PAYMENT PROCESSING AGREEMENT

This Payment Processing Agreement ("Agreement"), including all applicable appendices and addendums hereto, is made by and between **CSG Forte Payments, Inc.,** a Delaware corporation with its primary business address at 2121 Providence Drive, Suite 151, Fort Worth, TX 76106 ("FORTE" or "Party"), and **City of North Port, FL**, a municipal corporation, with its primary business address at 4970 City Hall Boulevard, North Port, FL 34286 ("AGENCY" or "Party" or "Merchant") and is effective upon the date last signed below (the "Effective Date"). FORTE provides payment processing and related products and services including but not limited to Automated Clearing House ("ACH"), credit and debit card processing, account verification and customer identification (collectively and individually, as applicable, the "Services") to AGENCY who provides services to, or otherwise has a business relationship with, individuals and other entities ("Constituents" or "Customer").

1. GENERAL

The Agreement shall consist of these terms and conditions, each of the Appendices attached hereto if applicable, and all modifications and amendments thereto. Under the terms of the Agreement, AGENCY will be furnished with the Services described in the Agreement and attached Appendices which are selected by Agency and approved by FORTE. For any terms herein that are specifically applicable to any particular Service offered by FORTE, only the terms and conditions that apply to the specific Service(s) requested by AGENCY at any given time shall apply. Some capitalized terms which are not defined herein have specific definitions provided in Appendix A, attached hereto and incorporated by this reference.

2. USAGE

2.1 Use License. Subject to the terms and conditions of this Agreement, FORTE hereby grants to AGENCY a non- exclusive and non-transferable license to access and use the Service(s) contracted for and AGENCY hereby accepts such license and agrees to utilize and access the Services in accordance with the practices and procedures established by FORTE, which may be amended from time to time in accordance with this Agreement. AGENCY may use the Services (a) for its own internal business purposes and operations, and/or (b) as a service provided to its Constituents, unless otherwise agreed by FORTE in writing. AGENCY agrees that it will not transmit any material through FORTE's systems in violation of any applicable Law or Rule. FORTE reserves the right to use all means necessary to monitor AGENCY's actions in the event of a real or perceived security risk.

2.2 Use of Proprietary Property. No license or right to use, reproduce, translate, rearrange, modify, enhance, display, sell, lease, sublicense or otherwise distribute, transfer or dispose of any of FORTE's Proprietary Property, as defined in Section 3 below, in whole or in part, is granted except as expressly provided by this Agreement. AGENCY shall not reverse engineer, decompile or disassemble the Proprietary Property. Additionally, nothing in this Agreement shall be construed to provide AGENCY with a license of any third-party proprietary information or property.

2.3 Acceptable Use. AGENCY agrees to comply with the reasonable and acceptable use policies and Rules of any networks accessed by AGENCY through the Services. FORTE reserves the right to deny access to, or close any account AGENCY has with FORTE which, in FORTE's opinion, is causing or may cause, harm to or negatively affect a FORTE server or third-party network accessed through FORTE. In the event of such an occurrence, FORTE shall make reasonable efforts to notify AGENCY prior to taking any such action but is not required to do so.

2.4 User and System Security. AGENCY shall ensure that its Users comply with all applicable requirements of this Agreement. AGENCY is responsible for protecting the confidentiality of any and all passwords and credentials provided to AGENCY by FORTE for the purpose of utilizing the Services or other forms of access to AGENCY's accounts with FORTE. AGENCY is responsible for the security of its systems, locations and equipment used in processing Transactions under this Agreement and for developing security procedures and training its employees on the procedures. AGENCY expressly

assumes responsibility for the acts or omissions of all Users on its account(s) with FORTE and for User access to FORTE's systems either directly or through software.

2.5 Use of Information and Data. AGENCY acknowledges and agrees, on behalf of itself and its Constituents, that all information submitted by AGENCY to FORTE in order for FORTE to provide the Services to AGENCY or otherwise contributed by AGENCY pursuant to these Services (including Transaction results), is held in FORTE's database and may be used by FORTE for the purpose of providing the Services to its customers in compliance with all applicable Laws and Rules, including in accordance with the federal Fair Credit Reporting Act ("FCRA"). Further, FORTE may track, review, compile, store and use any information or data received from AGENCY as part of a Transaction or information or data received from a Payment Association or financial institution regarding a Transaction for regulatory compliance or any other legally permissible purpose. Without limiting the foregoing, AGENCY agrees and acknowledges that FORTE may use the routing numbers, account numbers and other PII submitted by AGENCY as well as Transaction results provided to or received by FORTE for the purpose of supporting FORTE's fraud detection, account validation and verification, and/or other commercially available services.

3. OWNERSHIP

All computer programs, trademarks, service marks, patents, copyrights, trade secrets, know- how, and other proprietary rights in or related to the Services (the "Proprietary Property"), are and will remain the sole and exclusive property of FORTE, whether or not specifically recognized or perfected under applicable Law. FORTE shall own all rights, title and interest, including all intellectual property rights, in and to any improvements to the existing Services and/or any new programs, upgrades, modifications or enhancements developed by FORTE in connection with rendering Services to AGENCY, even when refinements and improvements result from AGENCY's request. To the extent, if any, that ownership in such refinements and improvements does not automatically vest in FORTE by virtue of this Agreement or otherwise, AGENCY hereby expressly transfers and assigns to FORTE all rights, title, and interest which AGENCY may have in and to such refinements and improvements. All reference to any of FORTE's service marks, trademarks, patents or copyrights, or those of FORTE's partners or vendors, shall be made in compliance with the requirements, including periodic updates thereto, as provided at http://www.forte.net/trademark.

4. CONFIDENTIALITY

4.1 The Parties acknowledge that, by virtue of this Agreement, each has been and will continue to be entrusted with certain Confidential Information (as defined in Appendix A) pertaining to the other's business, including, but not limited to, proprietary information developed by, acquired by, or licensed to each Party. Each Party agrees that, except to the extent and in the manner necessary to perform its duties hereunder, it will not disclose to others or use for its own benefit any Confidential Information of the other Party and it will hold all Proprietary Property, as defined herein, confidential in perpetuity. Additionally, in the course of providing and receiving the Services, each Party acknowledges that it may receive or have access to PII. as more fully defined in Appendix A). As such, each Party shall: (i) keep all PII in strict confidence, with the degree of care necessary to avoid unauthorized access, use or disclosure; (ii) use PII solely and exclusively for the purposes provided in this Agreement; (iii) implement administrative, physical and technical safeguards to protect PII that are at least as rigorous as accepted industry practices; and (iv) have in place a program that complies with applicable legal requirements regarding PII, including, if applicable, PCI standards for data security.

Except with respect to Personal Information, this Section 4 will not apply to Confidential Information that (i) was already available to the public at the time of disclosure, (ii) becomes generally known to the public after disclosure to the other Party, through no fault of the other Party, (iii) is disclosed under force of law, applicable regulation, governmental regulation or court order, or (iv) is required to be disclosed by a banking partner, an Acquirer or an applicable Payment Network.

4.2 Florida Public Records Law: In accordance with Florida Statutes, Section 119.0701, FORTE shall

comply with all public records laws, and shall specifically:

4.2.1 Keep and maintain public records required by AGENCY to perform the service. The timeframes and classifications for records retention requirements must be in accordance with the General Records Schedule GS1-SL for State and Local Government Agencies. (See http://dos.dos.state.fl.us/library-archives/records-management/general-records-schedules/).

4.2.2 **"**Public records" means and includes those items specified in Florida Statutes, Section 119.011(12), as amended from time to time, and currently defined as: All documents, papers, letters, maps, books, tapes, photographs, films, sound recordings, data processing software, or other material, regardless of the physical form, characteristics, or means of transmission, made or received pursuant to law or ordinance or in connection with the transaction of official business with FORTE records under this Agreement include but are not limited to, supplier/subcontractor invoices and contracts, project documents, meeting notes, e-mails and all other documentation generated during this Agreement.

4.3. Upon request from AGENCY's custodian of public records, provide AGENCY, at no cost, with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided for by law. All records kept electronically must be provided to AGENCY, upon request from AGENCY's custodian of public records, in a format that is compatible with the information technology systems of the AGENCY.

4.4. Ensure that project records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the Agreement term and, if FORTE does not transfer the records to AGENCY following completion of the contract, for the time period specified in General Records Schedule GS1-SL for State and Local Government Agencies.

4.4. Upon completion of the contract, transfer, at no cost, to the AGENCY all public records in FORTE`s possession or keep and maintain public records required by AGENCY to perform the service. If FORTE transfers all public records to AGENCY upon completion of the contract, FORTE shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If FORTE keeps and maintains public records upon the completion of the contract, FORTE shall meet all applicable requirements for retaining public records.

4.6 IF FORTE HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO FORTE`S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT: CUSTODIAN OF PUBLIC RECORDS, 4970 CITY HALL BOULEVARD, NORTH PORT, FLORIDA 34286, (941) 429-7063 OR HOTLINE (941) 429-7270; E-MAIL: publicrecordsrequest@northportfl.gov.

5. TERM AND TERMINATION

5.1 Term. This Agreement shall have an initial term of five (5) years (the "Term"). Thereafter, this Agreement will automatically renew for additional one (1) year terms unless either Party provides thirty (30) days' prior written notice of termination to the other Party.

5.2 Termination for Material Breach. In the event of a material breach of this Agreement by one Party and failure to cure within thirty (30) days of receipt of written notice of the breach, the other Party may terminate immediately by providing written notice of termination.

5.3 Termination with Notice. FORTE may terminate this Agreement with prior notice in the event (i) there is a material adverse change to AGENCY or its financial condition; (ii) AGENCY experiences Excessive Chargebacks pursuant to Section 6.12 herein; or (iii) AGENCY is in violation of any applicable Law, Rule or regulation. Notwithstanding the foregoing, FORTE reserves the right to suspend AGENCY's receipt of services under section 6.17 in conjunction with sending notice of intent to terminate AGENCY's account.

5.4 Termination without Notice. FORTE may immediately terminate this Agreement without prior notice in the event (i) that it determines AGENCY has experienced an actual or suspected data security

breach; (ii) FORTE is instructed to terminate the Agreement by a financial institution, Acquirer or Payment Network; or (iii) FORTE observes irregular, suspicious or fraudulent Transaction activity on Merchant's account that is reasonably determined to expose FORTE to risk of financial, reputational, or other measurable loss. Notwithstanding the foregoing, FORTE may, in its own discretion, temporarily suspend AGENCY's receipt of services prior to terminating AGENCY's account.

6. TRANSACTION PROCESSING

6.1 Accepting Transactions. FORTE shall process credit card, debit card and ACH Transactions on AGENCY's behalf on a 24-hour basis. Transactions which are received before the daily designated cut-off time will be originated for settlement through the corresponding payment network. Transactions which are received after the designated cut-off time will be included in the next business day's settlement processing.

6.1.1 Sale Transactions. If a Transaction is sent to FORTE as a sale of goods or services, it will automatically be captured for settlement in time for the next designated cut-off time.

6.1.2 Authorization-Capture Transactions. If a Transaction is sent to FORTE for Authorization (as more fully defined in Appendix A) only or for delayed processing, then it will be the responsibility of AGENCY to submit a corresponding "capture" Transaction within forty-eight (48) hours of the Authorization in order to complete the Transaction process for settlement. Transactions which are not captured within forty-eight (48) hours of Authorization are untimely and may be rejected by FORTE.

6.2 Transaction Format. FORTE is responsible only for processing Transactions which are received and approved by FORTE in the proper format, as established by FORTE.

6.2.1 Card Not Present Transactions. For card-based Transactions in which the card is not present, AGENCY must obtain and include as part of the Authorization request the three (3) or four (4) digit validation code and the cardholder's billing address information.

6.3 AGENCY Account. In order to provide Transaction processing services, FORTE may need to establish one (1) or more service accounts on AGENCY's behalf or require AGENCY to establish a service account with a third-party provider sub-contracting with FORTE.

6.4 Limited-Acceptance Agency. If appropriately indicated on AGENCY's application with FORTE, AGENCY may be a Limited-Acceptance Agency, which means that AGENCY 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. FORTE and its associated credit card Acquirer have no obligation other than those expressly provided under the Rules of a Payment Network and applicable Law as they may relate to limited acceptance. AGENCY, and not FORTE or 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.

6.5 Bona Fide Sales. AGENCY shall only complete Transactions produced as the direct result of bona fide sales made by AGENCY to cardholders, and AGENCY is expressly prohibited from processing, factoring, laundering, offering, and/or presenting sales Transactions which are produced as a result of sales made by any person or entity other than AGENCY, for purposes related to financing terrorist activities or for purposes that may be used as part of a scheme which violates any law governing the use of the Services which may include but not be limited to Bank Secrecy Act or USA Patriot Act.

6.6 Setting Limits on Transaction Amount. AGENCY may set a minimum Transaction amount to accept a card that provides access to a credit account, under the following conditions: the minimum Transaction amount does not (i) differentiate between card issuers; (ii) differentiate between MasterCard, Visa, or any other acceptance brand; and iii) exceed ten dollars (or any higher amount established by the Federal Reserve). AGENCY may set a maximum Transaction amount to accept a card that provides access to a credit account, under the following conditions: AGENCY is (i) a department, agency or instrumentality of the U.S. government; (ii) a corporation owned or controlled by the U.S. government; or (iii) an agency 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.

6.7 Additional Agreements AGENCY understands and agrees that in order to receive the Services, Agency may be required to enter into additional agreements directly with the Payment Networks or other third parties.

6.8 Modifying Transactions. AGENCY shall regularly and promptly review all Transactions and shall immediately notify FORTE upon discovery of any and all discrepancies between the records of AGENCY compared with those provided by FORTE or AGENCY's bank, or with respect to any Transaction that AGENCY believes was made erroneously or without proper authorization from the Constituent or Consumer. At AGENCY's request, FORTE will make commercially reasonable efforts to reverse, modify, void or delete a Transaction after it has been submitted for settlement. All requests must be made in writing (electronic mail will be deemed as "in writing" for these purposes), signed or sent by an individual pre-authorized by AGENCY to make such requests and delivered to FORTE. AGENCY agrees FORTE will not be held responsible for any losses, directly or indirectly, incurred by AGENCY or other third parties as a result of FORTE's failure to accomplish the request before the Transaction has been processed through the applicable Payment Network or for making any necessary changes as requested by Agency.

6.9 Delay or Rejection of Transactions. FORTE may delay or reject any Transaction without prior notification to AGENCY which is improperly formatted, is untimely, or is missing information, which may cause it to downgrade; or if FORTE has reason to believe such Transaction is fraudulent or improperly authorized; or for any reason such delay or rejection is permitted or required under the Rules or regulations. FORTE shall have no liability to AGENCY by reason of the rejection of any such Transaction.

6.10 Returned Items. FORTE shall make available to AGENCY details related to the receipt of any Transaction that is returned unpaid or any Transaction which is charged back and shall credit or charge such returned item to AGENCY's Settlement Account.

6.11 Chargebacks. AGENCY acknowledges and agrees that it is bound by the Payment Networks Rules with respect to any Chargeback. AGENCY understands that obtaining an authorization from a Consumer for any sale shall not constitute a guarantee of payment, and such sales can be returned or charged back to AGENCY like any other item hereunder. In the event a Transaction is charged back for any reason, the amount of such Transaction will be deducted from AGENCY's designated Settlement Account or any payment due to AGENCY.

Excessive Chargebacks. Using limits established by the Payment Networks as a standard for review, FORTE reserves the right to suspend and/or terminate AGENCY's access to the Services should AGENCY's chargeback ratio exceed allowable limits in any given period. FORTE will make reasonable efforts to provide AGENCY with notice and a time to cure its excessive chargebacks prior to suspending or terminating AGENCY's access to the Services. AGENCY acknowledges and expressly authorizes FORTE, in compliance with Payment Network Rules, to provide to the Payment Networks and applicable regulatory bodies, AGENCY's name and contact information as well as Transaction details should AGENCY's chargeback ratio exceed the allowable limits in any given period.

6.12 Resubmitting Transactions. AGENCY shall not re-submit any Transaction unless it is returned as (i) insufficient funds (R01) or (ii) uncollected funds (R09) or unless a new Authorization is obtained from Constituent.

6.13 Settlement. Settlement of AGENCY's funds for Transactions, less any Chargebacks or Returns, to AGENCY's designated Settlement Account will occur within seventy-two (72) hours of origination excluding weekends and US federal banking holidays. Settlement of Transactions will occur via electronic funds transfer over the ACH Network. Upon receipt of AGENCY's sales data for card Transactions through FORTE's Services, Acquirer will process AGENCY's sales data to facilitate the funds transfer between the various Payment Networks and AGENCY. After Acquirer receives credit for such sales data, Acquirer will fund AGENCY, either directly to the AGENCY-Owned Designated Account or through FORTE to an account designated by FORTE (the "FORTE Designated Account"), at

Acquirer's sole option, for such card Transactions. AGENCY agrees that the deposit of funds to the FORTE Designated Account shall discharge Acquirer of its settlement obligation to AGENCY and any dispute regarding the receipt or amount of settlement shall be between FORTE and AGENCY. Acquirer will debit the FORTE Designated Account for funds owed to Acquirer as a result of the Services provided hereunder unless an Agency-owned account is otherwise designated by AGENCY. Further, if a cardholder disputes a Transaction, if a Transaction is charged back for any reason, or if FORTE or Acquirer reasonably believes a Transaction is unauthorized or otherwise unacceptable, the amount of such Transaction may be charged back and debited from AGENCY if settled to an Agency-owned account or debited from the FORTE Designated Account if settled to that account.

6.14 Provisional and Final Payment. AGENCY, AGENCY's third party senders (if applicable), and/or AGENCY's agent(s) understand and agree that Debit or Credit Entries may be transmitted through the ACH Network, that payment of a Debit or Credit Entry by the RDFI to the Receiver is provisional until receipt by the RDFI of final settlement for such Debit or Credit Entry, and, if such settlement is not received, the RDFI will be entitled to a refund from the Receiver of the amount credited and AGENCY will not be deemed to have paid the Receiver the amount of the Debit or Credit Entry. The rights and obligations of AGENCY concerning the Debit or Credit Entry are governed by and construed in accordance with the laws of the state in which the processing ODFI is located unless AGENCY and FORTE have agreed that the laws of another jurisdiction govern the rights and obligations.

6.15 Reporting. FORTE will make daily origination and deposit reports available to AGENCY on a 24/7 basis through the Internet-based FORTE platform.

6.16 Temporary Suspension of Services. Should any of the following occur: (i) FORTE observes irregular, suspicious or possible fraudulent Transaction activity on AGENCY's account; (ii) FORTE determines there is an irregularity in AGENCY's account, documentation, processes or financial condition that is inconsistent with FORTE's risk requirements; (iii) AGENCY is in material breach of its payment or other financial obligations to FORTE; or (iv) FORTE is required by Laws, Rules or a Payment Network, FORTE reserves the right to temporarily suspend Services to AGENCY without prior written notice. In the event FORTE suspends Services to AGENCY under the terms of this Section, FORTE will provide AGENCY with notice of the suspension and the reason for such suspension, along with remediation actions so long as communicating such would not create a security risk or violate any legal obligation of FORTE.

Authorization. AGENCY specifically authorizes FORTE to (i) to debit and credit AGENCY's designated bank account in order to carry out its duties under this Agreement and (ii) debit its designated bank account and any account owned by the same entity as AGENCY or by an entity with the same tax identification number as AGENCY to collect any payment obligation owed to FORTE by AGENCY hereunder. Further, AGENCY authorizes FORTE to act as its agent for receipt of settlement funds in connection with the Services and FORTE accepts such appointment subject to any conditions and limitations of this Agreement. AGENCY agrees that receipt by FORTE of funds from AGENCY's Customer shall constitute receipt of payment to AGENCY, extinguishing such Customer's payment obligation to AGENCY (to the extent such obligation has not otherwise been extinguished) as if such Customer had paid AGENCY directly. If FORTE fails to fund AGENCY's account in an amount corresponding to such Customer's payment, AGENCY's sole recourse shall be to FORTE, not the Customer.

7. TRANSACTION AUTHORIZATION

7.1 Constituent Authorization. AGENCY shall obtain authorization from Constituent prior to requesting a Transaction to or from Constituent's account.

7.2 Retention. AGENCY shall retain proof of Constituent's authorization for a period of not less than two (2) years for standard Transactions and for a period of not less than five (5) years for health- related Transactions from the Authorization date or revocation of Authorization date and shall provide such proof of Authorization to FORTE upon request within five (5) business days of the request.

7.3 Revoked Authorization. AGENCY shall cease initiating Transactions to or from a Constituent's account immediately upon receipt of any actual or constructive notice of a Constituent's termination or revocation of authorization. AGENCY may re-initiate Transactions to or from a Constituent's account only upon receiving new Authorization from Constituent.

8. AGENCY PROHIBITIONS

AGENCY 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 AGENCY 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 AGENCY; (v) disburse funds in the form of cash unless AGENCY 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 AGENCY) or unless AGENCY 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 AGENCY, 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 that has been deemed uncollectable by AGENCY; or (viii) submit a Transaction that represents collection of a dishonored check. AGENCY further agrees that under no circumstance will AGENCY store cardholder data in violation of the Laws or the operating regulations of any Payment Network, including, but not limited to, the storage of track-2 data. Neither AGENCY nor its agent shall retain or store magnetic-stripe data subsequent to the authorization of a sales Transaction.

9. AUTHORIZATION

9.1 ACH Authorization. AGENCY authorizes FORTE to electronically debit and credit AGENCY's designated bank account(s) for any amounts owed to or by AGENCY in accordance with the terms of this Agreement. Further, AGENCY authorizes FORTE to act as its agent for receipt of settlement funds in connection with the Services and FORTE accepts such appointment subject to any conditions and limitations of this Agreement. AGENCY agrees that receipt by FORTE of a Constituent's funds shall constitute receipt of payment to AGENCY, extinguishing the Constituent's payment obligation to AGENCY as if the Constituent had paid AGENCY directly. If FORTE fails to fund AGENCY's account in an amount corresponding to a Constituent's payment, AGENCY's sole recourse shall be to FORTE, not the Constituent.

9.2 Third Party Service Provider. If AGENCY uses the Services through or in conjunction with a third-party service provider that is not a party to this Agreement, AGENCY authorizes FORTE to provide the authorized third party with its FORTE merchant account information and credentials. If applicable, AGENCY authorizes the third party to originate Transactions and receive the corresponding results on its behalf.

10. CONSTITUENT DISPUTES

All disputes between AGENCY and its Constituents relating to any Transaction processed under this Agreement will be settled by and between AGENCY and Constituent. AGENCY agrees FORTE bears no responsibility or involvement in any such dispute.

11. COMPLIANCE WITH LAWS, RULES AND REGULATIONS

In performing its duties under this Agreement, each Party agrees to comply with all applicable Rules, regulations and Laws, including but not limited to all confidentiality and security requirements of the USA Patriot Act (or similar law, rule or regulation), all Rules of any applicable Payment Networks, all

requirements under the Payment Card Industry Data Security Standard (or similar applicable data security law, rule or regulation) including but not limited to 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 Payment Networks. Each Party agrees to cooperate and provide information reasonably requested by the other to facilitate its compliance with any applicable Law, Rule or regulation. Additionally, should a Payment Network or regulatory body impose a fee or fine on AGENCY for any violation of the Rules or Laws or regulations by AGENCY, such fee or fine may be charged to FORTE as a pass-through to AGENCY. If any such fee or fine is charged to FORTE, AGENCY shall reimburse FORTE for any such fees or fines.

12. DATA SECURITY

FORTE shall implement and maintain a commercially reasonable security program, in accordance with the Information Security Requirements attached hereto as Appendix E.

13. PRICING AND PAYMENT

13.1 FORTE will provide the Services in accordance with the fees listed on the Pricing Fee Schedule, attached hereto as Schedule 1, or any amendments thereto. Pricing based on AGENCY absorbing the fees for the Services ("Absorbed Fee Model") will result in fees being billed to the AGENCY monthly in arrears and will automatically be debited from AGENCY's designated account via ACH debit.

13.2 Pricing based on a service fee that is charged to Constituents per Transaction ("Service Fee Model") will result in a non-refundable service fee either (i) added to or (ii) charged as a separate Transaction to Constituent at the time of payment. Pricing under the Service Fee Model is calculated based on historical or estimated transactional amount activity by AGENCY. In the event that experiential transaction activity varies significantly from the historical or estimated amounts, FORTE shall have the right to adjust the service fee in accordance with the experiential transaction activity.

13.3 FORTE's pricing is subject to the underlying fees established by the Payment Networks and its service providers. As such, in the event FORTE experiences an increase in cost for any processing services utilized by AGENCY during Term of this Agreement, FORTE will pass through the increases with no additional markup to AGENCY. FORTE will provide AGENCY a minimum of thirty (30) days' notice of any change or adjustment in fees.

14. LIMITS OF LIABILITY

NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY OR TO ANY THIRD PARTY FOR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL OR PUNITIVE DAMAGES OF ANY KIND OR NATURE INCURRED IN RELATION TO THIS AGREEMENT. THE AMOUNT OF DAMAGES RECOVERABLE BY EITHER PARTY FROM THE OTHER WILL NOT EXCEED THAT PARTY'S ACTUAL, DIRECT DAMAGES AND WILL BE LIMITED TO THE AMOUNT OF THE AVERAGE MONTHLY FEES AND CHARGES PAID BY AGENCY TO FORTE, EXCLUDING ANY PASS-THROUGH FEES, FOR THE SERVICES FOR THE IMMEDIATE THREE (3) MONTH PERIOD PRIOR TO THE EVENT GIVING RISE TO THE APPLICABLE CLAIM. NEITHER PARTY WILL BE LIABLE FOR FAILURE TO PERFORM ANY OF ITS OBLIGATIONS UNDER THIS AGREEMENT IF SUCH PERFORMANCE WOULD RESULT IN IT BEING IN BREACH OF ANY LAW, RULE, REGULATION OR REQUIREMENT OF ANY GOVERNMENTAL AUTHORITY. THE PROVISIONS OF THIS SECTION WILL SURVIVE TERMINATION OF THIS AGREEMENT.

14.1 FORTE SHALL NOT BE RESPONSIBLE FOR ERRORS, ACTS OR FAILURES TO ACT OF OTHERS, INCLUDING, AND AMONG OTHER ENTITIES, BANKS, OTHER PROCESSORS, COMMUNICATIONS CARRIERS OR CLEARING HOUSES, THROUGH WHICH TRANSACTIONS MAY BE ORIGINATED OR THROUGH WHICH FORTE MAY RECEIVE OR TRANSMIT INFORMATION, AND NO SUCH ENTITY SHALL BE DEEMED AN AGENT OF FORTE.

15. REPRESENTATIONS AND WARRANTIES.

15.1 FORTE's Representations and Warranties. FORTE makes no representations or warranties concerning the Services except as may be specifically authorized, in writing, or set out herein.

15.1.1 FORTE hereby warrants that its software solutions and the Services will perform in accordance with their published specifications in all material respects.

15.1.2 FORTE further warrants that in performing its obligations hereunder, it shall exercise due care and reasonable efforts to ensure that information originated by AGENCY is transmitted accurately.

15.2 AGENCY's Representations and Warranties. AGENCY represents and warrants to FORTE:

15.2.1 If applicable, with respect to all Transactions originated by FORTE on behalf of AGENCY, (i) each Transaction in all respects has been properly authorized by Receiver; (ii) each Transaction is for an amount agreed to by the Receiver; and (iii) AGENCY shall provide proof of Authorization in compliance with applicable Rules for any Transaction to FORTE upon request within five (5) Business Banking Days.

15.2.2 AGENCY agrees to adhere to the warranties within the applicable Rules for each Transaction FORTE processes on AGENCY's behalf.

15.3 Mutual Representations and Warranties. Each Party represents and warrants to the other:

15.3.1 The execution of this Agreement does not violate any applicable international, federal, state, or local law, Payment Network rule or contract to which such Party is subject.

15.3.2 There are no actions, suits or proceedings existing or pending against or affecting it before any judicial or regulatory authority which would have a material adverse effect on its ability to perform its obligations hereunder.

15.3.3 When executed and delivered, this Agreement will constitute a legal, valid, and binding obligation, enforceable in accordance with its terms.

16. FORTE SERVICE POLICY

FORTE makes no representations or warranties concerning the Services except as may be specifically authorized, in writing, or set out herein. AGENCY acknowledges and understands that FORTE does not warrant that the Services will be uninterrupted or error free and that FORTE may occasionally experience delays or outages due to disruptions that are not within FORTE's control. Any such interruption shall not be considered a breach of the Agreement by FORTE. FORTE shall use its best efforts to remedy any such interruption in the Services as quickly as possible.

17. FORCE MAJEURE

Neither Party will be held liable for any damages, delays or failure to perform any of its obligations under this Agreement if such damages, delays or failure is due to circumstances beyond the reasonable control of such Party and without its fault or negligence, such as acts of God, fire, flood, earthquakes or other natural disasters, epidemics, industry-wide strikes and governmental acts or orders or restrictions. The Party affected by such circumstances will use all commercially reasonable efforts to avoid or remove such causes of non-performance. Nothing herein shall relieve a Party form its payment obligations for Services rendered.

18. ASSIGNMENT

The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the Parties. Neither Party may assign any of its rights hereunder, nor delegate any of its duties hereunder, without the prior written consent of the other Party, and each Party acknowledges and agrees that, absent such prior written consent, any attempted assignment or delegation hereunder shall be null, void and of no effect. Notwithstanding the foregoing, either Party may assign this Agreement or any rights and obligations hereunder either to an Affiliate or to a third-party successor to all or substantially all of its business, stock or assets, in each case, without the prior

written consent of the other Party.

19. CHOICE OF LAW
The laws of the State of Florida govern the rights, obligations, and remedies of the Parties under this Agreement. The exclusive venues for any legal or judicial proceedings in connection with the enforcement or interpretation of this Agreement are the Circuit Court of the Twelfth Judicial Circuit in and for Sarasota County, Florida and the United States District Court for the Middle District of Florida.

20. AMENDMENT
Except as otherwise provided for herein, the terms and conditions of this Agreement shall not be modified or amended except in writing and agreed to by the Parties. Notwithstanding the foregoing, this Agreement is subject to such modifications, changes, and additions as may be required by reason of any applicable Law, regulation or Rule. No amendment, change, or addendum to this Agreement is enforceable unless agreed to in writing by both Parties and incorporated into this Agreement.

21. PUBLICITY
Neither Party shall use the other Party's name, logo or service marks in conjunction with a press release or advertisement without first obtaining written approval.

22. NOTICE
Any notice, consent or other communication required or contemplated by this Agreement shall be in writing, and shall be delivered in person, by U.S. mail, by overnight courier, by electronic mail or by fax to the intended recipient at the address most recently provided in writing.

23. HEADINGS
The headings contained in this Agreement are for convenience of reference only and shall not affect the meaning of any provision of this Agreement.

24. SEVERABILITY
Should any term, clause or provision herein be found invalid or unenforceable by a court of competent jurisdiction, such invalidity shall not affect the validity or operation of any other term, clause or provision and such invalid term, clause or provision shall be construed to most closely reflect the original intent of the Parties.

25. ENTIRE AGREEMENT; WAIVER; COUNTERPARTS
This Agreement constitutes the entire understanding of the Parties and revokes and supersedes all prior agreements between the Parties and are intended as a final expression of their agreement. Either Party's waiver of any breach of any provision of this Agreement shall not be deemed a waiver of any subsequent breach of the same or other provision. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

26. NON-DISCRIMINATION
AGENCY does not discriminate on the basis of race, color, national origin, sex, age, disability, family, or religious status in administration of its programs, activities, or services. FORTE shall not administer this Agreement in an unlawfully discriminatory manner, nor deny participation in or the benefits of same to any individual based on that individual's race, color, national origin, sex, age, disability, family or religious status, marital status, sexual orientation, gender identity or expression, or physical characteristic.

27. ELECTRONIC SIGNATURES
Under the Electronic Signatures in Global and National Commerce Act (E-Sign), this Payment Processing Agreement and all electronically executed documents related hereto are legally binding

in the same manner as are hard copy documents executed by hand signature when (i) a person authorized to bind AGENCY indicates acceptance of the terms of this Agreement by following procedures that associate his/her electronic signature with this Agreement and related documents, (ii) such authorized person consents and intends to be bound by the Payment Processing Agreement and related documents, and (iii) the Payment Processing Agreement is delivered in an electronic record capable of retention by the recipient at the time of receipt (i.e., print or otherwise store the electronic record). This Agreement and all related electronic documents shall be governed by the provisions of E-Sign.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto by their respective organizations, have executed this Agreement.

CITY OF NORTH PORT, FL	**CSG FORTE PAYMENTS, INC.**
By:_____	By:_____
Name:_____	Name:_____
Title:_____	Title:_____
Date:_____	Date: _____

PAYMENT PROCESSING AGREEMENT
Additional Signature Page

ATTEST

_____
HEATHER FAUST, MMC
CITY CLERK

APPROVED AS TO FORM AND CORRECTNESS

_____
AMBER L. SLAYTON, B.C.S.
CITY ATTORNEY

APPENDIX A
DEFINITIONS

ACH Network. "ACH Network" or "Automated Clearing House Network" is a batch processing, store-and-forward system that accumulates and distributes ACH Transactions that are received from ODFI (defined below) and are forwarded to the specified RDFI (defined below) according to the specific schedules established by the participants.

Acquirer. "Acquirer" means a sponsoring financial institution or payment processor that enters into an agreement which enables merchants, government entities or their Agent(s) to submit Transactions to a payment network.

Affiliate. "Affiliate" means an entity controlled or managed by the same centralized federal, state or local government.

Agent. "Agent" means any director, officer, employee, representative, Affiliate, third-party vendor or any other person acting on behalf of Agency with the actual, implied or apparent authority of Agency.

Authorization. "Authorization" means a Transaction request on a Consumer bank account or card account to confirm Consumer's account is open, in good standing, and has sufficient funds to complete the submitted transaction.

Business Banking Day. "Business Banking Day" means Monday through Friday excluding banking holidays.

Confidential Information. "Confidential Information" may include information regarding all of the computer software and technologies, systems, structures, architectures, processes, formulae, compositions, improvements, devices, know-how, inventions, discoveries, concepts, ideas, designs, methods, and information and databases developed, acquired, owned, produced or practiced at any time by a Party or any Affiliate thereof, including software programs and documentation licensed by third parties to the disclosing Party, any business or financial information directly or indirectly related to the disclosing Party's company(s) or investments or its internal administrative audit reports on internal controls, internal risk and underwriting guidelines and policies, billing and accounting systems, Customer and vendor lists and information, employee personnel information and policies and procedures, information regarding the disclosing Party's products and services that is not generally available to the public.

Consumer. "Consumer" means the individual end users, Constituents of AGENCY.

CPA. "CPA" or "Canadian Payment Association" is responsible for operating the two primary settlement systems (payment networks) in Canada, as well as establishing, revising and enforcing the operating Rules for the Canadian payment networks.

Chargeback. "Chargeback" means a Transaction that is rejected by the owner of the account debited or charged because a dispute exists between the Originator of the Transaction (typically Agency) and the account owner.

Credit Entry. "Credit Entry" means an ACH/EFT Transaction that is intended to deposit funds into a Receiver's (defined below) account which has been withdrawn from AGENCY's Settlement Account (defined below).

Debit Entry. "Debit Entry" means an ACH/EFT Transaction that is intended to withdraw funds from a Receiver's account for deposit into AGENCY's Settlement Account (defined below).

Laws. "Laws" means all international, national, regional and local regulations or laws which are applicable to the Services provided herein, including but not limited to federal Regulation E and Title 31 of the Code of Federal Regulations Part 210, Gramm-Leach-Bliley Act, US Bank Secrecy Act ("BSA"), applicable privacy and data security laws, US and local export control laws, including US Foreign Corrupt Practices Act, the Export Administration Act, US Department of Treasury Office of Foreign Assets Control ("OFAC") and similar restrictions under US law, executive order, regulation or Rule (collectively, "Export Laws"), and Fair Credit Reporting Act and USA Patriot Act.

Merchant. "Merchant" means AGENCY.

NACHA. "NACHA" or "National Automated Clearing House Association" is responsible for establishing, revising and enforcing the Operating Rules for the US ACH Network.

ODFI. "ODFI" or "Originating Depository Financial Institution" means the financial institution that receives ACH Transactions from Merchant through FORTE and then forwards these Transactions (defined below) to the ACH Network.

Originator. "Originator" means the AGENCY who has contracted with FORTE to initiate ACH entries, on its behalf, to the ACH Network.

Payment Network. "Payment Network" means an entity that facilitates and governs payment Transactions, including but not limited to VISA, M/C, Discover, NACHA, CPA and may also be referred to as "Payment Association".

Payment Network Resources:
VISA Regulations (from VISA website): https://usa.visa.com/dam/VCOM/download/about-visa/visa-rules-public.pdf
MasterCard Rules (from MC website):
https://www.mastercard.us/en-us/about-mastercard/what-we-do/rules.html
Discover rules (from Discover website):
https://www.discoverglobalnetwork.com/
NACHA: www.nacha.org

PCI-DSS. "PCI-DSS" or "Payment Card Industry Data Security Standard" means the system security measures established by the major credit card companies. The PCI-DSS is mandated by the credit card companies but administered by the Payment Card Industry Security Standards Council.

Personally Identifiable Information or PII. "PII" means unencrypted, unredacted, or non-anonymized personally identifiable information regarding a Consumer or non-personally identifiable information regarding a Consumer that has been aggregated, disaggregated or decompiled in a manner that is sufficient to cause a Consumer to be identified, directly or indirectly, in particular by reference to an identification number or to one or more factors specific to such Consumer's physical, physiological, mental, economic, cultural or social identity, including, by way of example, financial account numbers, credit or debit card numbers (with or without access or pin numbers, if collected), personal addresses, IP addresses, identity cards, residency permits, passport numbers, driver's license numbers and/or other government issued numbers. PII includes "Personal Data" as commonly defined by privacy laws.

RDFI. "RDFI" or "Receiving Depository Financial Institution" means the financial institution that receives the ACH Transactions from the ODFI through the ACH Network and posts these Transactions to the accounts of Receivers (defined below).

Receiver. "Receiver" means an entity or individual Consumer that has an established account with a card issuer or financial institution upon which a Transaction is or may be acted upon.

Reserve. "Reserve" means a specific amount of money that is held in the AGENCY account to be used by FORTE to offset amounts owed to FORTE for Services provided, such as returned items, chargebacks, fees/fines, billing or other AGENCY obligations to FORTE that FORTE is unable to collect from AGENCY.

Rules. "Rules" means the operational rules, policies and procedures established by each applicable Payment Network to govern all transactions and parties that participate in processing Transactions through the associated Payment Network.

Settlement Account. "Settlement Account" means an account established and maintained by AGENCY with a financial institution through which the following may occur: (a) deposit of funds for Debit Entries, (b) the extractions of funds for Credit Entries, reserve funds or fee obligations unless otherwise agreed to by the Parties.

Settlement Entry. "Settlement Entry" means a Debit or Credit Entry to AGENCY's Settlement Account which corresponds to the net amount owed AGENCY by FORTE at the end of each Business Banking Day.

Transaction. "Transaction means any transfer of data or information to FORTE in a format pre-approved by FORTE, including but not limited to payment, verification and authentication items.

Users. "Users" mean all individuals who access a FORTE website or utilize any portion of the FORTE Services on behalf of AGENCY directly or through software that accesses the FORTE systems through AGENCY's systems, by using AGENCY's access credentials or any other access reasonably presumed to be on behalf of AGENCY.

APPENDIX B
ACCOUNT VERIFICATION AND AUTHENTICATION SERVICES

1. Representation by Agency. Each request for data through the verification and authentication services shall constitute a representation, warranty and certification by AGENCY that the data (i) shall be used and disclosed only in accordance with the terms of the Agreement, and in accordance with any applicable Rules, regulations or Laws; (ii) shall be used solely for the intended use as stated by AGENCY on AGENCY's application and that use is in compliance with the permissible uses under the Fair Credit Reporting Act ("FCRA") as provided in the FCRA Requirements Addendum located at http://www.forte.net/fair-credit-reporting-act; (iii) AGENCY will follow proper procedures for adverse action notification to its Constituents, as provided by the FCRA Requirements Addendum; and (iv) AGENCY acknowledges it has implemented security measures to prohibit the unauthorized access to the information provided.

2. Use of Services.

2.1 AGENCY SHALL USE THE VERIFICATION SERVICES ONLY IN CONNECTION WITH PAYMENTS PRESENTED TO AGENCY BY ITS CONSTITUENTS IN EXCHANGE FOR GOODS OR SERVICES. AGENCY SHALL NOT RESELL THE VERIFICATION DATA OR SERVICES TO ANY THIRD PARTIES.

2.2 AGENCY understands and agrees that it cannot decline services to a consumer, Constituent or Customer after receiving an approval result from FORTE on a verification inquiry unless AGENCY is declining based on other grounds and/or information. Further, if AGENCY does decline Services to a FORTE approved consumer, Constituent or Customer based on alternate information, AGENCY shall not provide FORTE's contact information as recourse for the consumer, Constituent or Customer to pursue a dispute of the result under FCRA Adverse Action requirements.

2.3 AGENCY shall provide to FORTE, as part of a verification inquiry, the accurate amount for each Transaction AGENCY wants to verify.

3. Retention of Data. AGENCY acknowledges and agrees that it shall not retain, store, compile or aggregate the results of verification or authentication inquiries received from FORTE except as required by applicable Law or to perform its obligations under this Agreement.

4. AGENCY acknowledges and agrees, on behalf of itself and its Constituents, that all information submitted by AGENCY to FORTE in order for FORTE to provide the Services to AGENCY or otherwise contributed by AGENCY pursuant to these Services (including Transaction results) is held in FORTE's database, and may be used by FORTE for the purpose of providing the Services to its Customers in compliance with all applicable Laws and Rules, including in accordance with the federal Fair Credit Reporting Act ("FCRA"). Further, FORTE may track, review, compile, store and use any information or data received from AGENCY as part of a Transaction or information or data received from a Payment Association or financial institution regarding a Transaction for regulatory compliance or any other legally permissible purpose. Without limiting the foregoing, AGENCY agrees and acknowledges that FORTE (and/or certain of its Affiliates) may use the routing numbers, account numbers and other PII submitted by AGENCY as well as Transaction results provided to or received by FORTE for the purpose of supporting FORTE's (or certain of its Affiliates) fraud detection, account validation and verification, and/or other commercially available services.

APPENDIX C
ACCOUNT UPDATER SERVICES

1. **Description of Services.** Participating Visa/MasterCard issuers submit the account changes to FORTE's Account Updater database. On a monthly basis, FORTE will compare all of AGENCY's recurring tokenized Transactions against the Account Updater database. FORTE will then update the tokenized card information on file with updated account information.

2. **Agency Requirements for Account Updater Participation.**
    a. AGENCY must be properly established and registered in the United States.
    b. AGENCY must not have been disqualified from participating in the Visa, MasterCard, or Discover programs.
    c. AGENCY must be in compliance with all Card Association Operating Regulations.
    d. AGENCY must submit inquiries only for those accounts with which it has an ongoing Customer relationship and Customer's authority to submit such payments.
    e. AGENCY may not request Authorization on accounts that have been returned "Contact Cardholder" or "Closed."
    f. AGENCY must not submit inquiries on behalf of any other entity.
    g. AGENCY assumes all risk associated with the use of the Account Updater Service. FORTE shall have no liability whatsoever to AGENCY for any liability associated with the Account Updater Service, including but not limited to the accuracy or completeness of the information provided via the Account Updater Service.

APPENDIX D
AMERICAN EXPRESS CARD ACCEPTANCE

1. Merchant hereby acknowledges and agrees that for purposes of acceptance of American Express, the American Express Merchant Operating Guide and any amendments thereto (the "Operating Guide") is hereby incorporated by reference into this Agreement and can be found at www.americanexpress.com/merchantopguide.
All capitalized terms found in this section shall have the attributed meaning from the Operating Guide.

2. Merchant hereby acknowledges and agrees that it is not a party to any agreement between FORTE and American Express.

3. Merchant hereby authorizes FORTE and/or Acquirer to submit American Express transactions to, and receive settlement from, American Express on behalf of Merchant. Merchant must accept the American Express card as payment for goods and services (other than those goods and services prohibited under the Operating Guide) sold, or (if applicable) for charitable contributions made, at all of its establishments, except as expressly permitted by applicable Law. Merchant is jointly and severally liable for the obligations of Merchant's establishments under the Agreement. For the avoidance of doubt, "cardholder" as used in this Agreement shall include Cardmembers as defined in the Operating Guide.

4. Merchant hereby acknowledges and agrees that (i) FORTE or Acquirer may disclose American Express Transaction Data (which for purposes of this section shall have the same definition as "Transaction Data" in the Operating Guide), Merchant Data (as defined below), and other information about Merchant to American Express, (ii) American Express may use 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 purpose, including marketing purposes, and (iii) American Express may use the information obtained in this application at the time of setup to screen and/or monitor Merchant in connection with American Express Card (the "Card") marketing and administrative purposes. If Merchant has provided a wireless phone number in connection with this Agreement, Merchant hereby agrees that it may be contacted at that number and the communications sent may include autodialed text messages or automated prerecorded calls. If Merchant has provided a fax number, Merchant hereby agrees that it may be sent fax communications. To opt out of American Express-related marketing communications, Merchant may contact FORTE customer service as described in this Agreement. For purposes of this section, "Merchant Data" means names, postal and email addresses, tax ID numbers, names and social security numbers of the authorized signer of Merchant and similar identifying information about Merchant. For clarification, Merchant Data does not include American Express Transaction Data.

5. Merchant will adhere to the following website information display guidelines in the event Merchant has a website and/or operates an e-commerce business. Merchant's website must display the following:

- An accurate description of the goods/services offered, including the currency type for the Transaction (e.g., U.S. Dollars). Note: Transaction currency must be in U.S. Dollars.
- Merchant's physical address in the U.S.
- An email address or telephone number for customer service disputes.
- Return/refund policy.
- A description of Merchant's delivery policy (e.g., no overnight delivery).
- A description of Merchant's security practices (e.g., information highlighting security practices Merchant uses to secure Transactions on its systems, including Transactions conducted on the Internet).
- A statement of known export restrictions, tariffs, and any other regulations.

- A privacy statement regarding the type of personal information collected and how the information is used. Additionally, Merchant must provide to customers the option to decline being included in marketing campaigns or having their personal information included on lists sold to third parties.

6. Merchant hereby agrees that, in the event that Merchant becomes a High Charge Volume Merchant (as defined below), Merchant will be converted from the American Express Program to a direct American Express Card acceptance relationship with American Express, and upon such conversion, (i) Merchant will be bound by American Express' then-current card acceptance agreement, and (ii) American Express will set pricing and other fees payable by Merchant for American Express Card acceptance. "High Charge Volume Merchant" for purposes of this section means an American Express Program Merchant with either (i) greater than $1,000,000 in American Express charge volume in a rolling twelve (12) month period or (ii) greater than $100, 000 in American Express charge volume in any three (3) consecutive months. For clarification, if Merchant has multiple establishments, the American Express charge volume from all establishments shall be summed together when determining whether Merchant has exceeded the thresholds above.

7. Except as expressly permitted by applicable Law, Merchant must not: (a) indicate or imply that Merchant prefers, directly or indirectly, any Other Payment Products over the Card, (b) try to dissuade Cardmembers from using the Card, (c) criticize or mischaracterize the Card or any of American Express' services or programs, (d) try to persuade or prompt Cardmembers to use any Other Payment Products or any other method of payment (e.g., payment by check), (e) impose any restrictions, conditions, disadvantages, or fees when the Card is accepted that are not imposed equally on all other payment products, except for electronic funds transfer, cash or check, (f) suggest or require Cardmembers to waive their right to dispute any Transaction, (g) engage in activities that harm American Express' business or the American Express Brand (or both), (h) promote any Other Payment Products (except, if applicable, Merchant's own private label card that it issues for use solely at its Establishments) more actively than Merchant promotes the Card, or (i) convert the currency of the original sale Transaction to another currency when requesting Authorization or submitting Transactions (or both).

8. Merchant may offer discounts or in-kind incentives from its regular prices for payments in cash, ACH funds transfer, check, debit card, or credit/charge card, provided that (to the extent required by applicable Law): (i) Merchant clearly and conspicuously discloses the terms of the discount or in-kind incentive to its customers, (ii) the discount or in-kind incentive is offered to all of Merchant's prospective customers, and (iii) the discount or in-kind incentive does not differentiate on the basis of the Issuer or, except as expressly permitted by applicable state statute, payment card network (e.g., Visa, MasterCard, Discover, JCB, American Express). The offering of discounts or in-kind incentives in compliance with the terms of this paragraph will not constitute a violation of the provisions set forth Section 3.2 of the Operating Guide.

9. Whenever payment methods are communicated to customers, or when customers ask what payments are accepted, Merchant must indicate its acceptance of the Card and display American Express' Marks (including any Card application forms provided to Merchant) as prominently and in the same manner as any Other Payment Products. Merchant must not use American Express' Marks in any way that injures or diminishes the goodwill associated with the American Express Mark, nor in any way (without American Express' prior written consent) indicate that American Express endorses Merchant's goods or services. Merchant shall use the American Express brand and marks in accordance with the requirements set forth in the Operating Guide and shall remove the American Express brand and marks from Merchant's website and wherever else they are displayed upon termination Merchant's acceptance of American Express cards.

10. Any and all Cardmember Information is confidential and the sole property of the Issuer, American

Express or its Affiliates. Except as otherwise specified, Merchant must not disclose Cardmember Information, nor use nor store it, other than to facilitate Transactions in accordance with this Agreement. For more information, refer to the Operating Guide, Section 4.2, "Completing a Transaction at the Point of Sale" and Chapter 8, "Protecting Cardmember Information".

11. Merchant shall not assign to any third party any American Express-related payments due to it under this Agreement, and all indebtedness arising from American Express Charges (as defined below) will be for bona fide sales of goods and services (or both) at its establishments (as defined below) and free of liens, claims, and encumbrances other than ordinary sales taxes; provided, however, that Merchant may sell and assign future American Express transaction receivables to FORTE, its affiliated entities and/or any other cash advance funding source that partners with FORTE or its affiliated entities, without consent of American Express.

12. Merchant hereby agrees that American Express shall have third party beneficiary rights, but not obligations, to enforce this Agreement as against Merchant to the extent applicable to American Express processing. Merchant understands and agrees that it shall have no third party beneficiary rights under any agreement between FORTE and American Express and/or Acquirer. Merchant shall maintain refund policies for purchases on the American Express card that are at least as favorable as its refund policy for purchases on any other payment product. Merchant will disclose any such refund policy to Cardmembers at the time of purchase and in compliance with the Operating Guide and all applicable Laws. Merchant's termination of American Express Card acceptance shall have no direct or indirect effect on Merchant's rights to accept other card brands. To terminate American Express acceptance, Merchant may contact FORTE customer service as described in this Agreement.

13. Without limiting any other rights provided herein, FORTE and/or Acquirer shall have the right to immediately terminate Merchant's acceptance of American Express cards upon request of American Express. Merchant may not bill or collect from any Cardmember for any purchase or payment on the Card unless a chargeback has been exercised, Merchant has fully paid for such charge, and it otherwise has the right to do so. Merchant will comply with all procedural requirements relating to chargebacks, as provided in the Operating Guide, Chapter 11.

14. American Express Liability. SPONSORED MERCHANT ACKNOWLEDGES AND AGREES THAT IN NO EVENT SHALL AMERICAN EXPRESS, ITS AFFFILIATES, AGENTS, SUCCESSORS, OR ASSIGNS BE LIABLE TO SPONSORED MERCHANT FOR ANY DAMAGES, LOSSES, OR COSTS INCURRED, INCLUDING INCIDENTAL, INDIRECT, SPECULATIVE, CONSEQUENTIAL, SPECIAL, PUNITIVE, OR EXEMPLARY DAMAGES OF ANY KIND (WHETHER BASED ON CONTRACT, TORT, INCLUDING NEGLIGENCE, STRICT LIABILITY, FRAUD, OR OTHERWISE, OR STATUTES, REGULATIONS, OR ANY OTHER THEORY), ARISING OUT OF OR IN CONNECTION WITH THE AGREEMENT.

APPENDIX E
INFORMATION SECURITY REQUIREMENTS

1. Acknowledgment of Information Security Requirements. FORTE acknowledges and agrees to have a "Security Program" that is compliant with all legal and industry mandated information security requirements applicable to its duties and obligations specified under this Agreement.
2. Compliance with Laws and Industry Standards. FORTE agrees to abide by all Laws, Rules and industry-mandated information security standards applicable to its duties and obligations related to information security for Services provided by FORTE to AGENCY under this Agreement.
3. Definitions.

    a. Consumer Information. "Consumer Information" means collectively PII and Source Data, as defined below.

    b. Source Data. "Source Data" means data provided by AGENCY relating to AGENCY's account activity or other information collected from the AGENCY in order to process a transaction on a AGENCY's behalf or otherwise necessary for a AGENCY's use of Forte's products and services, whether in individual or aggregate form. Source Data may include PII but is not limited to PII. Source Data is and shall remain the property of a AGENCY and /or its Consumer customer. To the extent that ISV or FORTE have access to or collects such Source Data, each agrees that it does so solely on behalf of the AGENCY and the AGENCY's Consumer customers pursuant to the obligations hereunder and shall maintain the confidentiality of such Source Data and shall treat it in accordance with applicable Law.

4. Security Obligations.

    a. FORTE hereby acknowledges that AGENCY has a responsibility under the law to keep PII (as defined in Appendix A) private and confidential, and as a result of any PII received by FORTE in the performance of this Agreement, FORTE shall have the same responsibility. FORTE also acknowledges that the PII to which it will have access pursuant to this Agreement (if any), that FORTE shall gain possession of any ownership or other proprietary rights with respect to such PII. FORTE acknowledges and understands that PII may be subject to applicable local, state and federal Rules and Laws and applicable information industry standards; provided however, to the extent that AGENCY informs FORTE of a local law expanding the definition of PII in Appendix A, FORTE shall only be required to use commercially reasonable efforts to comply with such expanded local requirements.

    b. Consumer Information that is collected or obtained from AGENCY pursuant to this Agreement shall be stored and maintained by FORTE in a secure environment and transmitted by FORTE in a secure form that meets industry-mandated data security standards. Although FORTE will protect and safeguard PII in a manner that meets industry-mandated data security standards, the parties agree that there may be some instances in which PII or certain PII data elements are protected in a more secure manner than other data (e.g., encryption).

5. Rights to Use and Access. AGENCY hereby grants to FORTE a non-exclusive right to use all of AGENCY's Source Data including PII provided by AGENCY's customers, necessary to perform the Services under this Agreement. FORTE shall limit the use and access to AGENCY's Source Data to uses pursuant to the terms of the Agreement and to FORTE's bona fide employees or independent consultants, contractors or auditors and required governmental agencies, who have a need to know such information

and who agree to comply with use and non-disclosure restrictions similar to those contained within this Agreement.

6. Security of Consumer Information. Each Party shall implement and maintain a Security Program that includes appropriate administrative, technical and physical safeguards reasonably designed to: (i) ensure the security and confidentiality of Consumer Information within its systems; (ii) protect against any anticipated threats or hazards to the security or integrity of Consumer Information within its systems; and (iii) protect against unauthorized access to or use of Consumer Information stored on its systems; and (iv) dispose of Consumer Information in a secure manner per applicable Rules and Laws.

   a. In order to comply with safeguard obligations generally described in the preceding paragraph, each Party shall (1) designate an employee or employees to coordinate its Security Program, (2) identify reasonably foreseeable internal and external risks to the security, confidentiality and integrity of Consumer Information located on its systems that could result in the unauthorized disclosure, misuse, alteration, destruction or other compromise of such information, and assess the sufficiency of any safeguards in place to control these risks. At a minimum, such risk assessment should include consideration of risks in each relevant area of a Party's operations, including: (i) employee training and management; (ii) information systems, including network and software design, as well as information processing, storage, transmission and disposal; and (iii) detecting, preventing and responding to attacks, intrusions, or other systems failures, which shall include the use of commercially reasonable efforts to establish procedures and logging mechanisms for FORTE systems and networks that will allow tracking and analysis in the event there is a compromise of its systems, and maintain an audit trail history for at least three (3) months for review by AGENCY upon reasonable request; (3) design and implement information safeguards to control the risks identified through risk assessment, and regularly test or otherwise monitor the effectiveness of the safeguards' key controls, systems, and procedures; and (4) use commercially reasonable efforts to assure data security when disposing of any Consumer Information.

7. Disclosures. Neither Party shall have an obligation to maintain the confidentiality of any Consumer Information which: (i) has been received by it from a third party without restriction on disclosure and without breach of agreement or other wrongful act by the receiving party; or (ii) is independently developed by it without reference to any Consumer Information. If required by any court of competent jurisdiction or other governmental authority, each Party may disclose to such authority, data, information or materials involving or pertaining to Consumer Information to the extent required by such order or authority. FORTE shall, if not otherwise prohibited, give the other Party as much advance notice of the possibility of such disclosure as is practical so that it may, at its own expense, attempt to stop such disclosure or obtain a protective order concerning such disclosure.

8. Breach Notification. In the event of an actual or validated breach of security of a Party's system, website, database, equipment or storage medium or facility that results in unauthorized access to Consumer Information on a Party's system by any third party (including any consultant or subcontractor of the Party that is not authorized to access such information), the Party that experienced the breach shall notify the other Party within a commercially reasonable time after taking any appropriate measures necessary to prevent further access, and shall take commercially reasonable efforts to resecure its systems as soon as possible. The Party that experienced the breach shall provide any information that the other Party reasonably requests pertaining to the incident, unless prohibited from doing so by applicable Rule or Law and shall provide reasonable cooperation to investigate any such incident. In addition, in the event of an actual or validated breach of security to a Party's system regarding PCI data related to AGENCY's account with FORTE, the Party that experienced the breach shall, to the extent reasonably practicable, cooperate with the investigative actions of the appropriate forensic unit and/or law enforcement agency and agrees to provide the other Party with a copy of the final Incident Report, if any, upon request.

9. FORTE's Annual Validation of Adherence to Security Standards. FORTE and AGENCY agree to utilize existing FORTE assessment reports and Certifications (SSAE report and PCI Certification), to validate FORTE's compliance with the Information Security Requirements set forth in this Appendix E.

    a. FORTE shall maintain all records pertaining to the Services as required by applicable Rule or Law

    b. FORTE shall provide at its expense, upon AGENCY's written request on no more than an annual basis, its most current independent, SSAE report (third party service organization report). An SSAE report for purposes of this Agreement is defined as a specialized report or reports of controls, generally accepted in the industry, in the areas of financial reporting and general information technology controls for the services provided by a hosted solutions provider, managed services provider, service organization, service bureau or other similarly structured provider of software and hardware solutions. FORTE shall select the type of SSAE report that will be provided based upon the relationship between the parties and the products and services provided by FORTE. In the event AGENCY wishes to receive a type of SSAE report not currently provided by FORTE, AGENCY shall provide no less than eighteen (18) months prior written notice to FORTE and FORTE in its sole discretion shall determine whether it will provide the additional type of SSAE report to AGENCY. FORTE will provide a copy of the most current report prepared; provided that AGENCY shall accept and agree to any conditions imposed by the independent audit firm for access to such report. FORTE will use good faith efforts to assist in resolving any issues that may arise between AGENCY and any independent auditor firm regarding the viewing of the SSAE report. AGENCY may not distribute or provide FORTE's SSAE report to third parties without FORTE's prior written consent.

    c. FORTE is PCI DSS certified and undergoes an annual audit in order to maintain PCI DSS compliance against the current version of PCI DSS published on the PCI SSC (PCI Security Standards Council) website.

    d. AGENCY and its auditors will maintain the confidentiality of FORTE's procedures and processes, which FORTE describes as confidential, and which are disclosed as a result of any review or audit. FORTE agrees that any material failure, as defined by AGENCY in its reasonable discretion, to cooperate fully and promptly in the conduct of any audit requested pursuant to this paragraph will constitute grounds for AGENCY to immediately terminate the Agreement and cease receiving Services from FORTE; provided, however, AGENCY shall provide FORTE with written notice of such material failure to cooperate and FORTE shall have thirty (30) days opportunity to cure. Such termination shall be [AGENCY/Agency]'s sole and exclusive remedy for any such failure to cooperate.

10. Network and Application Scans. FORTE shall perform network and application security scans that test the FORTE's systems for (i) security vulnerabilities, (ii) denial of service vulnerabilities and (iii) system access. FORTE will have processes that review and remediate vulnerabilities