



Merchant Services Agreement

PUBLISHING AND MAILING INFORMATION

Contact _____

Title _____

E-Mail Address _____

Web URL _____

PUBLISHED ADDRESS

Business Name _____

Business Address _____

City _____ State _____ Zip _____

Phone _____ Fax _____

Federal Tax ID Number _____

MAILING ADDRESS Same as Above

Business Name _____

Business Address _____

City _____ State _____ Zip _____

Phone _____ Fax _____

CORPORATE/HOME OFFICE

Contact _____

Title _____

E-mail Address _____

Corporate Name _____

Corporate Address _____

City _____ State _____ Zip _____

Phone _____ Fax _____

Alternate Phone _____

FEES

Transaction Rate % _____ Monthly Customer Service \$ _____

Per Transaction Fee \$ _____ Network Access Fee (One-Time) \$ _____

Monthly Terminal Lease Fee \$ _____

ACH AND MONTHLY STATEMENTS

The following information will enable Blackboard Inc. to credit and debit your account. Statements will be mailed monthly to the address selected. **Please provide a VOIDED check for processing.**

Bank Name _____ Branch _____

Phone _____

Routing Number / ABA Number _____ Account Number _____

Account Type

Checking Mailing

Corporate

Send Statements to the following address:

PROCESSING EQUIPMENT

Item	Quantity	Price	Total
Hypercom ICE 5500	_____	_____	_____
Other _____	_____	_____	_____
Combined Total			_____

Payment Options: Purchase Lease

PROCESSING EQUIPMENT PROGRAMMING OPTIONS

Restaurant Retail

Auto Batch Yes No

Auto Batch Time: _____

Telephone Protocol

Area code requires 7 digit dialing Area code requires 10 digit dialing

Dial _____ to reach outside line

Time Zone

Eastern Central Mountain Pacific

GENERAL COMMENTS

Equipment Needed By _____ / _____ /20 _____

Monthly Fee Commencement Date ___/___/___

Other: _____

Logo: Attached On File Outstanding Create

Voided Check: Yes No

Market (s): _____

The undersigned represents and warrants that all information provided by Merchant in Merchant Agreement, and any other documentation supplied thereto is true and correct. Also, the undersigned authorizes Blackboard Inc. or its representative to investigate the credit of each person listed on the Merchant Application and represent that he/she has the authority to provide such information.

Authorized Merchant (Print) Signature Date

Bb One Representative (Print) Signature Date

Bb One™ is a registered trademark and product of Blackboard Inc.

MERCHANT SERVICES, LEASING AND OPERATING AGREEMENT

This Agreement is between the Business set forth on the first page ("Business") and Blackboard Inc., having offices at 1899 L Street, N.W., 5th Floor, Washington, DC 20036 ("Blackboard"). In this Agreement, the words; "Bb One Card" means a stored-value account bearing a logo of a University or Blackboard or of Blackboard and a University or of Blackboard and a Blackboard partner(s); "Cardmember" means a person to whom an Bb One Card has been issued and/or any authorized user of a Bb One Card; "Sales Data" means records of Bb One Card transaction at Business' location(s), whether in paper or electronic form, that is received by Blackboard from Business in the form and format specified by Blackboard; and "University" means a university or college with whom Blackboard has entered into an agreement. This agreement governs the acceptance of Bb One Cards by Business and the lease or purchase of transaction processing equipment from Blackboard or its subcontractor ("Processing Equipment") to Business. The acceptance of any Bb One Card and the submission of Sales Data by Business will indicate the acceptance by Business of the terms of this Agreement. This Agreement supersedes any other agreements concerning the Bb One Card. Please read it carefully. Business must, and must cause its employees to, follow all of its terms.

1. Acceptance of Bb One Cards. Business agrees to accept Bb One Cards at its location(s), as payment for purchases of goods and services from all Cardmembers who want to use Bb One Cards at Business' establishment. Business will not discriminate against any Cardmember in its acceptance of Bb One Cards. Business agrees to follow the procedures in this Agreement concerning its acceptance of Bb One Cards and the processing of sales slips, including following Bb One Card Program Policies or such additional policies as may be made available to Business from time to time in writing by Blackboard. Bb One Program Policies include:

- Business may not permit any Cardmember to obtain cash advances or cash refunds through their Bb One Cards.
- Business may not permit any Cardmember to purchase alcohol, tobacco, firearms, obscene materials, or stored-value gift cards (or other materials identified in writing by Blackboard from time to time) with a Bb One Card, unless otherwise instructed by Blackboard in writing.
- Unless otherwise agreed upon with Blackboard in writing, Business may not impose any surcharge, levy or fee of any kind for any transaction in which a Cardmember desires to use a Bb One Card for a purchase of goods or services.
- Business may establish its own policies concerning refunds on Bb One Card purchases, but Business must notify Cardmembers of the policy in advance and in writing. Once a transaction has been processed by Business' Processing Equipment, Blackboard will not be responsible for providing refunds on such transaction.
- Business' breach of this clause can result in the termination of this Agreement.

2. Processing Equipment. In order to process transactions, Business may purchase or lease Processing Equipment. Processing Equipment purchased or leased under this Agreement will remain the property of Blackboard until such time as the Business has paid for the Processing Equipment in full. In addition, Processing Equipment purchased or leased from Blackboard hereunder will include a standard manufacturer's warranty and will be supported and serviced directly by Blackboard or its subcontractor. Business should contact Blackboard with any problems with the purchased or leased Processing Equipment by contacting the telephone number provided with the installation materials. For purchased Processing Equipment, Blackboard will make commercially reasonable efforts to provide Business with backup Processing Equipment in case of failure. If Business chooses to lease Processing Equipment from Blackboard, Business agrees that the Processing Equipment will remain on the Business Premises at all times. Business understands that until such time as Business concludes a buy-out of the leased Processing Equipment, the Equipment shall remain the property of Blackboard and may not be pledged, sold or transferred by the Business. If Blackboard requests, Business will assist Blackboard in filing any required lien documents to protect Blackboard's interest in the leased Equipment, including, but not limited to, filings under the Uniform Commercial Code. Business bears the risk of loss, theft, disappearance or damage of the leased Processing Equipment. Business accepts the leased Processing Equipment "As Is" and agrees to maintain the Equipment in clean and good working condition for the full term of this Lease. Business understands and accepts that no warranty including warranty for merchantability or fitness of purpose is provided for the leased Processing Equipment, except as may be extended by the Processing Equipment manufacturer. For leased Processing Equipment, Blackboard, in its discretion, may repair or replace the Processing Equipment if it fails to operate. Business agrees that if the leased Processing Equipment is damaged due to the negligent use of it by Business and is beyond repair, Business shall be liable to Blackboard for the replacement value (at full retail value) of the Processing Equipment. Upon termination of this Agreement, Business will be responsible for returning the leased Processing Equipment to Blackboard in clean and good working condition. At all times, the Business shall keep the Processing Equipment fully insured for the full replacement value and name Blackboard as loss-insured. Monthly Equipment Lease Fee payments may continue to be charged by Blackboard to Business until the leased Processing Equipment is received by Blackboard plus all reasonable collection and enforcement costs. Business is responsible for packing the leased Processing Equipment and for all shipping costs associated with the return of the Processing Equipment to Blackboard. Blackboard must receive the Processing Equipment within five (5) days of the termination of this Agreement. Business will be responsible for the replacement value (at full retail value) of any leased Equipment which is not timely returned by Business to Blackboard in good working condition pursuant to this Section 2.

3. Fees. Subject to the terms of this Agreement and any Chargebacks (as defined in Section 9 herein), Business agrees to submit valid Sales Data to Blackboard during the term of this Agreement and Blackboard agrees to pay Business an amount ("Payment") equal to the total transaction amount represented by such Sales Data less any discount, transaction and/or monthly fees set forth on the first page hereto (the "Fees"). All Payments made by Blackboard to Business shall be subject to subsequent review and verification by Blackboard of the underlying Sales Data and may be subject to Chargeback if the circumstances described in Section 9 exist. Fees will be evaluated periodically and are subject to change by Blackboard. Fees will not be changed unless written notification of such change has been provided to Business by an authorized employee of Blackboard as provided for by Section 14. The acceptance of any Bb One Card or the submission of Sales Data by Business after the date of such notice will indicate the acceptance by Business of the changes. Business may elect to purchase additional services and/or equipment offered by Blackboard and Business hereby agrees and authorizes Blackboard or its subcontractors to offset any amounts due Blackboard for such additional services, or any amounts otherwise owed under this Agreement, against Payments from Blackboard. If Business leased Processing Equipment from Blackboard, then Business will pay Blackboard the Monthly Equipment Lease Fee set forth on the front of this Agreement, to be collected by Blackboard via ACH on or about the last business day of each month for each month (or partial month) during which such Processing Equipment is installed at the Business Premises commencing on the last day of the month following Processing Equipment installation. Business shall also pay any use, sales, personal property, occupation or other taxes, license fees, fines and penalties (collectively, "Taxes") levied by federal, state or local governments covering the lease, possession, use or misuse of such Processing Equipment. In the event Business fails to make any payment of Fees or Taxes when due and Blackboard is unable to collect such payments, the Lease shall terminate and Business shall return the leased Processing Equipment to Blackboard or its designee immediately upon request.

4. Marketing Materials and Promotions. With University approval, Blackboard may produce marketing materials to promote the Bb One Card program (the "Marketing Materials"). Some Marketing Materials may be included at no cost to Business and some Marketing Materials may be made available to Business for additional cost, as disclosed to Business by Blackboard in writing from time to time. Participation in any Marketing Materials is at the discretion of Business. Business authorizes the use of its name, logo, trademark and/or other similar business marks in Marketing Materials to promote usage and awareness of the Bb One Card program and Business agrees to submit promotion-related materials according to deadlines set forth, from time to time, by Blackboard. Business' election not to participate in Marketing Materials or the lack of any Marketing Materials will not result in a refund of any Fees paid or payable to Blackboard hereunder. Business agrees to display permanent signage indicating acceptance of the Bb One Card in a manner consistent with its display policies regarding other forms of non-cash payment. Any Marketing Materials offered hereunder are subject to change at Blackboard's discretion without notice. In the event Business elects to provide a discount or other promotion to Cardmembers (each, a "Discount"), Business agrees that it will honor such Discount for the duration of the offer as publicized by Business and that Business shall be responsible for the accurate processing of such Discount prior to submission of the Sales Data to Blackboard under this Agreement.

5. Authorization. For each individual Bb One Card sale it processes, Business must obtain authorization prior to making the Bb One Card sale. Approved Processing Equipment must be used to transmit Sales Data unless otherwise directed by Blackboard. If the Bb One Cardmember has insufficient funds in his/her account, Business will be unable to process the sale and must decline the transaction. In the event Business receives information regarding funds insufficiency or other facts constituting a "decline," it agrees to politely inform the Cardmember that he/she must deposit additional funds into his/her Bb One account with his/her University in order to continue to use the Bb One Card program. If agreed upon by Blackboard in writing, delivery locations may engage in manual authorizations.

6. Down Time Procedures. In the event that Business is unable to submit Sales Data via the Processing Equipment, Business must notify Blackboard immediately by contacting the telephone number provided with the installation materials. Due to the need to obtain real-time authorization on all purchases, Bb One Card transactions may not be processed during down times. Blackboard will make reasonable efforts to inform Businesses when the system is offline and when it comes back online.

7. Cardmember Verification. Business agrees not to accept payment for a purchase under the Bb One Card program unless the customer presents a valid Bb One Card and the Business verifies that the customer is, in fact, a Cardmember and that the Bb One Card presented belongs to such customer. Business agrees to handle each Bb One Card transaction as follows:

- Check for a signature on the back of the Bb One Card or a photograph on the front that matches the identity of the user. If the Bb One Card contains a place for a signature and is unsigned, or if the Bb One Card does not include the Cardmember account number printed on the Card, request two additional pieces of identification, one of which should be a picture identification, and document the information from at least one of the two pieces of identification on the receipt footer provided by Bb One.
- Obtain an authorization as described in Section 5 (delivery locations may be subject to manual authorization process).
- The Cardmember must manually sign the sales slip in the presence of a Business employee. The Cardmember's signature on the sales slip must match the signature on the back of the Bb One Card if the Bb One Card does not contain a photograph of the user.
- Cardmembers must be notified that Business reserves the right to request photo identification at the time of each transaction.

If Business accepts a Bb One Card for a transaction without receiving prior authorization in the manner described above, Blackboard will not be required to reimburse Business for the transaction, and if Blackboard has already made a Payment to Business on account of the transaction, Blackboard can process a Chargeback as described in Section 9 below. Blackboard reserves the right to adopt different verification policies for delivery and other businesses but such policies must be provided in writing by an authorized employee of Blackboard.

8. Settlement of Transactions. As used in this Agreement, the term "Settlement" means the procedure by which Blackboard or its subcontractor(s) will reimburse Business for the transactions represented by the Sales Data, less an amount equal to the sum of any Chargebacks, any credits to Cardmembers that Business submits to Blackboard and Fees owed Blackboard hereunder, plus or minus any applicable adjustments that Blackboard makes to reconcile or correct errors in the Sales Data submitted by Business. To properly effect Settlement, Business must comply with each of the terms and conditions set forth in this Agreement. Settlement will be performed on a schedule set by Blackboard and Business will receive monthly detailed statements of all Bb One Card transactions.

9. Chargeback Rights. A Bb One Card sale which is the subject of a dispute or was processed despite insufficient funds may be returned to Business unpaid, or Blackboard may return a previously paid Bb One Card sale to Business for repayment to the Cardholder. The returned sales shall be defined as "Chargebacks." In such cases, Blackboard may request that Business supply Blackboard with a signed copy of the Bb One Card sale slip and all other information and documentation reasonably requested within a specified number of days of the receipt by Business of the Chargeback notification. The exact number of days will be as set forth in the notice of such Chargeback. Business agrees to pay a \$25 processing fee for each Chargeback. Blackboard shall also have the right to audit the Business' records for the Bb One Card program, including but not limited to Chargebacks, during business hours with reasonable advance notice to Business.

10. ACH payments. Business hereby authorizes Blackboard or its authorized subcontractor to initiate credit and debit entries indicated on the first page at Business' account with the depository financial institution named on the first page (the "Depository"), and to credit the same to such Depository to process Settlement and Chargebacks as outlined in Sections 8 and 9. This authorization is to remain in full force and effect until Blackboard has received written notice from Business of its termination in such time and in such manner as to afford Blackboard and Depository a reasonable opportunity to act on such notice. All written credit authorizations must provide that the receiver may revoke the authorization only by notifying the originator in the manner specified in the authorization. Business agrees that it will pay a \$15 fee for each rejected ACH transaction.

11. Retention of Records. Business agrees to keep an original copy of each Bb One Card sales slip for no less than 180 days from the transaction date. Business agrees to provide Blackboard with a copy of any Bb One Card sales slip upon Blackboard's request within the number of days identified in such request. The obligations under this Section 11 shall survive termination or expiration of this Agreement.

12. Liability. If Business fails to comply with this Agreement, Blackboard may withhold Settlement for any Bb One Card sales that Business accepts, or Chargeback any Bb One Card sales for which Business has already received Payment. Blackboard reserves the right to terminate this Agreement immediately, without notice, if it suspects fraud or other security concerns of any nature. IN NO EVENT SHALL BLACKBOARD OR ITS AFFILIATES OR PARTNERS OR UNIVERSITY BE LIABLE TO BUSINESS CARDMEMBERS FOR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL, OR INDIRECT DAMAGES, INCLUDING LOST PROFITS, HOWEVER CAUSED AND ON ANY THEORY OF LIABILITY, ARISING OUT OF THIS AGREEMENT, NOTWITHSTANDING ANY OTHER TERM OR PROVISION OF THIS AGREEMENT. THE LIABILITY OF BLACKBOARD AND ITS AFFILIATES OR PARTNERS AND UNIVERSITY TO BUSINESS FOR ANY CAUSE WHATSOEVER, WHETHER ARISING UNDER THIS AGREEMENT OR OTHERWISE, SHALL NOT EXCEED, IN THE AGGREGATE, ANY PAYMENTS UNDER THIS AGREEMENT.

13. Assignment. Business may not assign or transfer this Agreement or any rights or obligations hereunder to any other party without the prior written approval of Blackboard. If Business sells all or a substantial part of its business or materially changes the nature of its business, or by any means causes or permits a new entity to own a substantial part of its business, Business agrees to notify Blackboard in advance, and Blackboard may offset any amounts Blackboard owes Business against any outstanding obligations Business has to Blackboard, or, at Blackboard's option, terminate this Agreement as provided below. Blackboard may assign this Agreement and its rights and obligations under it. This Agreement will be binding upon and inure to the benefits of the parties and their respective successors and assigns.

14. Changing This Agreement. Blackboard may change this Agreement at any time by giving Business written notice at least 30 days in advance of such change, except as otherwise stated herein. If Business does not accept such a change, Business may terminate this Agreement by notifying Blackboard within such 30-day period. If Business makes any Bb One Card sale(s) after the effective date of a change in terms, such sale(s) shall indicate that Business has consented to the new term(s).

15. Term and Termination. This Agreement will become effective when an authorized representative of Blackboard executes it. It remains in full force and effect until terminated as provided for in this Section 15. Business may terminate this Agreement at any time by giving Blackboard written 30-day notice sent certified mail to: Blackboard Inc., Bb One Merchant Relations Department, 1899 L Street, N.W., 5th Floor, Washington, DC 20036. Except as otherwise stated in this Agreement, Blackboard may terminate this Agreement at any time by giving Business 30 days prior written notice. Blackboard may immediately terminate this Agreement without notice if Business has materially breached this Agreement, or if, in Blackboard's sole opinion and/or discretion: Bb One Card sales made at Business' establishment are irregular; Business has had, or may have, an unusual or inappropriate number of Bb One Cardmember inquiries, credit requests or Chargebacks during a relevant period; there are security concerns regarding Bb One Card sales at any of Business' establishments; Business engages in conduct deemed unacceptable by Blackboard; or Business' financial condition or other conditions warrant early termination. Business agrees to accept the Bb One Card and follow the terms of this Agreement until the termination becomes effective. The provisions governing the processing of Bb One Card sales slips and Settlement will continue to apply even after the termination, until all Bb One Card transactions made prior to the termination are settled or resolved. Upon termination, Business agrees to immediately send Blackboard all Bb One Card sales slips for the previous 180 days which have not previously been submitted for Bb One Card sales made up to and through the date of termination. Upon the termination of the Agreement the Business must make immediate return of all Blackboard property.

16. Indemnification. Business agrees to indemnify and hold Blackboard harmless, along with its affiliates, subcontractors, partners, and the University, and each entity's respective officers, directors and employees, for all costs, damages, claims or complaints arising from the wrongful acts or omissions of Business in connection with each Bb One Card sale (including, but not limited to, costs damages, claims or complaints arising in connection with the goods or services purchased through a Bb One Card), or from the failure of Business to perform its duties and obligations under this Agreement. Blackboard agrees to indemnify and hold Business harmless, along with its subsidiaries and divisions that accept Bb One Cards, and each entity's respective officers, directors and employees, for all costs, damages, claims or complaints arising directly from Blackboard's gross negligence in connection with the acceptance by Business of Bb One Cards. Such indemnification by Blackboard shall extend only to personal injury and/or property damage directly caused by such gross negligence.

17. Confidentiality. Business agrees to keep confidential: 1) all information regarding transactions processed by it under the Bb One Card program, including but not limited to, Cardmember personally identifying information (name, card number, address, phone number, Department of Motor Vehicle License number, State Identification Number, Social Security Number, email address, school etc.) and transaction history; and, 2) any other information provided to Business by Blackboard and identified as confidential (the "Confidential Information"). Such Confidential Information may not be sold, transferred, traded or bartered to third parties by Business and belongs to Blackboard.

18. Enforcement of Blackboard's Rights. If Business breaches this Agreement, Business agrees to reimburse Blackboard for any costs and expenses, including reasonable attorney's fees, incurred in enforcing Blackboard's rights under this Agreement.

19. Notice. Business agrees that it will send any notice to Blackboard that is required by this Agreement to the address above, Attention: General Counsel. Blackboard agrees that it will send any notice to Business that is required by this Agreement to its address specified in its records.

20. Restrictions on Usage. Business agrees that during the term of the Agreement, it will not accept as payment any stored-value card issued by a university or other third party other than a Bb One Card unless otherwise instructed by Blackboard in writing.

21. Governing Law. This agreement shall be governed and interpreted under the laws of the District of Columbia. The state and federal courts of the District of Columbia shall have exclusive jurisdiction over any and all claims or disputes arising out of or in conjunction with this Agreement.

22. Miscellaneous. If any part of this Agreement is not enforceable, the remaining provisions will remain valid and enforceable. Blackboard has not waived any of its rights under this Agreement unless Blackboard agrees to do so in writing. Business agrees to comply with all applicable laws and regulations in connection with the Bb One Card program and this Agreement. Notwithstanding anything in this Agreement to the contrary, to the extent the Bb One Card program is determined by a federal agency, including, but not limited to the Federal Reserve under the Electronic Funds Transfer Act or its implementing regulations ("Regulations E"), to be subject to any federal regulation, Blackboard will undertake commercially reasonable efforts (i) to modify the program so as to make it exempt from such regulations or (ii) to undertake to comply with all such regulations so as to allow the program to continue to operate in compliance with such regulations. This shall be the Business' sole remedy in the event such regulations are determined to apply to the Bb One Card program. To the extent the program is found to be subject to a federal regulation due to the conduct or participation of the Business or University, and Business or University is unable or unwilling to either modify the Bb One Card program or comply with the regulations, this Agreement may be terminated by Blackboard. Neither party shall be liable for its failure to perform under this Agreement if such failure arises out of causes beyond the control and without the fault or negligence of such party. Such causes may include, but are not limited to, acts of God, fire, wars or strikes.