Merchant Agreement for Service, Site, and Convenience Fee Processing

This agreement (the "Agreement") is made by and between Titan School Solutions Inc. (the "Company" or "Titan") and William S. Hart Union High School District (the "Merchant") whose name and address are shown on the Merchant ACH Processing Authorization Form attached to this Agreement.

1. **Purpose of Agreement.** This Agreement provides for the Company's credit and debit software (the "Software")
   that may reside in one, some or all of the following:
   a. Terminal(s) Hardware, Virtual Terminal(s), Swiped Card Terminal(s), a Website, Mobile App, or an Interactive Voice Response (IVR) system, to be utilized by Merchant's customers to effectuate electronic payments in person, online or over the phone.
   b. The Software will have access to appropriate Debit, Credit and Public Access networks (the "Networks") and third-party processors (the "Processor") and a bank or banks (the "Settlement Bank"), each of which will be selected by the Company.
   c. The Software will calculate and add to the original sale transaction amount a service-fee, site-fee, or convenience-fee (collectively "CC Fees") that will be charged to the Merchant's customer.
   d. The Software will facilitate (at Company's option) some or all of the following: the acceptance of debit cards, credit cards and stored value cards electronic transactions, the use of such forms of electronic funds transfer as the Company may elect, including electronic transfers from Merchant's bank, and the use of electronic checks, and the transfer of funds received from the Settlement Bank to the Merchant's designated Merchant Account (the "Merchant Account").
   e. The providing by the Company of the Software and access to the Networks, Processor and Settlement Bank is referred to in this Agreement as the Service. The Merchant desires that the Company provide Service, and the Company wishes to do so. The Service may be expanded by the Merchant upon written request to the Company. The Software that is provided pursuant to this Agreement is licensed for use by the Merchant and its customers, and is not sold. That license is revocable by the Company at any time and will automatically terminate upon termination, or expiration of this Agreement.

2. **Fees**
   a. Routing of Funds. The Company shall act on the Merchant's behalf with the Processor and the Visa and MasterCard member bank. As such (i) all bankcard processing statements will be received by Company, but Merchant is able to request copies if they wish; (ii) POS transactions are split-settled by Company where the payment amount is directly settled into the Merchant's business checking account (DDA) by the Visa and MasterCard Member bank, and CC Fees are settled with Company; (iii) The Merchant is able to view payment settlement records with 24/7 online access to our system.
   b. Convenience-Fees, Site Fees, and Service-Fees (CC Fees). Appropriate CC Fees will be added to the amount that the customer pays for the product or service, but will belong to the Company.

The amount of such CC Fees is:

Online Meal Account Payments (Initial One Option Below)

[initialed] Parent/Cardholder pays fees. Parent/Cardholder pays fees. Meal Account Deposits: Fixed Rate of $2.60 per transaction (Do Not complete page 5)

_____ District pays fees. Purchases and Meal Account Deposits: Fixed Rate of $2.60 per transaction. (Please complete Page 5)

_____ District and Parent/Cardholder split fees. District pays Purchases and Meal Account Deposits in the amount of: ___% of the transaction amount plus _0.0__$ fee per transaction with a minimum fee of __0.0_$ per transaction. Parent/Cardholder pays Purchases and Meal Account Deposits in the amount of: ___% of the transaction amount plus _0.0__$ fee per transaction with a minimum fee of _0.0__$ per transaction. (Please complete Page 5)

TITAN Online Store Purchases (Initial One Option Below)

[initialed] Parent/Cardholder pays fees. Parent/Cardholder pays fees. Store Purchases: 3.95% transaction with a minimum fee of $2.60 per transaction. (Do Not complete page 5)

_____ District pays fees. 3.95% of the transaction amount per transaction with a minimum fee of $2.60 per transaction. (Please complete Page 5)

_____ District and Parent/Cardholder split fees. District pays Purchases and Meal Account Deposits in the amount of: ___% of the transaction amount per transaction with a minimum fee of __0.0_$ per transaction. Parent/Cardholder pays Purchases and Meal Account Deposits in the amount of: ___% of the transaction amount per transaction with a minimum fee of _0.0__$ per transaction. (Please complete Page 5)

    c.   **Chargebacks and Returns** If for any reason, or no reason, the Company is assessed a Chargeback or Return from the Processor, the Merchant agrees that the Company may debit the Merchant's designated bank account for the amount of the Chargeback or Return and any associated fees.

3. **Term.**
   a. The term of this Agreement shall begin on the day the Agreement is executed by the Company and shall continue in force for an initial term of twelve (12) months (the "Initial Term").
   b. If neither party notifies the other party of its intention to terminate this Agreement at least sixty (60) days prior to the end of the Initial Term or any Renewal Term, the term of this Agreement will be automatically extended for a period of twelve (12) months (a "Renewal Term") on the same terms as stated herein.

4. **Termination for Cause.**
   a. Either Party may terminate this Agreement for cause in the event of a material breach by the other party, which breach is not cured within thirty (30) days after written notice of such breach is provided to the other party.

5. **Termination by Company.**
   a. Company may terminate this Agreement at any time upon written notice to the Merchant in the event the provision of the services hereunder is determined by Company in its sole discretion to violate any statute, regulation, rule, order or operating procedure enacted or promulgated by a governmental or judicial authority of competent jurisdiction, NACHA (or any similar industry

organization with authority over the services), or in the event that any statute, regulation, rule, order or operating procedure is enacted or promulgated which effectively reduces or eliminates the fees charged by Company.

6. **Termination For Convenience.**
   a.   Either party may terminate this agreement for convenience upon 60 days prior written notice to the other party.

7. **Indemnity and Hold Harmless.**
   a.   Both parties agree to indemnify, hold harmless and defend each other, its shareholders, directors, officers, employees and agents from and against any action, cause, claim, damage, debt, demand or liability, including reasonable costs and attorney's fees, asserted by any person, arising out of or relating to: (a) either party's breach of this agreement; (b) any violation of federal, state and/or local law, known or unknown, related to, arising out of or connected with your clients in anyway. (c) Any and all civil or regulatory actions connected with Merchant's users and/or clients and the products and/or services provided by Merchant. (d) Any and all activities related to Merchant's official practices.

8. **Access to Records; Audit.**
   a.   Company shall maintain all preparatory books, records, documents, accounting ledgers, and similar materials related to Merchant transactions under this Agreement on file for Merchant. During term of agreement, transaction data is available for up to 2 years online, and up to two (2) more subsequent years past data will be made available to the Merchant by mail.

9. **Compliance with Laws, Rules, and Regulations.**
   a.   Services performed by Company pursuant to this Agreement shall be performed in accordance and full compliance with all applicable federal, state, and city laws and any rules or regulations promulgated there under.

10. **Severability.**
   a.   If any part of this Agreement is found to be in conflict with applicable laws, such part shall be inoperative, null and void insofar as it is in conflict with said laws, but the remainder of the Agreement shall continue to be in full force and effect.

11. **Nondiscrimination.**
   a.   During the performance of this Agreement, Company shall not discriminate against any employee or applicant for employment because of race, color, religion, ancestry, creed, sex, national origin, familial status, sexual orientation, age (over 40 years) or disability. Company shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, ancestry, creed, sex, national origin, familial status, sexual orientation, age (over 40 years) or disability.

12. **Conflict of Interest.**
   a.   Company warrants and declares that it presently has no interest, and shall not acquire any interest, direct or indirect, financial or otherwise, in any manner or degree which will render the services required under the provisions of this Agreement a violation of any applicable local, state or federal law. Company further declares that, in the performance of this Agreement, no subcontractor or person having such an interest shall be employed. In the event that any conflict of interest should nevertheless hereinafter arise, Company shall promptly notify Merchant of the existence of such conflict of interest so that Merchant may determine whether to terminate this Agreement. Company further warrants its compliance with the Political Reform Act (Government Code section 81000 et seq.) that apply to Company as the result of Company's performance of the work or services pursuant to the terms of this Agreement.

13. **Attorney's Fees.**
   a.   In case suit shall be brought to interpret or to enforce this Agreement, or because of the breach of any other covenant or provision herein contained, the prevailing party in such action shall be entitled to recover their reasonable attorneys' fees in addition to such costs as may be allowed by the Court.

14. <u>Licenses</u>.
   a. If a license of any kind, which term is intended to include evidence of registration, is required of Company, its representatives, agents or subcontractors by federal, state or local law, Company warrants that such license has been obtained, is valid and in good standing, and that any applicable bond posted in accordance with applicable laws and regulations.
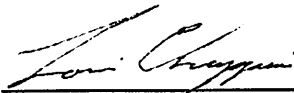
15. <u>Governing Law and Jurisdiction</u>:
   a. This agreement shall be governed by, interpreted and construed in all respects in accordance with and under the laws of the state California.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the dates set forth below:

Company:
<u>Titan School Solutions Inc.</u>

Merchant:
William S. Hart Union High School District

Signed:

Signed:

Name:
Lou Chappuie
Title:
SR VP of Operations
Date: 05/27/20

Name:
Ralph Peschek
Title:
Chief Business Officer
Date: 05/14/2020

☐ Check here to decline ACH Processing. You will be invoiced monthly from TITAN School Solutions

Merchant ACH Processing Authorization Form

The undersigned whose name appears in the signature space below hereby authorizes and grants the Company authorization to credit or debit the following bank account(s) during the term of this authorization for cash receipts, adjustments, charge backs, returns, rejects, processor fees, damaged, lost, or stolen equipment provided by the Company to Merchant, communication expenses and or other miscellaneous fees and expenses from the operation of an Electronic Data Capture Device (ATM/POS/EBT /Currency/Stored Value/eCheck or other items of value). These credits and debits will be facilitated by use of the Automated Clearing House (ACH). Point of Service (POS) transactions are settled by Company where the payment amount is directly settled into the Merchant's business checking account (DDA) by the Visa and MasterCard Member bank. This authorization is valid from the effective date hereof until such time as this authorization is terminated in writing by the undersigned and shall remain effective after termination with respect to amounts owed by Merchant to the Company on the date of termination. The person whose name appears below hereby indemnifies the named financial institution harmless of any and all such claims made or asserted by either party hereto. This authorization may be assigned in whole to a third party to this agreement.

The undersigned hereby represents and warrants the following signature(s) have been authorized to execute and deliver bank drafts from the following bank account.

Agreed to on this___day of_____, 2020.

ACH Information: Merchant Information

Company Name: _____

FID/SSN:_____

Address:_____

City:_____ State:_____ Zip Code:_____

Contact Name:_____ Title:_____

Email Address:_____ Phone:_____

ACH Information: Financial Institution

Financial Institution Name:_____

ABA/Routing#:_____

Account#:_____

Authorized Signature on above Bank Account   Second Authorized Signature, if applicable

_____   _____

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│ Please attach a voided check, from the above represented account. │
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