

**Addendum to Merchant Application & Agreement and  
Merchant Processing Terms & Conditions**

For Internal Use Only Loc. #: _____
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Merchant DBA Name: Corpus Christi, Texas

*The Merchant Application & Agreement is hereby amended as follows:*

**Acknowledgements Section** – The third paragraph in the Acknowledgements section is hereby amended by deleting the words “and is subject to an Early Termination Fee of no less than \$495.00\*”.

*The Merchant Processing Terms & Conditions are hereby amended as follows:*

The third “WHEREAS” recital is amended by deleting the word “licensed” and replacing it with the word “organized.”

**§1** – Section 1 is hereby amended by deleting the words “or without” from the third sentence of the Section.

**§3** – Section 3 is hereby amended by deleting the word “balance” and replacing it with the word “batch.”

**§4** – Section 4 is hereby amended by deleting the following sentence: “MERCHANT agrees to provide BANK three (3) days prior written notice of any change of account and to abide by BANK’s policies regarding changes to accounts.”

**§4** – Section 4 is further amended by deleting the following sentence: “All payments to MERCHANT for the amount of bank card transactions properly submitted to BANK shall be less discount, credit chargebacks, reserve amounts, transaction fees, statement fees, and other applicable fees all of which are the responsibility of MERCHANT.”

**§4** – Section 4 is further amended by deleting the sentence indicated below and replacing it with the sentence indicated below:

Delete the following sentence: “Fees and other charges due BANK hereunder may be deducted from amounts due MERCHANT or may be debited against any of MERCHANT’s accounts at BANK’s sole discretion.”

Replace it with the following sentence: “Fees and other charges due BANK hereunder may be debited against MERCHANT’s bank account or, if MERCHANT’s account with BANK is delinquent or otherwise not current, may be deducted from amounts due MERCHANT, in BANK’s good faith discretion.”

**§4** – Section 4 is further amended by deleting the sentence indicated below and replacing it with the sentence indicated below:

Delete the following sentence: “The discount and other fees may be collected by BANK on a daily, monthly, or other basis, as determined by BANK.”

Replace it with the following sentence: “Unless MERCHANT’s account with BANK is delinquent or otherwise not current, the discount and other fees may be collected by BANK only on a monthly basis.”

**§4** – Section 4 is further amended by deleting the following sentence: “All reserve amounts may be deducted from amounts otherwise due MERCHANT, debited against MERCHANT’s account, or paid directly by MERCHANT through ACH or otherwise at BANK’s sole discretion.”

**§4** – Section 4 is further amended by deleting the words “ninety (90)” in the two places they appear in the Section and replacing them in both places with the words “one hundred eighty (180)”.

**§5(d)** – Subsection 5(d) is hereby amended by adding the words “or court order” to the end of the subsection.

**§5(e)** – Subsection 5(e) is hereby deleted in its entirety.

**§5(g)** – Subsection 5(g) is hereby amended by deleting the second sentence thereof and replacing it with the following: “MERCHANT also warrants that no photographic, video surveillance, or other recording device is being used to intentionally capture any cardholder PIN or information reflected on the front or back of any payment card.”

**§5(i)** – Subsection 5(i) is hereby deleted in its entirety.

**§5(j)** – Subsection 5(j) is hereby deleted in its entirety and replaced with the following: “(j) If a manual authorization number is required or requested, MERCHANT warrants it shall use only the authorization number obtained through the Voice Authorization network phone number provided by BANK. MERCHANT shall not use any number given by the cardholder or any type of number which has been obtained from any other source;”.

**§5(k)** – Subsection 5(k) is hereby amended by adding the words “, subpoena or court order” to the end of the first sentence of the subsection.

**§5(l)** – A new Subsection 5(l) is hereby added as follows: “(l) MERCHANT is responsible for its employees’ actions while in its employ.”

**§6** – Section 6 is hereby amended by deleting the following sentence: BANK shall have the right to charge a fee of no less than twenty dollars (\$20.00) for returned mail items.”

**§8** – Section 8 is hereby amended by deleting from the first sentence thereof the words “terminate this Agreement with or without notice”.

**§8** – Section 8 is hereby amended by deleting the following sentence: “BANK reserves the right, at its sole discretion, to adjust or amend the Merchant Profile Section of the Merchant Application & Agreement with or without notice to MERCHANT.”

**§10** – Section 10 is hereby deleted in its entirety.

**§11** – Section 11 is hereby amended by adding the words “, with 90 days notice,” after “one-year periods” in the second sentence thereof and replacing them with the words.

**§11** – The portion of Section 11 beginning with the third sentence (the sentence beginning with the words “The written notice must contain ....”) and encompassing the balance of the Section is hereby deleted and replaced with the following: “The continuation of this Agreement after the close of any fiscal year of the City, which fiscal year ends on September 30th annually, is subject to budget approval and appropriations specifically covering this Agreement as an expenditure in said budget, and it is within the sole discretion of the City’s City Council to determine whether or not to fund this Agreement. The City does not represent that a budget item providing for this Agreement will be adopted, as that determination is within the City Council’s sole discretion when adopting the budget.”

**§12** -- Section 12 is hereby amended by deleting the second sentence thereof in its entirety.

**§13** – Section 13 is hereby deleted in its entirety.

**§14** – Section 14 is hereby deleted in its entirety.

**§15** – The portion of Section 15 beginning with “MERCHANT shall immediately notify BANK in writing if variances occur ...” and encompassing the balance of the Section is hereby deleted.

**§16** – Section 16 is hereby deleted in its entirety.

**§20** – Section 20 is deleted in its entirety.

**§22** – Section 22 is hereby amended by deleting the sentences indicated below and replacing them with the sentence indicated below:

Delete the following sentences: “If to MERCHANT, the proper notice shall be the address stated on the records of BANK. Notice to MERCHANT may be by letter, facsimile and/or the MERCHANT’s monthly statement.”

Replace them with the following sentence: “Notice to MERCHANT shall be made by U.S. mail delivered to the address stated on the records of BANK.”

**§22** – Section 22 is hereby further amended by deleting the sentence that reads “Any notice of termination of this Agreement must be in writing and must contain MERCHANT’s signature as it appears on the Merchant Application & Agreement” and replacing it with the following: “Any notice of termination of this Agreement must be in writing and signed by a person with appropriate authority to bind MERCHANT.”

**§23** – Section 23 is hereby amended by adding the words “and MERCHANT” to the end of the first sentence thereof.

**Next Day Funding Terms & Conditions** – the following sentences are deleted from the Next Day Funding Terms & Conditions: “Upon execution of this agreement and acceptance into the Next Day Funding Program, MERCHANT acknowledges and agrees to the Next Day Funding Rate or Monthly Fee, effective the first day of the month of acceptance. MERCHANT further acknowledges that the Next Day Funding Rate or Monthly Fee are fees to participate in the Next Day Funding Program and not a guarantee that all transactions processed will qualify for Next Day Funding.” MERCHANT and BANK hereby agree that MERCHANT, if approved for the Next Day Funding Program, shall not be charged for Next Day Funding.

By execution of this Addendum, the undersigned acknowledges and agrees that all other terms and provisions of the Merchant Application & Agreement and Merchant Processing Terms & Conditions shall remain in full force and effect except as amended hereby. This Addendum is limited to the amendment set forth herein and shall not constitute an amendment, modification, or waiver of any other provisions of the Merchant Application & Agreement and Merchant Processing Terms & Conditions.

The undersigned further warrants and represents that he/she has the authority to execute this Addendum on behalf of the entity named herein and bind the entity to provisions herein.

Signature:  Date: \_\_\_\_\_

Title: \_\_\_\_\_

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

Company Name: \_\_\_\_\_

**Approved by Bank:** \_\_\_\_\_ **Date:** \_\_\_\_\_