



Merchant's Initials \_\_\_\_\_

## Bankcard Merchant Questionnaire

Member FDIC

Date \_\_\_\_\_

### Business Information

Business Name \_\_\_\_\_ Doing business as \_\_\_\_\_

Street Address \_\_\_\_\_

Mail address, if different \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_ Zip \_\_\_\_\_ Business

Phone Number \_\_\_\_\_ Fax Number \_\_\_\_\_ E-Mail Address \_\_\_\_\_ Business tax

identification number \_\_\_\_\_ BSV Checking Account Number \_\_\_\_\_

Type of business (i.e. retail store, restaurant, etc.) \_\_\_\_\_

Type of business structure(check one)  Sole Proprietorship  Partnership  Corporation  Association

Type of merchant authorization account:  Terminal  Touchtone (w/imprinter)  Internet

Length of time current business has been established \_\_\_\_\_ If less than one year, what was the previous business name and address \_\_\_\_\_

Previous experience handling credit cards?  Yes  No If yes, which bank? \_\_\_\_\_

Monthly card volume, based on previous experience (if no previous experience, estimate) \$ \_\_\_\_\_

Average ticket size, based on previous experience (if no previous experience, estimate) \$ \_\_\_\_\_

### Personal Information

For credit investigation purposes. List full names of all owners, partners, corporate or association officers.

Name	Title
Social Security #	Home Phone #
Home Address	Previous address
City; State, Zip	Previous City, State, Zip
# years at this address	# years at previous address
Driver's license number	State of issuance

Name	Title
Social Security #	Home Phone #
Home Address	Previous address
City; State, Zip	Previous City, State, Zip
# years at this address	# years at previous address
Driver's license number	State of issuance

Name	Title
Social Security #	Home Phone #
Home Address	Previous address
City; State, Zip	Previous City, State, Zip
# years at this address	# years at previous address
Driver's license number	State of issuance

### Site Information

Merchant Location  Storefront  Office building  Warehouse  Residence  Other \_\_\_\_\_

Describe the neighborhood and exterior of building \_\_\_\_\_

Describe the interior of the building, including inventory, equipment, etc. \_\_\_\_\_

### FOR BSV USE ONLY

<b>Branch Information:</b> Branch # _____	Officer _____	Merchant agreement signed? <input type="checkbox"/> Yes <input type="checkbox"/> No
Imprinter needed? <input type="checkbox"/> Yes <input type="checkbox"/> No	Terminal needed? <input type="checkbox"/> Yes <input type="checkbox"/> No	Printer needed? <input type="checkbox"/> Yes <input type="checkbox"/> No
Debit Cards? <input type="checkbox"/> Yes <input type="checkbox"/> No	Pin Pad needed? <input type="checkbox"/> Yes <input type="checkbox"/> No	Gift Cards? <input type="checkbox"/> Yes <input type="checkbox"/> No
<b>Bankcard Center:</b> Reviewing Officer _____	Approved? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Discount Rate _____ %	SIC Code _____	<input type="checkbox"/> Touch Tone <input type="checkbox"/> Terminal <input type="checkbox"/> Internet

## BANKCARD MERCHANT AGREEMENT

THIS AGREEMENT (this "Agreement") between THE BANK OF SOUTHSIDE VIRGINIA ("Bank") and

("Merchant");

### WITNESSETH:

#### RECITALS:

A. MasterCard cards and other related cards with the same logo, and VISA cards and other related cards with the same logo are referred to herein individually as "Card" and collectively as "Cards".

B. The person(s) in whose name a Card account is established and any other person(s) authorized, either directly or by implication, by the person(s) in whose name an account is established to use his or her Card, or to effect transactions using the Internet rather than a Card, is referred to herein as "Cardholder".

C. One or more of the Cards has been issued by Bank or other banks to be used as a means of facilitating payment for transactions by Cardholders and of enabling Merchant and others with whom Cardholders deal to receive directly from Bank the proceeds of such payments.

D. Merchant wishes to honor Cards issued pursuant to the card plan(s) designated above (each, a "Card Plan") and subject to the operating procedures and terms and conditions set forth below.

E. Merchant understands that the Bank has made arrangements with New England Bankcard Association Inc. (NEBA) under which NEBA will perform certain authorization, bookkeeping and other services facilitating Bank's participation in the Card Plans.

#### AGREEMENT:

NOW, THEREFORE, IT IS HEREBY AGREED as follows:

1. **Displays.** Merchant will exhibit advertising displays supplied by Bank so that the public will know that Cards will be honored by Merchant. Merchant's right to use such displays shall continue only so long as this Agreement shall remain in effect and un-terminated, or until Merchant is notified by Bank to cease use of such displays, whichever is earlier.
2. **Honoring Cards.** Merchant shall not in any way discourage the use of Cards or Card Plans by Cardholders and shall honor Cards issued pursuant to the Card Plans in accordance with this Agreement when presented, except any Card which has expired or which Merchant has received notice not to honor. Merchant, in honoring Cards pursuant to this Agreement, or charge cards or debit cards of other card plans, shall not discriminate in favor of any card over any Cards or as to one Card over another Card. Merchant shall not require a minimum or maximum transaction amount below or above which Merchant shall refuse to honor otherwise valid Cards. Any tax required to be collected by the Merchant must be included in the total transaction amount and not collected separately in cash. The Merchant agrees not to charge any customer for any part of its Merchant discount or to add any other additional amount to a purchase price for Bankcard transactions. Merchant may not require cardholders to provide personal information, such as a home or business telephone number, a home or business address, or a driver's license for identification as a condition for honoring any Bankcard unless informed by Bank. Merchant must specifically prohibit the sale or disclosure of databases or files containing customer account numbers, personal information, or other Bankcard POS Check Service transaction information to third parties and to require this information to be destroyed or returned to the Bank. Merchant may elect to accept only credit cards or only debit cards or both card types. If Merchant chooses to accept only credit cards or only debit cards, Merchant must first obtain approval from the Bank. If the card bears more than one mark (i.e. debit card) and Merchant accepts both credit cards and debit cards, Merchant must honor the cardholder's request to process the transaction as they choose.
3. **Authorization.** All charges shall be Authorized. The method for Authorization will be either through a touch-tone telephone or through an electronic terminal. Merchants will be classified in this Agreement as a "Touch-Tone Merchant" or an "Electronic Terminal Merchant", as determined by the method used for Authorization.
4. **Completing Transaction.** In making a sale in which a Card is honored, Merchant shall:
  - (A) Touch-Tone Merchant shall use a sales slip sold to Merchant by Bank; Electronic Terminal Merchant shall use appropriate paper depending upon terminal type;
  - (B) Determine that the presented Card has not expired and contains the Cardholder's signature on the signature panel on the Card. If the signature panel on a card is blank, Merchant must review positive identification bearing the Cardholder's signature to validate Cardholder's identity.
  - (C) Touch-Tone Merchant shall Imprint on the sales slip the Cardholder's name, account number, Card expiration date, the name under which the Merchant does business at the location where the transaction occurred, the city and state address where the transaction occurred, the MasterCard International number and the MasterCard International initials, if any, and Merchant's account number, except that the foregoing information may be legibly written or typed on the sales slip for pre-authorized orders, telephone orders and mail orders as provided in subparagraph 4(H) below; Electronic Terminal Merchant shall print as much of the same information above as the terminal allows or Imprint the same information if no printer is attached to the terminal;
  - (D) Merchants shall date the sales slip as of the date of the transaction either manually or through the electronic terminal;
  - (E) Touch-Tone Merchant shall write a brief description on the sales slip of goods sold or services rendered by Merchant by identifying the goods purchased by the common name of the product or, in the case of a multi-department Merchant, by referring to the department from which purchased so long as the department name accurately reflects the type of goods purchased therein, and in the case of services, by identifying the services rendered by the nature or type of service performed (such terms as "goods", "services", "merchandise" or "miscellaneous" are insufficient descriptions);
  - (F) Legibly enter on the sales slip the price or prices of the item or items, including tax, if any;
  - (G) In any case in which Merchant requests and receives authorization for a delayed presentment of the sales slip, Merchant shall also legibly note on the sales slip the Authorization number and the words "Delayed Presentment" or such other words as Bank may require.
  - (H) Require the Cardholder to sign the sales slip, except in the case of pre-authorized orders, telephone orders or mail orders, in which case the Merchant or its authorized clerk will sign its name on the sales slip in space provided for the Cardholder signature, will insert the

name of the Cardholder and will indicate the nature of the transaction as PO (pre-authorized order), TO (telephone order), or MO (mail order), as appropriate;

- (I) Compare the signature of the Cardholder on the Card with that on the sales slip for similarity and, if the Card has a photograph of the Cardholder, determine that the person in the photograph and the person presenting the Card appear to be the same person;
- (J) Touch-Tone Merchant shall write the Authorization number on the sales slip; Electronic Merchants with no printer attached to the terminal shall write the Authorization number on the sales slip; and
- (K) Deliver a fully completed legible copy of the sales slip to the customer at the time of transaction.
- 5. No Card Transactions.** Except in the case of mail orders, Internet orders, telephone orders and preauthorized orders, no sale may be completed if Cardholder fails to present his Card to Merchant. If a sale by Merchant to a Cardholder is effected without the use of his Card, whether by telephone order, mail order, Internet order, or preauthorized order, Merchant will be deemed to warrant that the purchaser is the Cardholder whose name appears on the sales slip. In the event of breach of such warranty, Merchant shall issue a Credit transaction to Cardholder within 3 working days after demand therefore.
- 6. Split Ticketing.** Merchant will not make a Card sale where only part of the consideration due is paid through use of such Card unless:
- (A) The remainder of the consideration is paid by the purchaser at the time of sale either in cash or by check; or
- (B) When the merchandise or service is to be delivered or performed at a later date, one slip represents a deposit and the second sales slip represents payment of the balance, with the second sales slip being conditioned upon delivery of the merchandise or performance of the services, in which event, (i) Merchant shall note on the sales slip the words "deposit" or "balance" as appropriate and (ii) the sales slip labeled "balance" shall not be presented until the goods are delivered or the services are performed.
- 7. No Cash Disbursements.** Merchant shall not accept a Card for a cash disbursement under any circumstances whatsoever.
- 8. Credits.** If any merchandise shown on a sales slip from Merchant is accepted for return or any services shown on such a sales slip are terminated or canceled and a price adjustment is therefore allowed by Merchant, Merchant may not make any cash refund to the Cardholder, but will initiate no later than three (3) Bank Business Days thereafter, including the transaction date and the delivery date, a Credit transaction evidencing the Credit or adjustment completed as follows:
- (A) Touch-Tone Merchant shall legibly Imprint, write or type on the Credit slip the Cardholder's name, account number, Card expiration date, the name under which the Merchant does business at the location where the transaction occurred, the city and state address where the Credit or adjustment occurred and the Merchant's Account number;
- (B) Date the Credit slip as of the actual date of the Credit or adjustment;
- (C) Write on the Credit slip a brief description of the refund or Credit given sufficient to identify the type of Credit or adjustment and the goods or services involved;
- (D) Legibly enter on the Credit slip the amount of any such Credit which amount shall not exceed the original amount of the transaction;
- (E) Sign the Credit slip;
- (F) Require the Cardholder to sign the Credit slip;
- (G) Deliver a fully completed copy of the Credit slip to the Cardholder at the time of the Credit or adjustment.
- The Merchant authorized the Bank to charge against the Account any amount evidenced by a return submitted by the Merchant to the Bank.
- 9. Merchant's Deposit Account.** Merchant will maintain an account ("Merchant's Account") with Bank for the purpose of Bank's crediting to Merchant amounts due Merchant from Bank hereunder and for Bank's debiting to Merchant amounts due Bank from Merchant hereunder.
- 10. Transaction Record.** Subject to Paragraph 14, both Electronic Merchant and Touch-Tone Merchant shall automatically have amount of Card sales slips credited to the Merchant Account after the second Bank Business Day following the date on which the transactions took place. Bank may examine and verify all records of Merchant relating to transactions generated through the use of Bankcards. Merchants shall preserve records for at least three (3) years from the date of each transactions. Merchant must not retain or store magnetic-stripe data, Card Verification Value 2, or Card Verification Code 2 subsequent to authorization of a transaction.
- 11. Obligations Complete.** Merchant will not transmit a sale electronically or by telephone until all obligations of Merchant hereunder or otherwise arising in connection with the transaction evidenced by the sales slip have been performed by Merchant.
- 12. Warranties.** By electronically transmitting sales through either a telephone or electronic terminal, and by crediting the amount of each sales slip to the Merchant Account pursuant to Paragraph 11, Merchant warrants to Bank the following as to said sale:
- (A) That the transmitted sale represents an actual amount lawfully due Merchant for the sale and delivery of goods or the rendering of services;
- (B) That no payments have been made previously to Merchant by Cardholder on the amount evidenced by the sales slip;
- (C) That the sales slip, the account, and the amount evidenced thereby are unencumbered, and that Merchant has the right to present the same to Bank;
- (D) That the signature appearing on the sales slip was made by the person presenting the Card and is the same as that shown on the presented Card and that, if the Card has a photograph of the Cardholder, the person presenting the Card was the same person in the photograph;
- (E) That the goods or services described on the sales slip were in fact timely delivered to the Cardholder, or to the Cardholder's designee or authorized user or to a location so prescribed;
- (F) That the goods delivered or services rendered were delivered or rendered in accordance with any agreement or understanding between Merchant and the Cardholder, including, but not limited to, the fact that such services rendered were adequate and satisfactory to Cardholder and to the fact that any goods sold and delivered were of the correct quantity, quality, color, size or other agreed upon descriptive or quality requirement; and
- (G) That the sales slip represents the unconditional obligation of the Cardholder, subject to no disputes, offsets or counterclaims; and that the Merchant has no knowledge of any fact which would impair the validity of the sales slip.
- (H) That with respect to such sales slip, Merchant has fully complied with all the provisions of this Agreement, and complied with all applicable laws, regulations and ordinances.
- 13. Credit to Merchant's Account.** Upon receipt of an electronic file from Bank's merchant processor, Bank will credit Merchant's Account for the full face amount of Merchant's sales and Bank will charge to Merchant's Account the appropriate discount at periodic intervals. The rate, method of computing and/or time for changing such discount may from time to time be changed by Bank upon thirty (30) days written notice given to Merchant by Bank. Bank may refuse to give Merchant credit for any sale (A) which does not conform in every respect to the requirements of the Agreement, or (B) which is rejected by any fraud protection system now or hereafter utilized by the Bank or its merchant processor, or any of their respective agents or servicers. All figures are subject to final audit and checking by Bank or its merchant processor, and in case of any inaccuracies Merchant will pay to Bank upon demand or Bank may charge Merchant's Account the amount of any excess credit given, and Bank will give Merchant any additional credit due.
- 14. Claims and Disputes.** All claims and disputes of any kind and for any reason whatsoever by any Cardholder respecting any sale of merchandise or rendering of services evidenced by a sales slip paid hereunder shall be resolved directly between Merchant and Cardholder. The Merchant agrees to reconcile, on a reasonably frequent basis, its own records with respect to the Merchant Account with the statements rendered by the Bank as to the Merchant Account. The Merchant shall immediately notify the Bank if any discrepancies result from such

reconciliation, or if the Merchant does not receive a statement within a reasonable time after said statement would ordinarily be received. The Merchant agrees that, without regard to the exercise of care, or the lack of care, on the part of the Bank, the Bank shall not be liable to the Merchant for the existence or accuracy of any item appearing on a statement, or for the failure of an item to appear on a statement, if the Merchant fails to notify the Bank as aforesaid within thirty (30) calendar days after the date the applicable statement is mailed or otherwise delivered to the Merchant, or the date said statement should have been received by the Merchant, as the case may be. Merchant agrees to reconcile transactions and statements and report any discrepancies to the Bank within 90 days.

15. **Chargebacks.** Bank may charge back and debit Merchant's Account or at Bank's option otherwise charge back and collect from Merchant, all or part of the amount of any sales slip previously paid by Bank to Merchant for account of a Cardholder in any of the following events:
- (A) The Cardholder makes any claims or disputes the transaction evidenced by the sales slip;
  - (B) The sales slip does not meet the requirements set forth in this Agreement;
  - (C) The amount of the sales slip exceeds that dollar limit established by Bank for any one sale to Cardholder, and the sale has not been previously approved by Bank;
  - (D) The Merchant has been notified prior to Authorization that Card privileges of the Cardholder have been revoked;
  - (E) The transaction evidenced by the sales slip was made after the Card by its terms had expired;
  - (F) The merchandise or services covered by the sales slip, in the case of merchandise, has been returned or claimed by the Cardholder to have been returned, or in the case of services rendered, have been claimed by the Cardholder to have been terminated or canceled;
  - (G) Because of a dispute involving the Cardholder and the issuer of the Card, the Bank is unable to collect the amount of the sales slip, or Bank is liable to the Cardholder in the amount thereof, in accordance with the provisions of Section 170 of the federal Truth-in-Lending Act or Section 226.12 of Regulation Z of the Board of Governors of the Federal Reserve System, as amended;
  - (H) The transaction covered by the sales slip is or was in violation of any law, rule or regulation of any governmental agency; or
  - (I) The Merchant in any other respect has failed to comply with this Agreement with respect to any sale involving a Card or the processing of any transaction involving a Card.
  - (J) Any error in the amount of any deposit or Credit to the Merchant Account, or in any sales transaction involving a Card.
  - (K) Any reason set forth in Paragraph 14.
- Bank may also charge back and debit against Merchant's Account, or otherwise charge back and collect from Merchant, all or part of the amount of any loss or penalty imposed upon, and incurred by, Bank by virtue of the failure of Merchant to promptly and timely process any sales batch. Merchant is prohibited from re-depositing transactions that have been charged back and not re-presented. This prohibition applies with or without the Cardholder's consent to the Merchant's action. Merchant must not require a Cardholder as a condition for honoring a Bank Card, to sign a statement that waives the Cardholder's right to dispute the transaction with the issuing bank.
16. **Refund Policy.** Merchant will not discriminate between cash customers and Cardholder customers with respect to the granting of Credits or refunds. Any Credit or refund policy of Merchant shall be determined solely by Merchant with regard to any sale or Credit transaction; provided however, if it is Merchant's policy to give cash refunds to cash customers, then Merchant will give Credit refunds to Cardholder customers.
17. **Providing Information.** Merchant will immediately cooperate with Bank or Bank's approved agent at any time requested to provide Bank with any information regarding a sale or Credit transaction evidenced by a sales slip or Credit slip, including, but not limited to, providing Bank with a written statement of circumstances involving any transaction evidenced by a sales slip or Credit slip where a claim or dispute of any kind and for any reason whatsoever has been brought to the attention of Bank by a Cardholder. Merchant agrees to preserve such records for a period of 3 years from the date of the transaction.
18. **Retrieving Cards.** Merchant agrees to use reasonable, but peaceful, means to retrieve any Card when instructed to do so by Bank or Bank's Authorizing agent at the time of an Authorization call when Merchant is told that the Card is to be retrieved.
19. **No Direct Payments.** Merchant will not solicit any payment on account of any sales slip which has been delivered to Bank and which has not been returned to Merchant.
20. **Indemnification.** Merchant will indemnify Bank against and hold Bank harmless from any and all liabilities to, or claims by, any Cardholder arising in connection with any sale of merchandise or rendering of services evidenced by a sales slip resulting out of the failure or alleged failure of the Merchant to comply with the terms of this Agreement, with the terms of any agreement between the Merchant and the Cardholder, or with any applicable laws and regulations. Also Bank shall have no liability for any negligent design or manufacture of any point of sale terminal, printer, pin pad, or other equipment used by Merchant for the acceptance of card Transactions. **Bank makes no warranties whatsoever, expressed or implied, concerning any equipment, or other service provided by others and, in particular, makes no warranties of merchantability or fitness for any particular purpose.**
21. **Force Majeure.** Bank shall not be liable for any damages resulting from any delay in performance or non-performance caused by circumstances beyond Bank's control, including, but not limited to, the Bank's reliance upon a third party to finalize any part of this Agreement, acts of God, fire, flood, war, governmental action, accident, labor trouble or shortage, data processing problems, electronic communication problems, or other events of similar effect in connection with any of the Bank's obligations herein.
22. **Sales Slips, Imprinters and Electronic Equipment.** Bank will sell sufficient sales slips, Credit slips and Imprinters to Touch-Tone Merchant for such a price as shall be mutually agreed upon by Bank and Merchant. At the option of Bank, Bank will rent such Imprinters to Merchant and Merchant will pay such rental on such Imprinters as shall from time to time be mutually agreed upon by Bank and Merchant. If Merchant decides to transmit electronically, then Bank will sell or rent sufficient terminals, printers, and pin pads to handle such transactions in the same terms listed above. Electronic Terminal Merchants are encouraged, but not obligated, to purchase an Imprinter and a sufficient quantity of sales and Credit slips to ensure that business can be transacted manually should there be any disruption to the power supply or telephone service or other necessary utilities. Any Electronic Equipment owned by the Merchant prior to entering into this Agreement which fails to become operative, is the responsibility of the Merchant. Merchant acknowledges that upon payment of the Electronic Equipment fee to the Bank, the Electronic Equipment is the property of the Merchant.
23. **Additional Representations, Warranties and Covenants as to Internet Merchants.** In addition to being subject to each term and condition of this Agreement (unless such term or condition is clearly inapplicable, and without regard to the use of such terms as "Card" and "Card Plan"), each Internet Merchant hereby represents, warrants and covenants the following:
- (A) Said Merchant's Internet protocol server address for said Merchant's Internet web site (the "Web Site"), the name, address and telephone number for the Web Site hosting service, the electronic mail address(es) for said Merchant's key customer service representatives, and the links to said Merchant's Web Site, are as set forth on the most recent Bankcard Merchant Questionnaire submitted to the Bank.
  - (B) The Web Site currently shows, and at all times during the term of this Agreement shall show (i) a business name for the Merchant that accurately matches said Merchant's name under which it does business, (ii) a customer service "1-800" number for said Merchant, (iii) an electronic mail address for customers wishing to contact said Merchant, (iv) a description of said Merchant's return and refund policy, (v) a description of said Merchant's delivery methods and timing, and (vi) a statement by said Merchant

regarding its undertaking to maintain the privacy of customer information, which must be in compliance with applicable federal and state law.

- (C) During the term of this Agreement, said Merchant shall not (i) offer adult content, (ii) offer gambling or lottery activities, (iii) delay the delivery of goods and services, including subscription and travel-related services, or (iv) offer digital content, including software, which is fulfilled through the Internet at the time of purchase.
- (D) Said Merchant shall take all necessary steps and maintain all necessary systems to prevent intrusion and compromise of Cardholder account numbers and to protect Cardholder data to ensure that the same are inaccessible from the Internet, and to comply with all applicable federal and state law with respect thereto.
- (E) Said Merchant shall maintain in the Merchant's Account reserves as set forth in the most recent Bankcard Merchant Questionnaire submitted to the Bank. Said Merchant agrees that the Bank may, in its sole and absolute discretion, increase the required amount of said reserves if it determines that said reserves are inadequate to cover charge-backs under Paragraph 16 or other obligations of said Merchant under this Agreement.

**24. Additional Representations, Warranties and Covenants as to Direct Mail Merchants.** Each Merchant soliciting Cardholders or prospective Cardholders through direct mail agrees to the following additional provisions:

- (A) Merchant acknowledges that the trademark "MasterCard" and the corresponding logotype are the property of MasterCard International Incorporated ("MasterCard"). Merchant shall not infringe upon the mark or logo, nor otherwise use the mark or logo in such a manner as to create the impression Merchant's goods or services are sponsored, produced, affiliated with, offered, or sold by MasterCard.
- (B) Merchant shall not use the mark or logo on its stationery, letterhead, envelopes, or the like nor in its solicitation; provided, however, that Merchant may use one of the mark or logo in close proximity to the payment or enrollment space in the solicitation in a size not to exceed 1 inch in horizontal length if a logo is employed, or, if a mark is used, in type not to exceed the size of the type used in the major portion of the text on the same page; provided further that the legend, "Accepted for Payment" must accompany the mark or logo used and must be the equivalent size of the mark or logo. In no case, however, shall Merchant use any of the logo on the front or first page of its solicitation. One truthful statement that Merchant is directing or limiting its offer to MasterCard cardholders may appear in the body of the solicitation, other than in close proximity to the payment or enrollment space, subject to the limitation that: (i) only the word mark may be used; (ii) the word mark may not (a) exceed in type size the size of any other type on the same page, (b) differ in color from the type used in the text (as differentiated from the titles) on the same page, (c) be as large or as prominent as the name of Merchant, (d) be the first item appearing on any page, nor (e) in any other way be the most prominent element of the page; (iii) Merchant's name and/or logo must appear prominently on the same page as the mark; and (iv) the following disclaimer must appear in close proximity to the mark on the same page and in an equal size and type of print: MasterCard International Incorporated is not affiliated in any way with [Merchant] and has not endorsed or sponsored this offer.
- (C) Merchant further agrees to submit its first direct mail solicitation(s), prior to mailing, to the MasterCard Law Department, to be reviewed only for compliance with MasterCard's trademark rules and shall furthermore not distribute in any manner such solicitations until Merchant shall have obtained MasterCard's written approval of the manner in which it uses MasterCard's mark and logo on such solicitations. Merchant shall likewise, upon request, submit to MasterCard any amended solicitations prior to mailing.

**25. Rules.** Bank may from time to time issue rules and regulations or operating procedures and amendments thereto regarding its Card Plan(s) and their operation, and such will be binding upon Merchant on the effective date designated by the Bank upon being furnished with a copy thereof if thereafter the Merchant honors a Card. If such rules, regulations or procedures are unacceptable to Merchant, Merchant may terminate this Agreement as set forth below.

**26. Other Banks.** In the event Merchant has entered into an agreement with one or more other banks concerning the same general subject matter as this Agreement, Merchant will have the right to select the bank through which Merchant will process each Card transaction; provided, however, that no forms supplied by Bank hereunder will be used by Merchant in processing a Card transaction with any other bank.

**27. Confidentiality.** Merchant shall not sell, exchange, or in any way disclose information concerning any Card account number in a manner not expressly authorized herein.

**28. Notice.** Any notice required or permitted must be in writing and may be so given by depositing such notice in the United States mail, postage prepaid; if to Bank, addressed to BSV Bankcard Department, PO Box 40, Carson, VA 23830-0040, and if to Merchant, addressed to the address set forth below after Merchant's name, or to such other place or places as either party hereto shall designate by written notice to the other.

**29. Complete Understanding.** This Agreement expresses the complete understanding of the parties and may not be amended orally. Bank may, however, at any time and from time to time advise Merchant in writing of amendments which Bank proposes to put into effect and the effective date thereof, and if Merchant honors a Card after such effective date, Merchant will be deemed to have agreed to such amendments and will be bound thereby. If this Agreement is signed by a bank other than Bank, acting on behalf of Bank, the printed portions of the Agreement may not be varied except by an instrument in writing executed by Bank acting in its own behalf and not by an agent.

**30. Merchant Name & Identity.** All sales slips shall contain the name of Merchant as shown below and no other name. The Merchant shall give prior written notice in the event of a change in the Merchant's name, identity or process of doing business (face-to-face, electronic commerce, mail/order, etc.). In connection with any such change, the Merchant shall execute and deliver all documents as the Bank shall reasonable require. However, if there shall occur such a change, the Bank hereby reserves its rights to terminate this Agreement.

**31. Merchant Discount Restriction.** The Merchant shall not require any Cardholder to pay any part of the merchant discount (if any), whether through any increase in price or otherwise to pay any contemporaneous finance charge in connection with the transactions in which a Card is used unless such discount for cash is offered to all prospective purchasers and its availability is disclosed clearly and conspicuously to all customers. Merchant may offer a non-monetary benefit to a VISA/MasterCard Cardholder as an inducement for the Cardholder to use a means of payment other than a VISA/MasterCard card. Merchant may offer a monetary benefit in the form of a discount as an inducement for the Cardholder to use a means of payment other than a VISA/MasterCard card.

**32. Fees.** Bank reserves the right to charge for Merchant's Application processing and electronic setup fees. These fees are not included in a purchase or renting of equipment fee such as Imprinters or terminals. Merchant will pay Bank such periodic, initiation, or other fees, if any, as Bank shall from time to time designate in writing to Merchant prior to the date such fee begins to accrue. Merchant understands that the processing/discount rate is conditional upon the Merchant meeting certain requirements of VISA and MasterCard Rules for processing, including but not limited to, time limits for depositing transactions, the processing of authorizations, and "swiping" of magnetic stripes.

**33. Termination.** This Agreement may be terminated by either party hereto at any time upon mailing or delivering written notice to the other. Notwithstanding any such termination, however, this Agreement will remain in full force and effect with respect to any sales slip which has been transmitted electronically prior to Bank's extending credit therefore. Merchant acknowledges that Bank is required to report Merchants whose agreement is terminated by the Bank for certain reasons including, but not limited to, conviction of credit card fraud, depositing of

excessive counterfeit transactions, depositing transactions representing the sale of goods or services generated by another Merchant, an excessive number of chargebacks due to Merchant's business practices or procedures, bankruptcy, or any violation of the Merchant Agreement to the Combined Terminated Merchant File (CTMF) maintained by MasterCard and VISA and that reporting to the CTMF may affect future Merchant banking relationships.

34. **Collections.** Should the Bank have reasonable basis for concern as to the existence of substantial amounts of Chargebacks and the possibility that the Bank may not properly be reimbursed for same, the Bank may, in its sole discretion, retain proceeds for the satisfaction of potential amounts charged back. In the event Bank takes any action against Merchant to collect any moneys due Bank from Merchant hereunder, Merchant agrees to pay all costs of collection including attorneys' fees of 33% of the amount collected if incurred by Bank. In the event Bank determines that legal action is necessary to enforce the terms of the Agreement, all such legal action may be maintained in the courts of the County of Sussex, Virginia, and in order to effect the terms hereof Merchant consents to and waives any objection to venue in any court having territorial jurisdiction within the County of Sussex for the purpose of determining the proper venue of any action hereunder.
35. **Setoff.** The Bank will have the right, in addition to all other remedies permitted by law (including, without limitation, other rights of set-off), to set off the amount now or hereafter due under this Agreement or due under any other obligation of the Merchant to the Bank against the Merchant's Account and any and all other accounts, credits, money, securities, or other property now or hereafter on deposit with, held by, or in the possession of the Bank to the credit or for the account of the Merchant, without notice to or consent by the Merchant. In addition to the right of set-off, to secure the payment of this Agreement, the Merchant assigns and grants to the Bank a security interest in all accounts, credits, money, securities, or other property now or hereafter on deposit with, held by, or in the possession of the Bank to the credit or for the account of the Merchant.
36. **Captions.** The captions appearing at the beginning of each paragraph of the Agreement are intended only for convenience of reference, and are not to be considered in construing this Agreement.
37. **Successors and Assigns.** This Agreement shall be binding upon the parties hereto, their successors or assigns. Merchant agrees that Bank may investigate its creditworthiness and financial responsibility through credit bureaus, creditors and any other reasonable means. Merchant also authorizes any person or entity contacted by Bank in this regard to release information to Bank in connection with this transaction.

Merchant's Initials \_\_\_\_\_

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the \_\_\_\_\_ day of \_\_\_\_\_, in the year \_\_\_\_\_.

THE BANK OF SOUTHSIDE VIRGINIA [SEAL]  
[SEAL]

\_\_\_\_\_  
Merchant/ Business Name

Authorized Signature \_\_\_\_\_

Authorized Signature \_\_\_\_\_

Printed Name \_\_\_\_\_

Printed Name \_\_\_\_\_

Title \_\_\_\_\_

Title \_\_\_\_\_

Address: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

To induce Bank to extend its credit to Merchant, the undersigned unconditionally guarantees payment to Bank of all direct and indirect obligations of Merchant to Bank, present or future.

The undersigned waives notice of acceptance of the Guaranty and of any extensions of credit, initial or renewal, to Merchant. The undersigned agrees that his duty to pay any indebtedness of Merchant to Bank or its assigns is unconditional and shall arise immediately upon demand for payment made upon the undersigned by Bank. Prior to making such demand for payment upon the undersigned, Bank shall not be required to make demand upon Merchant, give notice of default, or pursue any of its rights or remedies against Merchant or other parties.

The undersigned agrees that Bank may take or release any security or guaranty for any indebtedness of Merchant, may surrender documents and may grant renewals or indulgences without releasing the undersigned in any way from liability for the payment of any such indebtedness.

This Guaranty shall continue until actual receipt by Bank from the undersigned or his duly qualified personal representative of written notice of its termination, and the undersigned shall continue to be liable for any indebtedness or liability created prior to the happening of this event.

\_\_\_\_\_(SEAL) \_\_\_\_\_(SEAL)

\_\_\_\_\_(SEAL) \_\_\_\_\_(SEAL)

**Definitions:**

**Account** - Proceeds from Bankcard sales or charges where the Bank will settle transaction.

**ACH** - Automated Clearing House is a method where banks can electronically exchange financial information through the Federal Reserve System.

**Agreement(s)** - Contract between Bank and Merchant regarding processing of MasterCard, VISA or other cards

**American Express** – Accepted Bankcard once Merchant has contacted them at 1(800) 528-5200.

**Application** - Merchant request for approval by Bank to accept MasterCard, VISA or other card types

**Authorization(s)** - Process of approving card transactions required by Bank prior to submission.

**Bank** - The Bank of Southside Virginia

**Bankcard(s)** - Plastic issued to customer to be used to purchase Products or Services.

**Business Day(s)** - Equals Bank Business Day, MONDAY thru FRIDAY, except Federal Reserve holidays.

**Cards(s)** - Plastic bearing customer information for payment of Products and Services.

**Chargeback(s)** - Disputed items(s) by cardholder reversed through MasterCard or VISA association.

**Cardholder(s)** - individual owner of credit card, or any person authorized by the Cardholder to use such card.

**Credit(s)** - Proceeds or adjustments given to cardholder or Merchants Account.

**Discover** – Accepted Bankcard once Merchant has contacted them at 1(800) 347-2000

**Electronic Terminal Merchant** - Merchant who performs sales electronically using a terminal for processing, authorization, and credit to their account.

**Imprinted** - Electronic or manual impression of Cardholder account information from card.

**Keyed Transactions** - Electronic Merchants that hand key transactions instead of swiping card through magnetic strip reader. Only used for unreadable card, mail, or telephone sales.

**MasterCard** - Accepted Bankcard.

**Merchant(s)** - Business establishment(s) that processes cards through the Bank.

**MO** - Mail Order Transaction for cardholders.

**Retrieval** - Copy of a sales slip or credit slip that Merchant is required to send if requested by Bank.

**Touch-Tone Merchants** - Merchants who perform sales transactions by imprinting card and writing paper receipts for their records, but receive authorization and credit to their account using a touch tone telephone.

**PO** - Phone Order Transaction for cardholders.

**Products** - goods received by cardholder.

**VISA** - Accepted Bankcard.

WHEN QUESTIONNAIRE AND AGREEMENT ARE COMPLETED, MAIL TO:

**THE BANK OF SOUTHSIDE VIRGINIA  
ATTN: BANKCARD DEPT.  
17208 HALLIGAN PARK RD.  
P. O. BOX 40  
CARSON, VA 23830**

**Merchant Information Sheet**

	<b><u>Electronic Ticket Capture (ETC)</u></b>	<b><u>Touch Tone</u></b>
<b>Equipment needed:</b>	1) ETC terminal 2) ETC printer (or imprinter)	1) Touch tone phone 2) Imprinter
<b>Optional equipment:</b>	1) ETC printer	None
<b>Equipment payment options:</b>	1) New equipment may be purchased outright or paid in 12 monthly installments; 2) Used equipment at the same terms as above 3) Rental Option is available (see below)	N/A
<b>Installation:</b>	By Bankcard Department staff with on-site training <b>\$100 per terminal application/setup fee</b>	No installation <b>\$100 application/setup fee</b>
<b>Cost of equipment:</b>	1) ETC terminal and Printer combination-\$550 Omni 3200, 3750 2) ETC & Telecheck - \$750 Eclipse terminal 3) Wireless - \$1250 4) Imprinter -\$35 One year warranty included.	Imprinter - \$35
<b>Replacement of equipment:</b>	If damaged equipment returned to BSV cannot be repaired immediately, it will be sent off for repair and a replacement terminal will be provided to the merchant. The merchant will be charged the cost of the repair. If damaged equipment is not returned to BSV, costs are same as equipment costs above.	1) Phone is merchant's responsibility 2) Imprinter is available through Bankcard Department
<b>Supplies:</b>	1) Printer ribbons - \$4.20 each (includes tax) 2) Printer paper - \$2.10/roll (includes tax) 3) Sales slips for imprinter - \$5.25 / pack (includes tax)	Sales slips for imprinter - \$5.25 / pack (includes tax)
<b>Support:</b>	1-800 number 24 hour support through Bank's processor (FDR)	1-800 number 24 hour support through Bank's processor (FDR)
<b>Authorizations:</b>	By terminal	By phone
<b>Copy of sales tickets are kept by:</b>	Merchant	Merchant
<b>Retrieval requests are handled by:</b>	Merchant	Merchant
<b>Chargeback Risk:</b>	Low - Greatest protection for merchant due to increased fraud detection and card verification when card is swiped; Medium - Moderate risk for keyed transactions	Medium - Moderate risk since card is not swiped for verification
<b>Chargeback fee</b>	\$25.00	\$25.00
<b>Returns and Corrections:</b>	Rare - when card is swiped, usually due to input error Moderate risk of returns/corrections with keyed transactions	Rare- due to keying error
<b>Batches are transmitted / processed:</b>	Daily. Variable settlement time set by the merchant.	Daily. Automatically at 6 p.m. or after midnight by merchant's choice.
<b>Funds are deposited / float:</b>	If cutoff is prior to 6 p.m. - next business day after batch is transmitted / no float. If cutoff is after 6 p.m. - second business day / no float	With 6 p.m. cutoff - next business day / no float. With after midnight cutoff - second business day after batch is transmitted / no float
<b>Mail Order / Telephone Order:</b>	Yes	Yes
<b>Debit Cards</b>	Yes – with Pin Pad. 75 cents per transaction and \$5.00 monthly fee. No Pin Pad required for cards with the MasterCard or Visa logo (credit % applies).	Yes – Only debit cards that have the MasterCard or Visa logo. Credit % applies.
<b>American Express / Discover / Diners Club:</b>	Yes - with flat transaction fees. BSV charges are in addition to Amex, Discover and Diners Club fees.	Yes - with flat transaction fees. BSV charges are in addition to Amex, Discover and Diners Club fees.
<b>Discount Rate based on monthly volume and average ticket size:</b>	<b>Interchange + _____ %</b>	<b>Interchange + _____ %</b>
<b>Minimum Discount Fee</b>	\$15/month (\$25/month for internet merchants)	\$15/month
<b>Transaction fee</b>	No charge	No charge
<b>Statement fee</b>	No charge	No charge
<b>Gateway Access Fee (Internet Merchants Only)</b>	\$10.00	N/A
<b>Wireless Access Fee (Wireless Merchants Only)</b>	\$35.00	N/A

**Merchant Payment Plan**

**Terminal Merchants:**

<b>Omni 3200</b>	_____	One-Time Payment of \$603.75
	_____	Twelve Monthly Payments of \$55.00
<b>Omni 3200 with Pinpad</b>	_____	One-Time Payment of \$761.25
	_____	Twelve Monthly Payments of \$70.00
<b>Omni 3750 (Internal PinPad)</b>	_____	One-Time Payment of \$761.25
	_____	Twelve Monthly Payments of \$70.00
<b>Eclipse</b>	_____	One-Time Payment of \$813.75
	_____	Twelve Monthly Payments of \$75.00
<b>Eclipse with Pinpad</b>	_____	One-Time Payment of \$971.25
	_____	Twelve Monthly Payments of \$90.00
<b>Nurit 8000 (Wireless)</b>	_____	One-Time Payment of \$1312.50
	_____	Twelve Monthly Payments of \$125.00

If you chose a monthly payment plan, indicate the date of the month in which the amount will be deducted from your merchant checking account. \_\_\_\_\_

**Imprinter**

**\*\*It is the recommendation of BSV for every merchant to purchase an imprinter. If any card does not swipe through your electronic terminal, it is the responsibility of the merchant to get an imprint of the credit card number on a sales slip with the cardholder's valid signature. Failure to do so may result in a chargeback. Please indicate below if you would like an imprinter.\*\***

<b>Yes</b>	<b>No</b>	<b>One-Time Payment of \$36.75</b>
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**By signing below, I hereby acknowledge that I agree to pay for my equipment by the means indicated above.**

\_\_\_\_\_ **Authorized Merchant Signature**

\_\_\_\_\_ **Authorized BSV Signature**



## ***Internet Merchant Workstation***

**eMerchantView** – An innovative product that allows you direct access to your credit/debit card transaction processing information via the Internet. It's fast, easy and convenient! Just provide the information below. An email will be sent to the email address provided below with login instructions.

**eMerchantView is provided at no cost to BSV merchants.**

### **Wireless Merchants:**

BSV is not responsible for any connectivity problems with your wireless terminal. The Nurit 8000 has a wireless modem that accesses the AT&T® GPRS network. BSV cannot guarantee the terminal's ability to obtain a signal depending on where you travel. Contact the BSV Bankcard Department for more details.