



ST. CHARLES
SINCE 1834

AGENDA ITEM EXECUTIVE SUMMARY

Title: Motion to authorize the City Administrator and Finance Director to execute an agreement to provide credit card processing services for the City

Presenter: Chris Minick, Finance Director

Please check appropriate box:

<input type="checkbox"/> Government Operations	<input type="checkbox"/> Government Services
<input type="checkbox"/> Planning & Development	<input checked="" type="checkbox"/> City Council (06/04/2012)
<input type="checkbox"/> Public Hearing	

Estimated Cost:	\$22,603	Budgeted:	YES	X	NO	
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If NO, please explain how item will be funded:

Executive Summary:

Staff has evaluated proposals from 8 entities to provide credit card processing services for citizens wishing to pay their utility bills by credit card. Automated Merchant Systems (AMS) has provided the most reasonable terms and lowest cost for these services. It is currently anticipated that we will accept Visa and Mastercard transactions (including debit card transactions with these logos). A list of costs that the City will incur for these services for utility bills is attached. Funds for the expense have been included in the FY 2012-2013 budget. It is anticipated that costs would be approximately \$22,600 if 10% of our customers used the service. In most cases the fee is approximately 1% of the total utility bill.

Staff anticipates that credit card payment will be available at the Utility Billing service counter at City Hall for all utility payments. Online credit card payment will also be available if the utility account in question is not at the stage of collection where a disconnect notice has been issued.

The agreement is for an initial three-year term with automatic one year renewal periods (subject to 90 day prior notice of an intent not to renew.)

We do anticipate implementation of this program later this summer (likely in July). There will be some initial programming work to be performed to make the implementation possible. Approval of the agreement allows us to move forward and work with the vendor to complete the necessary initial work.

Attachments: *(please list)*

Estimated Costs
Agreements

Recommendation / Suggested Action *(briefly explain):*

A motion to authorize the City Administrator and Finance Director to execute an agreement with Automated Merchant Systems to provide credit card processing services to the City.

For office use only:

Agenda Item Number: 5d



**MERCHANT PROCESSING AGREEMENT
APPLICATION AND FEE SCHEDULE**

A Registered Service Provider of Merrick Bank Corporation ("Merrick")

PRINT CLEARLY

ASSOCIATE:	ACCOUNT REP: Matthew Cherry	DATE:
Corporate/ Legal Name: City of St. Charles	Corporate/ Legal Name: City of St. Charles	
Address (Physical Location): 2 East Main Street	Mailing Address: 2 East Main Street	
City: St. Charles State: IL Zip: 60174	City: St. Charles State: IL Zip: 60174	
Email Address: gblaha@stcharlesil.gov	Website Address: www.stcharlesil.gov	
Contact Name: Gall Blaha Title: Utility Billing Manager	Contact Name: (Corporate Office, if Applicable): Gall Blaha Title: Utility Billing Manager	
Business Phone #: (630) 377-4400 Fax #: (630) 377-8034	Business Phone #: (630) 377-4400 Fax #: (630) 377-8034	

CHAIN MERCHANT <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Federal Tax ID Number: 36-8006090
TYPE OF BUSINESS: City Government	BUSINESS LICENSE #:
	NUMBER OF YEARS IN BUSINESS: 20+ Years

CURRENT PROCESSOR:	POS DEBIT: <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES	NETWORK: MNQWZHLSEYGV8K
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TRADE REFERENCES:	
Company: _____ Phone: _____ Fax: _____	Contact: _____ Account Type: _____
Company: _____ Phone: _____ Fax: _____	Contact: _____ Account Type: _____

Authorized Signer (First): MI: Last: Brian Townsend Title: City Administrator	Phone Number: (630) 377-4422 Email Address: btownsend@stcharlesil.gov
Alternate (First): MI: Last: Christopher Minick Title: Director of Finance	Phone Number: (630) 377-4478 Email Address: cminick@stcharlesil.gov
Alternate (First): MI: Last:	Phone Number: _____ Email Address: _____

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. What this means for you: when you open an account, we may ask you for information that will allow us to identify you; including a copy of your driver's license or other identifying documents.

THE AGREEMENT IS NOT EFFECTIVE UNTIL SIGNED BELOW:	
Merrick Bank Corporation	Automated Merchant Systems, Inc.
By: _____	By: _____
135 Crossways Drive North, Suite A Woodbury, NY 11797	600 North Lake Blvd., Suite 140 Altamonte Springs, FL 32701 407-331-5485
	Date: _____

April 2012 Interchange Rate Schedule

MasterCard

Consumer Cards	Regulated	Reg. w/o Fraud Adj.	Debit Exempt	Prepaid Exempt	Consumer Core	Enhanced	World	World Elite	High Value
Merit 3	0.05% + \$ 0.21	0.05% + \$ 0.22	1.05% + \$ 0.15	1.05% + \$ 0.15	1.58% + \$ 0.10	1.73% + \$ 0.10	1.77% + \$ 0.10	2.20% + \$ 0.10	2.20% + \$ 0.10
Key Enabled	0.05% + \$ 0.21	0.05% + \$ 0.22	1.64% + \$ 0.16	1.64% + \$ 0.16	1.99% + \$ 0.10	2.04% + \$ 0.10	2.05% + \$ 0.10	2.50% + \$ 0.10	2.50% + \$ 0.10
Merit 1	0.05% + \$ 0.21	0.05% + \$ 0.22	1.64% + \$ 0.16	1.64% + \$ 0.16	1.89% + \$ 0.10	2.04% + \$ 0.10	2.05% + \$ 0.10	2.50% + \$ 0.10	2.50% + \$ 0.10
Standard	0.05% + \$ 0.21	0.05% + \$ 0.22	1.80% + \$ 0.26	1.80% + \$ 0.26	2.85% + \$ 0.10	2.85% + \$ 0.10	2.85% + \$ 0.10	3.25% + \$ 0.10	3.25% + \$ 0.10
Small Ticket	0.05% + \$ 0.22	0.05% + \$ 0.22	1.65% + \$ 0.04	1.65% + \$ 0.04	-----	-----	-----	-----	-----

Commercial Cards	Business	Corporate	Purchasing	Fleet	Bus Enhanced	Business World	Bus World Elite	Corporate World	Corp World Elite
Face To Face	2.20% + \$ 0.10	2.10% + \$ 0.10	2.10% + \$ 0.10	2.50% + \$ 0.10	2.32% + \$ 0.10	2.57% + \$ 0.10	2.42% + \$ 0.10	2.10% + \$ 0.30	2.10% + \$ 0.10
Data Rate III	1.80% + \$ 0.10	1.90% + \$ 0.10	1.80% + \$ 0.10	1.80% + \$ 0.10	1.82% + \$ 0.10	1.87% + \$ 0.10	2.02% + \$ 0.10	1.80% + \$ 0.10	1.80% + \$ 0.10
Data Rate II	2.20% + \$ 0.10	2.10% + \$ 0.10	2.10% + \$ 0.10	2.60% + \$ 0.10	2.32% + \$ 0.10	2.57% + \$ 0.10	2.42% + \$ 0.10	2.10% + \$ 0.10	2.10% + \$ 0.10
Data Rate I	2.65% + \$ 0.10	2.55% + \$ 0.10	2.65% + \$ 0.10	-----	2.77% + \$ 0.10	2.82% + \$ 0.10	2.87% + \$ 0.10	2.85% + \$ 0.10	2.85% + \$ 0.10
Standard	2.65% + \$ 0.10	2.55% + \$ 0.10	2.65% + \$ 0.10	-----	3.07% + \$ 0.10	3.12% + \$ 0.10	3.17% + \$ 0.10	2.85% + \$ 0.10	2.85% + \$ 0.10
Utility	0.00% + \$ 1.50	-----	-----	-----	0.00% + \$ 1.50	0.00% + \$ 1.50	0.00% + \$ 1.50	-----	-----
Large Ticket	1.35% + \$ 40.00	1.35% + \$ 40.00	1.35% + \$ 40.00	1.35% + \$ 40.00	1.37% + \$ 40.00	1.42% + \$ 40.00	1.47% + \$ 40.00	1.35% + \$ 40.00	1.35% + \$ 40.00
DR2-F2F Petroleum	2.05% + \$ 0.10	2.05% + \$ 0.10	2.05% + \$ 0.10	2.05% + \$ 0.10	2.17% + \$ 0.10	2.17% + \$ 0.10	2.27% + \$ 0.10	-----	-----

International Cards	Regulated	Reg. w/o Fraud Adj.	Core	Premium	Super Prem.	Commercial	Purchasing	Comm. Prem.	Non-U.S.
Electronic	0.05% + \$ 0.21	0.05% + \$ 0.22	1.10% + \$ 0.00	1.35% + \$ 0.00	1.88% + \$ 0.00	1.85% + \$ 0.00	2.00% + \$ 0.00	-----	1.10% + \$ 0.00
Standard	0.05% + \$ 0.21	0.05% + \$ 0.22	1.60% + \$ 0.00	1.85% + \$ 0.00	1.88% + \$ 0.00	2.00% + \$ 0.00	-----	2.00% + \$ 0.00	-----
Data Rate II	0.05% + \$ 0.21	0.05% + \$ 0.22	-----	-----	-----	-----	1.70% + \$ 0.00	-----	-----
Large Ticket	0.05% + \$ 0.21	0.05% + \$ 0.22	-----	-----	-----	-----	0.00% + \$ 0.00	-----	-----
Chip	0.05% + \$ 0.21	0.05% + \$ 0.22	-----	1.65% + \$ 0.00	1.98% + \$ 0.00	-----	-----	-----	-----

Visa

Consumer Cards	Regulated	Reg. w/o Fraud Adj.	Debit Exempt	Prepaid Exempt	Consumer	Signature	Signature Pref.	Rewards
CPS Retail	0.05% + \$ 0.22	0.05% + \$ 0.22	0.90% + \$ 0.15	1.18% + \$ 0.15	1.51% + \$ 0.10	-----	2.10% + \$ 0.10	1.85% + \$ 0.10
CPS Keyed	0.05% + \$ 0.22	0.05% + \$ 0.22	1.65% + \$ 0.15	1.75% + \$ 0.20	1.80% + \$ 0.10	-----	-----	1.85% + \$ 0.10
CPS Card Not Present	0.05% + \$ 0.22	0.05% + \$ 0.22	1.85% + \$ 0.15	1.75% + \$ 0.20	1.80% + \$ 0.10	-----	2.40% + \$ 0.10	1.85% + \$ 0.10
E.I.R.F.	0.05% + \$ 0.22	0.05% + \$ 0.22	1.75% + \$ 0.20	1.50% + \$ 0.20	2.80% + \$ 0.10	-----	-----	-----
Standard	0.05% + \$ 0.22	0.05% + \$ 0.22	1.80% + \$ 0.25	1.80% + \$ 0.25	2.70% + \$ 0.10	-----	2.95% + \$ 0.10	-----
Preferred eCommerce	0.05% + \$ 0.22	0.05% + \$ 0.22	1.80% + \$ 0.15	1.75% + \$ 0.20	1.85% + \$ 0.10	-----	-----	1.85% + \$ 0.10
Basic eCommerce	0.05% + \$ 0.22	0.05% + \$ 0.22	1.85% + \$ 0.15	1.75% + \$ 0.20	1.80% + \$ 0.10	-----	-----	1.85% + \$ 0.10
Small Ticket	0.05% + \$ 0.22	0.05% + \$ 0.22	1.65% + \$ 0.04	1.60% + \$ 0.05	1.85% + \$ 0.04	-----	-----	-----

Commercial Cards	Business Debit	Business	Corporate	Purchasing	Business Enh.	Signature Bus.	Signature Pref.
Level III	-----	-----	1.05% + \$ 0.10	1.65% + \$ 0.10	-----	-----	-----
Level II	-----	2.05% + \$ 0.10	2.05% + \$ 0.10	2.05% + \$ 0.10	2.05% + \$ 0.10	2.05% + \$ 0.10	-----
Business 2 Business	-----	2.10% + \$ 0.10	2.10% + \$ 0.10	2.40% + \$ 0.10	2.25% + \$ 0.10	2.40% + \$ 0.10	2.40% + \$ 0.10
Card Not Present	2.65% + \$ 0.10	2.25% + \$ 0.10	2.20% + \$ 0.10	2.65% + \$ 0.10	2.45% + \$ 0.15	2.60% + \$ 0.20	2.40% + \$ 0.10
Retail	1.70% + \$ 0.10	2.20% + \$ 0.10	2.10% + \$ 0.10	2.40% + \$ 0.10	2.20% + \$ 0.10	2.40% + \$ 0.10	2.30% + \$ 0.10
Electronic	-----	2.40% + \$ 0.10	2.75% + \$ 0.10	2.75% + \$ 0.10	2.75% + \$ 0.15	2.85% + \$ 0.20	2.40% + \$ 0.10
Standard	2.85% + \$ 0.20	2.95% + \$ 0.20	2.95% + \$ 0.10	2.85% + \$ 0.10	2.85% + \$ 0.20	2.95% + \$ 0.20	2.95% + \$ 0.10
Utility Fee Program	-----	0.00% + \$ 1.50	-----	-----	-----	-----	-----
GSA Large Ticket	-----	-----	-----	1.20% + \$ 80.00	-----	-----	-----
Large Ticket	-----	-----	-----	1.45% + \$ 84.00	-----	-----	-----

International Cards	Regulated	Consumer	Premium	Super Prem.	Electron	Signature	Signature Pref.	Commercial
Chip	0.05% + \$ 0.22	1.20% + \$ 0.00	1.80% + \$ 0.00	1.87% + \$ 0.00	1.20% + \$ 0.00	-----	-----	-----
eCommerce	0.05% + \$ 0.22	1.44% + \$ 0.00	1.80% + \$ 0.00	1.87% + \$ 0.00	-----	-----	-----	-----
Electronic	0.05% + \$ 0.22	1.10% + \$ 0.00	1.80% + \$ 0.00	1.87% + \$ 0.00	1.10% + \$ 0.00	-----	-----	-----
Standard	0.05% + \$ 0.22	1.80% + \$ 0.00	1.80% + \$ 0.00	1.87% + \$ 0.00	1.80% + \$ 0.00	-----	-----	-----
International	0.05% + \$ 0.22	-----	-----	-----	-----	1.80% + \$ 0.00	1.97% + \$ 0.00	2.80% + \$ 0.00
Infinite Card	0.05% + \$ 0.22	-----	-----	-----	-----	1.97% + \$ 0.00	-----	-----

Discover

Consumer Cards	Regulated	Reg. w/o Fraud Adj.	Exempt Debit	Core	Rewards	Premium	Premium Plus
Retail	0.05% + \$ 0.21	0.05% + \$ 0.22	1.02% + \$ 0.10	1.56% + \$ 0.10	1.71% + \$ 0.10	1.71% + \$ 0.10	2.10% + \$ 0.10
Key Entry	0.05% + \$ 0.21	0.05% + \$ 0.22	1.62% + \$ 0.15	1.87% + \$ 0.10	1.97% + \$ 0.10	2.00% + \$ 0.10	2.10% + \$ 0.10
CNP / eComm	0.05% + \$ 0.21	0.05% + \$ 0.22	1.62% + \$ 0.15	1.87% + \$ 0.10	1.97% + \$ 0.10	2.00% + \$ 0.10	2.30% + \$ 0.10
MID Submission	0.05% + \$ 0.21	0.05% + \$ 0.22	1.72% + \$ 0.20	2.40% + \$ 0.10	2.40% + \$ 0.10	2.40% + \$ 0.10	2.40% + \$ 0.10
Base Submission	0.05% + \$ 0.21	0.05% + \$ 0.22	1.80% + \$ 0.20	2.85% + \$ 0.10	2.85% + \$ 0.10	2.85% + \$ 0.10	2.85% + \$ 0.10
Express Services	0.05% + \$ 0.21	0.05% + \$ 0.22	1.80% + \$ 0.00	1.85% + \$ 0.00	1.85% + \$ 0.00	1.85% + \$ 0.00	2.05% + \$ 0.00
Recurring Payments	0.05% + \$ 0.21	0.05% + \$ 0.22	1.20% + \$ 0.05	1.20% + \$ 0.05	1.20% + \$ 0.05	1.20% + \$ 0.05	1.80% + \$ 0.05

Commercial	International	Commercial
Base Submission	2.85% + \$ 0.10	1.70% + \$ 0.10
Electronic	2.80% + \$ 0.10	1.84% + \$ 0.00
Utilities	-----	0.00% + \$ 1.50
Large Ticket	-----	0.80% + \$ 20.00

April 2012 Interchange Rate Schedule for Public Sector Merchants Only

MasterCard

Municipal	Regulated	Reg. w/o Fraud Adj.	Debit Exempt	Prepaid Exempt	Consumer Core	Enhanced	World	World Elite	High Value
Public Sect / Emerging Mkt	0.05% + \$ 0.21	0.05% + \$ 0.22	0.80% + \$ 0.25	0.60% + \$ 0.25	1.55% + \$ 0.10	1.83% + \$ 0.10	1.83% + \$ 0.10	1.85% + \$ 0.10	1.85% + \$ 0.10
Utility	0.05% + \$ 0.21	0.05% + \$ 0.22	0.80% + \$ 0.45	0.60% + \$ 0.45	0.80% + \$ 0.85	0.80% + \$ 0.85	0.80% + \$ 0.85	0.80% + \$ 0.75	0.80% + \$ 0.75
Service Industries	0.05% + \$ 0.21	0.05% + \$ 0.22	1.16% + \$ 0.05	1.16% + \$ 0.05	1.15% + \$ 0.05	1.15% + \$ 0.05	1.15% + \$ 0.05	1.15% + \$ 0.05	1.15% + \$ 0.05

Visa

Municipal	Regulated	Reg. w/o Fraud Adj.	Debit Exempt	Prepaid Exempt	Consumer	Signature	Signature Pref.	Rewards
CPS Retail 2	0.05% + \$ 0.22	0.05% + \$ 0.22	0.65% + \$ 0.15	0.65% + \$ 0.15	1.45% + \$ 0.05	-----	-----	-----
Utility Fee Program	0.05% + \$ 0.22	0.05% + \$ 0.22	0.90% + \$ 0.25	-----	0.80% + \$ 0.75	-----	-----	-----
Charity	-----	-----	-----	-----	1.85% + \$ 0.05	-----	-----	-----

Discover

Municipal	Regulated	Reg. w/o Fraud Adj.	Debit	Core	Rewards	Premium	Premium Plus
Utilities	0.05% + \$ 0.21	0.05% + \$ 0.22	0.80% + \$ 0.75	0.80% + \$ 0.75	0.80% + \$ 0.75	0.80% + \$ 0.75	0.80% + \$ 0.75
Public Sector	0.05% + \$ 0.21	0.05% + \$ 0.22	0.80% + \$ 0.20	1.50% + \$ 0.10	1.50% + \$ 0.10	1.50% + \$ 0.10	1.50% + \$ 0.10
Emerging Markets	0.05% + \$ 0.21	0.05% + \$ 0.22	0.80% + \$ 0.20	1.45% + \$ 0.05	1.45% + \$ 0.05	1.45% + \$ 0.05	2.30% + \$ 0.10

April 2012 Interchange Rate Schedule for T&E Merchants Only

MasterCard

Consumer	Regulated	Reg. w/o Fraud Adj.	Debit Exempt	Prepaid Exempt	Consumer Core	Enhanced	World	World Elite	High Value
Restaurant	0.05% + \$0.21	0.05% + \$0.22	1.70% + \$0.10	1.10% + \$0.10	-----	-----	1.75% + \$0.10	2.20% + \$0.10	2.20% + \$0.10
Convenience Purchases	0.05% + \$0.21	0.05% + \$0.22	-----	-----	1.50% + \$0.00	1.90% + \$0.00	2.00% + \$0.00	2.00% + \$0.10	2.00% + \$0.00
Large Ticket	-----	-----	-----	-----	-----	-----	-----	2.00% + \$0.00	2.00% + \$0.00
World T&E	0.05% + \$0.21	0.05% + \$0.22	-----	-----	-----	-----	2.30% + \$0.10	2.75% + \$0.10	2.75% + \$0.10
Lodging / Auto Rental	0.05% + \$0.21	0.05% + \$0.22	1.75% + \$0.15	1.15% + \$0.15	1.50% + \$0.10	1.80% + \$0.10	-----	-----	-----
Service Station	0.05% + \$0.21	0.05% + \$0.22	0.70% + \$0.17	0.70% + \$0.17	-----	-----	-----	-----	-----
Petroleum	0.05% + \$0.21	0.05% + \$0.22	0.70% + \$0.17	0.70% + \$0.17	1.50% + \$0.00	1.90% + \$0.00	2.00% + \$0.00	2.00% + \$0.00	2.00% + \$0.00
Passenger Transport	0.05% + \$0.21	0.05% + \$0.22	1.60% + \$0.15	1.60% + \$0.15	1.50% + \$0.10	1.80% + \$0.10	-----	-----	-----

Commercial	Business	Corporate	Purchasing	Fleet	Bus Enhanced	Business World	Bus World Elite	Corp. World	Corp. World Elite
T & E I	2.50% + \$0.00	2.50% + \$0.00	2.05% + \$0.00	2.70% + \$0.00	2.02% + \$0.00	2.67% + \$0.00	2.72% + \$0.00	2.50% + \$0.10	2.50% + \$0.10
T & E II	2.55% + \$0.00	2.35% + \$0.10	2.60% + \$0.10	2.55% + \$0.10	2.47% + \$0.10	2.62% + \$0.10	2.67% + \$0.10	2.35% + \$0.10	2.30% + \$0.10
T & E III	2.30% + \$0.00	2.30% + \$0.10	2.45% + \$0.10	2.50% + \$0.10	2.42% + \$0.10	2.47% + \$0.10	2.52% + \$0.10	2.30% + \$0.10	2.30% + \$0.10

Visa

Consumer	Regulated	Reg. w/o Fraud Adj.	Debit Exempt	Prepaid Exempt	Consumer	Commercial	Travel Service
Restaurant	0.05% + \$0.22	0.05% + \$0.22	1.70% + \$0.10	1.15% + \$0.15	1.54% + \$0.10	Regulated	0.05% + \$0.22
Hotel/Car Card Present	0.05% + \$0.22	0.05% + \$0.22	1.70% + \$0.10	1.15% + \$0.15	1.54% + \$0.10	Business	2.40% + \$0.10
Hotel/Car Card Not Present	0.05% + \$0.22	0.05% + \$0.22	1.70% + \$0.10	1.75% + \$0.20	1.54% + \$0.10	Corporate	2.55% + \$0.10
Service Station/Auto Fuel	0.05% + \$0.22	0.05% + \$0.22	0.80% + \$0.15	1.15% + \$0.15	1.45% + \$0.25	Purchasing	2.45% + \$0.10
Passenger Transport CP	0.05% + \$0.22	0.05% + \$0.22	1.70% + \$0.10	1.15% + \$0.15	1.70% + \$0.10	Signature Pref.	2.40% + \$0.10
Passenger Transport CNP	0.05% + \$0.22	0.05% + \$0.22	1.70% + \$0.10	1.75% + \$0.20	1.70% + \$0.10		

Discover

Consumer	Regulated	Reg. w/o Fraud Adj.	Debit	Core	Rewards	Premium	Premium Plus
Restaurant	0.05% + \$0.21	0.05% + \$0.22	1.10% + \$0.10	1.50% + \$0.10	1.90% + \$0.10	2.20% + \$0.10	2.50% + \$0.10
Hotel/Car Rental	0.05% + \$0.21	0.05% + \$0.22	1.25% + \$0.10	1.50% + \$0.10	1.90% + \$0.10	2.30% + \$0.10	2.50% + \$0.10
Passenger Transport	0.05% + \$0.21	0.05% + \$0.22	1.50% + \$0.10	1.75% + \$0.10	1.90% + \$0.10	2.30% + \$0.10	2.50% + \$0.10
Petroleum	0.05% + \$0.21	0.05% + \$0.22	0.70% + \$0.10	1.05% + \$0.05	1.75% + \$0.05	1.75% + \$0.05	1.75% + \$0.05

Interchange Markup Program Fees	MasterCard	Visa	Discover	Amex / Other
Interchange MARKUP	0.20 %	0.20 %	0.20 %	---
Assessments (rate)	0.1100 %	0.1100 %	0.1050 %	---
Assessments (rate) transactions above \$1,000.00	0.1300 %	0.1100 %	0.1050 %	---
NIC(NABU) - VS(APF) - DS(DDUC)	\$ 0.0185	\$ 0.0185	\$ 0.0185	---
Visa Base II Fee	-----	\$ 0.0050	-----	---
PCI NON-Compliance Fee (add to MARKUP)	0.05 %	0.05 %	0.05 %	---

Per Transaction Fees	MasterCard	Visa	Discover	Amex / Other
Authorization / Decline Fee Credit	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.15
Capture Fee Credit	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05
Authorization/Decline Fee Debit	\$ _____	\$ _____	\$ _____	\$ _____
Capture Fee Debit	\$ _____	\$ _____	\$ _____	\$ _____

Visa Miscellaneous Per Transaction Fees				MasterCard Miscellaneous Per Transaction Fees			
Zero Dollar Verification Fee	Misuse of Authorization Fee	Zero Floor Limit Fee	Processing Integrity Fee	Partial/ Full Reversal of Authorization Fee	Account Status Inquiry Interregional Fee	Account Status Inquiry Interregional Fee	Processing Integrity Fee
\$ 0.025	\$ 0.045	\$ 0.100	\$ 0.100	\$ 0.045	\$ 0.025	\$ 0.030	\$ 0.045

"Exceptions" Per Transaction Fees	MasterCard	Visa	Discover	Amex / Other
Voice Authorization	\$ 0.75	\$ 0.75	\$ 0.75	---
Chargebacks	\$ 15.00	\$ 15.00	\$ 15.00	---
ACH Reject Fee	\$ 30.00	\$ 30.00	\$ 30.00	---

Non-US Issued Cards Used at US Merchant Fees	MasterCard	Visa	Discover	Amex / Other
International Cross Border USD Fees	0.40 %	0.40 %	0.40 %	---
International Cross Border Non-USD Fees	0.80 %	-----	-----	---
International Acquirer Processing Fees	0.55 %	0.45 %	0.55 %	---

Notes: (Cross Border USD + Acquirer Fee OR Cross Border Non-USD + Acquirer Fee)

Merchant Account Fees	MasterCard	Visa	Discover	Amex / Other
Monthly Statement Fee		7.50		---
Monthly Minimum Fee		10.00		---

Miscellaneous Fees			Reporting Fee (Per User ID) (Optional)
Internet Gateway Monthly Fee	Internet Gateway Per Transaction Fee	No Per Transaction Fee for the first _____ Transactions per calendar	\$ _____
\$ _____	\$ _____		

The parties hereto agree to abide by the terms and conditions contained in the Merchant Processing Agreement to which this signature page is attached and Merchant agrees by signing this document that Merchant has received a copy of the Merchant Processing Agreement and Operating Procedures Guide.
MERCHANT: The undersigned hereby authorizes Merriek and/or Automated Merchant Systems, Inc. to investigate the credit of each person listed on the Merchant Application and Fee Schedule and represents that he/she has the authority to provide such authorization and to execute this Agreement.

Merchant: City of St. Charles

Witness of Merchant Signature _____ Date _____

Signature of Officer/Owner _____

Print Name _____ Title _____

Print Name _____ Title _____



MERCHANT SIGNATURE AUTHORIZATION

Name of Government Entity: City of St. Charles

The undersigned certifies and agrees to as follows:

1. The undersigned and any of the persons identified below are duly authorized to sign this Agreement and bind the governmental entity indicated above to it. If any official indicated below resigns or is replaced, that official's successor(s) in office shall be deemed to have signed this certification and the Agreement.
2. The persons listed below are duly authorized to act for and on behalf of the governmental entity indicated above in any manner relating to this Agreement.
3. Both AMS and Merrick may rely on the authority granted in this certification and the undersigned official represent and warrants that this certification shall remain in full force and effect until revoked upon written notice to AMS.
4. The following are the names, titles and genuine signatures of the persons authorized by this certification:

TITLE	PRINT NAME	SIGNATURE
City Administrator	Brian Townsend	
Director of Finance	Christopher Minick	

I have subscribed my name as the official indicated above as of _____, _____ (date)

Signature: _____ Print Name: _____

Title: _____

MERCHANT INQUIRY:

Has Merchant or Owners/Principals ever been terminated from accepting payment cards from any payment network for this business or any other businesses?

NO YES (if yes, please explain) _____

How Many Chargebacks Last Year? _____ Total Amount: \$ _____

Please Mark all Card Types Accepted and Initial Here: _____

(Initials)

*For Details on how these transactions qualify at each level, please refer to your Operating Procedures Guide.

Debit Cards: VMC (consumer signature cards/ all foreign issued cards/ PIN debit cards)

Other Cards: VMC (business credit/debit, consumer credit, & all foreign issued cards)

MERCHANT PROCESSING AGREEMENT TERMS AND CONDITIONS

This is a Merchant Processing Agreement ("Agreement") entered into as of the date accepted by Processor (defined below) and is by and among Merrick Bank, a Utah state chartered bank ("Member Bank"), Automated Merchant Systems, Inc. ("AMS") and the governmental entity (the "Merchant") that signed the attached Merchant Application.

BACKGROUND INFORMATION

Member Bank is a member/bank of both Visa U.S.A. Incorporated ("Visa"), MasterCard International ("MasterCard"), and DFS Services, LLC ("Discover") (each a "Payment Brand"). Member Bank and AMS have entered into an agreement whereby AMS acts as Member Bank's sales agent and provides certain services to Merchant through various third party service providers (AMS and such third party service providers shall hereinafter collectively be referred to as "Processor"). Merchant desires to accept Debit Cards and/or Other Cards as defined below, and as indicated on the Merchant Application validly issued by a Payment Brand. Member Bank and Processor agree to provide such services in accordance with the terms and conditions set forth below. Accordingly, the parties to this Agreement, intending to be legally bound, agree as follows:

OPERATIVE PROVISIONS

1. **Services; Operating Procedures Guide.** Member Bank and Processor agree to provide to Merchant, at Merchant's U.S. locations identified in the Application (as defined below), bankcard processing and settlement services (the "Services") in accordance with the terms and conditions of this Agreement and the Operating Procedures Guide, the terms of which are incorporated by reference and made a part of this Agreement. Merchant agrees to use Member Bank to sponsor and process its Payment Brand branded Card transactions.

2. **Definitions.** Unless otherwise provided, the capitalized terms used in this Agreement have the meanings designated in the Operating Procedures Guide. "Debit Card" means all Payment Brand cards issued by a non-U.S. bank, a Payment Brand card issued by a U.S. bank that accesses a consumer's asset account within 14 days after purchase, including but not limited to stored value, prepaid, payroll, EBT, gift, and Visa consumer check cards, and debit cards validly issued by the debit card networks indicated on the Merchant Application such as on-line (PIN-based) cards. "Other Cards" means all cards issued by a non-U.S. bank and all Payment Brand cards other than Debit Cards, including but not limited to business and consumer credit cards and business debit cards. The category of card acceptance that you have indicated on the Merchant Application will collectively be referred to as "Cards".

3. **Payment Brand Regulations.** All Card Transactions and this Agreement are subject to, and the parties agree to be bound by, applicable Payment Brand operating rules and regulations ("Payment Brand Regulations"). The Payment Brand Regulations include the Payment Card Industry Data Security Standard, the Consortium Merchant Negative File published by Discover, Discover Information Security Compliance, Visa Cardholder Information Security Program and MasterCard's Site Data Protection Program, as may be amended, supplemented or replaced from time to time. Merchant is responsible for demonstrating its own, its agents, and its services' compliance with Payment Brand Regulations as they may be amended from time to time. Processor is not responsible for providing copies of the Payment Brand Regulations, and makes no representations or warranties regarding the accuracy of any summaries of Payment Brand Regulations it may provide. Processor is not liable for any non-compliance or any costs of such non-compliance by Merchant of any Payment Brand Regulation. If there is a conflict between this Agreement and the Payment Brand Regulations, the Payment Brand Regulations will apply. Merchant will pay Processor and Member Bank immediately for all Payment Brand fines, fees, penalties and all other assessments or indebtedness levied by any Payment Brand to Processor and/or Member Bank which are attributable, at Member Bank's discretion, to Merchant's Transaction processing or business, and any other loss, liability, assessment or fine incurred arising out of Merchant's breach of this Section. AMS may not subcontract, sublicense, assign, license, franchise or in any manner extend or transfer to any third party any right or obligation of AMS.

4. **Fees.** The Fees and other charges to be charged by Member Bank and Processor to Merchant for the services provided under this Agreement are set forth in the Merchant Application and Fee Schedule (the "Application"), which is made a part of this Agreement. The Discount Rate shall be charged on all new sales (i.e. sale transactions not including "returns" or credits to cardholders). Processor may change such Fees from time to time upon 10 days prior written notice to Merchant. The Fees set forth in the Application do not include, and Merchant hereby agrees to pay, all fees, charges, penalties, fines, assessments and additional or increased costs of any nature that may be charged by the Payment Brands or other third party, whether charged to or directly or indirectly incurred by Processor in connection with matters contemplated by the Agreement, including without limitation, adjustment fees and interchange fees. Interchange fees charged hereunder will not be credited back to Merchant if a transaction is subsequently reversed or otherwise processed as a credit.

5. **Card Transactions.** In addition to the requirements for Card Transactions set forth in the Operating Procedures Guide and Payment Brand Regulations, Merchant agrees that it will not (a) deposit into its Bank Account any Sales Draft or Credit Draft for any Card Transaction between a Cardholder and an entity other than Merchant; (b) accept cash payments from a Cardholder for previous Card Transactions; or (c) make a cash disbursement to a Cardholder arising out of a Card Transaction or any other use of a Card.

6. Merchant's Account

a. Merchant shall establish, and at all times during the term of the Agreement, maintain one or more Accounts with an institution in order to facilitate payment of amounts due from time to time under this Agreement, which institution and Account shall be identified in the Application. To secure the extension of credit and Merchant's obligations under this Agreement including, without limitation, Merchant's obligation to pay chargebacks, Merchant grants to Member Bank and AMS a security interest in its deposited Sales Drafts and all funds maintained in the Account(s).

b. All credits, charges and debits in connection with Card Transactions and other amounts owing under this Agreement shall be made to Merchant's Account, including without limitation, all Fees, Adjustments and Chargebacks. Merchant authorizes Member Bank, without notice to Merchant, to credit or debit the Account(s). Any Fees or other charges not collected by Member Bank or Processor through a debit to the Account, for whatever reason, shall be invoiced to Merchant by Member Bank or Processor and are due upon Merchant's receipt of such invoice.

c. If Merchant has more than one deposit account with its institution, any or all of such accounts may be treated as the Account and may be credited, charged or debited in connection Card Transactions and other amounts owing under this Agreement as Member Bank or Processor may determine; provided, that Merchant may designate a particular Account with respect to certain amounts to be credited, charged or debited from time to time by Member Bank in connection with particular Card Transactions. Member Bank agrees to comply with such designation, so long as the designated Account(s) contain sufficient funds to satisfy such charges or debits.

d. If a debit or Chargeback to the Account results in an overdraft, Merchant shall immediately deposit with institution an amount sufficient to cover such overdraft and any related service charges or fees.

e. All items credited and debited to the Account(s) are subject to review, verification and acceptance by Member Bank and Processor. Member Bank may withhold crediting of questionable items pending verification, investigation and confirmation.

f. If Merchant desires to change the Account, Merchant shall notify Member Bank and Processor in writing at least ten (10) days prior to the effective date of the change and shall follow Member Bank's and Processor's procedures for completing the change.

7. Display of Service Marks, Advertising and Promotional Materials

a. Merchant shall prominently display at each Authorized Location any service marks, identification logos and any other promotional materials (collectively, the "Service Marks") the Payment Brands furnish to Merchant to alert Cardholders that Cards will be honored at Merchant's Authorized Locations. This requirement shall not apply to private clubs or other merchants that do not serve the general public or other class of merchants exempted by a Payment Brand. The Service Marks for each Payment Brand must be at least the dimension of and as prominent as any other card program mark or logo displayed.

b. Merchant may use the Service Marks only to indicate that Cards are accepted by Merchant for payment. Merchant shall not state, imply or use the Service Marks to indicate that Processor or any Payment Brand endorses, sponsors, produces, offers, sells or is affiliated with any of Merchant's goods or services.

c. Merchant shall not refer to Processor or any Card or Payment Brand in stating eligibility for Merchant's merchandise, services or membership.

d. Merchant's use of the Service Marks of any Payment Brand shall be governed by the Payment Brand's Regulations and Merchant shall not use any Service Marks in a direct mail solicitation without prior written approval of the applicable Payment Brand.

e. Merchant's right to use or display the Service Marks shall continue so long as this Agreement remains in effect, unless Processor directs that such use or display shall cease. Merchant acknowledges that the Service Marks are the property of the applicable Payment Brand and Merchant shall not infringe upon the Service Marks.

f. If Merchant has requested signage for the purpose of indicating acceptance of Debit Cards, Merchant must display such signage for a minimum of 3 months from delivery of such signage to Merchant. All point of sale displays or websites must include either appropriate Service Marks to indicate acceptance of Debit and Other Cards or Payment Brand approved signage to indicate acceptance of the limited acceptance category Merchant has selected.

g. If Merchant has requested Payment Brand bank identification numbers, Merchant must only use the bank identification numbers for product identification purposes at the point of sale, and not disclose this proprietary and confidential information to any third party without prior written permission from the applicable Payment Brand.

8. **Term.** This Agreement will be effective as of the date it is accepted by Member Bank and Processor and will continue in effect for a term of three (3) years following such date (the "Initial Term"), unless earlier terminated as provided for below. Following the Initial Term, this Agreement will automatically renew for additional one year renewal terms, unless a party provides written notice to the other parties of its intent not to renew this Agreement at least ninety (90) days prior to the expiration of the then current Term (a "Termination Notice"). If a party provides a Termination Notice to the other parties, this Agreement shall terminate on the expiration of the then current Term.

9. **Events of Default.** An "Event of Default" shall mean the occurrence or existence of one or more of the following events or conditions, whatever the reason for such Event of Default and whether voluntary, involuntary or effected by operation of law: (a) Merchant fails to pay any obligation under this Agreement to Member Bank or Processor when due; (b) any representation or warranty made by Merchant under this Agreement, the Application or any financial statement, certificate, report, exhibit or document required to be furnished by Merchant to Member Bank or Processor pursuant to this Agreement shall prove false or misleading in any material respect as of the time when made, including any omission of material information necessary to make such representation, warranty or statement not misleading or the failure to provide required information; (c) Merchant shall default in the performance or observance of any covenant, agreement or duty under this Agreement or any Payment Brand Regulation; (d) Merchant is no longer allowed by a Payment Brand to accept such Payment Brand's Cards as payment or Merchant's name appears on a Payment Brand's terminated merchant file; (e) Member Bank or Processor reasonably conclude that any criminal, fraudulent, unauthorized or suspicious activity has occurred or is imminent with respect to Merchant's acceptance of Cards or Merchant's performance under this Agreement; (f) there is an unexplained material change in Merchant's processed volume, average ticket size or mode of sale; (g) Member Bank or Processor reasonably conclude that there exists a risk of an abnormal level of Chargebacks or that Merchant may not fund Chargebacks, fees or other charges as they occur; (h) Merchant has defaulted on any obligation for borrowed money and the effect thereof may permit the holder of such indebtedness to accelerate the time when repayment is due; (i) there is an adverse material change in Merchant's business, operations, financial condition, properties, assets or prospects; (j) one or more judgments against Merchant, for the payment of money remain undischarged, unsatisfied or unstayed for a period of 45 consecutive days; (k) Merchant's lender takes possession of Merchant's inventory; (l) a writ or warrant of attachment, garnishment, execution, or similar process shall have been issued against Merchant or any of its assets; (m) a proceeding shall have been instituted with respect to Merchant (1) seeking an order for relief or a declaration entitling a finding that Merchant is insolvent or seeking a similar declaration or finding, or seeking dissolution, winding up, charter revocation or forfeiture, liquidation, reorganization, arrangement, adjustment, composition or other similar relief with respect to Merchant, its assets or its debts under any law relating to bankruptcy, insolvency, relief of debtors or protection of creditors, termination of legal entities or any other similar law now or hereafter in effect, or (2) seeking appointment of a receiver, trustee, custodian, liquidator, assignee, sequestrator or other similar official for Merchant or for all or any substantial part of its assets; or (n) Merchant shall become insolvent, shall become generally unable to pay its debts as they become due, shall voluntarily suspend transaction of its business, shall make a general assignment for the benefit of creditors, shall institute a proceeding described in subsection (m)(1) above, or shall consent to any such order for relief, declaration, finding or relief described herein, shall institute a proceeding described in subsection (m)(2) above, or shall consent to any such appointment or to the taking of possession by any such official of all or any substantial part of its assets, shall dissolve, windup, revoke or forfeit its charter (or other constituent documents) or liquidate itself or any substantial part of its assets, or shall take any action in furtherance of any of the foregoing; or (o) accept a Card for an unlawful Internet gambling transaction. Merchant shall notify Member Bank and Processor in writing immediately upon becoming aware of an Event of Default, or an event which, with the passing of time or the giving of notice, or both, would constitute an Event of Default.

10. **Remedies Upon Event of Default.** Upon the occurrence of any Event of Default, Member Bank and Processor may employ any or all of the following remedies if deemed appropriate: (a) terminate this Agreement immediately upon notice to Merchant; (b) without prior notice to Merchant, refuse to accept or revoke acceptance of any Sales Draft or Credit Draft, or the electronic transmission thereof if applicable, received by Member Bank or Processor on or at any time after the occurrence of any Event of Default; (c) without prior notice to Merchant, Member Bank may debit Merchant's Account in an amount equal to any amount then owed to Member Bank or Processor; (d) establish a reasonable reserve using Merchant funds in Member Bank's possession to cover foreseeable Chargebacks, Payment Brand fines or assessments, cardholder credits or fees; (e) increase the Fees payable by Merchant hereunder commensurate with the increased risk; (f) require Merchant to deposit, as cash collateral, such amounts as Member Bank or Processor may require to secure Merchant's obligations hereunder; (g) report to one or more credit reporting agencies any outstanding Merchant or guarantor indebtedness to Member Bank or Processor; or (h) take such other action as may be permitted by law.

11. **Early Termination Fee.** For purposes of this Section 11, a "Early Termination" shall mean: (i) a termination of this Agreement by Member Bank or Processor following an Event of Default specified in Section 9 above (ii); a termination of this Agreement by Merchant for any reason whatsoever, other than following written Termination notice given by Merchant pursuant to Section 8 or 13; or (iii) Merchant's deposit of its Payment Brand branded bankcard transactions with any entity other than Member Bank. Merchant's payment of the monthly minimum discount shall not fulfill Merchant's obligation to Processor. The parties agree that the actual damages which will result to Processor from an Early Termination are not readily ascertainable as of the effective date of this Agreement. In addition, Merchant acknowledges and agrees that in reliance on this Agreement and other long-term agreements, Processor will incur additional long-term costs, including without limitation, computer hardware, software, and labor. Accordingly, upon the occurrence of an Early Termination, Merchant shall pay to Processor, in addition to all amounts owed each for the services provided to Merchant pursuant to this Agreement, an amount equal to the greater of (i) \$500.00 or (ii) thirty percent (30%) of the average total monthly fees incurred during the preceding 6 months (or shorter period if this Agreement has not been in effect for 6 months), times the number of months, or portion thereof, remaining in the then current Term of this Agreement. The parties intend that the Early Termination Fee be in lieu of Processor's lost profits for the remainder of the term of this Agreement, but not in lieu of any other damages to which Processor might otherwise be entitled arising out of wrongful acts or omissions of Merchant.

12. **Change in Merchant's Business.** Merchant shall provide Member Bank and Processor at least thirty (30) days prior written notice of its intent to change in any way the basic nature of its business, including without limitation, a change in the types of merchandise or services sold, or the method of selling such products or services. Upon its receipt of notice of such change, Member Bank and Processor shall have the right to terminate this Agreement without further obligation upon providing to Merchant thirty (30) days prior written notice.

13. **Termination by Merchant.** Merchant may terminate this Agreement upon thirty (30) days prior written notice to Member Bank and Processor in the event of (a) receipt by Merchant of notice of any increase in Fees payable to Member Bank and Processor pursuant to Section 4 hereof (excluding pass-through fees payable to a Payment Brand or other third party, or Fee Increases pursuant to Section 10); or (b) any material amendment or modification to this Agreement made by Member Bank or Processor pursuant to Section 20 hereof which adversely affects Merchant in any material respect (excluding material amendments or modifications required due to changes to an Payment Brand Regulation or applicable federal, state or local law or regulation). Merchant's right to terminate pursuant to this Section 13 shall expire thirty (30) days following Merchant's receipt of notice of any such Fee increase or material amendment or modification. If this Agreement is terminated, regardless of cause, Member Bank may withhold and discontinue the disbursement for all Card Transactions in the process of being collected and deposited. If termination is due to the occurrence of an Event of Default or if Merchant otherwise breaches this Agreement, Merchant acknowledges that Member Bank or Processor may be required to report Merchant's business name and the names and other identification of its principals to the MATCH file maintained by the Payment Brands. Merchant expressly agrees and consents to such reporting if Merchant is terminated for any reason requiring listing on the MATCH file. Merchant waives and will hold harmless Member Bank and AMS from any claims that Merchant may raise as a result of Member Bank or Processor MATCH file reporting. Merchant will also immediately cease requesting Authorizations. If Merchant obtains any Authorization after termination, the fact that any Authorization was requested or obtained will not reinstate this Agreement. Further, Merchant will return all Member Bank or AMS property, forms, or equipment. All obligations for Transactions prior to termination (including payment for Chargebacks and Member Bank's expenses relating to Chargebacks) survive termination. Neither Member Bank nor AMS is liable to Merchant for damages (including prospective sales or profits) due to termination. Following termination, Merchant will upon request provide Member Bank and AMS with all original and electronic copies of Sales Drafts and Credit Drafts that have been retained by Merchant as of the date of termination. Upon termination, any amounts due to Member Bank or AMS will accelerate and be immediately due and payable, without any notice, declaration or other act whatsoever.

14. **Credit Inquiries; Reporting; Financial Statements.** Merchant authorizes Member Bank and Processor to make any credit inquiries they consider necessary to accept or to renew their acceptance of this Agreement. Merchant also authorizes any person or credit reporting agency to compile information to answer such credit inquiries and to furnish such information to Member Bank and Processor. Merchant agrees to provide to Processor such financial statements or other information concerning Merchant's business or operations as may be requested by Processor from time to time, in appropriate detail, promptly upon request by Processor. Upon request by Processor, Merchant shall furnish to Processor, within 120 days after the end of Merchant's fiscal year, an audited financial statement of profit and loss for such fiscal year and an audited balance sheet as of the end of such fiscal year. Processor may, at its discretion, accept unaudited financial statements prepared by a public accounting firm.

15. **Representation and Warranties.** Merchant makes the following representations and warranties which shall be true and correct on the date of this Agreement and at all times thereafter: (a) all information contained in Merchant's Application or any other document delivered to Member Bank and Processor in connection therewith or with this Agreement is true and complete in all material respects; (b) Merchant has the power to execute, deliver and perform this Agreement; (c) this Agreement is duly authorized and will not violate any provisions of law, or conflict with any other agreement to which Merchant is subject or by which Merchant's assets are bound; (d) Merchant has all required licenses, if any, to conduct its business and is qualified to do business in every jurisdiction where it is required to do so; (e) there is no action, suit or proceeding at law or in equity pending, or to the knowledge of Merchant, threatened, by or against or affecting Merchant which if adversely decided to Merchant would impair the right of Merchant to carry on its business substantially as now conducted or adversely affect its financial condition or operations in any material respect; and (f) Merchant is not now, nor shall it in the future, become engaged in any method of selling which is now or in the future set forth in the Operating Procedures Guide as an "Unacceptable Selling Method."

16. **Hold Harmless.** To the extent permissible under applicable law, Merchant agrees to hold harmless Member Bank and Processor, their respective affiliates, directors, officers, employees and agents from all claims, liabilities, loss, damage, and expenses of any nature (including fees and expenses of legal counsel and costs of litigation) arising from or in connection with: (a) any dispute or claim made by a Cardholder with respect to a Card Transaction, including but not limited to, any such dispute concerning the quality, fitness or delivery of merchandise or the performance or quality of services; and (b) the failure of Merchant to comply with the provisions of this Agreement, Payment Brand Regulations or applicable federal, state or local laws and regulations.

17. **CHOICE OF LAW; JURISDICTION; WAIVER.** THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF IN WHICH MERCHANT IS LOCATED. MERCHANT, MEMBER BANK AND PROCESSOR HEREBY IRREVOCABLY AND UNCONDITIONALLY: (A) AGREE THAT ANY ACTION, SUIT OR PROCEEDING BY ANY PERSON ARISING FROM OR RELATING TO THIS AGREEMENT OR ANY STATEMENT, COURSE OF CONDUCT, ACT, OMISSION OR EVENT OCCURRING IN CONNECTION WITH THIS AGREEMENT (COLLECTIVELY, "RELATED LITIGATION") MUST BE BROUGHT IN A STATE OR FEDERAL COURT OF COMPETENT JURISDICTION IN THE COUNTY AND STATE IN WHICH MERCHANT IS LOCATED; (B) SUBMIT TO THE JURISDICTION OF SUCH COURTS; (C) WAIVE ANY OBJECTION WHICH IT MAY HAVE AT ANY TIME TO THE LAYING OF VENUE OF ANY RELATED LITIGATION BROUGHT IN ANY SUCH COURT; (D) WAIVE ANY CLAIM THAT ANY SUCH RELATED LITIGATION HAS BEEN BROUGHT IN AN INCONVENIENT FORUM, AND WAIVE ANY RIGHT TO OBJECT, WITH RESPECT TO ANY RELATED LITIGATION BROUGHT IN ANY SUCH COURT, THAT SUCH COURT DOES NOT HAVE JURISDICTION OVER MERCHANT OR PROCESSOR; (E) CONSENT AND AGREE TO SERVICE OF ANY SUMMONS, COMPLAINT OR OTHER LEGAL PROCESS IN ANY RELATED LITIGATION BY REGISTERED OR CERTIFIED U.S. MAIL, POSTAGE PREPAID, TO MERCHANT AT THE ADDRESS IN THE APPLICATION AND CONSENTS AND AGREES THAT SUCH SERVICE SHALL CONSTITUTE IN EVERY RESPECT VALID AND EFFECTIVE SERVICE (BUT NOTHING HEREIN SHALL AFFECT THE VALIDITY OR EFFECTIVENESS OF PROCESS SERVED IN ANY OTHER MANNER PERMITTED BY LAW); AND (F) WAIVE THE RIGHT TO TRIAL BY JURY IN ANY RELATED LITIGATION. THE PREVAILING PARTY IN ANY RELATED LITIGATION SHALL BE ENTITLED TO RECOVER ITS REASONABLE ATTORNEY'S FEES, COST AND EXPENSES.

18. **LIMITATION OF LIABILITY.** TO THE FULLEST EXTENT PERMITTED BY LAW, NO CLAIM MAY BE MADE BY MERCHANT AGAINST MEMBER BANK OR PROCESSOR OR ANY OF THEIR RESPECTIVE AFFILIATES, DIRECTORS, OFFICERS, EMPLOYEES OR AGENTS OF ANY OF THEM FOR ANY SPECIAL, INCIDENTAL, INDIRECT, CONSEQUENTIAL OR PUNITIVE DAMAGES IN RESPECT OF ANY CLAIM ARISING FROM OR RELATING TO THIS AGREEMENT OR ANY STATEMENT, COURSE OF CONDUCT, ACT, OMISSION OR EVENT OCCURRING IN CONNECTION WITH THIS AGREEMENT UNLESS SUCH CLAIM ARISES FROM THE WILLFUL MISCONDUCT OF THE MEMBER BANK OR PROCESSOR AND MERCHANT HEREBY WAIVES, RELEASES AND AGREES NOT TO SUE UPON ANY SUCH CLAIM FOR ANY SUCH DAMAGES, WHETHER SUCH CLAIM PRESENTLY EXISTS OR ARISES HEREAFTER AND WHETHER OR NOT SUCH CLAIM IS KNOWN OR SUSPECTED TO EXIST IN ITS FAVOR.

19. **Debit Card Acceptance.** Merchant may accept Debit Cards supported by Processor. If the Debit Card requires a personal Identification number ("PIN") Merchant will comply with the following:

- Merchant will attempt to settle in good faith any dispute between Merchant and a Cardholder involving a Debit Card transaction. Merchant will establish a fair, consistent policy for the exchange and return of merchandise and for the adjustment of amounts due on Debit Card sales. Merchant will promptly initiate a refund to the customer (which may be made in cash, by an adjustment draft or with a check or cashier's check, as permitted by the Payment Brand Regulations) whenever Merchant determines that a Debit Card transaction should be canceled or reversed.
- Except as the debit network may permit, Merchant will not make any cash refunds or payments for returns or adjustments on Debit Card transactions but will instead complete an adjustment form provided or approved by Processor. The Debit Card Sales Draft for which no refund or return will be accepted by Merchant must be clearly and conspicuously marked (including on the Cardholder's copy) as "final sale" or "no return" and must comply with the Payment Brand Regulations.
- Merchant will refer Debit Card Cardholders with questions or problems to the institution that issued the Debit Card. Merchant will cooperate with Processor and with each applicable debit network and its other members to resolve any alleged errors relating to transactions. Merchant will permit and will pay all expenses of periodic examination and audit of functions related to each debit network, at such frequency as the applicable Debit Network deems appropriate. Audits will meet debit network standards, and the results will be made available to the debit network.
- Merchant may not process a Credit Card transaction in order to provide a refund on a PIN Debit Card transaction. All debit transactions must be authorized and processed electronically. If authorization is not available at the time of sale, Merchant must request another form of payment from its customer. Merchant may process the transaction as a Store and Forward or Resubmission, in which case Merchant assumes the risk that the transaction fails to authorize or otherwise declines.
- A PIN Debit Card transaction may not be completed without the PIN being entered into the PIN pad only by the Cardholder. Merchant may not accept the PIN from the Cardholder verbally or in written form.
- Cardholders must be issued a receipt upon successful completion of a Debit Card Transaction. Any applicable tax must be included in the total Debit Card Transaction amount for which authorization is requested. Tax may not be separately collected in cash.
- Merchant is responsible for all applicable adjustment fees that may be charged by a Debit Card network. An adjustment is a transaction that is initiated to correct a PIN Debit Card transaction that has been processed in error.
- Merchant may not engage in Electronic Benefit Transfers. An Electronic Benefit Transaction is one in which cash is given to a customer without the purchase of goods or services. Merchant further agrees that it shall not offer cash back to customers when such customers make a PIN Debit Card purchase.
- Merchant is responsible for securing terminals and for instituting appropriate controls to prevent employees or others from submitting refunds and voids that do not reflect bona fide returns or reimbursements of prior transactions.

20. **MISCELLANEOUS PROVISIONS.**

- Merchant shall not subcontract, assign or transfer any interest, obligation or right under this Agreement without the prior written consent of Member Bank and Processor. Any dissolution, merger, consolidation, reorganization or transfer of substantially all assets or a controlling percentage of the corporate stock of Merchant shall constitute an assignment of this Agreement. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the parties and their successors or assigns. Processor and Member Bank may transfer their respective rights and responsibilities hereunder to another institution authorized by the Payment Brand Regulations to hold such rights without Merchant's consent.
- This Agreement may be modified by Member Bank to comply with any amendments or additions to the Payment Brand Regulations upon 30 days prior written notice to the Merchant.
- No party shall, by the mere lapse of time, without giving notice or taking other action, be deemed to have waived any of their rights under this Agreement. No waiver of a breach of this Agreement shall constitute a waiver of any prior or subsequent breach of this Agreement.
- In order to maintain quality service, Member Bank or Processor may monitor or record telephone communications with Merchant.
- No party shall be liable for any loss or damage due to causes beyond its control, including earthquakes, war, fire, flood, power failure, acts of God or other catastrophes.
- Each party and each person signing on behalf of a party represents and warrants that it has the full legal capacity and authority to enter into and perform the obligations of this Agreement without any further approval. Nothing in this Agreement shall be deemed to create a partnership, joint venture or any agency relationship between the parties.
- This Agreement and the documents referenced herein constitute the entire understanding of the parties with respect to the subject matter of this Agreement, and all prior agreements, understandings and representations are terminated and canceled in their entirety.
- If there is any conflict between a part of this Agreement and any present or future Payment Brand Regulation or applicable federal, state or local law or regulation, only the part of this Agreement that is affected shall be modified and that modification shall be limited to the minimum necessary to bring this Agreement within the requirements of the Payment Brand Regulation, law or regulation.
- All notices, including invoices, given in connection with this Agreement, shall be in writing and shall be effective upon actual receipt. Notices shall be delivered to the appropriate party at its address set forth on the attached Disclosure Page.
- Merchant shall be liable for all taxes, except Member Bank and Processor's income taxes, required to be paid or collected as a result of this Agreement.
- All obligations, warranties and liabilities of Merchant incurred or existing as of the date of termination of this Agreement, including without limitation, Merchant's obligations with respect to subsequent Adjustments or Chargebacks based upon Card Transactions incurred prior to termination, shall survive termination and shall continue in full force and effect as if the termination had not occurred. The right to revoke credit as well as hold, retain or set off against amounts due to Merchant, or to debit any Account(s) of Merchant, shall survive the termination of this Agreement and shall continue in full force and effect as if termination had not occurred.
- No other person or entity may be deemed a third party beneficiary of this Agreement.

Disclosure Page
(Processor Copy)

Member Bank Information

Name: Merrick Bank, a Utah state chartered bank
Address: 135 Crossways Park Drive North, Suite A,
Woodbury, NY 11797
Phone: (800)267-2256

Important Member Bank Responsibilities

1. Member Bank is the **only party** to the Merchant Agreement approved to accept Visa products directly from a Merchant.
2. Member Bank must be a principal (signer) to the Merchant Agreement.
3. Member Bank is responsible for educating the Merchant on pertinent Visa U.S.A. Inc. Operating Regulations with which the merchant must comply.
4. Member Bank is responsible for and must provide settlement funds to the Merchant.
5. Member Bank is responsible for all funds held in reserve that are derived from settlement.

Merchant Information

Merchant Name: City of St. Charles
Merchant Address: 2 East Main Street
St. Charles, IL 60174
Merchant Phone: (630) 377-4400

Important Merchant Responsibilities

1. Ensure compliance with cardholder data security and storage requirements.
2. Maintain fraud and chargebacks below thresholds.
3. Review and understand the terms of the Merchant Agreement.
4. Comply with Visa Operating Regulations.

The responsibilities listed above do not supersede terms of the Merchant Agreement and are provided to ensure Merchant understands some important obligations of each party.

Merchant's Signature

Date

Merchant's Printed Name & Title



Disclosure Page
(Merchant Copy)

Member Bank Information

Name: Merrick Bank, a Utah state chartered bank
Address: 135 Crossways Park Drive North, Suite A,
Woodbury, NY 11797
Phone: (800)267-2256

Important Member Bank Responsibilities

6. Member Bank is the **only party** to the Merchant Agreement approved to accept Visa products directly from a Merchant.
7. Member Bank must be a principal (signer) to the Merchant Agreement.
8. Member Bank is responsible for educating the Merchant on pertinent Visa U.S.A. Inc. Operating Regulations with which the merchant must comply.
9. Member Bank is responsible for and must provide settlement funds to the Merchant.
10. Member Bank is responsible for all funds held in reserve that are derived from settlement.

Merchant Information

Merchant Name: City of St. Charles
Merchant Address: 2 East Main Street
St. Charles, IL 60174
Merchant Phone: (630) 377-4400

Important Merchant Responsibilities

5. Ensure compliance with cardholder data security and storage requirements.
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The responsibilities listed above do not supersede terms of the Merchant Agreement and are provided to ensure Merchant understands some important obligations of each party.

Merchant's Signature

Date

Merchant's Printed Name & Title

