

APPLICATION AND AGREEMENT FOR BENEFITS REDEMPTION
QUEST RULES – Merchant, Non-Exempt

THIS AGREEMENT ("Agreement") between Fidelity Information Services, LLC. an Arkansas limited liability company located at 601 Riverside Avenue, Jacksonville, Florida 32204 (together with its subsidiaries and affiliates, "FIS"), and Merchant named below (hereinafter "Merchant") shall be effective as of contract execution. This Agreement relates to Electronic Benefit Transfer ("EBT") services provided by the state of [STATE] ("State"), and shall be governed by and construed in accordance with State law, without regard to its conflict of law principles.

The Agricultural Act of 2014 P.L.113-79. Section 4002 describes the SNAP provisions & regulations regarding the use of State provided POS Equipment and supplies. Merchants who are not listed in the FNS Exempt merchant categories will be financial responsible for all fees, equipment and services relating to the EBT POS equipment and supplies.

This Agreement for Benefits Redemption—Quest Rules includes:

- Terms and Conditions
- SNAP or Cash Merchant to complete – Merchant Information Sheets 1 & 2
- Monthly Service and Fees Addendum

Complete all required information on pages 1, 2, 3.

* Required information

eWIC Vendor ID *	<input style="width: 100%;" type="text"/>	<small>This is your State Authorization number for eWIC Benefits. You must have this eWIC ID to enter into this agreement.</small>
FNS No. *	<input style="width: 100%;" type="text"/>	<small>This is your USDA Food & Nutrition Services Authorization number for SNAP/Food Stamps</small>
Merchant Store Name *	<input style="width: 100%;" type="text"/>	
	<small>Please PRINT name of your store</small>	
Primary Address *	<input style="width: 100%;" type="text"/>	Primary Phone * <input style="width: 100%;" type="text"/>
City *	<input style="width: 100%;" type="text"/>	State * <input style="width: 100%;" type="text"/> Zip Code * <input style="width: 100%;" type="text"/>
IRS Legal Filing Name *	<input style="width: 100%;" type="text"/>	
	<small>PRINT legal name of your enterprise as shown on your income tax return</small>	
Federal Tax ID or SSN *	<input style="width: 100%;" type="text"/>	<small>(Check one)</small>
		<input type="checkbox"/> Federal Tax ID <input type="checkbox"/> SSN
Type of Business * <small>(Check one)</small>	<input type="checkbox"/> Corporation <input type="checkbox"/> Individual/sole proprietor <input type="checkbox"/> Partnership <input type="checkbox"/> Nonprofit/Tax-exempt <input type="checkbox"/> Government Entity <input type="checkbox"/> Foreign Entity	
	<small>If you check "Foreign Entity", you must complete and provide FIS with a signed Form W-8BEN Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding. Download from http://www.irs.gov/pub/irs-pdf/fw8ben.pdf</small>	

ACCEPTED AND AGREED:

MERCHANT

FIDELITY INFORMATION SERVICES, LLC

Signed by*
Print Name* _____
Title* _____
Date Signed* _____

Signed by
Print Name Brian T. Dugan
Title Line of Business Executive
Received by
eFunds

Complete, sign and return this agreement to FIS by fax OR mail. **Fax to: 414.341.7085** Secure electronic fax. No cover page needed.
Mail to: FIS Merchant Services, Attn: Merchant Services, PO Box 290, Milwaukee WI 53201-0290

MERCHANT INFORMATION—1

* Required information

Chain Store Information

Chain Store? * No
 Yes, Name of Chain:

Chain Contact Name & Phone

Checkout Lanes

Number of Checkout Lanes* Please refer to, Section 11.1, eFunds-supplied Terminals

Operations Contact

Operations Contact Name* Phone No.

Operations Contact Email Fax

Emergency Phone Numbers*

Operations Contact Home Phone No. Cell Phone No.

Connectivity Type*

Please refer to, Section 11, Use of Terminals
 (*Dial Up, Broadband Internet or both)

Use of Terminals*

Please refer to, Section 11, Use of Terminals
 (* SNAP, Cash, eWIC, SNAP & Cash, SNAP & eWIC, SNAP & Cash & eWIC)

Merchant's Store(s)

(Merchant to complete, provide on a separate sheet or electronically.)

FNS Number							Store Address(es)	Number of Terminals

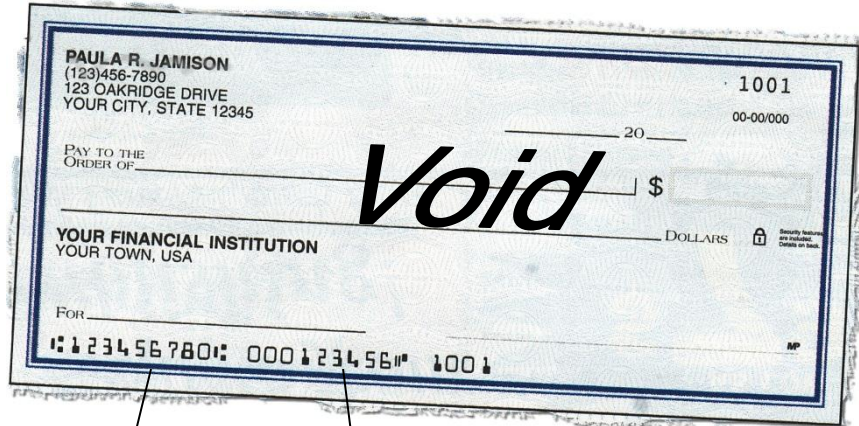
MERCHANT INFORMATION—2

For electronic settlement of transactions (per Terms and Conditions, Section 1.1 Merchant Account of this agreement), Merchant must maintain a CHECKING account that can accept ACH debits and credits.

FIS will verify your financial institution and account information using the codes at the bottom of your check.

Write VOID on a business check.

BEFORE faxing (or mailing) the printed copy of the Agreement to eFunds, **tape top edge of voided check over this picture >>**



* Required information

Bank Routing Number*

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Merchant's Bank Account Number*

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Transaction Processing Cutoff Time*

Please refer to Terms and Conditions, Section 1.2, Credits to Account

Cutoff Time is when your transaction processing cuts off each day. The 24-hour period from one Cutoff Time to the next is your **Processing Day**. The ACH Deposit deadline is 6:00pm CT. If your Cutoff Time is:

- BEFORE 6:00pm CT, your processing day funds will be deposited in your bank account the next business day.
- AFTER 6:00pm CT, your funds will be deposited in two (2) business days.

Store Hours*

Open 24/7? Yes No: provide store hours below

	Open	Close
Monday		
Tuesday		
Wednesday		
Thursday		
Friday		
Saturday		
Sunday		

Time Zone

—END MERCHANT INFORMATION—

TERMS AND CONDITIONS

WHEREAS, Fidelity Information Services, LLC, ("FIS") has developed a system for the redemption of certain public assistance and Supplemental Nutrition Assistance Program (SNAP), formerly the Food Stamp Program, benefits to eligible recipients (the "System"); and

WHEREAS, FIS, in accordance with the terms and conditions of its agreement with the State ("Contract"), manages the redemption of and processes transactions related to United States Department of Agriculture, Food and Nutrition Service ("FNS") SNAP benefits through the System to benefit recipients who use EBT cards ("EBT Cardholders" or "Recipients"), and

WHEREAS, Merchant, a retail seller of goods, represents itself to be properly authorized by the Food and Nutrition Service if applicable of the U.S. Department of Agriculture ("FNS") to accept SNAP and or State Cash benefits and or WIC benefits in the State, in accordance with the Conditions of Participation listed below.

WHEREAS FIS may offer the placement of one or more terminals, printers, scanners and/or pin pads (collectively "Terminals") at Merchant's retail location in order to: (a) allow EBT Cardholders to access such benefits when purchasing goods from Merchant; and (b) enable Merchant to utilize vouchers for SNAP transactions only in the event of a EBT host System failure or State Disaster in accordance with FNS guidelines.

NOW THEREFORE, FIS and Merchant hereby agree as follows:

1. **Conditions of Participation.** Merchant if participating in SNAP program must be authorized by FNS to participate in the SNAP program. Merchant must provide EBT Cardholders access at a retail store to SNAP benefits or State Cash or WIC authorized in accordance with Federal regulations. As a part of its determination, the State shall examine household shopping patterns. Authorized Merchants shall be identified as a participating Merchant and in agreeing to the terms and conditions of this Agreement are entitled to the rights of participation as defined by this Agreement.
2. **Merchant Accounting.**
 - 2.1. **Merchant Account.** Merchant shall maintain a checking account at a financial institution of Merchant's choice for purposes of electronic settlement of transactions. This checking account must accept debit and credit ACH Transactions.
 - 2.2. **Credits to Account.** Merchant's bank account shall be credited in an amount equal to the aggregate value of all on-line and all authorized off-line transactions completed pursuant to this Agreement no later than, depending upon time of Merchant processing cutover, either one (1) or two (2) bank business days following the day on which such transactions occur less monthly

service and transaction fees and applicable State taxes or other required deductions. FIS shall guarantee settlement for all transactions approved by FIS. EBT-only Merchants shall have a cutover time of 2:30 am Central Time (CT) with the option to change. For cutover times prior to 6:00 p.m. Central Time ("CT"), funds will be deposited to the Merchant's bank on the next bank business day following the day on which the transactions occurred. For cutover times after 6:00 p.m. CT, funds will be deposited two banking days following the day on which the transactions occurred. A "banking day" shall mean a day that is not a nationally recognized bank holiday and on which a branch of the Federal Reserve that is used for settlement is open for business. FIS reserves the right to discontinue authorizing transactions if FIS fails to receive reimbursement of funds from the appropriate government agency. In the event of such a discontinuance, FIS shall use reasonable commercial efforts to notify affected Merchants.

- 2.3. **Out of Balance Discrepancies.** Merchant shall notify FIS of any transaction that is erroneously or believed to be erroneously handled by the System within six (6) business days from the original transaction date. Merchant shall supply FIS with any supporting documentation upon request. Failure to notify FIS within such six (6) business day period waives any right to an adjustment. In addition, FIS may initiate adjustments where a recipient submits a substantiated claim within ninety (90) calendar days of the date of a Transaction or where other System errors have been identified. The out of balance discrepancies are between the Merchant and FIS and are not client or merchant adjustments that must comply with the timeframes as specified in the federal regulations.
- 2.4. **Correction of Data.** In the event FIS' employees cause errors in Merchant's data to occur and Merchant requests correction of such data within six (6) business days from the date of the error, FIS will correct such data as necessary at FIS' expense. Merchant is required to provide all information requested with respect to alleged errors. The expense to FIS of correcting such data shall be the only responsibility of FIS and shall constitute Merchant's sole and exclusive remedy with respect to such errors.
3. **Term and Termination.**
 - 3.1. **Term.** The term of this Agreement shall begin as of the date hereof and shall continue until terminated in accordance with this Agreement or upon termination of the Contract, whichever is earlier.
 - 3.2. **Termination.**
 - 3.2.1. **By Merchant Without Cause.** Merchant may terminate this Agreement for any reason upon proper written notice. Merchant's charges

WILL continue until equipment is returned to FIS.

- 3.2.2. **For Breach.** Either party may terminate this Agreement upon the material breach of this Agreement by the other party if the breaching party fails to cure such breach within (30) calendar days after receipt of written notice specifying in detail the breach claimed, provided
- 3.2.3. Notwithstanding anything to the contrary in 3.2.2 above, this Agreement shall immediately terminate upon written notification to FIS that Merchant is no longer authorized or approved to participate in State programs
- 3.2.4. Upon any termination hereof or any insolvency or bankruptcy of Merchant, all Equipment shall be immediately returned to FIS, at Merchant's expense, in good condition, normal wear and tear excepted. In any such event, FIS shall have the right to enter Merchant's premises and take possession of Equipment or charge Merchant for the cost of the Equipment.
4. **Charges to Recipients.** Unless specifically allowed by law, Merchant shall not charge recipients a fee for providing benefits or doing a balance inquiry. Merchant shall not require a balance inquiry as a condition to a food purchase. An electronic benefits card must be present for all SNAP transactions.
5. **Quest Operating Rules.** FIS and Merchant shall each comply with the Quest Operating Rules, as amended from time-to-time, issued by the National Automated Clearing House Association.
6. **Signage.** EBT Cardholders shall not be identified or otherwise singled out as recipients of the SNAP Program. Specifically prohibited is the designation of "SNAP only" or "welfare only" lanes. Merchant agrees to maintain signage as requested by States to indicate participation by the Merchant and within the store to allow the EBT cardholder to determine which lane(s) accept EBT cards without overtly referencing the recipients' public assistance status. Signs and other information indicating which cards are accepted at such checkout stations shall identify EBT only by its logo and/or its initials unless otherwise agreed to by the State.
7. **EBT Service Marks.** Merchant agrees to display the Quest service marks or any other licensed marks of any governmental entity, and other materials supplied by FIS, in accordance with the standards set by the State. Merchant will use the service marks only to indicate that Benefit(s) are issued at Merchant's location and will not identify or otherwise single out EBT Cardholders as recipients of the SNAP Program.
8. **Confidentiality/Release of Information.**
 - 8.1. **Confidentiality.** "Confidential Information" means (i) a party's proprietary or confidential information which

is designated in writing as such or that by nature of the circumstances surrounding the disclosure ought in good faith to be treated as proprietary or confidential, and (ii) all FIS products or services, including all trade secrets contained therein. Each party agrees (a) that during the course of its performance of this Agreement it may learn certain information concerning the other party's Confidential Information; (b) that the Confidential Information of the other shall remain the property of the other, and that such Confidential Information is made available on a limited use basis solely in connection with this Agreement; (c) that it will advise its employees to whom the information is disclosed of their obligations under this Agreement; (d) that it will not use, sell, disclose or otherwise make available any such Confidential Information, in whole or in part, to any third party without the prior written consent of the other party; and (e) that it will utilize the same degree of care it utilizes for its own confidential information, but in no case less than a reasonable degree of care, to prevent disclosure or use of such Confidential Information to or by any unauthorized person or entity. Upon termination of this Agreement all copies of Confidential Information shall be returned. The restrictions under this section shall not apply to information which: (i) is or becomes publicly known through no wrongful act of the party receiving the Confidential Information; or (ii) becomes known to a party without confidential or proprietary restriction from a source other than the disclosing party; or (iii) a party can show by written records that such information or data was in its possession prior to disclosure by the other party. In the event a party is legally compelled to disclose the Confidential Information it will be entitled to do so provided it gives the other party prompt notice and assists the other party, at the other party's expense, in obtaining any protective order.

- 8.2. **Disclosure of EBT Cardholder Information.** The use or disclosure by Merchant of any information concerning an EBT Cardholder for any purpose not directly connected with the performance of Merchant's duties pursuant to this Agreement is prohibited.
- 8.3. **Merchant Information.** Notwithstanding the foregoing, Merchant acknowledges that FIS may release Merchant information regarding Merchant's use of the System upon request by any Federal or State agency having authority to request such information, and Merchant shall have no claim or cause of action against FIS for such release of information.
9. **Compliance with Laws.** Merchant is responsible for complying with all applicable state and federal laws or regulations as amended from time to time, including but not limited to the Civil Rights Act of 1964, the Rehabilitation Act of 1973, the American With Disabilities Act of 1990, the Clean Air Act, the Clean Water Act, the Energy Policy and Conservation Act and the Immigration

Reform and Control Act of 1986. Merchant shall not, on grounds of race, color, religion, sex, sexual preference, national origin, creed, marital status, age, Vietnam era or disabled veteran's status, or the presence of any sensory, physical or mental handicap: (a) deny an individual any contracted activities or other benefits provided under this Agreement; (b) provide any contracted activities or other benefits to an individual which are different, or are provided in a different manner, from those provided to others under this Agreement; (c) deny any individual an opportunity to participate in any program provided by this Agreement through the provision of contracted activities or otherwise, or afford an opportunity to do so which is different from that afforded under this Agreement.

10. **Indemnification and Liability.** Notwithstanding any other provisions of this Agreement, FIS shall not be obligated to indemnify or to hold harmless Merchant, or Merchant's officers, directors, employees, or any other party, except as required by applicable law or applicable operating rules, provided that FIS shall refund to Merchant the correct transaction amount of an erroneous or fraudulent transaction where such erroneous or fraudulent transaction was caused solely by FIS fraud or gross negligence, and in breach of this Agreement. Except to the extent required by applicable law or applicable operating rules, FIS liability shall be limited in all cases to direct damages which shall not exceed the dollar amount of transactions erroneously or fraudulently processed by FIS. Merchant hereby agrees to indemnify and hold FIS harmless from and against any liability arising out of this Agreement and FIS' performance hereunder except with respect to Merchant's direct damages caused by fraud committed by FIS' employees. In no event shall either party be liable to the other for indirect, incidental or consequential damages.

11. **Equipment and Installation.**

11.1. **FIS Supplied Terminals.** FIS will furnish a POS terminal ("Equipment") to Merchant at the Merchant's own expense. FIS will furnish the Equipment for installation in Merchant's store(s) as listed in Merchant Information Sheet 1.

11.2. **Conditions of Use.**

11.2.1. Use of FIS-supplied Terminals for purposes other than contracted reasons is strictly prohibited.

11.2.2. The Merchant shall maintain security procedures reasonably necessary to ensure the physical security of the Terminals and any controllers.

11.2.3. All Terminals, and/or pin pads, scanners, controllers and any other equipment furnished by FIS ("Equipment") and title thereto shall at all times hereunder remain the property of FIS. FIS reserves a security interest in all Equipment. Merchant shall provide FIS all reasonable assistance in perfecting such interests. No right or title to Equipment

shall pass to Merchant by virtue of this Agreement except as expressly provided hereunder.

11.2.4. Merchant shall not suffer or allow any lien, claim or encumbrance to attach to Equipment.

11.2.5. All Equipment shall be returned to FIS at Merchant's expense in the same condition as supplied to Merchant, normal wear and tear accepted, upon any termination of this Agreement.

11.2.6. Risk of loss or damage to Equipment shall pass to Merchant upon delivery to Merchant's store(s). Merchant shall be liable for lost, stolen, or damaged Equipment, or Equipment not returned to FIS, and Merchant's bank account will be debited at the cost of the equipment. Merchant must notify FIS promptly if Equipment is lost, stolen or damaged. Merchant is advised to maintain adequate insurance to cover the value of Equipment in the event of any loss or damage thereto or theft thereof.

11.3. **Terminal Problems.** If Merchant believes an FIS-supplied Terminal is malfunctioning, Merchant shall call the appropriate phone number to report such problem. FIS will attempt to determine by phone if there is a Terminal problem. Merchant shall cooperate with FIS in attempting to resolve any Terminal problems. If an FIS-supplied Terminal has a problem that would negatively impact benefit redemption, FIS shall use its best efforts to replace the Terminal within 48 hours after notice of a problem.

11.4. **Replacement Terminals.** If a replacement Terminal is shipped to the Merchant, FIS may contact the Merchant to assist with the replacement process. In good faith at the Merchant's expense, Merchant is expected to return malfunctioning equipment at the time replacement equipment is ordered. If equipment is not returned within 14 days of replacement order, Merchants' account will be debited fair value of equipment.

11.5. **Training and Operation.**

11.5.1. FIS may supply initial training to Merchant on how to use the Equipment. Thereafter, Merchant shall be responsible for on-going training of its employees.

11.5.2. **Operating Procedures.** The Merchant Procedure Manual is available via download from the Merchant portal WWW.EBTEdge.com or may be mailed to merchant at merchant's request, and is a manual governing the operation of

the System and Equipment and Merchant shall comply with the procedures of such manual. Merchants are no longer eligible to receive supply and phone-line reimbursement.

11.5.3. **Availability.** A designated employee of Merchant shall be available to assist EBT Cardholders with SNAP, Cash and or WIC purchases during normal store hours of operation.

11.6. **Power.** Merchant is expected to have adequate clean power located in close proximity to accommodate the EBT supplied equipment. A UL approved power strip with a surge protector may be utilized to supplement existing power outlets.

11.7. **NO WARRANTIES.** FIS MAKES NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO THE TERMINALS PROVIDED BY FIS AND ALL WARRANTIES, EXPRESS OR IMPLIED, ARE HEREBY DISCLAIMED INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE

12. Off-Line Vouchers.

12.1. **Permissible Use.** The Merchant processing vouchers will follow the FNS current policies and/or regulations. For States where FIS is the Host processor, Vouchers can only be used in the event of a Host system failure or a Cardholder's State has declared a disaster. When the EBT Host system is unavailable, the maximum amount that may be authorized to a cardholder is determined by the Cardholder's State. For States where FIS is not the Host Processor, Merchant will follow the rules of the Host Processors rules related to Voucher usage.

12.2. **Off-Line Voucher Accessibility.** Merchants shall use the off-line vouchers exclusively for SNAP benefit purchase and return transactions by eligible EBT Cardholders. When using vouchers to process a SNAP transaction, merchant must obtain authorization (approval) from the State Processing Vendors toll free voice authorization system.

12.3. **Limitations of Use,** Vouchers cannot be used for cash transactions.

12.4. **Processing.** In order to be reimbursed for the transaction, a Merchant with a terminal must perform a Voucher Clear transaction within thirty (30) calendar days of the transaction. Merchant may perform a Voucher Clear on the WWW.EBTEdge.com Merchant portal. Failure to

clear the voucher may result in non-payment to the Merchant. If Merchant does not have a terminal, the voucher must be returned to state Processing Vendors within thirty (30) calendar days.

12.5. **Operating Instructions and Training.** Merchant will be furnished instructions for off-line voucher processing and manuals governing the operation of the System. Merchant agrees to comply with the instructions contained therein.

12.6. **Manual Voucher Retention.** Merchant shall retain a copy of any executed manual voucher for a period of six (6) months after the effective date of the completed transaction.

13. **Taxes.** Any and all sales, use, excise, value-added, personal property or any other taxes (excluding taxes based on FIS' net income) imposed, assessed, levied or otherwise arising from the transactions contemplated by this Agreement or the installation, use or operation of Equipment shall be the sole responsibility of Merchant.

14. **Notification of address or other changes.** Merchant must provide notice to FIS of any changes in the Merchant ownership and/or address. The new, or revised, ownership must obtain approval from FNS before the Merchant can begin to redeem SNAP benefits. Merchant must provide notice to FIS of any changes in the Merchant bank account number.

15. **Notice.** Any notice required or permitted hereunder shall be in writing and shall be deemed given when sent by certified mail, return receipt requested, to the address of the party receiving notice as appears on the signature page of this Agreement or as changed through written notice to the other party.

16. **No Assignment.** Merchant may not assign this Agreement.

17. **Force Majeure.** Each party hereto shall be excused from performance hereunder for any period and to the extent that it is prevented or delayed in the performance of any obligation as a result of acts of God or other causes beyond its control.

18. **Precedence.** In the event of a conflict between the terms and conditions of this Agreement and the Quest Operating Rules, the Quest Operating Rules shall take precedence.

19. **Amendment.** No amendment shall be effective until and unless reduced to writing and signed by both parties. FIS reserves the right to send change in terms and conditions to merchant's known address.

20. **Entire Agreement.** Unless explicitly stated elsewhere, this Agreement is the complete Agreement between the parties and supersedes any other oral or written communication.

—END OF TERMS AND CONDITIONS—

FEES and MONTHLY RATES

Merchant Transaction and Service Fees

1. Per Terminal Merchant Monthly Service Fee includes:

- 24 x 7 Customer Service Support
- Terminal Application Support
- FIS Settlement
- Web Merchant Portal
- Access & Statements
- Terminal Support

	SNAP Only Merchants	Cash Only Merchants	SNAP & Cash Merchants	WIC – ONLY	SNAP & WIC Merchants
*Monthly Service Fee	\$15.00	\$15.00	\$15.00	\$22.00	\$22.00

2. Per Terminal Merchant Transaction Fees are depicted below:

	SNAP Only Merchants	Cash Only Merchants	SNAP & Cash Merchants	WIC – ONLY	SNAP & WIC Merchants
**Monthly Transaction Fee (includes 100 per month)	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
**Transactions 101 -500	\$00.10	\$00.10	\$00.10	\$00.10	\$00.10
**Transactions 501 -1,000	\$00.07	\$00.07	\$00.07	\$00.07	\$00.07
**Transactions above 1,001	\$00.05	\$00.05	\$00.05	\$00.05	\$00.05

**This fee applies only in months where merchant conducts one (1) or more transactions

To calculate the per terminal transaction fees, take the number of transactions performed in a month, find the associated rate in the chart above, then multiply the rate listed above times the number of transactions. Example scenarios are listed below.

Scenarios:

- If you have 85 transactions in a month your transaction fees will be \$10.00
 - 100 trans = \$10.00
- If you have 105 transactions in a month your transaction fees will be \$10.50
 - 105 x \$0.10 = \$10.50
- If you have 600 transactions in a month your transaction fees will be \$42.00
 - 600 x \$0.07 = \$42.00
- If you have 1005 transactions in a month you transaction fees will be \$50.25
 - 1,005 x \$0.05 = \$50.25