MBN
MERCHANTS BANCARD NETWORK INC

MERCHANT PROCESSING AGREEMENT

Agent Code:

Additional Location: _____ Name: _____ SIC/MCC: _____ Received Date: _____

TID#: _____ MID#: _____ IATA/ARC: _____ (MCC 4722 Only)

SECTION 1) BUSINESS INFORMATION

Name of Ownership Entity (Legal Name) **ABC Enterprises, Inc.**	Name of Business (Doing Business as/Same as Signage) **Mike's Barber Shop**
Corporate/ Billing Address **1234 Clark Street**	Location Address (attach additional locations)

City **Valencia**	State **CA**	Zip **12345**	City	State	Zip

Phone # **(66)999-9999**	Federal Tax ID **12-3456789**	Phone #	Fax # **(66)999-9998**

Name (as it appears on your income tax return) **ABC Enterprises Inc.**

☐ I certify that I am a foreign entity/nonresident alien (if checked, please attach IRS Form W-8)

Contact Name **Michael Johnson**

NOTE: Failure to provide accurate information may result in a withholding of merchant funding per IRS Regulations (See Part IV, Section A.4 of your Program Guide for further information.)

Web Address **www.mbs.com** | Email Address **Mike@mbs.net**

SECTION 2) MERCHANT INFORMATION

Check One: ☒ Retail ☐ Service ☐ Home ☐ MO/TO ☐ Internet

Have you been placed on the "CTMF" (Combined Terminated Merchant File) or the "CMNF" (Consortium Merchant Negative File) ☐ Yes ☑ No

Describe business detail to include products and services:

Barber Shop

☐ Sole Proprietorship ☐ Partnership ☒ Corporation

Type of Corporation: _____ State of Incorporation: **CA**

Do you use any third party to store, process, or transmit cardholder data? If so list name/address: ☐ Yes ☑ No

Please list any Software used for storing, transmitting, or processing Card Transactions or Authorization Requests:

How Long in Present Business?	Years: **4**	Months: **1**	Previous Processor:	Reason for Leaving: ☐ Rate ☐ Service ☐ Terminated ☐ Other: List other here:

SECTION 3) PRINCIPAL INDIVIDUAL #1   **100** % Ownership

Last Name **Johnson**	First Name **Michael**	MI	Title **owner**

Residence Address **123 Elm Drive**	City **Valencia**	State **CA**	Zip **12345**

Home Phone # **(66)999-9999**	Social Security # **123-45-6789**	DOB **12/64**	Driver's License #	State

SECTION 4) PRINCIPAL INDIVIDUAL #2   % Ownership

Last Name	First Name	MI	Title

Residence Address	City	State	Zip

Home Phone #	Social Security #	DOB	Driver's License #	State

SECTION 5) SETTLEMENT INFORMATION (please attach voided check)

Deposit Bank	Bank Contact
Transit/ABA #	Deposit Account #

SECTION 6) PROCESSING AND AGREEMENT VOLUME

(for internal use only) ☑ Monthly ☐ Daily

Avg. Yearly Vol. MC/VISA/DISCOVER NETWORK	$ **144,000**	Avg. Yearly Vol. AMERICAN EXPRESS	$ **50,000**
Avg. Ticket MC/VISA/DISCOVER NETWORK	$ **15.00**	Avg. Ticket AMERICAN EXPRESS	$ **15.00**
Peak Season Vol. MC/VISA/DISCOVER NETWORK	$	Max Ticket	$ **50.00**
Seasonal? ☐ Yes ☑ No	High Vol. Months Open From:	To:	

SECTION 7) TERMINAL INFORMATION

☐ Reprogram ☐ Purchase ☐ Lease

☐ Omaha ☐ Nashville ☐ Cardnet ☐ Buypass ☐ Retail

☐ Restaurant ☐ MO/TO ☐ Retail Tip ☐ Quick Serve Rest w/Tip ☐ Hotel

☒ Swiped **90** % ☒ Imprint/Keyed **10** %

☐ MO/TO ___ % ☐ Internet ___ % = 100%

Terminal Type: **PAX S80**

Software Type:

Other:

Internet Gateway ☐ Name:

Wireless Network:

Entitlement Services	Merchant Number	First Data
☒ American Express ESA/Pass Though	# **1234567891**	First Data Global Leasing? ☐ Yes ☒ No
☐ Diners Club/Carte Blanche	#	Lease Term: ___ (months)
☐ JCB	#	This is a non-cancelable lease for the full terms indicated. Client's Initials:
☐ TeleCheck SE#	#	
☐ TeleCheck (Split Dial)	#	Monthly Lease Charges for this Location: $
☐ MMICR ☐ License # or		Annual Tax/Handling Fee: $10.20
☐ Guarantee ☐ ECA		

SECTION 8) SERVICE FEE SCHEDULE

It is presumed you will ACCEPT ALL VISA, MASTERCARD, DISCOVER NETWORK, and AMERICAN EXPRESS TRANSACTIONS, unless any selections below are checked.		See Section 1.9 of the Program Guide for details regarding limited acceptance.	
MASTERCARD	☐ Accept MasterCard CREDIT Transactions ONLY ☐ Accept MasterCard NON-PIN DEBIT Transactions ONLY	VISA	☐ Accept Visa CREDIT Transactions ONLY ☐ Accept Visa NON-PIN DEBIT Transactions ONLY
DISCOVER NETWORK	☐ Accept Discover Network CREDIT Transactions ONLY ☐ Accept Discover Network NON-PIN DEBIT Transactions ONLY	AMERICAN EXPRESS	☐ Accept American Express CREDIT Transactions ONLY

☐ **Interchange Cost Plus Program**

Pass Through MasterCard, Visa & Discover Interchange and American Express Pricing plus ___ % on gross volume Per Transaction Fee $ ___

☒ 3 Tier ☐ ERR

Fee Category	Discount Rate	Transaction Fee	ERR%
Visa/MC/Discover Network QUAL CREDIT	**1.69** %	$ **.15**	%
Visa/MC/Discover Network MID-QUAL CREDIT	**2.40** %	$ **.15**	N/A
Visa/MC/Discover Network NON-QUAL CREDIT	**3.20** %	$ **.15**	N/A
Visa/MC/Discover Network QUAL DEBIT	**1.49** %	$ **.15**	%
Visa/MC/Discover Network MID-QUAL DEBIT	**2.40** %	$ **.15**	N/A
Visa/MC/Discover Network NON-QUAL DEBIT	**3.20** %	$ **.15**	N/A
American Express QUAL CREDIT	%	$	%
American Express MID-QUAL CREDIT	%	$	N/A
American Express NON-QUAL CREDIT	%	$	N/A

American Express Rates		
☐ American Express ESA/Pass Through*	*American Express Mo. Flat Fee or Discount Rate may apply.	**As Apply to ESA.
☐ American Express Discount Rate:** ___ % or ☐ American Express Monthly Flat Fee:** $7.95		Services, Wholesale ☐ $0.15 Trans Fee
☐ American Express PrePaid Discount Rate ___ % Flat per Trans Fee $ ___		Retail ☐ $0.10 Trans Fee

Authorization & Transaction Fees (fee per item)

Visa/MC/Discover Network Auth. Fee	$ .10	American Express Auth. Fee	$ .25
Transarmor Authorization Fee	$	Batch Fee	$ .25
Diner's Authorization Fee	$	JCB Authorization Fee	$
Wireless Transaction Fee	$	Gateway Transaction Fee	$

Monthly Fees

Min. Monthly Fee	$ 25.00	per location	E-Merchant View	$ 14.95	per access
Statement Fee	$ 15.00	per statement	Gateway Fee	$	per website
Wireless Fee	$	per terminal	eIDS Fee	$	per access
Clover Fee	$	per station	Insightics Fee	$	per location
☐ CarePoint**	**Requires a separate Agreement (see Section 9)		CarePoint Fee	$	per month

Other Fees

PCI Compliance Fee	$ 9.99	per month	One-Time Admin. Fee	$	Early Termination Fee	$ 495.00	
IRS TIN Processing Fee	$ 4.95	per month	Annual Membership Fee	$	Other Volume		%

Pin Debit Fees

Pin Debit ☐ Yes ☑ No		✓ Plus Debit Network Processing Fees	Pin Debit Other Volume Percentage ___ %
PIN Debit Fee (per transaction) $		Debit Access Fee (per location) $	

EBT Fees

EBT Fees (per transaction) $	Monthly Access Fee $	EBT (SNAP/FNS) Number:	☐ Food Stamps ☐ Cash Benefits

Fleet Rates & Fees

Wright Express: Other Item Rate $ ___ per item	Voyager: QUAL ___ %	Other Item Rate $ ___ per item	

TeleCheck Rates & Fees — ☐ Yes ☑ No

Inquiry Rate	___ %	Customer Requested Operator Call (CROC)	$ 2.25
December Risk Surcharge	0.10 %	ECA Chargeback Fee (Only charged when entitled with TeleCheck)	$ 2.25
Per transaction Fee	$ `	Statement/Processing Fee	$ 5.00
Monthly Minimum Fee	$ ___ per location		

When entitled with TeleCheck, see Program Guide for definitions, warranty requirements and any additional fees.

SECTION 9) MISCELLANEOUS FEES

Checking Account (DDA Change) - $25.00, ACH Reject Fee - $25.00, Chargeback Fee (per item) - $25.00* (refer to Part IV, Section A3 of the Program Guide), Documentation - $2.00 per page, Research/Investigation Fee - $150.00 per hour ($25.00 minimum), 3rd Party Help Desk Calls - $6.00 per call, Retrieval Fee - $10.00 per item, Merchant Club - $12.95 per location, Voice Authorization - $0.95 per item, Electronic AVS Fee - $0.05 per item, Voice AVS Fees - $2.25 per item, Annual Membership - $89.00 applies unless otherwise indicated in higher above field. Pass through all Card Association fees at cost for the following but not limited to: Pass Through MasterCard, Visa & Discover Dues & Assessments; MasterCard Processing Integrity Fee; MasterCard National Acquirer Brand Usage (NABU) Fee; MasterCard Cross Border Fee; MasterCard Acquirer Support Fee; MasterCard License Fee; MasterCard ICA Fee; MasterCard Kilobyte Fee; MasterCard AVS Fee; MasterCard CVC2 Fee; Visa Misuse of Authorization Fee; Visa Zero Floor Limit Fee; Visa Acquirer Processing Fee; Visa Transaction Integrity Fee; Visa International Acquirer Fee; Visa ACQ ISA Fee; Visa BIN Fee; Visa Fixed Acquirer Network Fee (FANF); Visa Kilobyte Fee; Visa AFD Non Participation Fee; Discover International Processing & Service Fee; Discover Data Usage Charge; Discover Network Authorization Fee; American Express Network Fee. IRS TIN Non-Compliance Fee - $17.95 per month - PCI Non-Compliance Fee - $19.95 per month. Wireless and/or Gateway - $0.05 per transaction for monthly volume over $5,000. In the event that Client terminates or breaches the terms of this Agreement before the end of the initial three (3) year term, Client shall be obligated to immediately pay Acquirer or its representative, as liquidated damages, an early termination fee in addition to any other monthly fees in the Merchant Processing Agreement for the remaining term of the Agreement. CarePoint monthly fee - additional membership information and options are provided at www.mycarepointservices.com/MBN.

SECTION 10) GUARANTY

In exchange for Processor, Wells Fargo Bank, N.A. and TeleCheck Services, Inc. (the Guaranteed Parties) acceptance of, as applicable, the Agreement, and/or the Equipment Lease Agreement and/or the TeleCheck/TRS Services Agreement, the undersigned unconditionally and irrevocably guarantees the full payment and performance of Client's obligations under the foregoing agreements, as applicable, as they now exist or as modified from time to time, whether before or after termination or expiration of such agreements and whether or not the undersigned has received notice of any amendment of such agreements. The undersigned waives notice of default by Client and agrees to indemnify the Guaranteed Parties for any and all amounts due from Client under the foregoing agreements. The Guaranteed Parties shall not be required to first proceed against Client to enforce any remedy before proceeding against the undersigned. This is a continuing personal guaranty and shall not be discharged or affected for any reason. The undersigned understands that this is a Personal Guaranty of payment and not of collection and that the Guaranteed Parties are relying upon this Personal Guaranty in entering into the foregoing agreements, as applicable.

You further acknowledge and agree that you will not use your merchant account and/or the Services for illegal transactions, for example, those prohibited by the Unlawful Internet Gambling Enforcement Act, 31 U.S.C. Section 5361 et seq. as may be amended from time to time, or processing and acceptance of transactions in certain jurisdictions pursuant to 31 CFR Part 500 et seq. and other laws enforced by the Office of Foreign Assets Control (OFAC).

Client certifies, under penalties of perjury, that the federal taxpayer identification number and corresponding filing name provided herein are correct.

Michael Johnson	_1-2-2015_		
Signature of Personal Guarantor (No Title)	Date	Signature of Co-Personal Guarantor (No Title)	Date

SECTION 11) MERCHANT ACCEPTANCE

Client certifies that all information set forth in this completed Merchant Processing Application is true and correct and that the Client has received a copy of the MC, Visa, and Discover Network Tiered Grid ID Numbers, Program Guide (Version MBNOB1707) and Confirmation Page, which is part of this Merchant Processing Application (consisting of Sections 1-11), and by this reference incorporated herein, Client further agrees that Client will not accept more than 20% of its card transactions via mail, telephone or internet order. However, if your application is approved based upon contrary information stated in Section 7 in this Merchant Processing Application, you are authorized to accept transactions in accordance with the percentages indicated in that section. This signature page also serves as a signature page to the Equipment Lease Agreement, and the TeleCheck Services Agreement in Part III of the Program Guide, if selected, the undersigned Client being the "Lessee" for purposes of such Equipment Lease Agreement and/or "You" and "Your" for the purposes of the TeleCheck Services Agreement. Client authorizes Processor and Wells Fargo Bank, N.A. ("Bank") and their agents to investigate the references, statements and other data contained herein and to obtain additional information from credit bureaus and other lawful sources, including persons and companies names in this Merchant Processing Application. Client authorizes Processor and Bank and their agents (a) to procure information from any consumer reporting agency bearing his/her personal credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics and mode of living, and (b) to contact all previous employers, personal references and educational institutions. Each of the undersigned authorizes us and our Affiliates to provide amongst each other the information contained in this Merchant Processing Application and Agreement and any information received forma all references, including banks and consumer reporting agencies. It is our policy to obtain certain information in order to verify your identity while processing your account application.

Client acknowledges and agrees that we, our Affiliates and our third party subcontractors and/or agents may use automatic telephone dialing systems to contact Client at the telephone number(s) Client has provided in this Merchant Processing Application and/or may leave a detailed voice message in the event that Client is unable to be reached, even if the number provided is a cellular or wireless number or if Client has previously registered on a Do Not Call list or requested not to be contacted Client for solicitation purposes. Client hereby consents to receiving commercial electronic mail messages from us, our Affiliates and our third party subcontractors and/or agents from time to time.

"By signing below, I represent that I have read and am authorized to sign and submit this application for the above entity which agrees to be bound by the American Express® Card Acceptance Agreement ("Agreement"), and that all information provided herein is true, complete and accurate. I authorize Merchants Bancard Network and American Express Travel Related Services Company, Inc. ("AXP") and AXP's agents and Affiliates to verify the information in this application and receive and exchange information about me personally, including by requesting reports from consumer reporting agencies, and disclose such information to their agent, subcontractors, Affiliates and other parties for any purpose permitted by law. I authorize and direct Merchant Bancard Network (MBN) and AXP and AXP agents and Affiliates to inform me directly, or through the entity above, of reports about me that they have requested from consumer reporting agencies. Such information will include the name and address of the agency furnishing the report. I also authorize AXP to use the reports on me from consumer reporting agencies for marketing and administrative purposes. I am able to read and understand the English language. Please read the American Express Privacy Statement at http://www.american express.com/privacy to learn more about how AXPs protects your privacy and how AXP uses your information. I understand that I may opt out of marketing communications by visiting this website or by contacting American Express at 1-800-528-5200.

I understand that upon AXP's approval of the Application as applicable, the entity will be provided with the Agreement and materials welcoming it to AXP's standard Card acceptance program.

Michael Johnson	_Michael Johnson_	_Owner_	_1-2-2015_
Signature Owner/Authorized Officer No. 1	Print Name	Title	Date
Signature Owner/Authorized Officer No. 2	Print Name	Title	Date

Wells Fargo Bank, N.A., 1200 Montego, Walnut Creek, CA 94598

Print Name		
Signature of Authorized Officer MBN	Title	Date
Signature of Authorized Officer Acquirer	Title	Date

MERCHANT SITE SURVEY FORM

Must be submitted with Merchant Processing Agreement. To be completed by Agent.

RETAIL

Merchant Location: ☒ Store Front ☐ Office Building ☐ Warehouse ☐ Residence ☐ Other

The Merchant: ☐ Owns ☐ Leases building premises

Landlord Name:

Landlord Phone #:

☑ Yes	☐ No	Merchant appears to be conducting business as represented in the application.
☑ Yes	☐ No	Merchant is adequately staffed and stocked to do business.
☑ Yes	☐ No	Merchant has posted any business license(s) required to do business.
☐ Yes	☑ No	Have you taken pictures inside and outside the premises?
☑ Yes	☐ No	Have you confirmed the identity of the person who signed the contract?
☑ Yes	☐ No	Have you confirmed the signer as owner and/or principal of the business?

MOTO & INTERNET - if Retail skip section and sign below

1. What % of bankcard sales represent business to business (B2B) (vs. business to consumer): B2B _____ % + B2 Consumer _____ % = 100%

2. What is the time frame from transaction to delivery?
   (% of orders delivered in each timeframe = 100%): 0-7 days % + 8-14 days % + 15-30 days % + > 30 days % +

3. MC/Visa/Discover Network/American Express sales are deposited (checkone): ☐ Date of Order ☐ Date of Delivery ☐ Other (specify):

4. Who performs product/service fulfillment? ☐ Direct ☐ Vendor ☐ Other   If Vendor add name and address info below:

   Name: _____   Phone: _____

   Address:

   Describe how the transaction works, from order taking to
   merchant fulfillment (attach additional sheet if necessary):

5. Does any of your cardholder billing involve automatic renewals or recurring transactions (i.e. cardholder authorizes initial sale only)? ☐ Yes ☐ No

6. Do you send notifications to customers of recurring billing as a reminder? ☐ Yes ☐ No

7. Return Policy: ☐ Full Refund ☐ Exchange Only ☐ None

8. Do you have a refund policy for MC/Visa/Discover Network/American Express Sales? ☐ Yes ☐ No
   If YES, check one: ☐ Exchange ☐ Store Credit ☐ MC/Visa/Discover Network/American Express Credit

9. Advertising Method (attach at least one): ☐ Catalog ☐ Brochure ☐ Direct Mail ☐ TV/Radio ☐ Internet ☐ Phone ☐ Newspaper/Journals ☐ Other
   Marketing materials required for Mail Order, B2B and Internet over $1 Million in annual volume. Attach web page for Internet Merchant.

Comments:

I hereby verify that I have physically inspected the business premises of the merchant at this address.
I also verify that all information submitted in this application is correct to the best of my knowledge.

Inspected By/Sales Representative (print name)	Agent Code
John Smith	
Signature _John Smith_	Date 1-2-2015

Rev. 7/2014

PROCESSOR INFORMATION:

Name: **Merchants Bancard Network**

Address: **25322 Rye Canyon Road, Valencia, CA 91355**

URL: _____ Customer Service #: **(877) 871-4629**

Please read the Program Guide in its entirety. It describes the terms under which we will provide merchant processing Services to you.

From time to time you may have questions regarding the contents of your Agreement with Bank and/or Processor or the contents of your Agreement with TeleCheck. The following information summarizes portions of your Agreement in order to assist you in answering some of the questions we are most commonly asked.

1. **Your Discount Rates are assessed** on transactions that qualify for certain reduced interchange rates imposed by MasterCard, Visa and Discover. Any transactions that fail to qualify for these reduced rates will be charged an additional fee (see Section 19 of the Program Guide).

2. **We may debit your bank account** (also referred to as your Settlement Account) from time to time for amounts owed to us under the Agreement.

3. **There are many reasons why a Chargeback may occur.** When they occur we will debit your settlement funds or Settlement Account. For a more detailed discussion regarding Chargebacks see Section 10 of Card Processing Operating Guide or see the applicable provisions of the TeleCheck Services Agreement.

4. **If you dispute any charge or funding,** you must notify us within 60 days of the date of the statement where the charge or funding appears for Card Processing or within 30 days of the date of a TeleCheck transaction.

5. **The Agreement limits our liability to you.** For a detailed description of the limitation of liability see Section 21, 28.7, 31.3, and 33.10 of the Card General Terms; or Section 1.14 of the TeleCheck Services Agreement.

6. **We have assumed certain risks** by agreeing to provide you with Card processing or check services. Accordingly, we may take certain actions to mitigate our risk, including termination of the Agreement, and/or hold monies otherwise payable to you (see Card Processing General Terms in Section 24, Term; Events of Default and Section 25, Reserve Account; Security Interest), (see TeleCheck Services Agreement in Sections 1.1, 1.3.2, 1.3.9, 1.6), under certain circumstances.

7. **By executing this Agreement with us** you are authorizing us and our Affiliates to obtain financial and credit information regarding your business and the signers and guarantors of the Agreement until all your obligations to us and our Affiliates are satisfied.

8. **The Agreement contains a provision** that in the event you terminate the Agreement prior to the expiration of your initial three (3) year term, you will be responsible for the payment of an early termination fee as set forth in Part IV, A.3 under "Additional Fee Information" and Section 1 of the TeleCheck Services Agreement.

9. **If you lease equipment from Processor,** , it is important that you review Section 1 in Third Party Agreements. Bank is not a party to this Agreement. **THIS IS A NON-CANCELABLE LEASE FOR THE FULL TERM INDICATED.**

10. **Card Organization Disclosure**
    Visa and MasterCard Member Bank Information: Wells Fargo Bank N.A.
    The Bank's mailing address is 1200 Montego, Walnut Creek, CA 94598, and its phone number is (925) 746-4143.

Important Member Bank Responsibilities:

a) The Bank is the only entity approved to extend acceptance of Visa and MasterCard products directly to a merchant.

b) The Bank must be a principal (signer) to the Agreement.

c) The Bank is responsible for educating merchants on pertinent Visa and MasterCard rules with which merchants must comply; but this information may be provided to you by Processor.

d) The Bank is responsible for and must provide settlement funds to the merchant.

e) The Bank is responsible for all funds held in reserve that are derived from settlement.

f) The Bank is the ultimate authority should a merchant have any problems with Visa or MasterCard products (however, Processor also will assist you with any such problems).

Important Merchant Responsibilities:

a) Ensure compliance with Cardholder data security and storage requirements.

b) Maintain fraud and Chargebacks below Card Organization thresholds.

c) Review and understand the terms of the Merchant Agreement.

d) Comply with Card Organization Rules and applicable law and regulations.

e) Retain a signed copy of this Disclosure Page.

f) You may download "Visa Regulations" from Visa's website at:
http://usa.visa.com/merchants/operations/op_regulations.html

g) You may download "MasterCard Regulations" from MasterCard's website at:
http://www.mastercard.com/us/merchant/support/rules.html

Print Client's Business Legal Name: _ABC Enterprises, Inc._

By its signature below, Client acknowledges that it has received the Merchant Processing Application, Program Terms and Conditions [version MBNOB1707] consisting of 52 pages [including this Confirmation Page and the applicable Third Party Agreement(s)].

Client further acknowledges reading and agreeing to all terms in the Program Terms and Conditions. Upon receipt of a signed facsimile or original of this Confirmation Page by us, Client's Application will be processed.

Client understands that a copy of the Program Guide is also available for downloading from the Internet at:
www.mbncard.com

NO ALTERATIONS OR STRIKE-OUTS TO THE PROGRAM TERMS AND CONDITIONS WILL BE ACCEPTED.

Client's Business Principal:
Signature *(Please sign below)*:
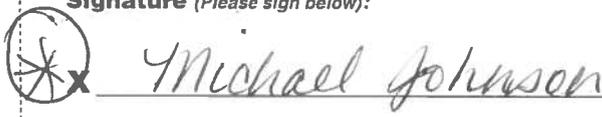
X _Michael Johnson_   _Owner_   _1-2-2015_
                                Title   Date

Michael Johnson
Please Print Name of Signer

MERCHANTS
BANCARD NETWORK INC

25322 RYE CANYON ROAD SUITE 102 VALENCIA, CA 91355
TOLL FREE: 877-871-4629 • PH: 661-702-8800
FAX: 888-329-4629 • WWW.MBNCARD.COM

FREE TERMINAL PROGRAM AGREEMENT

DBA: *Mike's Barber Shop*   Serial #: _____

Model: *PAX S80*   Make: _____

This Agreement is a contract between the Merchant named below and Merchants Bancard Network Inc.

NOW THEREFORE, Merchants Bancard Network Inc. (MBN) and the Party (Merchant) agree as follows:

I.   Merchant agrees that the Equipment is the property of MBN and is being licensed to Merchant, and must be returned in good and working condition within ten (10) days of the termination or expiration of the Merchant Account with MBN. If the Equipment is not returned within ten (10) days, Merchant agrees to pay MBN $769.00 plus tax and handling costs and as well all associated shipping costs. Merchant authorizes MBN to ACH my account for said fees according to program. In addition, Merchant agrees to be responsible for any damage to the Equipment as a result of misuse or negligence. MBN reserves the right to replace the above models with comparable models and to add or discontinue models.

II. Merchant agrees to indemnify and hold MBN harmless from and against any and all liabilities, losses, claims, damages, disputes, offsets, claims or counterclaims of any kind in any way related to the use (or misuse) of the Equipment.

Except as herein otherwise expressly provided, the Merchant Agreement, as heretofore amended, shall remain in full force and effect.

Merchant's Authorized Signer:

Michael Johnson   *1-2-2015*
Owner's/Officer's Signature   Date

Michael Johnson
Print Name

MBN Bancard Network:

_____   _____
Account Executive Signature   Date

INDIVIDUAL GUARANTY (NO TITLES) I/We hereby guarantee to MBN Bancard Network, LLC., their successors and assigns, the full, prompt and complete performance of Merchant and all of Merchant's obligations under this Agreement, including, but not limited to, all monetary obligations arising out of Merchant's performance or nonperformance under this Agreement, whether arising before or after termination of this Agreement. The undersigned, by signing below, agrees to be bound by the Agreement and this Guaranty.

Michael Johnson   *Michael Johnson*   *1-2-2015*
Personal Guarantor (Print Name)   Personal Guarantor Signature   Date