

SunTrust Master Services, LLC Bankcard Addendum to Master Services Agreement

SCHEDULE O: CONVENIENCE FEE SERVICE

1. Background

This Schedule O (“Schedule”) to the “SunTrust Merchant Services, LLC Bankcard Addendum to Master Services Agreement” adds a convenience fee service (the “Convenience Fee Service”) to the merchant card processing services available under Contract No. 14-008474 between the State of North Carolina (by and through its Department of State Treasurer and Office of State Controller) (the “State”), SunTrust Merchant Services, LLC, and First Data Merchant Services Southeast, LLC (the latter two parties hereinafter referred to collectively as “Provider”) (Contract No. 14-008474 hereinafter referred to generally as the “Agreement”). As with all other merchant card processing services available under the Agreement, the Convenience Fee Service shall be provided to any eligible agency, institution or other unit of North Carolina State Government that has executed an Agency Participation Agreement (“Participant”) in accordance with the terms of the Agreement and that has otherwise elected to receive the Convenience Fee Service from Provider.

2. Service Description

2.1 Provider will provide Participants with the Convenience Fee Service as described in this Schedule.

2.2 The Convenience Fee **Service** involves the creation and operation of [] a portal (the “Portal”) hosted by Provider and/or [] an Interactive Voice Response (“IVR”) system and gateway that allow(s) Participants to receive card-present and/or internet payments from consumers (“Consumers”) with a convenience fee appended to the underlying payment. The Portal, IVR and gateway allow Participants to connect to Provider’s payments system in order to access the merchant card processing services under the Agreement for the payments submitted by Consumers through the Portal or IVR. ***[Services to be selected at the time of execution.]***

2.3 The Portal will integrate with Participants’ websites through a hyperlink. Participants will be able to provide reasonable input into the basic configuration of their respective logos, colors and field labels for the Portal.

2.4 The Portal will include the following capabilities:

- a. Consumers will have the option to remit payment using a debit or credit card or via ACH (ACH requires separate TeleCheck services). Payment pages will redirect Consumers to a payment form hosted by Provider. This is accomplished through use of a “Checkout” button displayed within an HTML form on any given Participant’s website.
- b. The Portal will inform Consumers of the convenience fee and require them to consent to such fee before processing the underlying payment transaction. If a Consumer consents, Provider will submit a transaction file consisting of the amount due to the relevant Participant and the amount of the associated convenience fee owed to Provider. If the Consumer declines, the

entire transaction will be terminated automatically, and no payment will be processed.

- c. Consumers will have the opportunity to provide an email address for the limited purpose of receiving an email notification confirming that the underlying payment transaction has been completed.
- d. With respect to any transaction for which a Participant collects a convenience fee pursuant to this Schedule, the State, on behalf of the relevant Participant, will receive the principal amount owed to such Participant, and Provider will receive the associated convenience fee through settlement. Neither the State generally nor any specific Participant shall be charged transaction authorization fees, gateway transaction fees, or similar fees such as interchange or discount fees from the Card Brands or transaction fees related to ACH (eCheck) transactions. Rather, all such fees shall be paid by Provider. Chargebacks and associated chargeback fees shall be charged to Participants and netted daily.
- e. Provider will daily batch all payments received and generate a payment file of such amounts on a Participant-by-Participant basis. Each payment file shall be submitted to the appropriate Participant daily. Participants may elect to receive an online report showing transactions processed on a range date using Provider’s Business Track(SM) reporting portal.
- f. Graphical depiction of the typical steps involved in transaction flow:

Step	Step Description
Account Look-Up	<p><u>STEP 1:</u></p> <ul style="list-style-type: none"> • The Consumer enters account information to determine the amount due to the relevant Participant and to view other account details
Choose to pay	<p><u>STEP 2:</u></p> <ul style="list-style-type: none"> • The Consumer elects to make a payment against the amount due
Collect card or eCheck details	<p><u>STEP 3:</u></p> <ul style="list-style-type: none"> • The Consumer enters payment card or eCheck (ABA/DDA) details, if applicable
Agree to convenience fee	<p><u>STEP 4:</u></p> <ul style="list-style-type: none"> • The Consumer agrees to convenience fee in addition to the principal amount due to the Participant
Payment processing	<p><u>STEP 5:</u></p>

	<ul style="list-style-type: none"> • If the Consumer agrees to convenience fee, Provider facilitates the payment processing
Payment completion	<p>STEP 6:</p> <ul style="list-style-type: none"> • Provider will notify the Consumer of payment completion if an email address is provided. • Provider updates the Participant on payment status

3. Fees

Each Consumer will pay a convenience fee in the amount of \$___ per transaction or ___ % of the sum paid to you per portal transaction.

Each Consumer will pay a convenience fee in the amount of \$___ per transaction or ___ % of the sum paid to you per IVR transaction.

Each Participant shall pay a set-up fee for the Convenience Fee Service in the amount of \$_____.

4. Access and Usage Rights, Restrictions, and Requirements

4.1 Subject to the terms and conditions of this Schedule, including any additional rights granted in Provider’s service-related documentation (the “Service Documentation,” as defined more fully in section 4.2 below), and subject to the terms of the Agreement generally, Provider grants to the State and each Participant a non-sublicensable, royalty free, non-exclusive, nontransferable, revocable, limited right to access and use the Convenience Fee Service.

4.2 Subject to the terms and conditions of this Schedule, and subject to the terms of the Agreement generally, Provider grants to the State and each Participant a non-sublicensable, royalty free, non-exclusive, non-transferable, revocable, limited right to access and use the Service Documentation for the limited purpose of supporting each such Participant’s implementation and use of the Convenience Fee Service. For purposes of this Schedule, “Service Documentation” means all manuals and other written materials, regardless of form, provided to Participants to facilitate implementation and use of the Convenience Fee Service. The State and its Participants understand and agree that the Participants must strictly comply with all Service Documentation, including any updates or amendments thereto, of which the Participants are or should be aware. Provider may amend the Service Documentation from time to time in its discretion. In the event of a conflict between the Service Documentation and the terms of this Schedule, the terms of this Schedule, subject to the terms of the Agreement, will control.

4.3 The access and usage rights granted pursuant to sections 4.1 and 4.2 above, respectively, shall remain in effect for the duration of the Agreement, unless earlier terminated as provided in this

Schedule or as provided under terms of the Agreement.

- 4.4** The parties understand and acknowledge that any Participant seeking to implement the Convenience Fee Service shall be subject to the requirements of N.C. Gen. Stat. 66-58.12, as applicable.
- 4.5** The State and all Participants understand and acknowledge that the Convenience Fee Service and its associated Service Documentation are Provider's intellectual property. Accordingly, and subject to the terms of the Agreement, the State and its Participants will not:
- a. Use the Convenience Fee Service except as permitted by this Schedule or the Service Documentation, or as permitted by Provider in writing;
 - b. Use the Convenience Fee Service or Service Documentation, either directly or indirectly, for benchmarking purposes or to develop any product or service that competes with the Convenience Fee Service;
 - c. Disassemble, decompile, decrypt, extract, reverse engineer, or modify the Convenience Fee Service or otherwise apply any procedure or process to the Convenience Fee Service in order to ascertain, derive, or use the source code or source listings for the Convenience Fee Service or any algorithm, process, procedure or other information contained in the Convenience Fee Service;
 - d. Provide the Convenience Fee Service or Service Documentation to any third party, other than to authorized employees, representatives and contractors of the State and/or its Participants;
 - e. Use, modify, adapt, reformat, copy or reproduce the Convenience Fee Service or Service Documentation or any portion thereof, except as is incidental to the purposes of this Schedule or as permitted by this Schedule, or for archival purposes (any permitted copies must contain all appropriate proprietary notices);
 - f. Rent, lease, upload, assign, sublicense, transfer, distribute, allow access to, or time share the Convenience Fee Service or Service Documentation;
 - g. Circumvent or attempt to circumvent any security measures of the Convenience Fee Service;
 - h. Access, or attempt to access, portions of the Convenience Fee Service not authorized for use by the State and its Participants;
 - i. Use the Convenience Fee Service in any unlawful manner or for any unlawful purpose; or
 - j. Cause or knowingly permit any third party to take any of the actions described in subsections a. through i. above.
- 4.6** Except for the limited access and usage rights granted herein, and subject to the terms of the Agreement, this Schedule does not grant the State or any of its Participants any rights or licenses (express or implied) in any patents, copyrights, trademarks, trade secrets, or other intellectual

property rights in or related to the Convenience Fee Service, all of which are and will remain the sole and exclusive property of Provider, its vendors, or its licensors. Provider reserves and withholds all rights, title, and interests associated with the Convenience Fee Service that are not expressly licensed to the State and its Participants in this Schedule. Provider may revoke the limited access and usage rights granted herein from any Participant if such Participant fails to comply with this Schedule or misuses the Convenience Fee Service, provided the Participant's failure to comply with this Schedule and/or its misuse of the Convenience Fee Service was not induced by, or otherwise the fault of, Provider.

4.7 Provider covenants and agrees that:

- a. The Convenience Fee Service does not and will not contain or transmit any viruses, worms, Trojan horses, spyware, backdoors, or other malicious code; and
- b. Provider and all contractors, representatives and third-party affiliates of Provider apply, and will continue applying, commercially reasonable standards of data privacy and security with respect to the Convenience Fee Service.

5. All Other Rights and Obligations of the Parties

All other rights and obligations of the parties with respect to the Convenience Fee Service shall be governed in accordance with the terms and conditions of the Agreement, consistent with the order of precedence established on page 1 of that portion of the Agreement identified as "Request for Proposal No. 14-008474."