Terms and Conditions for Merchant Agreement

1. Applicability, Etc.   This document describes the terms and conditions (as amended from time to time, as described herein, this "Agreement") under which SECURENET, LLC, a Delaware limited liability company ("SecureNet"), will provide one or more of the Services (hereinafter defined) indicated on the Application (hereinafter defined) for a business which has executed and delivered a Merchant Application and Agreement (an "Application") (each such business being the "Merchant"). The Merchant agrees that by execution and delivery of an Application it shall be bound by this Agreement. This Agreement constitutes a binding contract between the Merchant and SecureNet. If an agent signs an Application on behalf of a Merchant, both the agent and the principal agree to be bound by this Agreement, and both agree to be liable as a principal for all present and future indebtedness, liabilities and obligations of any kind and nature whatsoever of the Merchant to SecureNet arising under, on account of, or in connection with this Agreement. The Merchant received a copy of this Agreement simultaneously upon its execution and delivery of the Application. In addition to this Agreement, the Merchant by its execution and delivery of an Application.

2. Services. Subject to, and in accordance with, this Agreement SecureNet will be the exclusive provider of the following services (collectively, the "Services") for the Merchant:

    (a) SecureNet will provide the Merchant authorization for credit, debit and/or Electronic Benefits Transfer ("EBT") cards bearing the mark of an Association (hereinafter defined) or an Issuer (as such term is defined in the Quest® Operating Rules (hereinafter defined)) (each a "Card" and collectively, the "Cards"), used by the Merchant's customers to purchase goods or services from the Merchant (each a "Cardholder" and collectively, the "Cardholders");

    (b) SecureNet will process and clear the Merchant's Card transactions that were initiated by the Cardholders as payment for goods and/or services rendered by the Merchant (each a "Card Transaction" and collectively, the "Card Transactions") for settlement through one or more financial institutions;

    (c) SecureNet will process reversals of Card Transactions resulting from the return of the Merchant's goods sold;

    (d) If requested by the Merchant within the Application, SecureNet will provide a license to use SecureNet Gateway® (hereinafter defined) to the Merchant; and

    (e) If requested by the Merchant within the Application, SecureNet will provide a license to use SecureNet's Vault® (hereinafter defined) to the Merchant.

As used herein, the term "Association" means legal entities that own one or more certain Card brands that the Merchant has agreed to accept, including, without limitation Visa, MasterCard, Discover and Diner's Club and the other entities designated on SecureNet's websites as an "Association", and the "Associations" means all such entities collectively. As used herein, the term the "Rules" are the rules promulgated by each Association or an Issuer (as such term is defined in the Quest Rules) that govern, among other things the acceptance, processing and settlement of Card Transactions, including, without limitation, Visa International Operating Regulations, the MasterCard Rules and Quest Rules. During the term of this Agreement the Merchant will use SecureNet exclusively to perform the Services.

3.   Card Acceptance. The Merchant must not refuse to complete a Card Transaction solely because a Cardholder who has complied with the conditions for presentment of a Card refuses to provide additional identification information, except as specifically permitted or required by the Rules. The Merchant may require additional identification from the Cardholder if the information is required to complete the Card Transaction, such as for shipping purposes. The Merchant must not refuse to complete an e-commerce Card Transaction solely because the Cardholder does not have a digital certificate or other secured protocol. A Merchant must not directly or indirectly require any Cardholder to pay a surcharge or any part of any Merchant discount or any contemporaneous finance charge in connection with a Card Transaction. A Merchant may provide a discount to its customers for cash payments. A Merchant is permitted to charge

a fee (such as a bona fide commission, postage, expedited service or convenience fees, and the like) if the fee is imposed on all like transactions regardless of the form of payment used. Cards must not be accepted at terminals that dispense scrip. The Merchant must not submit for payment into interchange, any Card Transaction that: (a) represents the refinancing or transfer of an existing Cardholder obligation that is deemed to be uncollectible; (b) arises from the dishonor of a Cardholder's personal check; or (c) arises from the acceptance of a Card at a terminal that dispenses scrip. The Merchant must not accept any payment from a Cardholder in any other form (for example, cash or check) with respect to a charge for products or services reflected on a TID (hereinafter defined) resulting from the use of a Card. The Merchant also must not accept a Card as payment for products or services for which the Merchant has received or expects to receive payment in any other form, whether from the Cardholder or a third party.

4.   Authorization. When required by the Rules or by this Agreement, the Merchant must obtain an authorization before completing a Card Transaction. SecureNet reserves the right to refuse to process any Transaction Record (hereinafter defined) submitted by the Merchant in connection with a Card Transaction, if the Merchant did not obtain proper authorization for the Card Transaction if it was required to do so under the terms of this Agreement or the Rules.

5.   Identity of Merchant to Cardholder. The Merchant shall prominently and unequivocally inform each Cardholder of the identity of the Merchant at all points of interaction, so that the Cardholder readily can distinguish the Merchant from any other party, such as a supplier of products or services to the Merchant. The Merchant Web site must (a) prominently display the name of the Merchant; and (b) prominently identify the name of the Merchant as displayed on the Merchant's Web site as both the Merchant and as the name that will appear on the Cardholder statement and Merchant's and Card Transactions. The Merchant agrees to display its name information as prominently as any other information depicted on the Merchant's Web site, other than images of the products or services being offered for sale.

6.   Additional MasterCard Requirements. The Merchant shall be obligated to comply with the MasterCard Rules, as the same have been amended and may further be amended, modified, updated, or otherwise changed from time to time in accordance with their terms (the "MasterCard Rules") promulgated by MasterCard International Incorporated ("MasterCard Corporation"). The Merchant acknowledges that the trademark 'MasterCard' and the corresponding logotype are the property of MasterCard Corporation. The Merchant shall not infringe upon the MasterCard Marks (hereinafter defined) or logo, nor otherwise use the MasterCard Mark or logo in such a manner as to create the impression Merchant's products or services are sponsored, produced, affiliated with, offered, or sold by MasterCard Corporation. The Merchant shall not use the MasterCard Mark or logo on its stationery, letterhead, envelopes, or the like nor in its solicitation; provided, however, that Merchant may use the MasterCard Mark or logo in close proximity to the payment or enrollment space in the solicitation in a size not to exceed 1 1/4 inches in horizontal length if a logo is employed, or, if a MasterCard Mark is used, in type not to exceed the size of the type used in the major portion of the text on the same page; provided further that the legend, 'Accepted for Payment' must accompany the MasterCard or logo used and must be the equivalent size of the mark or logo. In no case, however, shall the Merchant use any of the MasterCard Mark or logo on the front or first page of its solicitation. The Merchant agrees to comply with the Card acceptance requirements set forth in Rule 5.8 of the MasterCard Rules and in section 2.1 of the Chargeback Guide (as defined in the MasterCard Rules). If the Merchant in a country or region that supports use of the MasterCard Address Verification Service (as defined in the MasterCard Rules), the Merchant may require the Cardholder's ZIP or postal code to complete a Cardholder-Activated Terminal ("CAT") Card Transaction (as defined in the MasterCard Rules), or the Cardholder's address and ZIP or postal code to complete a mail order, phone order, or e-commerce Card Transaction. The Merchant shall refer to sections 2.1.12 and 2.4 of the Chargeback Guide for purchase with cash back Card Transaction requirements. The Merchant shall comply with the requirements for submitting Card Transactions to SecureNet set forth in Rule 5.9 of the MasterCard Rules. A Merchant must inform SecureNet promptly of the identity of any DSE (as defined in the MasterCard Rules) that the Merchant intends to afford access to Card account, Cardholder, or Card Transaction information. The Merchant is liable for its DSE (as defined in the MasterCard Rules) compliance with the MasterCard Site Data Protection ("SDP") Program in accordance with the implementation schedule set forth in section 10.3.4 of the Security Rules and Procedures Manual (as defined in the MasterCard Rules). If a Cardholder using a MasterCard is linked to the Merchant's Web site from a

Sub-merchant's (as defined in the MasterCard Rules) Web site for payment, the Merchant's name must appear in DE 43 (Card Acceptor Name/Location in accordance with the MasterCard Rules), subfield 1 (Card Acceptor Name) in conjunction with the name of the Sub-merchant. If a Cardholder using a MasterCard accesses the Merchant's Web site directly, and the Merchant's name shall be visible to the Cardholder throughout Card Transaction from selection of goods and/or services to the completion of the checkout process, then the Merchant's name may appear in DE 43 without the name of the Sub-merchant. For Card-present Card Transactions, both the Merchant's name and the Sub-merchant name must appear in DE 43, unless only the name of the Merchant is known to the Cardholder. The Merchant must ensure that each Cardholder understands that the Merchant is responsible for the Card Transaction, including delivery of the products (whether physical or digital) 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. The MasterCard Rules are hereby incorporated herein by this reference. As used here the term "MasterCard Marks" means, collectively, the names, logos, trade names, logotypes, trademarks, service marks, trade designations, and other designations, symbols, and marks that MasterCard International Incorporated and/or its affiliates or subsidiaries own, manage, license, or otherwise control and make available for use by Members and other authorized entities, and the term "MasterCard Mark" means any one of the MasterCard Marks.

7. **Additional Visa Requirements.** The Merchant shall be obligated to: (a) perform its obligations hereunder in compliance with applicable laws; and (b) Comply with the Visa International Operating Regulations, as the same have been amended and may further be amended, modified, updated, or otherwise changed from time to time in accordance with their terms (the "Visa Rules") regarding use of the Visa-Owned Marks (as defined in the Visa Rules), and payment acceptance. Electronic Commerce Merchant (as defined in the Visa Rules) that displays the Verified by Visa Mark must (as defined in the Visa Rules) not use the Verified by Visa Mark: (a) in a way that implies endorsement of any other product or service; and (b) to indicate payment acceptance in any application. The Merchant must not use the Verified by Visa Mark unless it is a 3-D Secure participant (as defined in the Visa Rules). The Merchant may not refuse to accept a Visa product that is properly presented for payment, for example, on the basis that the card is foreign-issued, or co-branded with the Merchant's competitor's mark. The Merchant may steer customers to an alternative method of payment, such as providing discounts for cash, but may not do so in a confusing manner that denies consumer choice. The Merchant may also consider whether present circumstances create undue risk, for example if the sale involves high-value electronics, but the card signature panel is not signed, and the cardholder does not have any other identification. The Merchant agrees to accept Cards for payment of goods or services without charging any amount over the advertised price as a condition of Card acceptance, unless local law requires that merchants be permitted to engage in such practice. Visa may limit or terminate this Agreement. The Merchant shall comply with the provisions of the Cardholder Information Security Program (as defined in the Visa Rules). The Merchant must request authorization, regardless of the Card Transaction amount, if any of the following is true: (a) Cardholder presents an expired Card; (b) Cardholder neglects to bring their Card; (c) Card signature panel is blank; (d) Merchant is suspicious of a proposed Card Transaction; (d) Cardholder presents a Visa Electron Card at a Visa Electron Merchant (as defined in the Visa Rules); (e) Card Transaction is an Electronic Commerce Transaction (as defined in the Visa Rules); (f) Card Transaction is a Mail/Phone Order Transaction (as defined in the Visa Rules); (g) Card Transaction is an In-Transit Service Transaction (as defined in the Visa Rules); (h) Card Transaction is a Recurring Transaction (as defined in the Visa Rules); and (i) Card Transaction is a V PAY Transaction (as defined in the Visa Rules). The Visa Rules are hereby incorporated herein by this reference.

8. **Additional EBT Requirements.** The Merchant hereby agrees to be obligated to comply with all applicable policies of the Quest® Operating Rules adopted by the National Automated Clearing House Association's Electronic Benefits and Services Council (formerly the EBT Council) in April 1996, as the same have been amended and may further be amended, modified, updated, or otherwise changed from time to time in accordance with their terms (the "Quest Rules") when accepting and processing an EBT. If the Merchant is a Full Service Merchant (as defined in the Quest Rules) or Cash Account Merchant (hereinafter defined) the Merchant shall promptly honor each valid Card presented for an EBT (each an "EBT Card" and collectively for and multiple, the "EBT Cards") when such EBT Card is presented by a Cardholder with a valid PIN (as defined in the Quest Rules) for the purpose of engaging in a Cash Account Transaction

(as defined in the Quest Rules). If the Merchant is a Full Service Merchant (as defined in the Quest Rules) or Food Stamp Only Merchant (hereinafter defined), the Merchant shall promptly honor each valid EBT Card when such EBT Card is presented by a Cardholder with a valid PIN for the purpose of engaging in a Food Stamp Transaction (as defined in the Quest Rules). Only a Merchant that has received authorization from Food and Consumer Service ("FCS") of the U.S. Department of Agriculture to participate in the Food Stamp EBT Program (as such term is defined in the Quest Rules) may accept EBT Cards for Food Stamp Transactions. If a Merchant acts as a POS Terminal Operator (as such term is defined in the Quest Rules) the Merchant will comply with each provision of the Quest Rules applicable to a POS Terminal Operator. The Merchant may be Cash Account Merchant, Food Stamp Only Merchant or Full Service Merchant. A "Cash Account Merchant" is a person or entity that has agreed to accept EBT Cards for purchases of goods or services from Cash Accounts (as such term is defined in the Quest Rules) and not from Food Stamp Accounts (as such term is defined in the Quest Rules). A "Food Stamp Only Merchant" is a person or entity that has agreed to accept EBT Cards for purchases of goods or services from Food Stamp Accounts, but not from Cash Accounts, and that has been specifically authorized by FCS to accept Food Stamp Transactions under the Quest Rules, including a Manual Only Merchant (as such term is defined in the Quest Rules). The Merchant shall be liable to the Issuer for each Merchandise Return Transaction authorized by or on behalf of the Issuer and shall settle for the full amount of such Transaction. The Merchant shall bear the risk of denial, for any reason, of a Store and Forward Food Stamp Transaction (as such term is defined in the Quest Rules) or Manual Food Stamp Transaction (as such term is defined in the Quest Rules) for which Telephone Authorization (as such term is defined in the Quest Rules) was not received. Each Merchant shall require that the Cardholder enter his or her PIN at, or in proximity to, the point of sale when initiating a POS Transaction, except as provided in the Quest Rules. Whenever the PIN can be validated by either the CAS (as such term is defined in the Quest Rules) or a third party performing Stand-In Processing (as such term is defined in the Quest Rules) on behalf of the CAS, the Merchant shall ensure that the Cardholder is not required to present a signature or any other form of identification unless the Merchant has grounds to suspect fraud. Each Merchant must obtain the Cardholder's signature if technical problems prevent the Cardholder from entering his or her PIN and the Merchant elects to use a Sales and Credit Draft (as such term is defined in the Quest Rules). The Merchant may also request additional identification if it has grounds to suspect fraud. The Merchant may return to a Cardholder an EBT Card inadvertently left at a Merchant location only if the Cardholder provides positive identification. If the Cardholder does not pick up the EBT Card within forty-eight (48) hours of its discovery by the Merchant or does not provide positive identification, the Merchant must notify the Issuer and then destroy the Card. With respect to EBT Card transactions, the Merchant shall not reveal to any third party any information regarding a specific EBT Card transaction or series of transactions involving any one Cardholder without such Cardholder's prior written consent, except: (a) to each Participant (as such term is defined in the Quest Rules) involved in or necessary to effect such transaction or resolve any alleged error regarding such transaction; (b) to any other person who is a party to such transaction or is necessary to effect such Transaction; (c) to its auditors; (d) as required by the Quest Rules; or (e) as required by applicable law. SecureNet shall have the authority to terminate this Agreement or suspend processing for the Merchant if properly directed to do so by a Government Entity (as such term is defined in the Quest Rules). The Merchant provide prompt notice to SecureNet if the FCS revokes, rescinds or otherwise eliminates the Merchant's authority to accept Food Stamp Transactions. The Merchant must request Authorization of a Transaction even if the Card used to initiate the Transaction is past its expiration date, except with respect to Manual Food Stamp Transactions for which a Telephone Authorization cannot be obtained and Store and Forward Food Stamp Transactions. If the Merchant accepts EBT Cards for POS Cash Transactions (as such term is defined in the Quest Rules) must support Purchase Only (as such term is defined in the Quest Rules) from Cash Account Transactions (as such term is defined in the Quest Rules) and any related Correction Requests (as such term is defined in the Quest Rules) and Correction Responses (as such term is defined in the Quest Rules). If the Merchant that accepts EBT Cards for Food Stamp Transactions must support Food Stamp Purchase (as such term is defined in the Quest Rules) and Food Stamp Merchandise Refund Transactions (as such term is defined in the Quest Rules) and any Related

Correction Requests and Correction Responses. The Merchant may not modify an amount originally entered at the point of sale. The preceding sentence does not preclude the Merchant from modifying an erroneous amount entered on a Sales and Credit Draft (as such term is defined in the Quest Rules) if the Cardholder is present and specifically approves the modification. The Merchant must instruct its employees that they are prohibited from requesting the Cardholder to disclose their PIN. SecureNet hereby grants to the Merchant a nonexclusive, nontransferable license to use the QUEST Mark (as such term is defined in the Quest Rules) solely within the United States of America, solely in connection with the promotion and rendering of services by the Merchant in connection with designated EBT Programs (as such term is defined in the Quest Rules). The Merchant shall: (a) whenever and however incurred, bear all costs and expense of, and full responsibility with respect to, and all liability for, its own use and, for SecureNet's, the Merchants' use and any removal from use of the QUEST Mark; (b) comply strictly with all specifications, directives and requirements concerning copyright, patent, trademark or service mark use, as from time to time an Issuer or SecureNet may be advised of by National Automated Clearing House Association ("NACHA"); and (c) at any time required by NACHA, at the Merchants expense, remove from use the QUEST Mark and, where applicable, surrender to NACHA any depiction of the QUEST Mark in any signs, decals, advertisements, promotional material and any other written materials. The Quest Rules are hereby incorporated herein by this reference.

9.   Cards other than MasterCard, Visa or EBT Cards. The Merchant can only submit Transaction Records for Cards other than MasterCard or Visa if the Merchant has an agreement with the respective Association associated with such Card. SecureNet will only process Transaction Record for the Associations designated on SecureNet's web site, as the same may change from time to time. Transaction Records submitted for Cards, other than MasterCard or Visa, will be processed and cleared to the appropriate Association. Except to the extent that SecureNet may provide funds settlement services for JCB, Diners Club/Carte Blanche or Discover Card Transactions, payment of the proceeds due to the Merchant will be made in accordance with the agreement between the Merchant and each respective Association (other than MasterCard or Visa) and SecureNet does not bear any responsibility for such Association's performance. If an agreement between the Merchant and an Association requires such Association's consent for SecureNet to perform the Services, the Merchant is responsible for obtaining that consent.

10.   Submission of Transaction Records.   The Merchant shall only submit an electronic record of a Card Transaction (each a "Transaction Record" and collectively, the "Transaction Records") to SecureNet that relate to valid Card Transactions between the Merchant and a bona fide Cardholder. The Merchant must not submit to SecureNet a Card Transaction that the Merchant knows or should have known to be fraudulent or not authorized by the Cardholder, or that it knows or should have known to be authorized by a Cardholder for a fraudulent purpose. The Merchant must submit only Transaction Records that directly result from Card Transactions with the Merchant. The Merchant must not deposit Transaction Records resulting from any Card Transaction involving a Card between a Cardholder and another entity. The Merchant is deemed to be responsible for the conduct of its employees, agents, and representatives. The Merchant must submit Transaction Records to SecureNet no later than three Business Days (hereinafter defined) after the date of the Card Transaction, except: (a) a Transaction Record the must not be submitted until after the products are shipped or the services are performed unless, at the time of the Card Transaction, the Cardholder agrees to a properly disclosed delayed delivery of the products or services; (b) when the Merchant receives Cardholder authorization for a delayed presentment (in which case the words "Delayed Presentment" must be noted on the transaction information document (the "TID") for such Card Transaction; (c) when the Merchant is obligated by law to retain the TID or return it to a buyer upon timely cancellation, in which case the Merchant should present the record within 10 business days after the Card Transaction date; (d) when the Merchant has multiple locations and uses a central facility to accumulate and present Transaction Records to SecureNet, in which event the Merchant must present the record in accordance with applicable law, and in any event, within 30 calendar days of the date of the Card Transaction. The Merchant must not submit for payment to SecureNet, any Card Transaction that is illegal, or in the sole discretion of an Association, may damage the goodwill of such

Association or reflect negatively on the Marks. As used herein the term "Business Days" means any day other than Saturday, Sunday or other day on which commercial banks in the State of Maryland are authorized to close.

11. Settlement. In order to receive the most favorable interchange rate, the Merchant is required to transmit its Transaction Records with respect to each Card Transaction to SecureNet on the Business Day (hereinafter defined) following the day that such Card Transaction took place. For debit Card Transactions, the Merchant agrees to transmit such Card Transaction to SecureNet within twenty-four (24) hours of receiving the authorization for such Card Transaction. The Merchant will be solely responsible for all communication expenses required to accomplish the transmission of Transaction Records. In order to receive funds from SecureNet, the merchant must maintain a bank account (together with any account substituted therefore, collectively, the "Merchant Account") at a bank that is a member of the Automated Clearing House ("ACH") system and the Federal Reserve wire system. The Merchant agrees not to close the Merchant Account without giving SecureNet at least five (5) days' prior written notice and substituting another bank account. The Merchant shall be solely liable for all fees and costs associated with the Merchant Account as well as all overdrafts. The Merchant hereby authorizes SecureNet to initiate ACH credit and debit entries and adjustments to the Merchant Account for the purpose of settling Card Transactions and Chargebacks and adjustments. This authority will remain in full force and effect until all of the Merchant's obligations under this Agreement has been indefeasibly paid in full and this Agreement has been terminated. SecureNet will not be liable for any delays in receipt of funds or errors in account entries caused by third parties, including but not limited to delays or errors by the Associations or the Merchant's bank. For all Card Transactions, SecureNet will clear the Merchant's Transaction Records to facilitate collections from Associations and issuing banks. After SecureNet receives credit for such Transaction Records, SecureNet will provisionally credit the Merchant Account with the proceeds. The proceeds of Transaction Records shall be equal to the amounts received by SecureNet from the Associations and/or issuing banks in respect of the Transaction Records minus the sum of the following: all fees, charges and discounts set forth in Schedule A, all adjustments and Chargebacks, all equipment charges (if any), all Cardholder refunds and adjustments, all amounts deducted for deposit into the Reserve Account, and any fees, charges, fines, assessments, penalties, or other liabilities that may be imposed from time to time by the Associations, all of which amounts are due and payable at the time the related services are rendered for the Merchant or the related Chargebacks or other fees or adjustments are received from the Associations or issuing banks. Alternatively, SecureNet may, in its discretion, credit the gross amount of Transaction Records as they are made available to SecureNet and then debit the Merchant Account directly for fees, Chargebacks and adjustments. To the extent the Merchant Account does not have a sufficient balance to pay amounts due under this Agreement, SecureNet may pursue one or more of the following options: (a) demand immediate payment for such amounts; (b) attempt to debit the Merchant's bank account for the full amount owed thereby overdrawing the Merchant Account; (c) withhold settlement payments until all amounts due are paid in full; (d) set-off any amount due with other funds of the Merchant that SecureNet may be holding, including, without limitation, any funds in the reserve account; and (e) pursue any remedies SecureNet may have at law or in equity. Furthermore, if the amount represented by the Merchant's Transaction Records in any day is negative due to refunds/customer credits being submitted by the Merchant in excess of the Merchant's sales, the Merchant is required to provide SecureNet with sufficient funds prior to the submission of the Transaction Records so as to prevent the occurrence of a negative balance in the Merchant Account.

12.   Refunds and Adjustments.   The Merchant is required to maintain a fair policy with regard to the return/cancellation of merchandise or services and adjustment of Card Transactions. The Merchant is required to disclose its return/cancellation policy to SecureNet on the Merchant's Application. The Merchant's return/cancellation policy must also be disclosed to Cardholders. Any change in Applicant's return/cancellation policy must be submitted in writing to SecureNet not less than fourteen (14) days prior to any change. SecureNet reserve the right to refuse to process any Transaction Records made subject to a revised return/cancellation of which SecureNet have not been notified in advance. If the Merchant allows a price adjustment, return of merchandise or cancellation of services in connection with a Card Transaction, the merchant will prepare and deliver to SecureNet a Transaction Record reflecting such refund or adjustment within three (3) days of receiving the Cardholder's request for such refund/adjustment. The amount of the

refund/adjustment cannot exceed the amount shown as the total on the original Transaction Record except by the exact amount required to reimburse the Cardholder for postage that the Cardholder paid to return merchandise. The Merchant are not allowed to accept cash or any other payment or consideration from a customer in return for preparing a refund to be deposited to the Cardholder's account nor to give cash refunds to a Cardholder in connection with a Card Transaction, unless required by law.

13.   Chargebacks. A chargeback (each a "Chargeback" and collectively, the "Chargebacks") is a reversal of a Card Transaction initiated by the Cardholder or the Card issuing bank. Chargebacks may be initiated for a variety of reasons subject to the Rules. If SecureNet determines in its discretion that the Merchant is receiving an excessive amount of Chargebacks, in addition to SecureNet's other remedies under the Rules and this Agreement, SecureNet may take the following actions: (a) review the Merchant's internal procedures relating to acceptance of Cards and notify the Merchant of new procedures that the Merchant shall adopt in order to avoid future Chargebacks; (b) notify the Merchant of a new additional fees that SecureNet charge to process the Merchant's Chargebacks; (c) set up a Reserve Account (hereinafter defined) subject to Section 13 and demand payment from the Merchant in an amount determined by SecureNet in its discretion to be sufficient to cover anticipated Chargebacks and related fees and fines; or (d) terminate this Agreement with written notice of termination.

14.   Reserve Account. At any time and from time to time SecureNet may temporarily suspend or delay payments to the Merchant and/or designate an amount of funds that SecureNet will maintain in order to protect itself against the risk of existing, potential or anticipated Chargebacks and to satisfy the Merchant's other obligations under this Agreement (the "Reserve Account"). The Reserve Account will contain sufficient funds to cover any unbilled processing costs plus our estimated exposure based on the Merchant's susceptibility to Chargebacks, returns and unshipped merchandise and/or unfulfilled services. SecureNet may (but is not required to) apply funds in the Reserve Account toward, and may set off any funds that would otherwise be payable to the Merchant against, the satisfaction of any amounts which are or become due from Merchant pursuant to this Agreement. The Reserve Account will not bear interest, and the Reserve Account shall be subject to SecureNet's sole dominion and control. Any funds in the Reserve Account may be commingled with other funds, and need not be maintained in a separate account. The Merchant hereby irrevocably grants to SecureNet a security interest in the Reserve Account and any and all funds on deposit therein, together with the proceeds thereof, that may at any time be in SecureNet's possession and control. The Merchant agrees to execute and deliver to SecureNet such instruments and documents that SecureNet may request to perfect and confirm the security interest and right of setoff set forth in this Agreement. The Merchant hereby authorizes the Merchant's financial institution where the Reserve Account is maintained to comply with the instructions originated by SecureNet with respect to the Reserve Account. The Merchant's obligations and SecureNet's rights under this Section 13 shall survive termination of this Agreement.

15.   SecureNet Gateway and SecureNet Vault. As used herein the term "SecureNet Gateway" means and includes collectively, the provision of following: (a) a license to use an e-commerce application (the "Gateway Software") that will facilitate obtaining authorizations and capturing and transmitting Transaction Records for clearing, and (b) access to a network (the "Network") hosted by SecureNet or another person with whom SecureNet has contracted, on which the Gateway Software and the Vault Software (hereinafter defined) are run and maintained as hosted applications. As used herein the term "SecureNet Vault" means and includes collectively, the provision of following: (a) a license to use an e-commerce application (the "Vault Software") that will facilitate storing data obtained from Cardholders in the process capturing Transaction Records for clearing through SecureNet Gateway, and (b) access to the Network. Data stored by SecureNet Vault (collectively, the "Vault Data") may include, without limitation, the Cardholders name, address, Card number and the Card expiration date. Vault Data is encrypted and once a Cardholder's Vault Data is captured and stored, it can be used solely for the purpose of facilitating additional Card Transactions for such Cardholder. The Merchant may at its election use SecureNet Vault to store additional fields (collectively "Flexible Fields") of information captured during the process of capturing a Card Transaction . The Merchant agrees not to store any information in the Flexible Fields of SecureNet Vault that is prohibited to be stored under applicable law or the Rules, including, without limitation, any card security codes otherwise known such as, among other names, Card Verification Value, Card Validation Code or Card ID.

The Merchant will indemnify and hold SecureNet harmless with respect to any information stored using SecureNet Vault in violation of any applicable law or the Rules. SecureNet hereby grants to the Merchant for the term of this Agreement: (a) a non-exclusive, non-sub-licensable, non-transferable, revocable, royalty-free right and license to access and use the Gateway Software and the Vault Software pursuant to the terms of SecureNet Gateway and Secure Vault Software License and (which licenses, as the same may be amended, restated, supplemented or otherwise modified is herein called the "Software License") set forth on SecureNet's Web Site; and (b) a non-exclusive, non-sub-licensable, non-transferable, revocable, right and license access and use the Network (which license, as the same may be amended, restated, supplemented or otherwise modified is herein called the "Network License"). The Merchant agrees to be bound by the terms of the Software License and the Network License. The Merchant acknowledges and agrees that the Merchant is responsible for all access to and use of SecureNet Gateway and SecureNet Vault by its employees.

16. Representations. The Merchant represents and warrants to SecureNet that: (a) Merchant is compliant with the Rules and PCI Security Standards ("PCI Standards") promulgated by the PCI Security Standards Council; (b) dependant of the number of Card Transactions originated by the Merchant, the Merchant either conducts a self assessment or has outside auditors conduct an audit with respect to the Merchant's compliance with the Rules and PCI Standards; (c) each Transaction Record represent a payment or a refund of payment, for the bona fide sale or lease of the goods, and/or performance of services, which the Merchant has provided in the ordinary course of its business, and each Transaction Record has not submitted on behalf of a third party; (d) each Transaction Record does not involve any element of credit for any purpose other than payment for a current transaction (including payment of a previously-dishonored check) and, except in the case of approved installment or pre-payment plans, the goods have been shipped or services actually rendered to the Cardholder; (e) each Transaction Record is free from any alteration and has been authorized by the Cardholder; (f) the Merchant has no knowledge or notice of information that the enforceability or collectability of any Transaction Record is in any manner impaired, and the Card Transaction is in compliance with all applicable laws, ordinances and regulations, and the Merchant has originated such Transaction Record in compliance with this Agreement and the Rules; (g) for a Card Transaction where the Cardholder pays in installments or on a deferred payment plan, a Transaction Record has been prepared separately for each installment transaction or deferred payment on the date or dates the Cardholder has agreed to be charged.

17. Covenants. The Merchant hereby covenants and agrees that: (a) the Merchant will do all things required to continue to be compliant with the PCI Standards and the Rules including, without limitation, compliance with Visa's Cardholder Information Security Program; (b) deliver to SecureNet as soon as available, but in no event less than ninety (90) days after the end of the Merchant's fiscal year: (i) such financial information of the Merchant as SecureNet may request in its reasonable discretion, and (ii) depending on the volume of Card Transactions originated by the Merchant either (x) a PCI Standards self assessment in form and substance satisfactory to SecureNet in its sole discretion, or (y) a PCI Standards compliance audit completed by an independent certified public accountant and in form and substance acceptable to SecureNet in its sole discretion; (c) the Merchant will only clear its Card Transactions through SecureNet; (d) the Merchant will, from time to time, at the expense of the Merchant, take any other action that from time to time may be necessary or desirable, that SecureNet may reasonably request, in order to enable SecureNet to obtain the full benefits of this Agreement or to exercise and enforce any of its rights, powers and remedies hereunder or under applicable laws.

18. Trademarks. A Merchant is only permitted to use a trademark of an Association (the each an "Association Mark" and collectively, the "Association Marks") in accordance with this Agreement. Any use of an Association Mark by the Merchant in acceptance advertising, acceptance decals, or signs, must be in accordance with the Rules, including each respective Association's reproduction, usage, and artwork standards, as may be in effect from time to time. An Association Mark may not appear on the Web site of a supplier to a Merchant or of any other entity that is not itself a Merchant (such as, by way of example and not limitation, an entity that is contracted by the Merchant to deliver the products or provide the services that are subject of the Card Transaction). The Merchant's use or display of any Association Mark will terminate effective with the termination of this Agreement or upon notification by the respective

Association to discontinue such use or display. The Merchant shall cease all use of the Association Marks and promptly return any materials displaying the Marks immediately upon termination of this Agreement or notification by the Corporation to discontinue such use. The use or display of any Association Mark does not give the Merchant any ownership or interest in the Association Mark.

19.   Acceptance Marks. The Merchant must display the officially sanctioned Association Mark of each Association indicating that such Association's Card is accepted by the Merchant (for each Association, the "Acceptance Mark" and collectively for all Associations the "Acceptance Marks"). The Merchant shall prominently display each Acceptance Mark from each Card that the Merchant accepts at the point of interaction. No Association Mark other that an Acceptance Mark can be used in place of an Acceptance Mark. If the Merchant is a remote services Merchant, the Merchant shall display the Acceptance Marks wherever payment options are presented. The Acceptance Marks must be clearly visible to the public at the point of interaction. The preferred location to post Acceptance Marks at a physical point of interaction is the entrance, nearby window or door of the Merchant or location, and on the first screen of an electronic point of interaction. Where it is not possible to post signage at the entrance of the Merchant or location, posting the Acceptance Marks so that they can easily and readily be seen within the location will satisfy the requirement. Where it is not possible to post the Acceptance Marks on the first screen of an electronic point of interaction, posting the Acceptance Mark on the payment screen will satisfy the requirement. The Merchant may use the Acceptance Marks in material or images at the physical or electronic point of interaction to indicate acceptance. Other Association Marks, symbols, logos, or combinations thereof may appear in the same material or image with the Acceptance Marks, if no other acceptance mark, symbol, or logo is more prominent or likely to cause confusion concerning the acceptance of Cards. The Card Acceptance Marks must be displayed as a free-standing mark, and, as such, may not be displayed so as to suggest that they are either a secondary means of payment to a local/regional acceptance brand, or exclusively linked to a local/regional acceptance brand. Visual parity must be maintained between the Acceptance Marks and any local/regional acceptance mark also displayed at a point of interaction or in Merchant advertising.

20.   Confidentiality. The Merchant shall not sell, purchase, provide, exchange or in any manner disclose Card account number, Card Transaction or personal information of or about a Cardholder to anyone other than SecureNet, to an Association, or in response to a valid government demand. This prohibition applies to Card imprints, TIDs, carbon copies, mailing lists, tapes, database files, and all other media created or obtained as a result of a Card Transaction. The Merchant agrees to keep the terms of this Agreement and SecureNet's pricing hereunder confidential. The Merchant agrees that its duty of confidentiality regarding the terms of this Agreement and SecureNet's pricing hereunder shall survive the termination of this Agreement.

21.   Noncompliance. If an Association becomes aware of the Merchant's noncompliance with any Rule, such Association may notify SecureNet of such noncompliance and may assess SecureNet with a fine. The Merchant shall be liable for all fines assessed by any Association which have resulted from the non-compliance of the Merchant. The Merchant agrees that any of the following activities are violations of this Agreement and the Rules: (a) the sale or offer of sale of a product or service other than in full compliance with law then applicable to SecureNet, the Card issuer, the Merchant, the Cardholder, the Cards, or the Association; (b) the sale of a product or service, including an image, which is patently offensive and lacks serious artistic value (such as, by way of example and not limitation, images of nonconsensual sexual behavior, sexual exploitation of a minor, nonconsensual mutilation of a person or body part, and bestiality), or any other material that an Association deems unacceptable to sell in connection with a Mark.

22.   Liability. SecureNet shall not be responsible for the Merchant's acts or omissions.   The Merchant shall be solely responsible for any act or omission by any and all agents, processors, service bureaus selected by the Merchant to create and submit Card Transactions to SecureNet on behalf of the Merchant. The Merchant hereby releases SecureNet from any claim or liability the Merchant may have or bring, becoming due, arising under, out of, as a result of, in connection with, or related to, this Agreement or SecureNet's performance hereunder, provided such claim or liability has not directly resulted from SecureNet's gross negligence or willful misconduct. The Merchant agrees to indemnify SecureNet against and hold it

harmless from any and all (a) losses, liabilities, penalties (including tax penalties), assessments (including tax assessments), fines or expenses (including attorneys' fees) incurred by SecureNet, and (b) any and all actions, claims, demands or suits made or brought by any person, becoming due, arising under, out of, as a result of, in connection with or related to, this Agreement, SecureNet's performance hereunder, any and all Card Transactions processed hereunder, provided the same has not directly resulted from SecureNet's gross negligence or willful misconduct. In no event shall SecureNet be liable for any consequential, special, punitive or indirect loss or damage which the Merchant may incur or suffer in connection with this Agreement or SecureNet's performance hereunder. Without limiting the generality of the foregoing provisions, SecureNet shall be excused from failing to act or delay in acting if such failure or delay is caused by legal constraint, interruption of transmission or communications facilities, equipment failure, war, emergency conditions or other circumstances beyond SecureNet's control. SecureNet shall be excused from failing to transmit or delaying in the origination of any Transaction Record, which transmission or execution, in the exclusive opinion of SecureNet, would result in SecureNet's violation of any present or future law or regulation binding on SecureNet. SecureNet's total liability to the Merchant, whether arising in tort (including negligence), contract or otherwise, under this Agreement or with regard to any of the Service, shall not exceed the lesser of (a) the aggregate compensation SecureNet received for providing the Services to the Merchant during the thirty (30) days preceding the date on which the claim arose, or (b) $1,000, whichever is less.

23.   Term and Termination. This Agreement shall remain in full force and effect for an initial term of three (3) years from the date of this Agreement and shall be automatically extended for successive one (1) year periods on the same terms and conditions expressed herein, or as may be amended, unless the Merchant or SecureNet gives written notice of termination the Agreement at least ninety (90) days prior to the expiration of the initial term or any extension or renewals thereof. SecureNet may terminate its services under this Agreement immediately upon any of the following events: (a) the Merchant submits any fraudulent Transaction Record or a Transaction Record not evidencing a bona fide Card Transaction between the Merchant and Cardholder or in an amount not authorized by the Cardholder; (b) the Merchant fails to maintain a balance in its deposit account sufficient to reimburse SecureNet for: (i) its processing fees, (ii) the amount of all Chargebacks and any sums due under this Agreement; (c) the Merchant violates the Rules or breaches any of its obligations under this Agreement; (d) the Merchant's misrepresentation on the application or under this Agreement; (e) upon commencement of bankruptcy or insolvency proceedings by or against the Merchant; (f) the Merchant's refusal or inability to fund the Reserve Account to sufficiently secure the Merchant's obligations under this Agreement; (g) if the Merchant receives excessive Chargebacks, in the sole opinion of SecureNet; or (i) if a material adverse change in the business, financial condition, prospects or operations of the Merchant has occurred in the opinion of SecureNet. The Merchant acknowledges and agrees that SecureNet may hold funds or temporarily suspend their performance under this Agreement (i) if there exists material differences in the nature of Merchant's business type or composition of Transaction Records processing or actual average transaction amounts represented by the Merchant, (ii) if the Merchant does not attempt to receive authorizations for Card Transactions and nonetheless submits Transaction Records for such Card Records, or (iii) if the Merchant processed excessive returns or receives excessive requests for copies of Transaction Records. SecureNet may delay or withhold settlement of funds for a period not more than one hundred eighty (180) days or until SecureNet is satisfied that activity detrimental to SecureNet has ceased to occurred. Merchant shall contact SecureNet immediately if material differences in Card Transaction volume or Card Transaction size occurs. Upon termination, all existing obligations, warranties and agreements with respect to Transaction Records cleared through SecureNet shall remain in full force and effect and Merchant shall remain liable for the performance of all obligations to Cardholders and SecureNet incurred while this Agreement was in effect, notwithstanding such termination. Upon termination of this Agreement, SecureNet may retain such portion of the Merchant's accounts or any of the guarantor's accounts whether individually or jointly maintained with SecureNet, including net proceeds due to the Merchant from other Transaction Records or items, as necessary to offset the amount of any Transaction Records or items charged back to Merchant for any reason for a period of one hundred eighty (180) days after termination. The Merchant shall remain liable for any amounts owing in excess of amounts available in Merchant Account. Merchant hereby authorizes SecureNet to withdraw Merchant's funds, if any, on deposit to offset any amounts owing hereunder. The Merchant hereby authorizes SecureNet to debit the Merchant Account from time to time to satisfy outstanding amount due hereunder. The Merchant hereby authorizes the Merchant's financial institution where the Merchant Account is maintained to comply with the instructions originated by SecureNet with respect to the Merchant Account.

24.   Notices, Etc. Except as otherwise expressly provided herein, SecureNet shall not be required to act upon any notice or instruction received from the Merchant or any other person, or to provide any notice or advice to the Merchant or any other person with respect to any matter. SecureNet shall be entitled to rely on any written notice or other written communication believed by it in good faith to be genuine and to have been signed by an authorized representative, and any such communication shall be deemed to have been signed by such person. Except as otherwise expressly provided herein, any written notice or other written communication required or permitted to be given under this Agreement shall be delivered, or sent by United States registered certified mail, postage prepaid, or by express carrier, and, if to SecureNet, addressed to SecureNet 12357 B Riata Trace Parkway, Building 6, Suite 150, Austin, TX 78727, Attention: Merchant Operations, and, if to the Merchant, addressed to the address set forth below, unless another address is substituted by notice delivered or sent as provided herein. Except as otherwise expressly provided herein, any such notice shall be deemed given when received.

25.   Miscellaneous. The Merchant hereby authorizes SecureNet to pull credit reports at least once each year on the Merchant, the Merchant's principals and/or any Guarantor. The Merchant acknowledges that all Card Transactions it originates must comply with the laws of the United States, including economic sanctions administered by the U.S. Treasury Department's Office of Foreign Assets Control. This Agreement constitutes the complete and exclusive expression of the terms of the agreement between the parties, and supersedes all prior or contemporaneous communications between the parties relating to the subject matter of this Agreement, including , without limitation, any prior Terms and Conditions for Merchant Agreement by and between SecureNet and the Merchant. The parties further agree that this Agreement may not in any way be explained or supplemented by a prior or existing course of dealings between the parties or by any other prior performance between the parties pursuant to this Agreement or otherwise. The Merchant acknowledges and agrees that SecureNet may change, amend or replace the terms of this Agreement from time to time upon prior written notice by SecureNet to the Merchant and the Merchant agrees that it will be deemed to have accepted such change if the Merchant continues use the Services after having received notice of such change. Except as provided in the previous sentence, no amendment to this Agreement shall be effective unless it is in writing and signed by duly authorized representatives of both parties. This Agreement shall be binding upon and inure to the benefit of the Merchant and SecureNet and their respective successors and assigns, except that the Merchant shall not have the right to assign its rights hereunder or any interest herein without the prior written consent of SecureNet. This Agreement shall be governed by and interpreted in accordance with the law of the State of Maryland. The Merchant consents and submits to the jurisdiction and venue of any state or federal court sitting in the State of Maryland over any suit, action or proceeding arising out of or relating to, or in connection with, this Agreement. The indemnifications provided herein shall remain in full force and effect until all applicable periods of laches or statute of limitation shall expire on any claim related hereto. Nothing in this Agreement shall constitute or be construed as constituting a waiver by SecureNet of any cause of action or right of set off for recovery under any applicable law. If any term or provision of this Agreement is declared invalid, illegal or unenforceable by any court of competent jurisdiction, the validity, legality or enforceability of the remaining provisions of this Agreement shall in no way be affected or impaired thereby. **SECURENET AND THE MERCHANT SPECIFICALLY WAIVE THE RIGHT TO TRIAL BY JURY IN RESOLVING ANY CLAIM OR COUNTERCLAIM ARISING FROM, OR IN CONNECTION WITH, THIS AGREEMENT AND THE SERVICE HEREIN DESCRIBED.**