

This is an Addendum (this "Addendum") to the Merchant and/or ACH Origination Agreement (the "Agreement"), between _____, (the "Merchant"), ISO, and Bank/ODFI ("Bank") as defined in the Agreement.

This Addendum shall be deemed to be integrated into and added to the Agreement. The Addendum shall be fully subject to all the terms and conditions of the Agreement. This Addendum shall be additive to the Agreement and shall not limit or supersede any of the Agreement's terms. For any conflict between the Agreement and this Addendum, the Agreement shall control. All capitalized terms not defined herein shall have the meaning set forth in the Agreement.

As a condition of rendering the Services to Merchant, Merchant must execute this Addendum, making each of the acknowledgements, representations, warranties, and/or agreements contained herein.

Representations, Warranties and/or Acknowledgements.

- Merchant is engaged in the business of offering products / services as subscription, recurring, auto-ship, and/or negative option billing model via online marketing and other ways of advertising where the Cardholder may not be present.
- Merchant will, throughout the term of the Agreement, maintain, all local, state, and federal licenses, registrations, and approvals required to conduct such business in the states where Merchant conducts business and where Merchant's customers reside.
- Merchant will comply with all Association rules and regulations.
- All of Merchant's statements on applications for such licenses, registrations, and approvals were and shall remain true, and Merchant agrees to provide proof of the same to ISO upon request.
- All statements by Merchant regarding the products and services it sells are and shall remain exhaustive.
- All statements on applications for Merchant's necessary licenses, registrations, and approvals were and shall remain true, and Merchant agrees to provide proof of the same to ISO upon request.
- Merchant attests the information in the Agreement includes all applicable service providers, including without limitation third-party entities (such as CRMs, shopping carts, etc.) that has card data access.

General Advertising Practices. Merchant attests that it will not participate in the following general advertising practices:

- Send unsolicited emails and/or perform outbound telemarketing.
- Send email messages that are not compliant with Applicable Law and/or do not contain an easily identifiable and verifiable opt-out.
- Advertise unreasonable or unsubstantiated results/claims.
- Use any unapproved celebrity names in any advertisements (i.e. Oprah, Dr. Oz, Dr. Phil, etc.).
- Use any news source logos in advertisements (i.e. CNN, Fox News, etc.).
- Utilize uncorroborated news source websites or any fake testimonials.
- Create any false sense of urgency (i.e. time clock stating stock may run out).

Prohibited Billing Practices. Merchant attests that it will not participate in the identified activities:

- Bill a Cardholder for any product not clearly disclosed on the payment page, confirmation page, and terms & conditions.
- Share Cardholder's information with third-parties (for upsell or other purposes) unless clearly disclosed, such as with delivery of the product.
- Fail to honor any request by merchant to stop recurring charges.
- Make its charges confusing or misleading in any form.

Health products. Merchant agrees, on behalf of itself and any affiliates, to the following:

- Merchant agrees to list product ingredients on its website for every nutritional supplement that is sold.
- Merchant will ensure the product or ingredient is legal and not prohibited in the cardholder's jurisdiction (please refer to LegitScript or other verification management service provider for verification).

- Comply with all applicable rules, including without limitation the Food and Drug Administration ("FDA") and Federal Trade Commission ("FTC") regulatory requirements, including without limitation by refraining from advertising any medical or health benefits that are not compliant with Applicable Law and approved by the FDA.
- Merchant agrees not to advertise relief of disease symptoms, mention prescription drug's names, or make any sort of false or misleading claims or utilize any sort of deceptive marketing with respect to its products.

Merchant's Special Compliance Obligations under Association Rules. The Agreement requires Merchant to abide by all Association Rules. Without limiting or narrowing that obligation in any way, Merchant specifically agrees as follows:

- Merchant will follow all applicable Association Rules related to obtaining express consent from Cardholder(s), providing required notification to Cardholder(s) upon enrollment and reminders thereafter, providing detailed transaction receipts, and making available easy cancellation and modification options.
- Merchant will not accept nor submit any Transaction(s) representing sales generated by another merchant.
- Merchant acknowledges that the Association Rules and requirements, including without limitation the requirements regarding negative option trial billing practices, are updated from time to time and that it is the Merchant's ultimate responsibility to ensure they are compliant with same.
- **Visa/MasterCard Registration.** To ensure compliance with Association Rules, Merchant understands ISO may, with or without notice, register Merchant with the Associations for special acceptance of Transactions related to Merchant's restricted industry. These fees are charged per-Association, upon approval of the Agreement, and annually thereafter. Prior to April 1, 2024, the fee shall be \$500.00 for Visa, and \$500.00 for MasterCard. Effective on or after April 1, 2024, the initial and annual registration fee shall be as follows: \$500.00 for MasterCard, and \$950.00 for Visa. In each case, the registration fee shall be per-Association; shall be non-refundable and non-transferrable; and shall be charged upon acceptance of the Agreement and annually thereafter, for so long as the Agreement remains in effect. Merchant understands that whether and to what extent any Association may require Merchant's registration and the associated fee may depend on whether Merchant is selling physical products.
 - Merchant authorizes ISO to initiate debit entries for the above-referenced registration fees, with or without notice, as required to maintain Merchant's registration, from the Operating Account, the Reserve Account, or any other account maintained by Merchant in accordance with the terms and conditions of the Agreement. The registration described herein shall not operate as a waiver of Merchant's indemnity obligations, including, without limitation, Merchant's responsibility for any assessments, penalties, fines or fees.

Websites and URLs. Merchant agrees to disclose to ISO each and every URL it uses to sell its products or market its business to consumers. This includes an obligation to update ISO as to any new or changed URLs. Merchant acknowledges and agrees that ISO (or a vendor engaged by ISO) will monitor their URLs monthly, and that **Merchant will be charged a fee of \$15.00 per URL per month for such monitoring.** This fee will begin upon ISO's acceptance of the Agreement and shall continue for each full or partial month in which the Agreement is in effect. Merchant authorizes ISO to initiate debit entries for the foregoing fee on a monthly basis from the Operating Account or any other account authorized by the Agreement.

Merchant's Acknowledgement of Special Laws Applicable to Merchant's Industry. The Agreement requires Merchant to abide by all Applicable Laws. Without narrowing or limiting that obligation in any way, Merchant specifically acknowledges and agrees to comply with applicable requirements in the following laws, as may be amended from time to time:

- Section 5 of the Federal Trade Commission Act, 15 U.S.C. §45;
- the Consumer Financial Protection Act, 12 U.S.C. §5481, et seq. ("CFPA");
- the Rule Concerning the Use of Pre-notification Negative Option Plans, 16 C.F.R. Part 425;
- the Telemarketing and Consumer Fraud and Abuse Prevention Act, 15 U.S.C. §6101, et seq. ("TCFAPA") and all regulations implementing the TCFAPA including without limitation all applicable provisions of the Telemarketing Sales Rule, 16 C.F.R. §

310.1, et seq., including provisions in §§310.3(a)(1)(vii) and 310.3(a)(2)(ix) specific to “negative options”, and in § 310.3(c) prohibiting “credit card laundering”;

- the Electronic Funds Transfer Act, 15 U.S.C. § 1693, et seq. (“EFTA”) and all regulations implementing the EFTA including without limitation Regulation E, 12 C.F.R. §1005.1, et seq.;
- the Telephone Consumer Protection Act, 47 U.S.C. §227, et seq. (“TCPA”) and all regulations implementing the TCPA including without limitation 47 C.F.R. §64.1200, et seq.;
- the Restore Online Shopper’s Confidence Act, 15 USCS § 8401, et seq.; the Unordered Merchandise Statute, 39 U.S.C. §3009;
- the Gramm-Leach-Bliley Act, 15 U.S.C. § 6801, et seq. (“GLBA”) and all regulations implementing the GLBA;
- the rules promulgated by the Consumer Financial Protection Bureau (“CFPB”); and all other applicable federal, state, and local laws, rules and regulations including, without limitation, those referring, relating or pertaining to the foregoing, consumer privacy and protection, credit, lending, financing, and banking.

Miscellaneous.

- **Notice.** Merchant will immediately notify ISO and Bank in writing of any inquiry, investigation, complaint, charge, subpoena, claim, civil investigative demand, request for information, judgment, injunction, restraining order, cease and desist order, any similar judicial, quasi-judicial, administrative, or executive order, or any license or permit revocation or cancellation, by any local, state or federal law enforcement or regulatory agency, entity, or official in connection with or relating to Merchant’s business including without limitation any complaints, charges or claims against Merchant by any customers of Merchant or by any local, state or federal official.
- **Indemnity.** In addition to the indemnity obligations set forth in the Agreement, Merchant will also indemnify and hold ISO and Bank harmless from and against any and all losses, costs, liabilities, damages and expenses (including attorneys’ fees and collection costs) resulting from or incurred in connection with any breach of the Agreement including and as modified by this Addendum, and/or resulting from or incurred in connection with any inquiry, investigation, complaint, charge, subpoena, claim, or request for information of or against Merchant, or against or involving ISO or Bank in connection with Merchant, by any local, state or federal law enforcement or regulatory agency in connection with or relating to Merchant’s business including without limitation any complaints, charges or claims by any customers of Merchant or by any local, state or federal official.
- **Termination.** Merchant understands that ISO or Bank may terminate the Agreement effective immediately in the event of any breach of this Addendum, upon an Event of Default, and/or as otherwise set forth in the Agreement.

Legal Advice. This Addendum is not legal advice to Merchant from Bank and/or ISO. Merchant is strongly encouraged to obtain its own legal counsel regarding matters of compliance in its business; however, Merchant shall be responsible for complying with Association Rules and Applicable Law, regardless of whether it chooses to obtain legal counsel, and may be required to provide legal opinions as may be provided herein or the Agreement.

Merchant:

By:

Print Name:

Its:

Dated: