

Merchant Service Agreement

About this Agreement

Congratulations on your decision to process your credit and debit card transactions with CIBC FirstCaribbean. This document contains the terms and conditions for the CIBC FirstCaribbean Merchant Agreement (“The Merchant Agreement”). The Merchant Agreement outlines the services that are offered to Merchants and details the terms under which these merchant services will be provided.

The Merchant Agreement is divided into several easy-to-find sections. After a general introduction, the Merchant will find sections on:

- Terms
- General terms and conditions
- Merchant’s responsibilities
- Fees and charges
- Credit transactions
- Processing credit card transactions
- Telephone and mail order services
- Pre-authorized lodging and vehicle rental transactions
- Issuing credit vouchers
- Chargebacks
- Processing debit transactions
- Risk Management
- Cash Advance
- Refinancing existing debt
- Bankruptcy
- Point of sale transactions
- E-Commerce/Internet services
- Other provisions
- Termination
- Glossary

At the end of the Merchant Agreement, there is a glossary of key terms as well as the signature page where the Merchant indicates that it has agreed to the merchant services being offered.

Introduction

This Merchant Agreement is between you, the Merchant (“the Merchant”), and CIBC FirstCaribbean and its heirs, successors and assigns. Its purpose is to allow the Merchant to accept credit and/or debit card payments from their customers and/or clients, to use a point of sale terminal (“POS”) to request authorization of credit and debit card transactions and to deposit the Merchant’s credit card sales drafts, and/or debit service to its Merchant Account. Merchants are required to follow the rules and regulations of all Card Association companies i.e. Visa, MasterCard, Discover and Diners.

Terms

For the purpose of this Merchant Agreement, the following terms apply: -

“Credit” means the purchase of goods and services by customers using a qualified VISA, MasterCard, Discover or Diners Credit card (“Qualified Cards”), and any other card offered in the future.

“Debit Payment service” means customers can pay for goods and services by debiting money directly from their accounts using a POS terminal with their personal identification number (“PIN”) or signature verification.

The provisions in the sections entitled "Issuing Credit Voucher" (see page 6) apply specifically to this service, but all other provisions apply generally.

The Merchant and CIBC FirstCaribbean will individually be referred to as a “Party” and collectively referred to as “the Parties.” CIBC FirstCaribbean will be the principal party to the contract and the merchant an acceptor of Visa, MasterCard; Discover and Diners products extended by the principal parties.

General Terms and Conditions

1. The Merchant Agreement takes effect immediately on the date that the Merchant’s request to process its credit and debit card transactions with CIBC FirstCaribbean is accepted by CIBC FirstCaribbean and remains in full force and effect unless either party terminates it in accordance with this Merchant Agreement.
2. The Merchant agrees to maintain an approved Merchant Account with CIBC FirstCaribbean, subject to CIBC FirstCaribbean usual charges and conditions provided to the Merchant with this Merchant Agreement. Where the Merchant is providing legal services, the Merchant agrees to maintain a general account and a trust account. The trust account is to be maintained in full compliance with any regulatory requirements.
3. The Merchant shall display any advertising or promotional materials provided by CIBC FirstCaribbean such as it is readily visible to Merchant’s customers. This material is designed to inform the public of cards honoured at the Merchant’s place of business. Companies that are subjected to government regulation prohibiting such advertising or promotion are excluded from compliance with this section.
4. The Merchant agrees that it will not change the nature of its business or the way it conducts business without notification to CIBC FirstCaribbean. Any change renders this Agreement null and void and entitles CIBC FirstCaribbean to immediately terminate its service to the POS and to immediately retrieve any CIBC FirstCaribbean equipment.
5. CIBC FirstCaribbean may, from time to time, issue written directions regarding updated procedures and provide training material for the improved use of the POS. These directions and the terms of any materials are binding upon the Merchant as soon as they are received.
6. CIBC FirstCaribbean may modify the Merchant Agreement from time to time by notifying the Merchant in writing of any amendments to the Merchant Agreement.
7. If any provision of this Merchant Agreement is declared to be invalid, illegal, or unenforceable by a court of competent jurisdiction, exclusion of that provision will not affect the other provisions of the Merchant Agreement and they will remain in full force and effect.
8. If either party fails to exercise a power or right under this Merchant Agreement, they do not give up that right or power.
9. Both parties agree to do whatever they can to more effectively carry out the intent of this Merchant Agreement.
10. This Merchant Agreement is governed by and construed in accordance with the laws of the jurisdiction where the Merchant’s approved Merchant Account is established and maintained with CIBC FirstCaribbean.
11. This document constitutes the entire agreement between the Parties and supersedes all prior agreements, reports or understandings between the Parties by execution of this document.
12. The singular includes the plural and masculine gender includes the feminine gender, unless the context otherwise requires.

13. Any notice or other communication required or permitted to be given shall be in writing and delivered personally or sent by registered mail or facsimile, or email to the Merchant at its last known address in CIBC FirstCaribbean's records. In the case of registered mail sent through the postal service, such mail will be deemed received three (3) business days after mailing. In the event of any postal disruption, facsimile or email will be used to transmit any such communication. Any Notice required to be served on CIBC FirstCaribbean must be served by registered mail or personally to the registered office of CIBC FirstCaribbean in the territory where the Merchant Account is maintained with copy to: Merchantsupport@cibcfib.com
14. All credits and debits to the Merchant's Account are subject to final audit by CIBC FirstCaribbean. If there is an inaccuracy, CIBC FirstCaribbean will charge or credit the Merchant's Account without notice. The Merchant will remain liable to CIBC FirstCaribbean in the event that the Merchant no longer maintains a Merchant Account with CIBC FirstCaribbean. The Merchant agrees to settle all Cardholder disputes and claims directly with the Cardholder. This clause shall survive termination of this Merchant Agreement.
15. The Merchant agrees not to hold CIBC FirstCaribbean liable for any delay, interruption, or cessation of the merchant service caused by any event that is beyond its reasonable control or for any disclosure of confidential information except where caused by its gross negligence. CIBC FirstCaribbean is not liable for any indirect, special, or consequential damages suffered by the Merchant, including loss of anticipated profits or other economic loss due to the Merchant's misuse of the merchant service or any interruption of the merchant service for any reason. This clause shall survive termination of this Merchant Agreement.
16. The Merchant agrees that authorized officers of CIBC FirstCaribbean or third party processor or agents of CIBC FirstCaribbean may review its Merchant Account for purposes of assessing the transactions associated with this Merchant Agreement including but not limited to review of merchant's financial performance and mandated compliance reviews to satisfy the Money Laundering and Financial Intermediaries or similar legislations. This clause shall survive termination of this Merchant Agreement.
17. CIBC FirstCaribbean may at any time transfer or assign this Agreement to any other bank or financial institution and in such case shall give the Merchant 60 days prior written notice.
18. CIBC FirstCaribbean's treatment of any refund (debit) will be handled similar to when a Merchant has issued a cheque authorizing CIBC FirstCaribbean to pay as indicated and to debit the amount specified to the Merchant Account.
19. Merchant is prohibited from depositing a transaction receipt that does not result from an act between the cardholder and the merchant or the cardholder and a sponsored merchant
20. **Forensic Investigation:** In the event of a forensic investigation, Merchants must fully cooperate with investigators until the investigation is completed

Responsibilities of the Merchant

1. The Merchant agrees to obtain CIBC FirstCaribbean's prior written approval for any advertising using the Qualified Cards. CIBC FirstCaribbean reserves the right to the final review of any media campaign using the Qualified Cards.
2. The Merchant agrees not to alter the trademarks, trade names, design, brand, marks or logos on the Qualified Cards in any manner.
3. The Merchant will not imprint, deposit, electronically transmit, or otherwise process any transaction for merchandise or services other than those transactions related to its own business. Any material change to the Merchant's business must be advised to CIBC FirstCaribbean to ensure continuity of service.
4. The Merchant will not disclose or remit to any third party or use the names or account numbers appearing on a Qualified Card or contained on its magnetic strip or chip or any document or form with these names or numbers for any purpose other than completing an authorized transaction, except as required by law or with the written consent of the Cardholder. The Merchant will not compile any list of Cardholder or transaction information. The Merchant agrees to keep secure all information related to Cardholders and transactions (including but not limited to customer contracts and rental agreements) and when no longer required to be retained, to destroy such documents in a manner that ensures information thereon is no longer readable and accessible. This clause shall survive termination of this Merchant Agreement.
5. The Merchant should attempt within reason to retain Qualified Cards when requested to do so by the Card Authorization Centre. CIBC FirstCaribbean may, subject to agreement, pay the Merchant a fee for each Qualified Card that is recovered or retrieved.

6. CIBC FirstCaribbean may have access to, examine, and verify all the Merchant's sales draft and credit voucher records during regular business hours upon giving reasonable notice to the Merchant.
7. The Merchant is responsible for the security of all equipment it may utilize and is liable for any unauthorized use of it. Notwithstanding anything in this Merchant Agreement, the Merchant will permit CIBC FirstCaribbean and its agent's access to its premises (or where any PIN pad is located) at any time to gain access to the PIN pad and terminal to verify the integrity of the software, firmware or hardware and to replace faulty equipment and where the equipment is owned by the merchant CIBC FirstCaribbean will recommend that the equipment be changed.
8. The Merchant agrees to take all reasonable precautions to ensure that all Point of Sale stations are closed and unavailable for use after business hours. The Merchant also agrees to advise CIBC FirstCaribbean immediately if it suspects that any Point of Sale station has been tampered with or if any PIN pad whether or not it belongs to CIBC FirstCaribbean - has been lost or stolen.
9. The Merchant agrees to follow security procedures as advised by CIBC FirstCaribbean and to ensure its employees are familiar with them. The Merchant will not allow any device to be connected to a Point of Sale station, or any part of it, without first obtaining CIBC FirstCaribbean's written permission.
10. This Merchant Agreement is subject to, and the Merchant agrees to be bound by, the operating regulations and rules of VISA, MasterCard, Discover and any other card association or network organization covered by the Agreement(s), as any of such referenced documents may be modified from time to time. CIBC FirstCaribbean may, from time to time, issue written directions (via mail, e-mail or posting to CIBC FirstCaribbean's Internet site) regarding procedures to follow and forms to use to carry out the Agreement(s). These directions and the terms of the forms are binding as soon as they are issued and shall form part of the terms and conditions of the Agreement(s).
11. For avoidance of doubt, the parties to this Merchant Agreement acknowledge that they agree to be bound by all applicable operating rules and regulations (the "rules") of Visa, MasterCard and Discover, any other payment card association that is applicable to this Agreement (collectively the associations). This also includes, but is not limited to the Payment Card Industry Data Security Standards (PCI DSS), Visa's Account Information Security (AIS) Standards and MasterCard's Site Data Protection Program Standards as well as any other Association, network, or government agency rules related to the protection of consumer and transaction information security. The parties also acknowledge that the associations referenced herein publish and make available their rules, bulletins, alerts, and directives and agree that it is each parties sole responsibility to review and comply with any such publications as may be applicable to them for compliance with the rules and this Agreement.
12. If the Merchant makes arrangements with a third party for the purpose of collecting, processing or storing Cardholder names, account numbers or other transaction information, the Merchant is responsible for ensuring such third party's compliance with card association and network organization requirements related to Cardholder and transaction information, confidentiality and security, including but not limited to the Privacy Act (*Landsverordening bescherming persoonsgegevens*) and the PCI Data Security Standard. The Merchant will execute a written contract with such party that includes obligations substantially similar to the ones in the Agreement regarding confidentiality, information security and PCI compliance and the right to inspect the third party's premises and computers to validate compliance.
 1. Visa's *Operating Regulations* and PCI DSS Requirements explicitly prohibit the storage of the full contents of the magnetic stripe once the authorization process is completed on any POS equipment. Visa regulations and the PCI DSS also prohibit the storage of the Card Verification Value2 (CVV2) and Personal Identification Numbers (PINs) or PIN blocks.
13. Merchant and any agent of the merchant shall store card information in an area limited to authorized persons and prior to discarding shall destroy information in a manner that renders data unreadable.
14. Merchant must limit the storage amount and retention time to that which is required for business, legal and/or regulatory purposes for a period not exceeding 12 (twelve) months.
15. The Merchant agrees to provide CIBC FirstCaribbean with annual audited financial statements within 90 days after the end of each fiscal year. Such financial statements shall be prepared in accordance with generally accepted accounting principles. The Merchant shall also provide such other financial statements and other information concerning its business and its compliance with the terms and provisions of this Agreement, as CIBC FirstCaribbean may reasonably request. The Merchant shall authorize CIBC FirstCaribbean to obtain from third parties financial and credit information relating to the Merchant in connection with CIBC FirstCaribbean's continuing evaluation of the Merchant's financial and credit status. CIBC FirstCaribbean may

also access and use information, which the Merchant has provided, to CIBC FirstCaribbean for any other reason. Upon request, the Merchant shall provide to CIBC FirstCaribbean or its representatives reasonable access to the Merchant's facilities and records for the purpose of performing any inspection and/or copying of its books and/or records deemed appropriate.

16. Subject to the rules of the Card Association, CIBC FirstCaribbean requires merchants to disclose any arrangement with a third party to collect, process or store cardholder data, and be responsible for ensuring such third party complies with Card Associations PCI DSS, and CIBC FirstCaribbean terms and conditions relating to personal cardholder information, payment card and transaction, confidentiality and security. The merchant also agrees that any third party arrangement must be documented with a written executed contract which refers to the obligations substantially similar to that contained in this merchant service contract regarding confidentiality, information security, and PCI DSS.

Fees and Charges

1. The Merchant agrees to pay CIBC FirstCaribbean a fee, called a Merchant Discount Rate ("MDR") for credit card services. The MDR will be debited to the Merchant's Account.
2. The Merchant agrees to pay a transaction fee, as established periodically by CIBC FirstCaribbean for debit card transactions, terminal authorization, draft deposit services, and further services as may be purchased in the future.
3. If the Merchant rents or leases its terminal, it agrees to pay a monthly rental fee in advance for each piece of Equipment CIBC FirstCaribbean provides to it. The Merchant also acknowledges that CIBC FirstCaribbean will automatically debit its Merchant Account for this rental fee.
4. The Merchant also agrees to pay any other fees, charges or penalties levied upon FirstCaribbean by any credit card company or related processors with respect to the operation of any accounts covered by this Merchant Agreement.
5. The Merchant agrees that all fees, charges, credits, or adjustments that it may owe constitute a debt that is payable on demand, and that CIBC FirstCaribbean may debit its Merchant Account or any other account held in the merchant's name with CIBC FirstCaribbean for this debt without prior notice. Any debt will create a right of set-off in favour of CIBC FirstCaribbean
6. If a debit results in an overdraft on the Merchant Account or any other account held with CIBC FirstCaribbean, the Merchant will, on demand, pay to CIBC FirstCaribbean the amount of the overdraft together with all applicable interest and fees. In the event that it fails to pay these charges, the Merchant agrees that if it provides legal services, CIBC FirstCaribbean will debit only its general account and not a trust account.
7. CIBC FirstCaribbean fees and charges are subject to periodic review based on the level of business declared by the Merchant and business actually processed. All Fees and charges are subject to change, and CIBC FirstCaribbean reserves the right to institute a new fee structure by giving thirty- days (30) written notice.
8. The Merchant also agrees to pay for any charges including batch error fees related to deposit errors.
9. The Merchant also agrees to pay all Chargebacks and related costs arising from their transactions. The following are the top 10 Chargeback reason codes:
 - a. Cardholder or Card issuer requests a copy of the sales slip
 - b. Cardholder did not authorize the transaction.
 - c. Non-matching account number
 - d. Transaction was processed more than once to the same cardholder.
 - e. Sales slip was not imprinted
 - f. Credit not processed.
 - g. No authorization
 - h. Non-receipt of merchandise
 - i. Invalid T&E (Travel and Entertainment) transaction.
 - j. Card used before effective date or after expiration date.

CREDIT CARD TRANSACTIONS

1. Processing Credit Card Transactions

When a Cardholder presents a credit card for payment, the Merchant agrees that it will:

- a. Sell goods and/or services at the ticketed or marked price;
 - b. Not spread a purchase over more than one sales draft;
 - c. Not charge fees or additional charges when a credit card is used for payment;
 - d. Not require a minimum or maximum purchase amount before it will accept the card for payment.
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Pre-Authorized Lodging and Vehicle Rental Transactions

Notwithstanding the terms and conditions of any written pre-authorization form, the sales draft amount of any lodging or vehicle rental transaction which has been pre-authorized shall include only the portion of the transaction, including any applicable taxes, evidencing a bona fide renting of real or personal property by Merchant to a cardholder and shall not include any substantial charges. Nothing herein is intended to restrict the Merchant from putting into effect the terms and conditions of its pre-authorization form through means other than a card transaction.

Issuing Credit Voucher

1. The Merchant is responsible for issuing a credit voucher to cover any refund or other money adjustment unless CIBC FirstCaribbean has not credited the amount to its Merchant Account or if it has been charged back to its Merchant Account. The Merchant also agrees to settle all cardholder disputes and claims directly with the cardholders within a reasonable time. This clause shall survive termination of this Merchant Agreement.
2. If the Merchant uses a POS terminal to process credit card transactions, it agrees to follow the procedures pertaining to end-of-day balances as set forth in the section entitled "Using the Merchant's Point of Sale Terminal to Deposit Sales Drafts."

Chargebacks

Notwithstanding any authorization or approval of a transaction which may be given by or on behalf of the issuer of a credit card, CIBC FirstCaribbean may charge back to the Merchant for immediate payment, or deduct from any payments due to it, or charge against its Merchant Account the total amount of any sales draft, in any of the following circumstances (or if CIBC FirstCaribbean reasonably believes that any of the following circumstances has occurred or is about to occur): This section is in keeping with the rules and regulations of the Card Associations.

1. The Cardholder claims that the signature on the sales draft is forged or unauthorized provided that the signature is not reasonably similar to that on the signature panel on the Qualified Card.
 2. The Cardholder claims the merchandise has been returned to the Merchant or was not received by the Cardholder.
 3. The Cardholder claims that he/she is dissatisfied with an aspect of the transaction. The services were unsatisfactory. (Customer must provide evidence that the service or product sold is unsatisfactory and differs with what was provided).
 4. A sales draft exceeds the floor limit.
 5. A sales draft was not authorized and approved by either CIBC FirstCaribbean or the card association.
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6. A sales draft is illegible.
7. A sales draft refers to an expired Qualified card or one that CIBC FirstCaribbean notified the Merchant not to accept or one which its employee(s), agents or other person(s) acting for the Merchant at the time of processing the sales draft knew or ought to have known was stolen, altered or counterfeit.
8. Another method of payment was used by the customer for the goods and services.
9. It includes a cash advance from the Merchant to the Cardholder or the Merchant.
10. There has been an attempt to reduce or disguise the amount of a single transaction by using more than one sales draft. This is known as Split-ticketing.
11. The Cardholder claims that an Internet, telephone or mail order transaction was made by someone other than the Cardholder.
12. Copies of the same sales draft have been deposited more than once or CIBC FirstCaribbean has credited the Merchant's account more than once with the same sales draft.
13. A transaction on a sales draft took place prior to or after the embossed valid date on the card.
14. The transaction is charged back for any other reason pursuant to card association's regulations.
15. The transaction is otherwise unacceptable under the regulations of VISA, MasterCard or other applicable card association.
16. The Merchant has processed any transaction for merchandise sold or services performed by someone other than the Merchant; except in the case of mail or telephone charges, it has not used an imprinter or the electronic equivalent to complete a sales draft.
17. The transaction is for any reason illegal, null, void or invalid.
18. The Merchant has deposited or attempted to deposit sales drafts for fictitious transactions, cash advances to the Merchant, or if the Merchant has otherwise defrauded or attempted to defraud.
19. The Merchant has failed to comply with the terms of this Merchant Agreement.

DEBIT CARD TRANSACTIONS

1. When a cardholder presents a debit card, the Merchant agrees to:
 1. Sell goods and /or services at the ticketed or marked price;
 2. Provide Qualified Card service free of charge;
 3. Process a refund by paying the cardholder cash, if the Merchant agrees to accept a return of merchandise;
 4. Not require a minimum or maximum purchase amount before the Merchant will accept the card for payment;
 5. Process all transactions according to this Agreement and any written instructions from CIBC FirstCaribbean;
2. The Merchant also agrees to follow these steps to complete the transaction:
 1. Enter the information for the transaction to the Point of Sale terminal.
 2. Kindly ask the Cardholder to enter his or her PIN and verify the amount of the transaction by using the PIN pad. CIBC FirstCaribbean will then process the request for authorization and approval.
 3. Promptly act on the instructions displayed by the terminal which is either an authorization number, a decline notice, a message to try again, or other such similar instructions.
 4. Always provide the Cardholder with the transaction record regardless of whether the transaction was approved or declined.
 5. The Merchant agrees to notify CIBC FirstCaribbean within one (1) business day if a Point of Sale terminal is not functional.
 6. If a Point of Sale terminal displays an "error" message, the Merchant agrees to immediately telephone CIBC FirstCaribbean at the telephone number provided and await instructions.
3. The Merchant agrees that CIBC FirstCaribbean has the right to accept that all debits, which are processed by the Merchant, are duly authorized by the Cardholder encoding his or her PIN.
4. The Merchant agrees to maintain evidence of each debit transaction for eighteen (18) months after the transaction date and thereafter to maintain either a photocopy or microfilm of sales drafts for the legally required period of seven (7) years. This clause shall survive termination of this Merchant Agreement.

5. The Merchant agrees not to install or operate the PIN pad in a location that will allow easy visibility by third parties when the PIN pad is in use by a Cardholder.

Risk Management

1. As a condition of accepting the Merchant as a merchant hereunder, CIBC FirstCaribbean at its option shall require that the Merchant pay a security deposit prior to commencement of services to secure the performance of its obligations under this Merchant Agreement.
2. At any time, as a condition of CIBC FirstCaribbean's acceptance of the financial risk associated with the processing of transactions for the Merchant, CIBC FirstCaribbean may, at its option, require a reserve account to secure the performance of its obligations under this Merchant Agreement. We shall set the initial amount of such Reserve Account in our sole discretion, based upon the Merchant's processing history and the potential risk of loss to CIBC FirstCaribbean.
3. The Reserve Account shall be fully funded upon three (3) days' notice to the Merchant, or in instances of fraud or an Event of Default, reserve account funding may be immediate. Such Reserve Account may be funded by all or any combination of the following:
 - a. One or more debits to the Merchant's Settlement Account or any other accounts held by CIBC FirstCaribbean or any of its affiliates;
 - b. One or more deductions or offsets to any payments otherwise due to the Merchant;
 - c. The Merchant's delivery to CIBC FirstCaribbean of a letter of credit; or
 - d. If CIBC FirstCaribbean so agrees, the Merchant pledge to CIBC FirstCaribbean of a freely transferable and negotiable certificate of deposit.
4. Any such letter of credit or certificate of deposit shall be issued or established by a financial institution acceptable to us and shall be in a form satisfactory to us.
5. In the event of termination of this Agreement by any party, an immediate Reserve Account may be established without notice in the manner provided above. We will hold any Reserve Account for the greater of ten (10) months after termination of this Agreement or for such longer period of time as is consistent with our liability for Card transactions in accordance with Association Rules.
6. The Merchant's funds held in a reserve account may be held in a commingled Reserve Account for the reserve funds of CIBC FirstCaribbean's Clients, without involvement by an independent escrow agent.
7. If the Merchant's funds in the Reserve Account are not sufficient to cover the Chargebacks, adjustments, fees and other charges due from the Merchant, or if the funds in the Reserve Account have been released, the Merchant agrees to promptly pay CIBC FirstCaribbean such sums upon request.
8. Any funds in a reserve account or security deposit will not bear interest, and may be held until the satisfaction by the Merchant of all of its obligations under these Agreements and the expiration of any potentially applicable chargeback rights or indemnity.

Cash Advances

Merchant shall not use at its location or through its electronic terminal, process Merchant's own credit card or any credit card which merchant is authorized to use. Such use is deemed a cash advance.

Refinancing Existing Debt

The Merchant shall not process any transaction representing the refinancing of an existing obligation of a Cardholder including but not limited to, obligations:

1. Arising from the dishonor of a Cardholder's personal check; or

2. Representing the collection of any other preexisting indebtedness, Cash advances are prohibited and can result in immediate termination of this Merchant Agreement.

Bankruptcy

Neither assignee for the benefit of creditors, custodian, receiver, and trustee in bankruptcy, debtor in possession or any other officer of the court or any person charged with taking custody of a party's assets or business shall have any right to continue or assume or assign this agreement. In the event any party becomes insolvent, makes an assignment for the benefit of its creditors, files a petition in the court, or seeks relief pursuant to any bankruptcy, insolvency or proceeding or should any party dissolve, discontinue its business or if a receiver or similar officer is appointed to manage the affairs of the business or assets or if any judgment, writ of attachment execution or similar process against any party is served or issued with respect to any substantial portion (of tangible assets) of the property of either party, the other parties may select to terminate the agreement by written notice to the others. Merchant shall retain the copy-marked merchant of each completed sales draft, credit voucher or debit transaction and appropriate backup documentation for a minimum of eighteen (18) months and after that maintain either a photocopy or microfilm for the legally required period of seven (7) years

Use of Point of Sale Equipment

Renting Equipment

If the Merchant is renting POS equipment from CIBC FirstCaribbean, the following conditions apply:

- a. The Merchant may rent CIBC FirstCaribbean equipment for all Qualified Card authorizations and draft deposits.
- b. Any equipment rented from CIBC FirstCaribbean remains the property of CIBC FirstCaribbean at all times and, notwithstanding any attachment, does not become a fixture. The Merchant agrees to indemnify CIBC FirstCaribbean from any liability, loss, damage, or expense resulting from any other person obtaining a right or interest in the equipment. The Merchant is responsible for any loss (including theft) or damage to CIBC FirstCaribbean equipment other than ordinary wear and tear and will permit CIBC FirstCaribbean to inspect and repair it. The Merchant is responsible for any liability, loss, damage, or expense CIBC FirstCaribbean incurs due to its failure to use its equipment according to CIBC FirstCaribbean instructions or procedures. The Merchant agrees not to hold CIBC FirstCaribbean liable for any loss resulting from failure of its equipment to operate for any reason, or from failure to repair or any delay in repairing its equipment, such repair to be completed in a reasonable time. This clause shall survive termination of this Merchant Agreement.
- c. The Merchant agrees to install and operate CIBC FirstCaribbean's equipment according to CIBC FirstCaribbean's procedures and to move it only with CIBC FirstCaribbean's written consent and at its expense. The Merchant also agrees to provide all necessary connections and other facilities and to pay for all expenses of installing, operating, and moving the equipment. The Merchant will not permit any unauthorized devices to be attached to its CIBC FirstCaribbean POS terminal.
- d. If there are problems with the equipment such as loss of use or failure of the terminal to perform any function relating to credit card authorization, refunds or settlement then CIBC FirstCaribbean may withdraw its permission to use it immediately without notice. The Merchant agrees that in these cases CIBC FirstCaribbean is not liable for any resulting loss on the Merchant's part.
- e. The Merchant will allow CIBC FirstCaribbean and its authorized representatives, physical and electronic access to the POS equipment upon request including providing prompt and safe access to its premises. The Merchant will provide access to its premises during normal business hours to CIBC FirstCaribbean or its designated maintenance personnel or agents to inspect, repair, modify, or replace its equipment.
- f. If the Merchant uses CIBC FirstCaribbean equipment for services other than CIBC FirstCaribbean services or CIBC FirstCaribbean -approved services, the Merchant agrees that CIBC FirstCaribbean is not liable for any damage or resulting loss.



- g. If the Merchant's CIBC FirstCaribbean POS terminal fails or loses its connection to the host computer, the Merchant agrees to promptly advise CIBC FirstCaribbean and utilize the manual authorization procedures and equipment provided by CIBC FirstCaribbean for authorization of any Qualified Card transaction.
- h. The Merchant may terminate its CIBC FirstCaribbean Equipment rental by returning the Equipment to CIBC FirstCaribbean. (If it terminates the rental prior to completion of a full year from the date of installation, a termination charge equal to the difference between the total rent for a 12-month period and the rent it paid will apply.) All rental amounts are subject to goods and services tax, where applicable.

Using the Merchant's Point of Sale Terminal to Deposit Sales Drafts

1. The Merchant agrees to perform an end of day settlement of the sale transactions of each Point of Sale terminal at least once a day. CIBC FirstCaribbean will not be responsible or liable to obtain payment on the Merchant's behalf for transactions that remain in the terminal for a period of 15 days for which the merchant has not performed an end of day settlement.
2. The Merchant agrees to enter each sales transaction to its POS terminal unless the terminal is not functional.
3. The Merchant agrees to do an end-of-day balance of the sales transactions for each POS terminal at least once a day preferably at the end of the day. When the Merchant has balanced its credit or debit transactions, CIBC FirstCaribbean will credit its Merchant Account for the Gross sales and debit the Merchant Account based on the agreed discount rates for credit cards and the per transaction fee for debit cards.
4. The Merchant agrees that if its POS terminal malfunctions, loses its connection to the CIBC FirstCaribbean host computer, or isn't working, it will follow the manual processing procedures for credit cards and input sales draft and credit voucher information for all transactions balance the point of sale terminal when it is functional again.
5. The Merchant agrees to keep the original sales drafts or credit vouchers for at least eighteen (18) months after the transactions and thereafter to maintain either a photocopy or microfilm of sales drafts for the legally required period of seven (7) years. The reduction ratio of any microfilm copy may not be more than 48 to 1.
6. The Merchant agrees to properly destroy or shred all vouchers when they are no longer needed.
7. If the Merchant does not provide the original or microfilm copy of a sales draft or credit voucher within **two (2)** business days of a request for it, or if the information on the sales draft or credit voucher is not exactly the same as the information entered to the POS terminal according to CIBC FirstCaribbean's records, then the amount in the sales draft or credit voucher constitutes a debt payable on demand to CIBC FirstCaribbean and CIBC FirstCaribbean may debit its Merchant Account without notice.
8. Within three (3) business days of receipt of CIBC FirstCaribbean's request, Merchant shall provide to CIBC FirstCaribbean at Merchant's cost, either the actual copy of the transaction or a legitimate microfilm that is comparable to the actual size of the paper transaction record. Additionally Merchant shall within three business days provide any documentary evidence available to merchant and reasonably requested by the CIBC FirstCaribbean to meet its obligation in keeping with Card Association Regulation or to meet its obligation to respond to queries concerning cardholder account.
9. Following termination, Merchant shall continue to retain the same; Merchant shall provide the CIBC FirstCaribbean with request for all original and microfilm copies of records required at the time of termination. Additionally Merchant shall
 - (1) assume complete responsibility for security of all data and records it obtains as a result of this merchant agreement. Losses to FirstCaribbean from any breach of such security shall give rise, inter alia, to charge back rights by CIBC FirstCaribbean.
10. Merchant agrees that in the event of a difference between the Merchant's records and CIBC FirstCaribbean's records, CIBC FirstCaribbean's record shall govern. Notwithstanding the foregoing, Merchant shall, within 10 days of the transaction date, notify CIBC FirstCaribbean in writing of any discrepancies noted. Merchant specifically agrees that deposits posted to Merchant's account as a result of credit transactions shall be considered correct unless the Merchant notifies CIBC FirstCaribbean in writing to the contrary within the allotted 10 days.
11. In the event of system failure, telephone failure, equipment failure, or Merchant's inability to reconcile with CIBC FirstCaribbean's daily system total, Merchant shall, at CIBC FirstCaribbean's express written instructions, present paper transactions to CIBC FirstCaribbean for processing.

E-COMMERCE/INTERNET SERVICES (Credit Only)

Internet Services (Credit Card Only)

The Merchant will provide Internet services only with the expressed consent of CIBC FirstCaribbean. If the Merchant intends to convert all or part of the Merchant's business to Internet services, the Merchant will provide CIBC FirstCaribbean with 60 days prior written notice of the Merchant's intention and any commencement of Internet service is subject to receipt of CIBC FirstCaribbean's consent to the conversion. The Merchant will thereafter comply with the following:

1. The Merchant agrees that it will not accept E-Commerce/Internet transactions unless it agrees to execute a Cash Hypothecation Agreement acceptable to CIBC FirstCaribbean or to give security suitable to CIBC FirstCaribbean. and that, as the customer's card is not physically present for E-Commerce/Internet transactions, the Merchant may incur a chargeback on all E-Commerce/Internet transactions, in accordance with the appropriate Card Associations operating rules. The Merchant also agrees to abide by the terms and conditions as set out in Schedule "B" to these Agreements.
2. The Merchant agrees that its web site will contain all the following information presented in a clear manner:
 - a. A complete and accurate description of the goods or services offered.
 - b. Merchant's return/refund policy.
 - c. Merchant's Consumer data privacy policy and the method of transaction security used to secure cardholder account data during the ordering and payment process.
 - d. A customer service contact, including Electronic mail addresses or telephone number.
 - e. Transaction currency (e.g. US dollars, Canadian dollars).
 - f. Export restrictions (if known).
 - g. Merchant's delivery/fulfilment policy.
 - h. Merchant's country of domicile.
 - i. The Merchant's physical address (not a post office box or mail forwarding service) for correspondence and judicial process, or in the case of a merchant that sells digital goods only, the physical address where one of the principals resides.
 - j. The trademarks, in full colour, of the credit cards that the Merchant accepts.
3. The Merchant agrees to only use an electronic commerce solution for processing E-commerce/Internet transactions that is capable of providing the required information set out by CIBC FirstCaribbean from time to time in accordance with VISA; MasterCard or other card association regulations.
4. The Merchant agrees to include the following data on a transaction receipt completed for an E-Commerce/Internet transaction:
 - a. Merchant's name most recognizable to the cardholder, such as:
 1. Merchant "doing business as" name (DBA, as used on our website)
 2. Merchant "universal resource locator" (URL), if possible.
 3. Merchant must advise of domain name, and provide CIBC FirstCaribbean with written notification of any changes to this name during the lifetime of this contract
 4. Merchant name used in the VISA net Clearing Record.
 - b. If the Merchant delivers goods or services internationally, the Merchant must list both local and internationally accessible telephone numbers:
 - c. Terms and conditions of sale, if restricted.
 - d. Exact date free trial period ends, if offered.
 - e. Cancellation policies.
5. The Merchant agrees to provide a completed copy of the transaction record to the Cardholder at the time the purchased goods are delivered or services performed. The Merchant may deliver the transaction receipt in either of the following formats:
 - a. Electronic (e.g., e-mail or fax).
 - b. Paper (e.g., hand-written or terminal-generated).
6. The Merchant agrees to not return the account number to the Cardholder either online or on the transaction receipt.
7. The Merchant agrees not to hold CIBC FirstCaribbean liable for any service option deficiency, delay, interruption, or cessation of service caused by any event that is beyond its reasonable control or for any

disclosure of confidential information except where caused by its gross negligence. This clause survives termination of this Agreement.

8. The Merchant agrees not to engage in the sale of prohibited products and services or conduct business in the following areas without the specific prior written consent of CIBC FirstCaribbean :
 - a. Online gambling and online gambling transactions (including, but not limited to, any of the following: pyramid schemes, betting, lotteries, casino-style games, funding an account established by the Merchant on behalf of the cardholder, purchase of value for proprietary payment mechanisms, such as electronic gaming chips).
 - b. Sale of pornographic or illicit material of any type.
 - c. Escort services.
 - d. Goods and/or services prohibited by applicable law or under the rules, regulations or directives of any card association.
9. The Merchant agrees that it will not retain or use any cardholder data without the expressed consent of the cardholder. The Merchant also agrees that, prior to discarding; it will destroy this information in a manner rendering it unreadable.
10. The Merchant agrees that any Cardholder information, stored or otherwise, must be appropriately managed, controlled and protected and held in a secure manner to prevent access by unauthorized parties and prevent unauthorized use.
11. The Merchant will provide multiple security measures to protect Cardholder databases, so that if any one- security control fails, it will not result in unauthorized disclosure of account and transaction information.
12. The Merchant must implement controls so that the Cardholder Internet sessions cannot be redirected to an unauthorized website. If a Cardholder is redirected to an unauthorized website, the Cardholder may unknowingly disclose confidential information, account, or transaction information using strong cryptography.
13. The Merchant must secure all communication between the Cardholder and itself including, but not limited to, Cardholder identification, authentication information, account, or transaction information, using strong cryptography.
14. The Merchant must ensure that databases containing Cardholder information are only accessible through tested Web interfaces designated for cardholders. Static passwords do not provide adequate security for system, database or application administrative access over the Internet to Cardholder databases. The Merchant's application process must never allow the user to enter unrestricted system or database commands. Application programs must never cause the application to fail in a way that allows users to enter unrestricted system or database commands.
15. The Merchant's customer support functions must only originate from approved networks and computers.
16. The Merchant agrees that it also has in place, or will implement before commencing accepting transactions, the following additional measures to protect a cardholder database:
 - a. network access controls that prevent the system that hosts the cardholder database from being directly accessed from the Internet;
 - b. The Merchant will not open or run e-mail attachments or other unknown files on the Web or database servers from unknown sources. The Merchant will not use the Web or database servers as browsers to view other web sites;
 - c. The Merchant will secure the account number by doing the following:
 - Using strong cryptography (preferably hardware which secures the cryptographic keys) if the account number must be decrypted on a computer system that can be accessed from the Internet; or
 - Using strong cryptography hardware or software if the account number can only be decrypted on devices not accessible from the Internet; or
 - Not storing the account and transaction information on a computer accessible from the Internet.
17. The Merchant agrees that before implementing any changes on a computer system that contains account and transaction information accessible from the Internet, the Merchant will validate that the changes do not adversely affect the following:
 - a. Hardware that implements security controls.
 - b. Software that implements security controls for account and transaction information.
18. The Merchant also agrees that, after implementation, the Merchant will validate that the appropriate security controls remain in effect.

19. The Merchant agrees that MasterCard or VISA or any other card association may permanently prohibit it or one of its owners, officers, partners, proprietors, or employees from participating in the MasterCard, VISA or VISA Electron Program, or other applicable program, as applicable, for any reasons it deems appropriate, such as:
 - a. Fraudulent activity;
 - b. Presenting transaction receipts that do not result from an act between the Merchant and the cardholder (laundering);
 - c. Activity that causes CIBC FirstCaribbean to repeatedly violate the VISA International Operating Regulations or the MasterCard Worldwide Operating Regulations;
 - d. Activity that has resulted in a MasterCard or VISA Regional office prohibiting the Merchant from participating in the MasterCard, VISA or VISA Electron Program;
20. The Merchant agrees that CIBC FirstCaribbean, MasterCard, VISA, Discover and any other card association or network organization covered by the Agreement(s), has the right to perform periodic audits of the Merchant's website to confirm that the Merchant is adhering to the policies and procedures laid out in this agreement and any written directions issued by CIBC FirstCaribbean.
21. The Merchant agrees to perform periodic self-assessments regarding website security and data security as may be recommended or required by MasterCard or Visa or other card association.
22. The Merchant agrees to pay any fees or charges relating to E-Commerce/Internet services set by CIBC FirstCaribbean from time to time.

In the event of an inconsistency between the terms and conditions of this section and any other terms and conditions of these Agreements, the provisions of this section shall prevail.

Other Provisions

Counterparts

This Agreement may be executed in any number of counterparts or duplicates, each of which shall be an original, such counterparts or duplicates shall together constitute one and the same agreement.

Assigning Merchant Agreement

1. CIBC FirstCaribbean shall have the right to assign this Agreement to any of its affiliate companies from time to time.
2. The Merchant shall not assign this Agreement or any rights hereunder, directly or by operation of law, without obtaining the prior written consent of CIBC FirstCaribbean.
3. The Merchant agrees it will provide CIBC FirstCaribbean with a minimum of 30 days prior written notice in the event that its majority interest will be changed or transferred.
4. In the event of a change of name by the Merchant, agrees to provide CIBC FirstCaribbean with a copy of the Certificate of Amendment immediately after the change of name has been approved by the relevant Government department.

Merchant Name and Business Type

Merchant shall give CIBC FirstCaribbean, written notice, of any changes to its company name, business name, business type, telephone, or any other relevant contact or banking information.

Indemnification

1. The Merchant agrees to indemnify CIBC FirstCaribbean and hold CIBC FirstCaribbean harmless from claims

of any nature arising out of any transaction covered by this Agreement. This clause shall survive termination of this Merchant Agreement.

2. Except for any liability, claim, loss, damage, expense, or cost (collectively "costs") caused by CIBC FirstCaribbean's gross negligence, the Merchant agrees to indemnify CIBC FirstCaribbean and hold CIBC FirstCaribbean harmless from any costs incurred by CIBC FirstCaribbean as a result of its action or inaction, or as a result of any unauthorized use of a service or piece of equipment, or as a result of entering into this Merchant Agreement. This clause shall survive termination of this Merchant Agreement.
3. Neither CIBC FirstCaribbean nor the Merchant are liable for any indirect, special, or consequential damages suffered by the other, including loss of anticipated profits or other economic loss due to its use of any of the services covered by this Merchant Agreement. This clause shall survive termination of this Merchant Agreement.
4. The Merchant agrees that if it uses equipment or a terminal from any other institution ("Third party Terminal") to electronically process credit card or debit card transactions, other than those approved by and provided to the Merchant by CIBC FirstCaribbean it remains liable to CIBC FirstCaribbean to process and submit sales drafts according to this Merchant Agreement. The Merchant also agrees that CIBC FirstCaribbean is in no way liable for any losses arising out of the use of a third party Terminal.
5. The Merchant agrees to indemnify and hold CIBC FirstCaribbean harmless from and against any and all liabilities, losses, expenses, damages, disputes, offsets, compensation, and claims or counterclaims of any nature arising out of or related to the payment processing services hereunder, including but not limited to claims and complaints made by a cardholder or any other person or entity with regard to a card transaction under the Agreement(s) or any other service provided hereunder.
6. The Merchant agrees that, in the event of a default by the Merchant under the terms of these Agreements, CIBC FirstCaribbean has a right of set off and compensation, and may apply any of the Merchant's deposit balances with CIBC FirstCaribbean, or any other amounts owing to the Merchant hereunder, towards the payment of any amounts owing by the Merchant under the terms of these Agreements. The Merchant agrees CIBC FirstCaribbean's right of set off and compensation is in addition to any other rights CIBC FirstCaribbean may have under applicable laws.
7. CIBC FirstCaribbean's ability to provide terminal authorization, POS debit, and draft deposit services depends on the normal functioning of telephone and computer services used by CIBC FirstCaribbean and other card issuers. The Merchant agrees not to hold CIBC FirstCaribbean liable for any delay, interruption, or cessation of services caused by any event that is beyond CIBC FirstCaribbean's reasonable control or for any disclosure of confidential information except where caused by CIBC FirstCaribbean's gross negligence or wilful misconduct. This clause shall survive termination of this Merchant Agreement.
8. The Merchant agrees it is responsible for reimbursing CIBC FirstCaribbean for any reasonable legal and other costs necessary to exercise and/or enforce the rights covered in this Merchant Agreement. The Merchant also agrees that CIBC FirstCaribbean may debit these amounts from its Merchant Account without notice. The terms of this Section entitled "Indemnification" survives expiration or termination of this Agreement.

Termination

1. Notwithstanding anything to the contrary express or implied elsewhere in this Agreement, CIBC FirstCaribbean (without prejudice to its other rights or remedies) may at its sole discretion either terminate this Agreement immediately either wholly or partially in relation to any Service or immediately suspend the provision of Service or rental Equipment or any of them until further notice on notifying the Merchant to that effect either orally (confirming such notification in writing) or in writing in the event that:
 - (a) where the Merchant is a corporate entity, and order is made or an effective resolution is passed for the winding up or dissolution of the Merchant; or
 - (b) a receiver or administrative receiver or administrator is appointed in relation to the Merchant or any distress or execution, attachment, garnishment or like process is levied or enforced upon or against any of the property, attachment, garnishment of the Merchant or the Merchant makes or attempts to make any arrangement or composition with its creditors;
 - (c) The Merchant is in breach of any of its obligations under this Agreement;
 - (d) Any permit, license or consent which CIBC FirstCaribbean may require in order to carry out its

obligations under this Agreement if refused, will cause the agreement to be withdrawn or terminated, provided however that in any such event CIBC FirstCaribbean will give to the Merchant such notice as is reasonably practicable in the circumstances;

- (e) If the Merchant makes an unauthorized conversion of all or part of its business to Internet, mail or telephone order services, or to any activity where the card is not physically present and swiped through the Merchant's POS terminal,
 - (f) If the Merchant fails to follow any operating regulation or rule of a card association or network organization or any written directions or procedures provided to the Merchant pursuant to the Agreement),
 - (g) If the Merchant makes any misrepresentation to CIBC FirstCaribbean,
 - (h) CIBC FirstCaribbean required a guarantor under the Agreement and such guarantor terminates the guarantee, or
 - (i) If required a guarantor under the Agreement and the Merchant attempt to substitute a different guarantor without CIBC FirstCaribbean's prior written consent, such consent not to unreasonably withhold.
 - (j) If the Merchant knowingly submits any transaction that is illegal or that it should have known was illegal.
 - (k) Any other activity that may result in undue economic hardship or damage to the goodwill of the MasterCard or Visa or other card association system.
2. This Agreement may be terminated by the Merchant forthwith by prior notice in writing to CIBC FirstCaribbean if CIBC FirstCaribbean is in material breach of any of its obligations under this Agreement which is not remedied within 30 days after written notice of breach has been given to CIBC FirstCaribbean by the Merchant.
 3. Either Party may terminate this Agreement without cause and for convenience upon giving the other Party 60 days' prior notice in writing.
 4. Any transaction completed on or prior to the date of termination shall survive termination.
 5. CIBC FirstCaribbean has the right to place the merchant in the Terminated Merchant File/Visa Merchant Trace System if the merchant has been terminated for cause and merchant agrees to indemnify and hold the acquirer harmless.
 6. Following termination of this Merchant Agreement the Merchant agrees that it will no longer represent that it honours the Qualified Cards unless it enters into a separate agreement with another bank.
 7. If this Merchant Agreement is terminated by either party, CIBC FirstCaribbean reserves the right to hold or request that the Merchant deposits sufficient funds on the Merchant's deposit to cover all the credit card deposits of the preceding six (6) months.

Consequences of Termination

1. Termination of this Agreement shall in no way relieve the Merchant of its obligation to pay to CIBC FirstCaribbean any charges or fees incurred hereunder prior to the effective date of such termination.
2. In the event that the charges incurred by Merchant under this Agreement are not paid within 1 week of termination of the Agreement the unpaid amount will be automatically debited to the Merchant Account.
3. Upon termination of this Agreement CIBC FirstCaribbean or its Agents may immediately enter the Merchant's premises and remove all System Equipment and other CIBC FirstCaribbean facilities provided to the Merchant by CIBC FirstCaribbean pursuant to this Agreement.
4. If CIBC FirstCaribbean or its Agents are unable to gain access to the Merchant's premises in accordance with Clause 3, CIBC FirstCaribbean will give notice of this fact to Merchant and the value of the equipment will be added to the Merchant Account.

Confidentiality and Publicity

1. Each Party (the “receiving party”) shall treat all information provided by the other Party (the “disclosing party”) or generated or obtained in connection with performance of this Agreement (the “Confidential Information”) as confidential, including any oral and written communications, Cardholder information, documents, notes, data or other material in tangible, intangible or electronic form whether or not the disclosing party deems such to be proprietary or confidential. The receiving party agrees that any Confidential Information shall only be used by the receiving party’s employees who need to know the Confidential Information for the purpose of this Agreement, who are informed by the disclosing party of the confidential nature of such information, and who are subject to a confidentiality or non-disclosure agreement which substantially reflects the confidentiality provisions of this clause. The receiving Party agrees to promptly deliver to the disclosing Party the Confidential Information upon the disclosing Party’s request.
2. Without the prior written consent of CIBC FirstCaribbean, the Merchant shall make any broadcast, press release, advertisement, public disclosure or other public announcement or statement with respect to this Agreement or the relationship between CIBC FirstCaribbean (including its Affiliates) including, the use of CIBC FirstCaribbean’s name, trademark or hallmark, in advertisements, marketing materials, press releases or other documentation or announcements. Neither Party shall photograph or videotape at the other Party’s premises without such Party’s prior express written consent.
3. Confidential Information does not include (i) information lawfully in the public domain and/or which became so through no fault of the Party receiving the Confidential Information (the “Receiving Party”); (ii) information a Party lawfully gets from a third party having the right to convey the Confidential Information to the Receiving Party without any obligation of confidentiality not to disclose the same; (iii) information already known to the Receiving Party prior to receipt thereof; (iv) information independently developed by the Receiving Party; (v) information approved for release by prior written authorisation of the owner of the Confidential Information; (vi) information which has to be released as may be required by law.
4. Both parties acknowledge that the restrictions contained herein are reasonable and necessary to protect their legitimate interests and that any violation of these restrictions will cause irreparable damage to the other party. Each party agrees that damages are not an adequate remedy for any such violation and that the other party will be entitled to seek injunctive relief against each violation.
5. The Provisions of this clause will survive the Termination of this Agreement. Notwithstanding the foregoing, both Parties’ obligations shall be perpetual with respect to any Confidential Information that may be deemed under applicable law to be either non-public personally-identifiable information or a Trade Secret.

Glossary

In this Merchant Agreement, the following terms have special meaning:

Authorization: The process used by card issuers to approve or decline a transaction request (this only validates this transaction; it does not guarantee the sale).

Banking day is any day that the CIBC FirstCaribbean branch where its Merchant Account is located is open for business

Batch: A set of records within the merchant's closing transmission through the point-of-sale terminal.

Cardholder is the person whose name is embossed on a Qualified Card, or in the case of a debit card, the proper person in possession of a debit card and the corresponding PIN.

Chargeback: is the process initiated by a Cardholder for the reversal of a Qualified Card or debit card transaction in circumstances where there is dissatisfaction, omissions or fraudulent activity.

Draft deposit service is a service that allows the Merchant to use a POS terminal to deposit sales drafts and credit vouchers to its Merchant Account.

End of day is a procedure usually done at the end of the day where the Merchant performs a function for the terminal to transfer funds for payment to its Merchant Account.

Equipment is an imprinter, point of sale (POS) terminal, printer, or any other device approved by FirstCaribbean to process transactions covered by this Agreement.

CIBC FirstCaribbean means FirstCaribbean International Bank (Barbados) Limited or FirstCaribbean International Bank (Bahamas) Limited or FirstCaribbean International Bank (Cayman) Limited or FirstCaribbean International Finance Corporation (Cayman) Limited or FirstCaribbean International Bank (Jamaica) Limited or FirstCaribbean International Finance Corporation (Netherlands Antilles) Limited or FirstCaribbean International Finance Corporation (Leeward & Windward) Limited or FirstCaribbean International Wealth Management Bank (Barbados) Limited or FirstCaribbean International Wealth Management (Curacao) N.V. or FirstCaribbean International Bank (Curacao) N.V. and such other subsidiaries or affiliates of FirstCaribbean International Bank Limited as may from time to time hereafter come into existence and any successors or assignees of these companies.

Floor limit is the maximum amount of any single credit card sale or transaction the Merchant can accept without getting approval from CIBC FirstCaribbean

Merchant Account is a business current account maintained at a CIBC FirstCaribbean branch that the Merchant has designated in writing as an account for the processing of credit and debit card deposits.

The Merchant Discount Rate (MDR) is what the Merchant owes to CIBC FirstCaribbean for processing of credit card transactions on its behalf.

Debit Fee: is what the Merchant owes to CIBC FirstCaribbean for processing of debit card transactions on its behalf.

Personal Identification Number (PIN) is a confidential 4-digit code known only to the cardholder that is used to verify the cardholder's identity and to activate a debit card transaction at the Point of Sale.

PIN pad is the equipment into which a cardholder enters a PIN to verify his or her identity.

Point of Sale (POS) terminal is the electronic device installed or located on the Merchant's premises that it uses to authorize credit card transactions, deposit credit card sales drafts, and process debit card transactions.

Point of Sale station is a terminal, printer and, if appropriate, PIN pad which are inter-connected at the Merchant's premises.

Printer is the equipment that produces a physical record of a transaction.

Qualified Card is any credit, debit or charge card that CIBC FirstCaribbean allows the Merchant to accept as part of this Agreement. A list of these cards will be provided to the Merchant from time to time.

Terminal is the equipment which meets CIBC FirstCaribbean specifications and into which the Merchant enters information with respect to a transaction.

Transaction is any sale that is paid for with a card or any adjustment or return that is credited to a card.

TM Trademark of CIBC FirstCaribbean

* CIBC FirstCaribbean, Licensee of mark

+ MasterCard - Registered Trademark of MasterCard International Inc Visa – Registered Trademark of VISA International Discover – Registered Trade-Mark of Discover Financial