

MERCHANT SERVICES OVERVIEW

Merchant Services are the products and services a business needs to accept and process forms of payment other than cash or paper checks. This includes processing services for credit cards, debit cards, checks, ACH payments, and mobile wallet services. It also encompasses hardware and software, such as terminals, point-of-sale (POS) systems, payment gateways, virtual terminals, and mobile processing systems.

These processing services will confirm the availability of sufficient funds when your customer uses a card to pay for purchases, and, if all necessary conditions are met, will authorize the transaction. Once the transaction has been fully processed, the proceeds from the transactions are then transferred to your designated business checking account.

The merchant services described, are more fully set forth in the merchant services agreement between you and Bank of America (the "Agreement").

Important Items

Data Security:

You must ensure the security of your customers' credit card data and take every step possible to prevent fraudulent transactions or the compromise of customer data. Bank of America provides security features such as tokenization and encryption to help protect your customers' payment data from potential data breaches. We also provide fraud tools that help you to detect and prevent fraud on e-commerce transactions. You are expected to maintain compliance with industry standards for card data security (PCI DSS), and annually attest to your compliance. Bank of America provides tools to help you understand what is expected and to simplify this process.

Pricing & Fees:

If you have signed up for Simplified Pricing, the **Fee Schedule** will outline any applicable per-transaction fees and/or percentage fees associated with processing your transactions. Any fees for hardware, software or other selected products you have purchased (including one-time charges and any ongoing fees) will be outlined in the **Fee Schedule** and deducted from your payment account.

If you have signed up for Interchange Plus Pricing, the **Fee Schedule** will outline any applicable transaction fees and/or percentage fees associated with processing your transactions, as well as any fees for hardware, software or other selected products or services you have purchased (including one-time charges and any ongoing fees). We will pass through Payment Network charges with no markup. Any fees owed for the current month will be deducted from your business checking account on the last day of that month.

If you have purchased equipment, and agreed to pay for the equipment directly from your business checking account, the fees for the equipment will be deducted from your business checking account once you have signed the Agreement and your equipment has been configured and shipped.

From time to time, we may make certain products and services available to you at special or discounted rates, for temporary, promotional periods (each a "Promotion"). We may communicate these Promotions to you via a Participation Guide or other marketing collateral (the "Promotion Materials"). Should you

elect to accept any Promotion, you acknowledge that the Promotion was fully explained to you and that you have read and understand the terms and conditions of the Promotion as such were explained in the Promotion Materials.

Chargebacks, Disputes & Refunds

If a customer is disputing a transaction with you, it is important that you take action and resolve the issue in order to limit the possibility of that transaction being charged back to you. There is a fee charged for the processing and support associated with each transaction that is charged back to you. This fee is outlined in the **Fee Schedule**. Any applicable Chargeback fees will be included in those fees that are deducted from your settlement account on a monthly basis.

In the event you believe you were funded or billed incorrectly for your transactions, you have up to 60 days from the receipt of funds to dispute the funding or charges.

Overdraft and collection fees will be deducted from your business checking settlement account if you do not have sufficient funds to pay for equipment or other amounts due under the merchant agreement.

Funding Holds

As described in the Agreement, we may hold funds temporarily or delay funding to validate transactions and may also defer payment of any settlement we owe you or hold on your behalf. Further, we may fund a reserve deposit account to cover any potential risk or loss to us. This reserve deposit account may be funded from funds already on hold or by other means as described in the Agreement.

Statements:

Monthly statements are available by visiting <https://bankofamerica.com/smallbusiness>. The statement and transaction activity will generally be available by the 5th business day of the month.

Preferred Rewards for Business

Earn a discount on your Merchant Services Simplified Pricing processing rate when you qualify for, and enroll in, Preferred Rewards for Business.

In addition to a discount on your Simplified Pricing processing rate, Preferred Rewards for Business members can take advantage of a wide range of rewards across their Bank of America small business relationship, including: no fees on select banking services, bonus credit card rewards, and much more. For more information visit: <https://bankofamerica.com/merchantrewards>

Account Management

Gain more control and flexibility with Account Management. Account Management gives you the power to delegate controlled access to your Bank of America accounts, including your Merchant Services accounts, enabling key employees to perform day-to-day tasks or Access the Virtual Terminal. There is no monthly Account Management fee for Small Business Merchant Services clients. For more information visit: <https://bankofamerica.com/merchantaccountmanagement>

Banking products and services are provided by Bank of America, N.A. and affiliated banks, Members FDIC and wholly owned subsidiaries of Bank of America Corporation.