVITIES.** In receiving Payment Services, you shall not, through yourself or a third party: (a) submit any transaction to us that was previously charged back and subsequently returned to you, irrespective of cardholder approval; (b) knowingly submit any transaction that is illegal or that you should have known was illegal (you acknowledge that such transaction must be legal in both your and the cardholder's jurisdiction); (c) submit a transaction that you know, or should have known, is either fraudulent or not authorized by the cardholder; (d) require a cardholder to complete a postcard or similar device that includes the cardholder's account number, card expiration date, signature, or any other card account data in plain view when mailed, nor request a Card Verification Value 2 ("**CVV2**") for a card-present transaction, nor retain or store any portion of the magnetic-stripe data

subsequent to the authorization of a sales transaction, nor any other data prohibited by the Card Brands operating regulations or this Sub-Merchant Agreement, including CVV2; (e) add a surcharge to transactions except as expressly permitted by, and in full compliance with, the Card Brands operating regulations; (f) charge a minimum or maximum amount for a transaction unless expressly authorized by, and in full compliance with, the Card Brands operating regulations; (g) disburse funds in the form of cash unless you are participating in full compliance with a program supported by a Card Brand for such cash disbursements and in full compliance with the Card Brand's operating regulations; (h) submit a transaction that does not result from an act between you and a cardholder; (i) accept a card issued by a U.S. issuer to collect or refinance an existing debt, unless expressly authorized by, and in full compliance with, Card Brand operating regulations; (j) request or use a card account number for any purpose other than as payment for your goods or services; (k) add any tax to transactions, unless applicable law expressly requires that you are permitted to impose a tax (in such event, any tax amount, if allowed, must be included in the transaction amount and not collected separately); (l) process transactions for, receive payments on behalf of, or redirect payments to a third party (unless required by law); (m) copy, modify, adapt, translate, reverse engineer, decompile, or disassemble, in any way, any portion of the Payment Services; (n) interfere with or violate any other of our services or End User's right to privacy or other rights, or harvest or collect personally identifiable information about End Users without their express consent, including using any robot, spider, site search or retrieval application, or other manual or automatic device or process to retrieve, index, or data-mine; (o) defame, abuse, harass, stalk, threaten, or otherwise violate the legal rights of others; (p) transmit or otherwise make available in connection with the Payment Services any virus, worm, trojan horse, time bomb, web bug, spyware, or any other computer code, file, or program that may or is intended to damage or hijack the operation of any hardware, software, or telecommunications equipment, or any other actually or potentially harmful, disruptive, or invasive code or component; (q) interfere with or disrupt the operation of the Payment Services, or the servers or networks that host the Payment Services or make them available, or violate any requirements, procedures, policies, or regulations of such servers or networks; (r) sell, license, or exploit for any commercial purposes any use of or access to the Payment Services other than as permitted by us; (s) forward any data generated from the Payment Services without our prior written consent; (t) sublicense any or all of the Payment Services to any third party; and/or (u) transfer or assign your account password or credentials, even temporarily, to a third party. We reserve the right to monitor you and your End User's use of the Payment Services to ensure compliance with the Agreement including, without limitation, this Sub-Merchant Agreement and applicable law. If we determine that you are not in compliance with the Sub-Merchant Agreement, we reserve the right to take appropriate remedial action including, without limitation, suspending or terminating Payment Services, or suspending or terminating your access to the system or platform. In receiving Payment Services, you further acknowledge, represent and warrant that you will not make Payment Services available to (i) any person who appears of the U.S. Department of Treasury Office of Foreign Assets Control Specially Designated Nationals list; (ii) any person who is less than 18 years of age; (iii) any person or entity who has been previously terminated for cause by us, or any of our affiliates; and (iv) who is not domiciled in the U.S.

7. **SUB-MERCHANT REPRESENTATIONS.** You represent and warrant that (a) you are at least 18 years of age; (b) if an individual account, you are a sole proprietorship validly existing in the United States, Canada, or its territories, and if an entity, that the entity was validly formed, registered and is in good standing in at least one of the fifty United States, Canada, or its territories; (c) you have never been placed on the MasterCard MATCH system or the Combined Terminated Merchant File, and if so, you have disclosed this to us; and (d) all transactions are bona fide and no transaction involves the use of a Card for any purpose other than the purchase of goods or services from you.



- 8. END USERS.** We are not a party to any contract or business relationship that you may have with End Users, and we shall have no obligations or liability under any such agreement or business relationship. You are solely responsible for your own products and services, and for the content and legality of your own contracting documents with End Users ("**End User Agreements**"). Notwithstanding the foregoing, to the extent we determine that the language in your End User Agreement is inadequate to protect our interests or authorize Payment Services (and, specifically, the billing of End User accounts for your products and/or services), we may require you to include a payment authorization provision acceptable to us in your End User Agreement. If you fail to include such a provision in your End User Agreements, we may consider this a material breach of the Sub-Merchant Agreement and/or suspend Payment Services (permanently or temporarily) based on your non-compliance. We make no representations or guarantees with respect to End User fund availability, that a transaction is or will be authorized or processed, or that a transaction will not later result in a chargeback or reversal. To the extent permitted by law, you agree to reimburse us for any and all losses, costs, or damages that we suffer related to or arising from our interactions with your End Users, including, without limitation, our communications with your End users about matters related to Payment Services.
- 9. REGULATORY STATUS.** In providing Payment Services to you, we are your designated agent for certain payment facilitation services, as integrated with our proprietary technologies, but always acting at your direction in accordance with the contracts that have been entered into including, without limitation, the Sub-Merchant Agreement. We are not a bank, money transmitter or other money services business. The Payment Services that we offer and the payment transactions that we help to facilitate involve the use of our own proprietary technologies and the efforts of third parties such as banks, the Card Brands, and our Processor.
- 10. TERM; TERMINATION OF PAYMENT SERVICES.** The term of this Sub-Merchant Agreement will run concurrently with the Term as described in your Agreement. As applicable, if we have entered into a Master Vendor Agreement with your franchisor, then the term of this Sub-Merchant Agreement will run concurrently with the Term as described in the Master Vendor Agreement. We shall have the right to terminate this Sub-Merchant Agreement at any time for any reason, or for no reason, and shall have no liability to you for any such termination. Upon termination, you shall immediately cease using the Payment Services. We shall have the right to delete your Designated Account information upon termination of the Sub-Merchant Agreement, but we shall also have the right, at our choosing, to retain copies of such information for up to five (5) years at our cost. This Sub-Merchant Agreement shall terminate immediately if a bank, the Card Brands or our Processor require us to terminate the Sub-Merchant Agreement. Upon termination of Payment Services for any reason, you shall remain liable for any and all outstanding Fees owed.
- 11. TAXES.** It is your sole responsibility to determine what, if any, taxes apply to the sale of your products and services, or the payments you receive in connection with your use of our Payment Services ("**Taxes**"). It is solely your responsibility to assess, collect, report, or remit the correct tax to the proper taxing authority. We are not obligated to, nor will we determine whether Taxes apply, or calculate, collect, report, or remit any Taxes to any tax authority arising from any transaction. You acknowledge that we will satisfy all IRS reporting requirements as required by law, including providing the IRS with an information return on your card transactions and third-party network transactions. We will also comply with any lawful orders, garnishments or tax levies associated with your account. This provision shall be read in conjunction with, and not in conflict of, any tax-related provision in the Terms of Service.

**12. CARD BRAND RULES.** If you accept cards issued by any of the major Card Brands, then in addition to these Payment Terms and Conditions, you will also be obligated to comply with Card Brand rules and regulations, the terms of which are incorporated by reference herein. The operating regulations for each of the major Card Brands can be accessed at the links below:

- **VISA:** [usa.visa.com/merchants/operations/op\\_regulations.html](http://usa.visa.com/merchants/operations/op_regulations.html)
- **Mastercard:** <https://www.mastercard.us/en-us/business/overview/support/rules.html>
- **American Express:** [www.americanexpress.com\merchantopguide](http://www.americanexpress.com\merchantopguide)
- **Discover:** <https://www.discovernetwork.com/en-us/faq>
- For transactions involving **ACH**, a copy of the NACHA operating rules and guidelines are available at [www.achrulesonline.org](http://www.achrulesonline.org).

Nothing in this Sub-Merchant Agreement shall be read or construed to interfere with or lessen the right of the Processor, the bank(s), or the Card Brands to terminate this Sub-Merchant Agreement; and, if this occurs, such termination shall not be considered a material breach of the Agreement by us. In the event of a conflict between this Sub-Merchant Agreement and the Card Brand's operating regulations, the Card Brand operating regulations will control. With respect to the Card Brand operating regulations, you acknowledge and agree that: (a) you will be responsible for the actions of your employees and agents to the extent required by law; (b) you will comply with all applicable laws and regulations and all applicable parts of the operating regulations, including those parts regarding the ownership and use of Card Brand marks; (c) you will notify us, as your payment facilitator, of any third-party that will have access to Cardholder Data; (d) you will comply with, and will contractually require your suppliers and agents to comply with, the provisions of the Cardholder Information Security Program (CISP) and PCI DSS, or other security program as required by a Card Brand and demonstrate compliance with these security obligations; and (e) Card Brands may conduct, or direct another party to conduct, an audit of you at any time, and you must comply in all material respects with such audit until its completion.

**13. AMERICAN EXPRESS OPT-BLUE PROGRAM.** The following provision only applies if you are participating in the American Express Opt-Blue Program, as controlled by the American Express OptBlue Program operating regulations. As a participant in the American Express Opt-Blue Program: (a) you must comply with, and accept American Express cards in accordance with the terms of this Sub-Merchant Agreement and the American Express Merchant Operating Guide, as such terms may be amended from time to time; (b) you acknowledge that the American Express Merchant Operating Guide is incorporated by reference into this Sub-Merchant Agreement and is available online [here](#); (c) you expressly authorize us to submit transactions to, and receive settlement from, American Express on your behalf; (d) you expressly consent to our collection and disclosure of transaction data, Sub-Merchant Data, and other information about you to American Express, and to American Express using such information to perform its responsibilities in connection with the American Express Program, promote the American Express network, perform analytics and create reports, and for any other lawful business purposes, including commercial marketing communication purposes within the parameters of the program agreement, and important transactional or relationship communications from American Express.

In addition, you acknowledge and agree that: (i) you may opt-out from receiving future commercial marketing communications from American Express; (ii) you may be converted from the American Express Program to a direct card acceptance relationship with American Express if and when you become a high CV merchant in accordance with Section 10.5, "High CV Merchant Conversions," and upon conversion, you will be bound by American Express' then-current Card Acceptance Agreement and American Express will set pricing and other fees payable by you for card acceptance; (iii) American Express may use information obtained in the SMAA at the time of setup to screen, communicate and/or monitor you in connection with card marketing and administrative purposes; (iv) you shall not assign to any third party any payments due to you under your respective End User Agreement, and further agree that all indebtedness arising from charges will be for bona fide sales of goods and services (or both) at your establishments and free of liens, claims, and encumbrances other than ordinary sales taxes, provided, however, that you may sell and assign future transaction receivables to us, our affiliated entities and/or any other cash advance funding sources who partner with us or our affiliated entities without consent of American Express; (v) American Express is a third-party beneficiary to this Sub-Agreement and retains all rights, but not obligations, in the Sub-Merchant Agreement that will fully provide American Express with the ability to enforce the terms of the Payment Facilitator's Sub-Merchant Agreement against you; (vi) you may opt out of accepting cards at any time without directly or indirectly affecting your rights to accept other payment products; (vii) we may terminate your right to accept cards if you breach any of the provisions in this Section or the American Express Merchant Operating Guide; (viii) we have the right to immediately terminate the Sub-Merchant Agreement for cause, for fraudulent or other activity, or upon American Express' request; (ix) your refund policies for purchases on a card must be at least as favorable as your refund policy for purchases on any other payment products, and you further agree that the refund policy be disclosed to cardmembers at the time of purchase and in compliance with applicable law; (x) you are prohibited against billing or collecting from any cardmember for any purchase or payment on the card unless chargeback has been exercised, you have fully paid for such charge, and you otherwise have the right to do so; (xi) you must comply with applicable laws, rules and regulations relating to the conduct of your business, including the DSR and PCI DSS, each as described in Chapter 15, "Data Security;" (xii) you will report all instances of a data Incident immediately to us after discovery of the incident; (xiii) you will cease all use of, and remove American Express' licensed marks from your website and wherever else they are displayed upon termination of this Sub-Merchant Agreement or your participation in the Program; (xiv) you will ensure data quality and agree that transaction data and customer information will be processed promptly, accurately and completely, and will comply with the American Express technical specifications; and (xv) you are responsible for being aware of and adhering to privacy and data protection laws and will provide specific and adequate disclosures to cardmembers on the collection, use, and processing of personal data.

**14. PCI DSS.** We have implemented certain technical and procedural safeguards to keep Cardholder Data safe and will continue to comply with Payment Card Industry Data Security Standards ("PCI DSS") as a Level 1 service provider to the extent we store, process or transmit Cardholder Data on your behalf. As a sub-merchant, you also have certain PCI DSS obligations to help keep Cardholder Data safe. Please visit this [link](#) to learn more about what you can and should do to protect payment transactions at your place of business. We reserve the right to suspend Payment Services for as long as we deem reasonably necessary to investigate suspicious or unusual activity associated with your account. Similarly, if you know or have reason to believe there has been a security intrusion that has or may result in unauthorized access to Cardholder Data, you must notify us immediately.

**15. PROCESSING LIMITS.** We reserve the right to assign a maximum dollar amount ("**Processing Limit**")

per sales ticket and an aggregate maximum dollar amount of card and ACH transactions per calendar month to your account. If we assign a Processing Limit, we will communicate it to you in writing.

16. **MERCHANT SERVICES AGREEMENT WITH PROCESSOR.** In the event you process more than \$1,000,000 in Visa transactions and/or \$1,000,000 in MasterCard transactions (or such other amount as provided by the Card Brand's operating regulations) in any twelvemonth period ("**Benchmark Amount**"), then in addition to this Sub-Merchant Agreement with us, you may also be required to enter into a "Merchant Services Agreement for Sub-Merchants" with our Processor, the terms of which will be independently enforceable by our Processor.
17. **NEGATIVE ACCRUALS.** We reserve the right to collect a "**Negative Accrual Fee**" if your account goes negative during any given remit cycle. For clarity, we will only assess the Negative Accrual Fee once during a remit cycle period regardless of the number of times your account actually goes negative during that period. A "**Negative Accrual**" occurs where the total liabilities associated with your account exceed the total available funds in the account during a given remit cycle.
18. **ADVANCES.** An advance is any disbursement of funds prior to the regularly scheduled remit date. Any requests for an advance will be considered on a case-by-case basis although, as a general policy, we will not honor advance requests. Any advance request must be sent to us in writing. If an advance is granted, you agree to pay a "**Remit Advance Fee**" for each advance provided.
19. **RECONCILIATIONS; ERROR REPORTING.** You are responsible for reconciling your transaction history or remit reports with your actual transactions and you agree to notify us of any errors or discrepancies (each an "**Error**"). We will investigate reported Errors and attempt to promptly rectify them. In the event you are owed money as a result of an Error, we will transfer funds to your Designated Account at the next scheduled remit or pay-out cycle. Errors not reported to us within 60 days from when they first appear on your transaction history or remit report will be deemed waived.
20. **SALES TRANSMITTALS.** You will retain a copy of the sales transmittal for the completed transaction for 25 months or such longer period as the Card Brand operation regulations may require. Within three business days of our request, you will produce copies of sales transmittals and other transaction evidence.
21. **RECURRING TRANSACTIONS.** You will be required to obtain an End User's prior written consent for recurring transactions. In obtaining such consent, End Users should be made aware of the product or service they are purchasing, the frequency of charges, the length of the contract's term, and clear notice about how to properly cancel the recurring charges.
22. **ACH PROCESSING.** To enable you to make and accept ACH payments, you authorize us to originate credit or debit records for the purpose of a funds transfer into the ACH network ("**Entries**"). We will use reasonable efforts to originate Entries on your behalf in accordance with the Sub-Merchant Agreement. You must only submit Entries for bona fide transactions with your End Users made in the ordinary course of business. All disputes between you and any of your End Users relating to any ACH transaction must be resolved between you and them. If we receive any notice of an ACH dispute or NACHA inquiry, we will forward such notice directly to you. We bear no financial responsibility for any disputed transaction. If we respond to a dispute or transaction inquiry on your behalf at your request, you consent to pay our additional fees associated with these services.

- 23. REFUNDS; RETURNS.** You agree to process returns of and provide refunds and adjustments for products and/or services in accordance with your End User Agreements. In managing refunds and returns, you agree to: (a) maintain a fair return, cancellation or adjustment policy; (b) disclose your return or cancellation policy to End Users at the time of purchase; (c) not give cash refunds to an End User in connection with a card sale unless required by law; and (d) not accept cash or any other item of value for preparing a card sale refund. Your refund policies should be the same for all payment methods and should specifically include a requirement for prompt payment of refunds in order to mitigate chargeback risk.
- 24. CHARGEBACK LIABILITY.** For any transaction that results in a chargeback, we may withhold the chargeback amount in a reserve account. You grant us authorization to recover the amount of any chargeback and any associated fees, fines, or penalties listed in the Agreement, your End User Agreements, or assessed by a Card Brand or Processor. If you have pending chargebacks, we may delay payouts as necessary. Further, if we reasonably believe that a chargeback is likely with respect to any transaction, we may withhold the amount of the potential chargeback from remits otherwise due to you until such time that (a) the chargeback is assessed due to an End User (cardholder) complaint, in which case we will retain the funds; (b) the period of time under applicable law or regulation by which the End User (cardholder) may dispute that the transaction has expired; or (c) we determine that a chargeback on the transaction will not occur. If we are unable to recover funds related to a chargeback for which you are liable, you agree to pay us the full amount of the chargeback immediately upon demand. You agree to pay any court-imposed costs and expenses., including attorneys' fees and other legal expenses, incurred by us for the collection of all amounts unpaid by you.
- 25. RESERVE; SECURITY INTEREST.** Where deemed necessary or appropriate by us or our sponsor bank, we (or our sponsor bank) shall create a reserve account ("**Reserve**") in order to protect us or the sponsor bank from actual or potential liabilities under this Sub-Merchant Agreement. The Reserve will be in an amount determined by us in our sole and absolute discretion to cover anticipated chargebacks, returns, unshipped product and/or unfulfilled services or credit risk based on your processing history. The Reserve may be raised, reduced or removed at any time by us (or at the direction of our sponsor bank). Where the Reserve is not adequately funded, you shall pay all amounts requested by us for the Reserve within one business day of a request for such amounts and we may build the Reserve by offsets from Remits, transaction settlements or by debiting by ACH any of your Designated Accounts with available funds. You hereby grant us a security interest in and lien on any and all funds held in any Reserve, and also authorizes us to make any withdrawals or debits from the Reserve, without prior notice to you, to collect amounts that you owe us under this Sub-Merchant Agreement, including without limitation, for any reversals of deposits or transfers. You will execute any additional documentation required for us to perfect our security interest in any funds in the Reserve. This security interest survives for as long as we hold funds in Reserve; however, it does not apply to any funds for which the grant of a security interest would be prohibited by law. You irrevocably assign to us all rights and legal interests to any interest or other earnings that accrue or are attributable to the Reserve.
- 26. RECOUPMENT OF FEES.** Where Fees are owing by you to us under the Agreement, we shall have the right to immediately, without prior consent or notice, offset or debit such amounts from funds: (a) deposited by you into your Designated Account(s); (b) due to you as remits; (c) held in the Reserve; or (d) available in your other payment instrument registered with our sponsor bank (if any). Your failure to pay all Fees owed to us on demand will be a breach of this Sub-Merchant Agreement. You will be liable for our costs associated with collection in addition to the amount owed, collection agency fees,

and interest at the lesser of one-and-one-half percent (1.5%) per month or the highest rate permitted by applicable law. In our discretion, we may make appropriate reports to credit reporting agencies and law enforcement authorities and cooperate with them in any resulting investigation or prosecution. You hereby expressly agree that all communication in relation to delinquent sub-merchant accounts may be made by us or by a third party acting on our behalf, including but not limited to a collections company.

27. **INTELLECTUAL PROPERTY.** We reserve all rights not expressly granted to you in the Agreement, including without limitation, this Sub-Merchant Agreement. We own the title, copyright and other worldwide intellectual property rights in the Payment Services and all technology, components, systems, and hardware associated therewith. This Sub-Merchant Agreement does not grant you any rights to our trademarks or service marks, nor may you remove, obscure, or alter any of our trademarks or service marks included in the Payment Services. All comments and suggestions of or concerning the Payment Services provided to you shall be our property and you shall not have any rights therein.
28. **REIMBURSEMENT SPECIFIC TO PAYMENT SERVICES.** To the extent permitted by law, you agree to reimburse us and all third parties that assist in providing the Payment Services (including the bank(s), the Card Brands and our Processor), as well as our/their employees, directors, and agents for any and all losses, costs, or damages that we suffer arising out of any claim, action, audit, investigation, inquiry, or other proceeding instituted by a third party person or entity that arises out of or related to: (a) any actual or alleged breach of your representations, warranties, or obligations set forth in the Sub-Merchant Agreement; (b) your wrongful or improper use of the Payment Services; (c) any transaction submitted by you through the Payment Services (including without limitation the accuracy of any product information or service that you provide or any claim or dispute arising out of products or services offered or sold by you); (d) your violation of any third-party right, including without limitation any right of privacy, publicity rights or intellectual property rights; (e) your violation of any applicable law; or (f) any other party's access and/or use of the Payment Services with your access credentials.
29. **NO WARRANTIES.** THE PAYMENT SERVICES ARE PROVIDED ON AN AS IS AND AS AVAILABLE BASIS. USE OF THE PAYMENT SERVICES IS AT YOUR OWN RISK. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, THE PAYMENT SERVICES ARE PROVIDED WITHOUT WARRANTIES OF ANY KIND, WHETHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE.
30. **LIMITATION ON LIABILITY.** WE SHALL NOT BE LIABLE FOR SPECIAL, INCIDENTAL, INDIRECT, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES, INCLUDING BUT NOT LIMITED TO, LOSS OF SALES, GOODWILL, PROFITS OR REVENUES. OUR LIABILITY UNDER THIS SUB-MERCHANT AGREEMENT FOR ANY CLAIM SHALL NOT EXCEED \$5,000, EXCEPT FOR CLAIMS OF IP INDEMNIFICATION, PERSONAL INJURY OR DEATH.
31. **TIME LIMIT TO INITIATE A DISPUTE.** Unless otherwise required by law, an action or proceeding by you relating to any dispute or claim by you under this Sub-Merchant Agreement must commence in accordance with the statute of limitations provided by Virginia law.
32. **CONFIDENTIALITY.** Unless otherwise required by law, you shall, and shall cause your affiliates to, hold in strict confidence at all times following the date hereof all of our, our bank's or our Processor's Confidential Information, as defined to mean any information related to financial matters, and

neither you nor any of your affiliates shall use such Confidential Information for any purpose other than for the performance of your duties and obligations hereunder. If you breach, or threaten to breach, any of the provisions of this section, in addition to any other rights we may have, including a claim for damages, we shall have the right to seek to have the provisions of this section specifically enforced, and your breach or threatened breach enjoined, by any court of competent jurisdiction, , it being agreed that any breach or threatened breach of this section may cause irreparable harm to us in that money damages would not provide an adequate remedy.

33. **PERSONAL GUARANTY.** If an individual executes this Sub-Merchant Agreement on your behalf as a guarantor, then such individual personally guarantees performance by you hereunder, shall be deemed to be a guarantor for all purposes, and shall be joint and severally liable with you for all of your liabilities under the Sub-Merchant Agreement.
34. **INDEPENDENT CONTRACTOR.** The relationships of the parties to this Sub-Merchant Agreement shall be solely that of independent contractors, and nothing contained herein shall be construed otherwise. Nothing in this Sub-Merchant Agreement or in the business or dealings between the parties shall be construed to make them joint ventures or partners with each other. Neither party shall do anything to suggest to third parties that the relationship between the parties is anything other than that of independent contractors.
35. **ASSIGNMENT.** You may not assign or otherwise transfer any or all of your rights or obligations under the Sub-Merchant Agreement without our prior written consent, and any assignment without such prior written consent will be null and void. We may assign any of our rights or obligations hereunder to a third party with written notice to you.
36. **OTHER AGREEMENT TERMS; CONFLICT.** Upon SMAA acceptance, this Sub-Merchant Agreement shall be considered incorporated by reference into your overall Agreement with us. To the extent any provision of this Sub-Merchant Agreement directly conflicts with any other provision of the Agreement, then the Sub-Merchant Agreement's terms shall be deemed to control.
37. **COST REVIEW & POTENTIAL ADJUSTMENT.** We will conduct a quarterly review of the overall card processing costs. The first review will begin six (6) months after the initial implementation. If there is a material increase in card processing costs, we reserve the right to increase fees associated with Payment Services. You would then have ninety (90) days in which to terminate the Contract and this Agreement without fees or penalties with a written notification to us.

**EXHIBIT E**  
**MERCHANT SERVICES AGREEMENT FOR SUB-MERCHANTS**

This MERCHANT SERVICES AGREEMENT FOR SUB-MERCHANTS ("Agreement") is made among WORLDPAY, LLC, having its principal office at 8500 Governors Hill Drive, Symmes Township, OH 45249-1384 and its designated Member Bank (collectively "Acquirer") and Arlington County Government ("Sub-merchant") in connection with the agreement between Sub-merchant and RecTrac LLC ("Provider"). Acquirer will provide Sub-merchant with certain payment processing services ("Services") in accordance with the terms of this Agreement. In consideration of Sub-merchant's receipt of credit or debit card funded payments, and participation in programs affiliated with MasterCard International Inc. ("MasterCard"), VISA U.S.A. Inc. ("VISA"), Discover ("Discover"), and certain similar entities (collectively, "Associations"), Sub-merchant is required to comply with the Operating Regulations (defined below) as they pertain to applicable credit and debit card payments. In addition, if Sub-merchant meets certain requirements under the Operating Regulations or an Association or the Operating Regulations otherwise require, Sub-merchant may be required to enter into a direct relationship with an entity that is a member of the Associations. By executing this Agreement, Sub-merchant has fulfilled such requirement. However, Acquirer understands that Sub-merchant may have contracted with Provider to obtain certain processing services and that Provider may have agreed to be responsible to Sub-merchant for all or part of Sub-merchant's obligations contained herein.

NOW, THEREFORE, in consideration of the foregoing recitals and of the mutual promises contained herein, the parties agree as follows:

1. **Certain Sub-merchant Responsibilities.** Sub-merchant agrees to comply, and to cause third parties acting as Sub-merchant's agent ("Agents") to comply, with the Association's and other payment network's by-laws, operating regulations and/or all other rules, policies and procedures, including but not limited to the Payment Card Industry Data Security Standard, 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 or payment networks (collectively "Operating Regulations"). Sub-merchant may review the VISA, MasterCard, and Discover websites for a copy of the Visa, MasterCard and Discover regulations. The websites are: <https://usa.visa.com/support/small-business/regulations-fees.html> and <http://www.mastercard.com/us/merchant/> and <http://www.discovernetwork.com/merchants/>. Sub-merchant also agrees to comply with all applicable state, federal, and local laws, rules, and regulations ("Laws"). Without limiting the foregoing, Sub-merchant agrees that it will fully comply with any and all anti-money laundering laws and regulations, including but not limited to the Bank Secrecy Act, the US Treasury's Office of Foreign Assets Control (OFAC) and the Federal Trade Commission. For purposes of this section, Agents include, but are not limited to, Sub-merchant's software providers and/or equipment providers.

If appropriately indicated in Sub-merchant's agreement with Provider, Sub-merchant may be a limited-acceptance merchant, which means that Sub-merchant has elected to accept only certain Visa and MasterCard card types (i.e., consumer credit, consumer debit, and commercial cards) and must display appropriate signage to indicate the same. Acquirer has no obligation other than those expressly provided under the Operating Regulations and applicable law as they may relate to limited acceptance. Sub-merchant, and not Acquirer, will be solely responsible for the implementation of its decision for limited acceptance, including but not limited to policing the card type(s) accepted at the point of sale.



Sub-merchant shall only complete sales transactions produced as the direct result of bona fide sales made by Sub-merchant to cardholders and is expressly prohibited from presenting sales transactions which are produced as a result of sales made by any person or entity other than Sub-merchant, or for any purposes related to any illegal or prohibited activity, including but not limited to money - laundering or financing of terrorist activities.

Sub-merchant may set a minimum transaction amount to accept a card that provides access to a credit account, under the following conditions: i) the minimum transaction amount does not differentiate between card issuers; ii) the minimum transaction amount does not differentiate between MasterCard, Visa, or any other acceptance brand; and iii) the minimum transaction amount does not exceed ten dollars (or any higher amount established by the Federal Reserve). Sub-merchant may set a maximum transaction amount to accept a card that provides access to a credit account, under the following conditions: Sub-merchant is a i) department, agency or instrumentality of the U.S. government; ii) corporation owned or controlled by the U.S. government; or iii) Sub-merchant whose primary business is reflected by one of the following MCCs: 8220, 8244, 8249 –Schools, Trade or Vocational; and the maximum transaction amount does not differentiate between MasterCard, Visa, or any other acceptance brand.

2. **Sub-merchant Prohibitions.** Sub-merchant must not i) require a cardholder to complete a postcard or similar device that includes the cardholder's account number, card expiration date, signature, or any other card account data in plain view when mailed, ii) add any tax to transactions, unless applicable law expressly requires that a Sub-merchant impose a tax (any tax amount, if allowed, must be included in the transaction amount and not collected separately), iii) request or use an account number for any purpose other than as payment for its goods or services, iv) disburse funds in the form of travelers checks if the sole purpose is to allow the cardholder to make a cash purchase of goods or services from Sub-merchant, v) disburse funds in the form of cash unless Sub-merchant is dispensing funds in the form of travelers checks, TravelMoney cards, or foreign currency (in such case, the transaction amount is limited to the value of the travelers checks, TravelMoney cards, or foreign currency, plus any commission or fee charged by the Sub-merchant), or Sub-merchant is participating in a cash back service, vi) submit any transaction receipt for a transaction that was previously charged back to the Acquirer and subsequently returned to Sub-merchant, irrespective of cardholder approval, vii) accept a Visa consumer credit card or commercial Visa product issued by a U.S. issuer to collect or refinance an existing debt, viii) accept a card to collect or refinance an existing debt that has been deemed uncollectable, or ix) submit a transaction that represents collection of a dishonored check. Sub-merchant further agrees that, under no circumstance, will Sub-merchant store cardholder data in violation of the Laws or the Operating Regulations including but not limited to the storage of track-2 data. Neither Sub-merchant nor its Agent shall retain or store magnetic-stripe data subsequent to the authorization of a sales transaction.
  
3. **Settlement.** Upon receipt of Sub-merchant's sales data for card transactions, Acquirer will process Sub-merchant's sales data to facilitate the funds transfer between the various Associations and Sub-merchant. After Acquirer receives credit for such sales data, subject to the terms set forth herein, Acquirer will fund Sub-merchant, either directly to the Sub-Merchant-Owned Designated Account or through Provider to an account designated by Provider ("Provider Designated Account"), at Acquirer's discretion, for such card transactions. Sub-merchant agrees that the deposit of funds to the Provider Designated Account shall discharge Acquirer of its settlement obligation to Sub-merchant, and that any dispute regarding the receipt or amount of settlement shall be between Provider and Sub-merchant. Acquirer will debit the Provider Designated Account for funds owed to Acquirer as a result

of the Services provided hereunder, provided that Acquirer may also debit Sub-merchant's designated demand deposit account ("Sub-Merchant-Owned Designated Account") upon receipt of such account information from Sub-merchant or Provider, or if Acquirer deposits settlement funds into the Sub-Merchant-Owned Designated Account. Further, if a cardholder disputes a transaction, if a transaction is charged back for any reason, or if Acquirer reasonably believes a transaction is unauthorized or otherwise unacceptable, the amount of such transaction may be charged back and debited from Sub-merchant or Provider.

4. **Term and Termination.** This Agreement shall be binding upon Sub-merchant upon Sub-merchant's execution. The term of this Agreement shall begin, and the terms of the Agreement shall be deemed accepted and binding upon Acquirer, on the date Acquirer accepts this Agreement by issuing a merchant identification number and shall be coterminous with Provider's agreement with Sub-merchant.

Notwithstanding the foregoing, Acquirer may immediately cease providing Services and/or terminate this Agreement without notice if (i) Sub-merchant or Provider fails to pay any amount to Acquirer when due, (ii) in Acquirer's opinion, provision of a service to Sub-merchant or Provider may be a violation of the Operating Regulations or any Laws, (iii) Acquirer believes that Sub-merchant has violated or is likely to violate the Operating Regulations or the Laws, (iv) Acquire determines Sub-merchant poses a financial or regulatory risk to Acquirer or an Association, (v) Acquirer's agreement with Provider terminates, (vi) any Association deregisters Provider, (vii) Acquirer ceases to be a member of the Associations or fails to have the required licenses, or (viii) Acquirer is required to do so by any of the Associations.

5. **Limits of Liability.** Sub-merchant agrees to provide Acquirer, via a communication with Provider, with written notice of any alleged breach by Acquirer of this Agreement, which notice will specifically detail such alleged breach, within thirty (30) days of the date on which the alleged breach first occurred. Failure to so provide notice shall be deemed an acceptance by Sub-merchant and a waiver of any and all rights to dispute such breach.

EXCEPT FOR THOSE EXPRESS WARRANTIES MADE IN THIS AGREEMENT, ACQUIRER DISCLAIMS ALL WARRANTIES, INCLUDING, WITHOUT LIMITATION, ANY EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. Sub-merchant's sole and exclusive remedy for any and all claims against Acquirer arising out of or in any way related to the transactions contemplated herein shall be termination of this Agreement. In the event that Sub-merchant has any claim arising in connection with the Services, rights, and/or obligations defined in this Agreement, Sub-merchant shall proceed against Provider and not against Acquirer, unless otherwise specifically set forth in the Operating Regulations. In no event shall Acquirer have any liability to Sub-merchant with respect to this Agreement or the Services. Sub-merchant acknowledges Acquirer is only providing this Agreement to assist in Provider's processing relationship with Sub-merchant, that Acquirer is not liable for any action or failure to act by Provider, and that Acquirer shall have no liability whatsoever in connection with any products or services provided to Sub-merchant by Provider. If Provider is unable to provide its services to Sub-merchant in connection with this Agreement and Acquirer elects to provide those services directly, Sub-merchant acknowledges and agrees that the provisions of this Agreement will no longer apply and the terms of Acquirer's then current Bank Card Merchant Agreement, which would be provided to Sub-merchant, will govern Acquirer's relationship with Sub-merchant. If Provider subsequently provides its services to Sub-merchant in connection with this Agreement, Acquirer will cease to provide such services after receipt of notice from Provider and this

Agreement will govern Acquirer’s relationship with Sub-merchant.

- 6. **Miscellaneous.** This Agreement is entered into, governed by, and construed pursuant to the laws of the State of Ohio without regard to conflicts of law provisions. This Agreement may not be assigned by Sub-merchant without the prior written consent of Acquirer. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, transferees and assignees. This Agreement is for the benefit of, and may be enforced only by, Acquirer and Sub-merchant and is not for the benefit of, and may not be enforced by, any other party. Acquirer may amend this Agreement upon notice to Sub-merchant in accordance with Acquirer’s standard operating procedure. If any provision of this Agreement is determined to be illegal or invalid, such illegality or invalidity of that provision will not affect any of the remaining provisions and this Agreement will be construed as if such provision is not contained in the Agreement “Member Bank” as used in this Agreement shall mean a member of VISA, MasterCard and/or Discover, as applicable, that provides sponsorship services in connection with this Agreement. As of the commencement of this Agreement, Member Bank shall be Fifth Third Bank, an Ohio Banking Corporation, located in Cincinnati, OH 45263. The Member Bank is a party to this Agreement. The Member Bank may be changed, and its rights and obligations assigned to another party by Acquirer at any time without notice to Sub- merchant.

IN WITNESS WHEREOF, this Agreement has been executed by Sub-merchant’s authorized officer as of the date set forth below.

**SUB-MERCHANT:** Arlington County Government

DocuSigned by:  
By: Dr. SHARON T. LEWIS

89B86B1AD301462...  
Name: DR. SHARON T. LEWIS

Title: Purchasing Agent

Date: 11/7/2023

Address: 2200 Clarendon Blvd  
Arlington, VA 22201

# SUB-MERCHANT APPLICATION AND AGREEMENT (SMAA)

| SELECTION 1: SUB-MERCHANT INFORMATION   |                                |   |   |  |  |   |
|---|--------------------------------|---|---|--|--|---|
| <b>Business/ Sub-Merchant (provide legal entity name)</b>   |                                |   | <b>Doing Business As (If applicable):</b>   |  |  |   |
| Arlington County (VA)   |                                |   |   |  |  |   |
| <b>Date of Formation</b>  |                                | <b>Approx. Years in Business</b>  |   | <b>Business Address</b>  |  |   |
| 7/22/44   |                                | 79  |   | 2100 Clarendon Blvd, Arlington, VA 22201   |  |   |
| <b>Tax ID (FEIN)</b>  |                                | <b>Website (URL)</b>  |   | <b>Business Phone</b>  |  |   |
| 54-6001123  |                                | https://www.arlingtonva.us/Government/I   |   | 703-228-4747   |  |   |
| <b>Primary Contact Name (For General Communications)</b>  |                                |   | <b>Primary Contacts Phone</b>   |  | <b>Primary Contact Email</b>   |   |
| Deborah Hay   |                                |   | 703-228-3608  |  | dhay@arlingtonva.us  |   |
| <b>Business Type (Select one)</b>   |                                | <b>Public</b><br><input checked="" type="checkbox"/>  | <b>Individual</b><br><input type="checkbox"/> Sole<br><input type="checkbox"/> Proprietorship<br><input type="checkbox"/> Individual  | <b>Corporation</b><br><input type="checkbox"/> S-Corp<br><input type="checkbox"/> C-Corp<br><input type="checkbox"/> LLC | <b>Partnership</b><br><input type="checkbox"/> General<br><input type="checkbox"/> Partnership<br><input type="checkbox"/> Limited<br><input type="checkbox"/> Partnership | <b>Other</b><br><input type="checkbox"/> Non-Profit (501C)<br><input checked="" type="checkbox"/> Government<br><input type="checkbox"/> Other: _____ |
| <b>Has this business processed credit cards before?</b>   |                                | <b>Has this business ever been terminated from accepting credit cards from any network?</b> |   | <b>Will this business be running a presale prior to opening?</b>   |  | <b>What payment methods will the business accept?</b>   |
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No   |                                | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No                         |   | <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> NA                          |  | <input checked="" type="checkbox"/> Debit <input checked="" type="checkbox"/> Credit <input checked="" type="checkbox"/> ACH                          |
| <b>Briefly describe the nature of the services provided by this business.</b>   |                                |   | <b>What types of payment would this business like to accept?</b>  |  |  |   |
| Parks and recreation services, including program registration, facility reservations, POS, and membership                   |                                |   | <input checked="" type="checkbox"/> In Person <input checked="" type="checkbox"/> Online <input checked="" type="checkbox"/> Telephone <input type="checkbox"/> Mail-in <input checked="" type="checkbox"/> Recurring Billing |  |  |   |
| SECTION 2: TRANSACTION INFORMATION (all financial assumptions approximated in USD)  |                                |   |   |  |  |   |
| <b>Annual Card Volume (\$)</b>  |                                | <b>Avg Ticket (Card) (\$)</b>   | <b>Annual ACH Volume (\$)</b>   | <b>Avg Ticket (ACH) (\$)</b>   | <b>Max. Ticket (ACH) (\$)</b>  | <b>Max. Ticket Credit Card (\$)</b>   |
| \$8,800,000   |                                | \$111   | \$2,750,000   | \$229  | \$5740   | \$4130  |
| <b>Total Annual Sales – All Transactions (\$)</b>   |                                |   |   |  |  |   |
| \$12,000,000  |                                |   |   |  |  |   |
| SECTION 3: LOCATION INFORMATION (use additional pages if necessary)   |                                |   |   |  |  |   |
| <b>Location/Business Name</b>   |                                |   | <b>Business Address</b>   |  | <b>Business Phone</b>  |   |
| <small>Same as Sec. 1 address</small>   |                                |   |   |  |  |   |
| 1   | Administrative Services Office |   | 300 N Park Dr, Arlington, VA 22203  |  | 703-228-4747   |   |
| 2   |                                |   |   |  |  |   |
| 3   |                                |   |   |  |  |   |
| 4   |                                |   |   |  |  |   |
| SECTION 4: MERCHANT ID INFORMATION (List one MID per row from the following options: Card Present, Web, Billing, or eCheck) |                                |   |   |  |  |   |
| <b>Merchant ID Account Name (will appear on statement)</b>  |                                | <b>Associated Section 3 Location or Address</b>   | <b>Type of MID</b>  | <b>Annual Card Revenue</b>   | <b>Service Fee</b>   |   |
| 1   | Arlington ParksRec Web         | Location#:  | Web   | 5,600,000  | <input checked="" type="checkbox"/>  |   |
| 2   | Arlington ParksRec Billing     | Location#:  | Billing   | 250,000  | <input checked="" type="checkbox"/>  |   |
| 3   | Arlington ParksRec ACH         | Location#:  | eCheck  | 2,750,000  | <input type="checkbox"/>   |   |
| 4   | Arlington ParksRec             | Location#:  | Card Present  | 2,950,000  | <input checked="" type="checkbox"/>  |   |

## SECTION 5: CONTROL OWNER INFORMATION

Why Do We Need This Information? We require certain information about your ownership for compliance with federal Know-Your-Customer (or "KYC") regulations promulgated by the Financial Crimes Enforcement Network Bureau of the U.S. Department of Treasury. KYC regulations seek to prevent financial crimes and the funding of terrorism, among other things. The information sought below is required by KYC regulations. (1) "Control Owner" must be provided. A Control Owner is not required to have an ownership interest in the Sub-Merchant and the Control Owner must be a natural person with significant responsibility to control, manage or direct the activities of the Sub-Merchant's business. Control Owners often have the title of CEO, CFO, COO, Managing Member, General Partner, President, or Treasurer.

|   |                       |
|---|-----------------------|
| CONTROL OWNER/AUTHORIZED CONTACT ( MUST BE A NATURAL PERSON) * Denotes required fields for all applicants |                       |
| Full Legal Name *   | Date of Birth *       |
| Geoffrey Andrew Cooke   | 6/15/62               |
| Address (Home or Business) *  | Title                 |
| 2100 Clarendon Blvd, Arlington, VA 22201  | Deputy Treasurer      |
| Phone (Home or Business) *  | Email *               |
| 703-228-3138  | acooke@arlingtonva.us |

## SECTION 6: BANKING INFORMATION (A copy of a voided check or a bank letter with full account details listed will be required).

For multiple bank accounts only: Include the associated MID number from Section 4!

| Bank Name   | Account Name | Routing Number | MID # | Account Number |
|-------------|--------------|----------------|-------|----------------|
| Wells Fargo | DPR Deposits | 121000248      |       | 2000043154209  |
|             |              |                |       |                |
|             |              |                |       |                |
|             |              |                |       |                |

**ACKNOWLEDGEMENT:** By signing below, Sub-Merchant expressly acknowledges that: (1) the individual signing this Sub-Merchant Agreement has the proper legal authority to bind the Sub-Merchant; (2) the Sub-Merchant's Application for payment services may be rejected in underwriting but, once accepted, will constitute a legally binding Sub-Merchant Agreement with the Payment Facilitator identified below; (3) all information provided herein is true and accurate to the best of Sub-Merchant's knowledge; (4) the Payment Service Terms and Conditions, and any other documents referenced as being part of the agreement, shall become part of this Sub-Merchant Agreement; (5) the Payment Facilitator's provision of payment services under the Sub-Merchant Agreement shall be expressly conditioned on Sub-Merchant's payment of all fees and other charges, and its compliance with VS's Terms of Service and Privacy Policy, as may be revised from time to time.

**AUTHORIZATION:** Sub-Merchant expressly authorizes the Payment Facilitator identified below to take the following actions: (1) to establish a primary merchant account with a payment processor of the Payment Facilitator's choosing; (2) to access Customer Data, including but not limited to Cardholder Data, for the purposes of providing the payment services contemplated by the Agreement; (3) to execute documents on Sub-Merchant's behalf, or to take any other action which the Payment Facilitator deems reasonably necessary to provide its payment services to Sub-Merchant as described herein; (4) to access Sub-Merchant's designated account(s) for purposes of received and accepting payments on settled transactions, together with any adjustments made on Sub-Merchant's behalf; (5) to collect any Fees or other charges owed to Payment Facilitator, or any of Payment Facilitator's affiliates or subsidiaries, directly from the Sub-Merchant's EFT/ACH draft; (6) to set up a reserve account where Payment Facilitator considers it reasonably necessary to protect its legitimate business interests; (7) to withhold the remittance of any funds in accordance with lawful orders, garnishments and/or tax levies; (8) to recoup, retrieve or collect from any source of available funds, including but not limited to the Sub-Merchant's EFT/ACH draft, any Payment Facilitator expenditures related to Sub-Merchant's eCheck returns, chargebacks, negative accruals or overdrawn accounts; and (9) to transfer billed amounts to an account held by Payment Facilitator to facilitate the settling of transactions run at the Sub-Merchant's place or places of business.

|   |           |  |           |
|---|-----------|--|-----------|
| <b>SUBMITTED AND AGREED TO BY:</b><br>(Sub-Merchant) <u>Arlington County Government</u> |           | <b>ACCEPTED BY:</b><br><u>Vermont Systems, Payment Facilitator</u> |           |
| <input checked="" type="checkbox"/> <u>Dr. SHARON T. LEWIS</u>                          |           | <input checked="" type="checkbox"/> <u>Patrick Hayden</u>          |           |
| <small>89B86B1AD301462</small><br>Name and Title  | Date      | <small>D56F2EAECD044D</small><br>Name and Title                    | Date      |
| DR. SHARON T. LEWIS<br>Purchasing Agent   | 11/7/2023 | Patrick Hayden (Vermont Systems)<br>President                      | 11/7/2023 |