

## **Merchant Terms of Service**

These Terms of Service (“Terms”) are an agreement between you and Knox Payments, Inc., (“Knox”), for the payment and data processing services and other products and services (collectively, the “Services”) that are provided by Knox, our partner organizations, related entities and individuals, and our successors and assigns (collectively “us,” “we,” or “our”). The words “you” and “your” refer to the users of the Services, and to any successor in interest of any such user. If the person accepting these Terms is signing on behalf of a business entity or other organization, “you” or “your” also refers to that entity or organization.

These Terms also govern how claims by or against you are handled and resolved. You must read, understand, accept and comply with these Terms in order to use the Services.

These Terms include the Knox Privacy Policy, the E-Sign Consent Policy, and other applicable policies and terms referenced on the Knox website (the “Website”). There may be additional terms and conditions associated with specific Services. Those Service-specific terms and conditions, if any, are also incorporated into these Terms.

### **Your Acceptance**

When you click the "Accept" button, you agree to be bound by such electronic consent and signature, and you agree to the then-current version of these Terms, which are subject to change over time. You also agree to adhere to all NACHA Operating Rules set forth by the National Automated Clearing House Association. If you do not accept these Terms, you will not be able to make or receive payments using Knox.

### **How These Terms May Change**

We reserve the right to change these Terms in order to better protect our customers, Knox, and our third party service providers, and for other reasons that we believe are appropriate. We may supplement or modify these Terms, in our sole discretion. Any such alteration, amendment, or other change by Knox shall be effective upon Knox posting such new version of these Terms on its Website, or upon Knox providing any other form of notice to you, whichever occurs earlier. We will endeavor to provide notices of any changes to these Terms on our Website before those changes are effective. You are responsible for checking the Website for possible changes to these Terms and for other important information about the Services. By continuing to accept or use the Services after a change to these Terms, you are agreeing to that change and acknowledging your acceptance of the modified Terms. If you do not agree with a change to these Terms, then cease using the Services and notify us promptly.

### **Third Party Services**

When using or accessing services offered through third party service providers, for example, banks, you will be subject to terms posted by your service providers. Use of their services, or acceptance of their terms of service, as the case may be, signifies your agreement to their terms and conditions of service in addition to these Terms and you agree to comply with their terms and

conditions.

### **Payment Schedule**

The term “payment schedule” refers to the time it takes for Knox to initiate a transfer to your designated Bank Account of settlement funds arising from transactions processed through the services (“Payment Schedule”). Once your Bank Account information has been reviewed, Knox will initiate transfer of settlement funds (net of Fees, cancellations, reversals, and other funds owed to us for any reason) in accordance with the Payment Schedule. The settlement funds should normally be credited to your Bank Account within 1 to 4 days of Knox initiating the payout, in the absence of a separate written and executed agreement to the contrary. Due to the possibility of payment disputes, cancellations, or reversals initiated by users or by banks, Knox reserves the right to retain funds for up to the full term of these potential offsets or processes, though this is not our usual practice. We are not responsible for any action taken by the institution holding your Bank Account that may result in some or all of the funds not being timely credited to your Bank Account or not being made available to you.

We reserve the right to change the Payment Schedule or suspend payouts to your Bank Account should we determine it is necessary due to pending disputes, excessive or anticipated excessive cancellation requests, reversals or refunds, or other suspicious activity associated with your use of the Service, or if required by law, regulation, or court order.

### **Knox Assured (Guaranteed Funds)**

Under the “Knox Assured” product, applicable only to you only if you have affirmatively opted in to that product, as acknowledged by Knox, and excepting cases of fraud by you or your customer, we will guarantee funds to you against any risk of your customer’s non-sufficient funds (NSF), and will provide faster processing times for your receipt of payments.

Any purchase via Knox before 2:00 PM local time in Richmond, Virginia (Eastern time zone) will be processed by Knox for overnight funding, meaning that it will be submitted to the Federal Reserve system for next business day processing. Knox is not responsible for any delays caused by processes or processors outside of its control, including but not limited to the Federal Reserve system, your customer’s bank, or your bank.

The Knox Assured service does not guarantee funds availability or ultimate protection from refunds in the event of product returns, disputes, refunds, or other chargeback processes initiated by you or your customer. Any such matters will be handled according to the Disputes terms below in these terms.

### **Restrictions on Your Use of the Service**

In order to use Knox, (a) as an individual you must be at least 18 years old, a United States resident and legally capable of entering into a binding contract, and (b) if on behalf of a business entity, you must be, and hereby warrant and guarantee that you are, permitted and capable of binding that entity. You may use the Services only as expressly permitted in these Terms. Your use of the Services must comply with all applicable federal, state and local laws and regulations.

You are responsible for knowing what those laws and regulations are. We also maintain a list of businesses for which we do not process payments. That list is available to you as a merchant user, upon request. While we do not intend to unreasonably interrupt your access to or use of the Services, we reserve the right to deny you access to the Services if we believe that doing so is warranted. The Services are intended for your use only. You may not use the Services for the benefit of any person or entity other than you and your direct users or customers. You may not use the Services as a service bureau, aggregator, reseller, or payment intermediary. You may not use the Services to process or receive a cash advance. Except in the ordinary course of business, no sales transaction submitted by you through the Services will represent a sale to any principal, partner, proprietor, or owner of your entity, as applicable. You will not use the Services, directly or indirectly, for any fraudulent undertaking or in a way that interferes with the Services. You will not resell, convey, sublicense, delegate, assign or otherwise transfer the Services, any license granted to you, your use of the Services or any granted license, or any of your obligations in any way without the express prior written consent of Knox. You will not misrepresent your use of the Services in any way to any person or entity. You may not use the Services if you, or any of your affiliates, are an individual or business entity resident of a country embargoed by the United States or if you or any of your products or services are a foreign person, entity, good, or service blocked or denied, in any way, by the United States.

### **Authentication of Information**

Knox and our third party service providers may require you to furnish certain information and/or documentation (i) when setting up an account to use the Services and any time thereafter, (ii) after an account has been activated, or (iii) otherwise relating to your use of the Services. You agree that all information you provide will be accurate and complete, and you agree to keep all such information updated. You authorize us and our third party service providers, directly or indirectly, to make inquiries that we believe are appropriate to verify your identity and any information or documentation you provide to us. The requested information and/or documentation may include, without limitation, your taxpayer identification number, date of birth, credit reports, a copy of your driver's license and/or passport, and any other possibly identifying information or documentation. Additionally, in accordance with the Fair Credit Reporting Act, you may be required to authorize us and/or our third party service providers to obtain your business and/or personal credit report from one or more credit bureaus. Further, we and our third party service providers may request your permission to inspect your business locations, if applicable.

After we have collected your information, Knox will review your account and determine if you are eligible to use the services. Knox may also share your information with our banking partners, each of which may also make a determination regarding your eligibility. We will notify you once your account has been either approved or deemed ineligible for use of the services.

### **Our Role**

Knox is a provider of the Services. Knox shall process all payment types allowed by this Agreement issued by or to you that properly conform to the standards and format for interacting with Knox.

Knox is not a bank nor does it offer or provide banking services. Knox helps you make payments to and accept payments from third parties. Knox does not have control of, or liability for, the products or services that you pay for or provide with or through the Services. We do not guarantee the identity of any user or ensure that a buyer or a seller will complete a transaction. Knox is not a partner in your business operations or a guarantor of the receipt by you of the proceeds of any sales transactions.

Knox shall screen all users of your platform to confirm that they are not on the United States Specifically Designated Nationals List (Terrorist Watch List) as well as any other Government Issued watch lists, or lists that Knox deems appropriate for compliance and risk management purposes. Knox will reject any user and attempted transactions for any user appearing in Knox's review of these lists.

### **Customer Service**

We will provide you with customer service to resolve any issues relating to Knox, use of our Services, and the distribution of funds to your designated bank settlement account. You are responsible for providing service to your customers for any and all issues related to your products and services, including but not limited to issues arising from the processing of customers' payments through the service.

Knox shall promptly respond to and remedy any system failures, problems, or service interruptions related to Knox's system that could cause the inability of your user to use your platform as intended as a result of Knox's system. During the time that Knox's system is down or otherwise unable to successfully process any of your queries, you shall not be required to pay to Knox any fees otherwise arising while Knox's system is down.

### **Rights of Knox and Third Party Service Providers**

#### *Unauthorized Use*

We may cancel any transaction or other action made or authorized by you through use of the Services if we believe the transaction or other action violates these Terms or applicable law or exposes you, us, a third party service providers or any other person or entity to harm. If we suspect that you have used the Services in an illegal manner or for an illegal purpose, you agree that we can share information about you and your use of the Services with law enforcement or other appropriate third parties.

#### *Information Sharing*

You agree that we may share information with our third party service providers and your bank or financial institution, and that they may share information with us, as needed or appropriate to (i) provide you the Services, (ii) verify your information and/or documentation, (iii) comply with these Terms, (iv) limit risks including account overdraft and potential fraud or mistaken payments, or (v) as we otherwise believe is necessary or appropriate.

We may disclose your information where disclosure is necessary to identify, contact, or bring legal action against someone who may be causing injury to, or interfering with our rights or property

rights, the users' rights, or others' rights, or who may have done so in the past. In the same way, we will disclose information when we reasonably believe disclosure is required by law or to comply with a legal process served on us. We may also disclose your information in the good faith belief that disclosure is necessary to protect our rights, we must act under exigent circumstances to protect the personal safety of users of Knox, or the public, investigate fraud, or respond to a government request.

We may provide your information to companies that provide services to help us with our business activities such as processing your payment. These companies are authorized to use your personal information only as necessary to provide these services to us.

#### *Electronic Notices and Disclosures*

You agree that we may provide required notices and other disclosures to you electronically on Knox's Website or by emailing it to you. You will be deemed to have received those messages 24 hours after we have posted them on our Website or after the email has been sent to you. For additional information regarding electronic disclosures and notices, please see the E-Sign Consent Policy. You agree that your failure to provide a current and working email address, or to check the messages at such an address on a regular basis, will not void or affect the validity or the effective timing of any notices to you from Knox under this Agreement.

### **Your Obligations**

#### *Fees*

In return for the Services, you agree to pay Knox all fees and other amounts required under these Terms or a separate written and executed pricing agreement. You are responsible for interest and late charges for any delinquent payments and for our reasonable attorneys' fees and other costs of collection. Unless otherwise provided, all fees, interest, and other charges are denominated in U.S. dollars. We will assess fees relating to a transaction at the time of the transaction. We may deduct any debt owed by you from any debt to be paid from us, to the extent permitted by law. You also agree that we may debit any amounts you owe us from any bank account of yours that we can access.

#### *Monitoring Use of the Services*

You are responsible for monitoring your use of the Services, including any transactions you engage in using the Services. For example, you will monitor (i) the accuracy of amounts owed and/or transferred to or by you, and (ii) the accuracy of any information transmitted to or by you or your customers.

#### *Record Retention*

You are solely responsible for retaining all records and reconciling all transaction information relating to your use of the Services, including as required by all applicable laws, restrictions, and regulations.

Knox will maintain reasonable backup measures of limited data related to your use of the Services, as a safeguard in the event of a failure of Knox's system. Knox will not maintain bank login

credentials for you or for your users.

#### *Applicable Network Rules*

The Services may allow you to make or accept payments involving various payment methods from various banks and third-party networks. Each payment method provider (a "Network") may require you to enter into agreements with the Network, which you agree to do. You agree to follow the Network's rules and regulations and bylaws.

#### *Taxes*

It is your responsibility to determine what, if any, taxes apply to the sale of your products and services and/or your activities related to your use of the Services. It is solely your responsibility to assess, collect, report, or remit the correct tax to the proper tax authority. We are not obligated to, nor will we determine whether taxes apply, or calculate, collect, report, or remit any taxes to any tax authority arising from any transaction. We may make certain reports to tax authorities as we deem appropriate for our purposes and our obligations, regarding transactions that we process for you and other merchants using the Services.

#### *Refunds and Returns*

You agree to comply with all return and refund requirements, including any associated taxes required to be refunded, required by applicable law, any Network, Knox, third party service providers or this or any other agreement. A refund cannot exceed the total dollar amount of the original transaction, except to allow for the reimbursement of postage paid by the customer to return the goods involved in the original transaction, if that is included in your returns agreement with your customer(s). If a customer returns goods in exchange for other goods of a different price, you must first credit the required refund amount to the customer and then complete a new transaction for the new goods or services. Knox is under no obligation to accept or provide returns or refunds on your behalf.

#### *Potential Additional Holding Period*

In certain circumstances as indicated by your account activity, regulations, bank requirements, or risk management policies, we may determine that a certain amount of your funds are subject to an additional hold period in excess of the duration of the Payment Schedule, and therefore implement such an additional hold period. Knox may, in its sole discretion, set the terms of this hold period and notify you of such terms, which may require that a certain amount of funds must be held for a period of time. Knox, in its sole discretion, may elect to change the terms of the Reserve Account at any time for any reason based on your account activity, regulations, bank requirements, or risk management policies.

#### *Data Security*

You are solely responsible for the security of data that is yours or in your control. You agree to comply with all applicable laws, rules, and regulations with regard to your collection, use, security, distribution, and dissemination of any personal, payment, transaction or other data.

#### *Export of Services*

You agree not to export the Services. Your use of the Services may be subject to import and export regulations, restrictions, and taxes or other fees, and you agree that any resulting liability or responsibility is solely yours.

#### *Miscellaneous Additional Responsibilities*

You will fulfill all of your obligations to any person or entity in relation to your use of the Services, including, without limitation, any of your customers. All transactions relating to your use of the Services will be bona fide transactions. You will use your best efforts to resolve any third party disputes or complaints relating in any way to your use of the Services.

#### **Security**

Knox shall endeavor to take all commercially reasonable measures to secure the data you provide to us or authorize us to obtain in connection with the Services. You agree, nevertheless, that there is no such thing as perfect online security, and that our liability to you for any data or transactional security breach is limited per the limitations of liability provisions of these Terms.

#### **Permissions and Access**

By using Knox, you authorize us to access bank accounts and data on your behalf, to retrieve account information and process payments into your bank account, and to retrieve funds as authorized in these Terms. By submitting information, data, passwords, usernames, PINs, other log-in information, materials and other content to Knox through the Service, you are licensing that content to Knox. By submitting this content to Knox, you represent that you are entitled to submit it to Knox for use for this purpose, without any obligation by Knox to pay any fees or other limitations. You hereby authorize and permit us to use information you submit (such as bank identifications, user IDs, passwords, and PINs) for these purposes and otherwise to enable Knox to work with third parties to retrieve data and process payments. For these and related purposes, you grant us a limited power of attorney, and you hereby appoint us as your true and lawful attorney-in-fact and agent, with full power and authority, including power of substitution and re-substitution, for you and in your name, place and stead, to access third party sites, retrieve data, and use such data, as fully as you could do for yourself, in person. YOU AGREE THAT WHEN WE RETRIEVE DATA FROM YOUR ACCOUNTS ON THIRD PARTY SITES, WE ARE ACTING AS YOUR AGENT. You agree that parties that receive payments and/or data as a result of your use of Knox, parties that send payments and/or data as a result of your use of Knox, and banks and financial institutions that provide such payments and/or data will be entitled to rely on your authorization herein, and on the agency and power of attorney rights and authority granted by you.

You agree that you are not entitled to any interest or other compensation associated with the settlement funds held by Knox pending settlement to your designated bank settlement account, that you have no right to direct that deposit account, and that you may not assign any interest in the deposit account at Knox.

You agree that we may, for the protection of those attempting payment via Knox, the protection of Knox and third party service providers, and for your protection, decline certain requests for

payment from your account if it appears to us that someone other than the account owner is requesting payment funds from an account, or if it appears to us that there are not sufficient funds, other transactions being considered, to make the payment that is being requested. These payment integrity systems will not be perfect, and on occasion they may decline transactions that should be allowed to proceed. You agree to release and waive any claims against Knox for a requested payment that is declined or that fails to process.

### **Territory**

The territory is the United States. You acknowledge and agree that Knox does not at this time process payments with banks outside the United States.

### **Audit Right**

If we believe that a security breach or compromise of data has occurred, we may require you to have a third-party auditor that is approved by us conduct a security audit of your systems and facilities and issue a report to be provided to us and our banking partners.

### **Non-Sufficient Funds**

Where we receive an indication of non-sufficient funds (NSF) for an attempted payment, you authorize us to attempt to debit your account up to two (2) more times. In the event that any payment or attempted payment fails, Knox shall not be responsible for any fees assessed by your bank, any other financial institution, or by the entity or individual.

You understand that except for the payments and data exchanges initiated by purchasers' use of Knox and the contractual relationships we have with sellers such as you who use the Knox system to process payments, we have no relationship, affiliation, parent-subsidary relationship, or partnership with sellers, banks, or other non-Knox parties involved in your use of Knox. No such third parties endorse or sponsor Knox and our service. You also agree that we have no responsibility or liability for the acts, omissions, or decisions of any non-Knox party.

### *Chargebacks or Reversals*

A chargeback or reversal is normally caused by a customer disputing an unauthorized charge that appears on their account statement. This may result in the reversal of a transaction, with such amount being charged back to you. In the event of a chargeback or reversal, you are liable to Knox, and agree to settle any such liability via Knox-initiated debit of any account you have used with the Knox system, for a fifteen dollar (\$15.00) fee for any cancellation or reversal experienced on your payment(s). You authorize Knox to make one such fifteen dollar (\$15.00) debit per reversal. If we are unable to recover funds through such debit of your account, you will pay us the full amount of reversal immediately upon request. You agree to pay all costs and expenses, including without limitation attorneys' fees and other legal expenses, incurred by or on behalf of us in connection with the collection of any amounts unpaid by you.

Further, if we reasonably believe that a chargeback or reversal is likely with respect to any transaction, we may withhold the amount of the potential chargeback or reversal from payments otherwise due to you under this Agreement until such time that: (a) a chargeback or reversal is



initiated by your customer, in which case we will retain the funds; (b) the period of time under applicable law or regulation by which the customer may dispute the transaction has expired; or (c) we determine that a chargeback or reversal on the transaction will not occur.

If the accountholder's issuing bank does charge back a transaction, we may recover the chargeback or reversal amount and any associated fees from you as described in this Agreement.

We reserve the right, upon notice to you, to charge a fee for mediating or investigating cancellations, reversals, or other disputes.

#### *Excessive Chargebacks or Reversals*

At any point, Knox may determine that you are incurring excessive chargebacks or reversals. Such determination may result in additional fees, and may also result in (a) additional controls and new terms for your use of the Knox Service, including without limitation (i) changes to the terms of your reserve account, (ii) increases to your applicable fees, or (iii) delays in your payment schedule; or (b) termination or suspension of your Knox Account and access to the Services.

#### **Our Collection Rights**

To the extent permitted by law, we may collect any obligations you owe us under this Agreement by deducting the corresponding amounts from funds otherwise payable to you hereunder. Fees will be assessed at the time a transaction is processed and will be first deducted from the funds received for such transactions. If the settlement amounts or Reserve Account are not sufficient to meet your obligations to us, we may charge or debit the Bank Account for any amounts owed to us. Your failure to fully pay what you owe us on demand will be a breach of this Agreement. You will be liable for our costs relating to collection, in addition to the amount owed, including without limitation reasonable attorneys' fees and expenses, costs of any arbitration or court proceeding, collection agency fees, and any applicable interest.

Additionally, we may require a personal guarantee from a majority owner or other principal, in our discretion, of a business for funds owed under this Agreement. If we require a personal guarantee we will specifically inform you in advance of receiving your first payment.

#### **Primary Method of Communication**

You must make sure that your correct email addresses, for email accounts to which you will maintain ongoing access and will check on a daily basis, are used and communicated appropriately to Knox for your transaction processing. As its default, Knox will use your email address of record with your bank. By default, the Knox system will send you an email as a receipt and record of each payment transaction using Knox. If you wish to opt out of this feature, please send an email to [support@knoxpayments.com](mailto:support@knoxpayments.com) requesting the removal of payment receipts.

#### **Reconciliations and Errors**

If there is an error, whether it originates with you, us, your bank, or the entity from whom you expect payment, you understand and agree that it is your sole responsibility to monitor your bank account transactions and inform Knox, via email to [support@knoxpayments.com](mailto:support@knoxpayments.com) within ten (10)

calendar days of the transaction, so that we can help you correct the error. All transactions processed by Knox should be referenced in your bank account's transaction listings by our name.

Your failure to notify us of an error or discrepancy in your transaction history within sixty (60) calendar days of when it first appears on your transaction history will waive any right to amounts that may be owed to you in connection with any error or discrepancy in processing your payments.

If you submit or cause us to process transactions erroneously, you agree to contact us immediately. We will investigate any reported errors and attempt to rectify any errors that you or we discover by crediting or debiting your Bank Account as appropriate.

### **Accuracy and Authority**

You represent and warrant that all personal, business, banking, account, username, password, and other information that you provide to Knox or its third party service providers through the Services or otherwise for payment purposes is your own information regarding your own accounts, that it is accurate, and that you have full rights and authority to present this information and to authorize the processing of all payments that you request. You further agree to defend, indemnify, and hold us harmless in the event of any claim or finding to the contrary.

### **License and Ownership**

The Services are licensed. They are not sold. We grant you a license to use certain software, applications and technology solely as authorized by us, and solely in connection with the Services. We own all interest, title, and other worldwide IP Rights. Without the express written agreement of Knox, you must not engage in the decompiling, reverse engineering, disassembling, modification, copying, distribution, reproduction, republication, licensing, display, sale, transfer or creation of derivative products or other works of or from any product, service, information, content, software, or any other work found at, aggregated at, contained on, distributed through, linked to or from, downloaded to or from or in any other manner accessed from the Services. You must also not remove or obliterate any copyright, trademark or other proprietary rights notices. Any action in violation of this paragraph will result in harm to Knox that is not reparable with monetary damages, and therefore Knox shall be entitled to injunctive relief, for which no bond from Knox shall be required.

You may submit comments or ideas about the Services, including without limitation suggestions for improvement. By submitting any idea or suggestion, you agree that your disclosure is gratuitous, unsolicited and without restriction and will not place Knox under any fiduciary or other obligation, and that we are free to use the idea without any additional compensation to you, and/or to disclose the idea or the fact of your submission of it on a non-confidential basis or otherwise to anyone. You further acknowledge that, by acceptance of your submission, Knox does not waive any rights to sue similar or related ideas previously known to Knox, or developed by its employees, or obtained from sources other than you.

### **Our IP Rights**

Knox and any third party service providers to Knox own all intellectual property rights associated

with the Services. Intellectual property includes but is not limited to, trademarks, copyright-protectable images, content, and software code, trade secrets, and patented or patent-pending technology or designs. By using the Services, you agree to respect Knox's and the third party service providers' intellectual property rights in the Services. We may suspend or terminate your right to use the Services if you use the Services to infringe the intellectual property rights of any person or entity.

### **Mobile Use**

Knox may be used on mobile devices, such as smart phones or tablets. We are not responsible for the payment of any charges by you or your purchasers' wireless network service or any other party.

We disclaim, to the maximum extent allowed by law, statutory or other warranties or representations and liabilities related to your wireless service, access from your mobile device, uninterrupted access to the Services, or transmission of data or communications in connection with the Services, and any loss, unauthorized access by third parties, or other security breach related to your wireless network provider or your mobile device.

### **Change of Your Business**

You agree to give us at least thirty (30) days prior notification of your intent to change your current product or services types, your trade name, or the manner or types of payments you accept. You agree to provide us with prompt notification if you are the subject of any voluntary or involuntary bankruptcy or insolvency petition or proceeding. You also agree to promptly notify us of any adverse change in your financial condition, any planned or anticipated liquidation or substantial change in the basic nature of your business, any transfer or sale of 25% or more of your total assets, or any change in the control or ownership of you or your parent entity. You will also notify us of any judgment, writ or warrant of attachment or execution, or levy against 25% or more of your total assets not later than three calendar days after you obtain knowledge of it.

### **Disclaimer of Warranties**

KNOX HAS PRICED THE SERVICES BASED IN PART ON ITS ABILITY TO LIMIT THE WARRANTIES THAT IT MAKES TO ITS CUSTOMERS. IF KNOX WERE HELD TO CERTAIN WARRANTIES (SUCH AS IMPLIED WARRANTIES), KNOX BELIEVES THAT IT WOULD HAVE TO INCREASE ITS CUSTOMER PRICING SUBSTANTIALLY. IN ORDER FOR YOU TO QUALIFY FOR THE PRICING OFFERED TO YOU BY KNOX, YOU MUST AGREE TO THE WARRANTY DISCLAIMERS IN THIS SECTION. YOUR USE OF THE SERVICES IS AT YOUR OWN RISK. THE SERVICES ARE PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS. EXCEPT AS EXPRESSLY SET OUT IN THIS AGREEMENT, KNOX MAKES NO, AND HEREBY DISCLAIMS ALL, REPRESENTATIONS AND/OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY, NON-INFRINGEMENT OR FITNESS FOR A PARTICULAR PURPOSE, CONCERNING THE SERVICES OR ANY OTHER MATTERS. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, KNOX DOES NOT WARRANT THAT ANY INFORMATION OR DOCUMENTATION PROVIDED IN CONNECTION WITH THE SERVICES IS ACCURATE, COMPLETE, OR RELIABLE. NO COMMUNICATIONS

BETWEEN YOU AND KNOX OR ANY OTHER PERSON OR ENTITY ASSOCIATED WITH KNOX WILL CREATE ANY WARRANTY ON BEHALF OF KNOX. KNOX DOES NOT PROMISE UNINTERRUPTED OR ERROR-FREE SERVICES, AND KNOX DOES NOT WARRANT THAT ANY ERROR WILL BE CORRECTED. KNOX DOES NOT WARRANT THAT THE SERVICES ARE FREE OF VIRUSES AND/OR OTHER HARMFUL FILES OR OTHER CONTENT, AND YOU DOWNLOAD OR OTHERWISE OBTAIN ALL CONTENT RELATING TO THE SERVICES AT YOUR OWN RISK. KNOX WILL IN NO WAY BE LIABLE OR RESPONSIBLE FOR ANY TRANSACTIONS OR OTHER DEALINGS BETWEEN YOU AND THIRD PARTY PROVIDERS OR OTHER THIRD PARTIES.

### **Limitation of Liability**

ADDITIONALLY, KNOX'S PRICING IS ALSO BASED IN PART ON ITS ABILITY TO LIMIT ITS EXPOSURE TO CERTAIN TYPES OF LIABILITY THAT KNOX BELIEVES IT CANNOT IN ALL CASES PREVENT. IN ORDER FOR YOU TO QUALIFY FOR THE PRICING OFFERED TO YOU BY KNOX, YOU MUST AGREE TO THE LIMITATION OF LIABILITY IN THIS SECTION. WE WILL NOT BE LIABLE FOR ANY LOSS OR INJURY CAUSED IN WHOLE OR IN PART BY NEGLIGENCE OR OMISSION IN PROCURING, PROCESSING, OR SECURING ANY DATA. WE WILL NOT BE LIABLE FOR ANY CONSEQUENTIAL DAMAGES, SPECIAL DAMAGES, LOST PROFITS, INCONVENIENCE, OR LOSS OF USE OF THE SERVICES, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, NO MATTER WHAT KIND OF CLAIM OR CLAIMS ARE BROUGHT, AND BY WHOM.

THE EXTENT OF OUR LIABILITY TO ANY ENTITY OR INDIVIDUAL, OR TO THE SUCCESSORS OR ASSIGNS OF ANY OF THEM FOR ANY CLAIM OR MATTER, WHETHER BROUGHT IN CONTRACT, TORT, OR OTHERWISE, IS LIMITED TO THE LESSER OF THE AMOUNT OF THE CLAIMING PARTY'S SINGLE MOST RECENT KNOX-PROCESSED TRANSACTION, OR \$1,000.00. IF ANY CLAIM OR MATTER RELATES TO MORE THAN ONE PARTY, THIS MAXIMUM LIABILITY WILL BE THE LARGEST AMOUNT PAID BY ANY ONE SUCH PARTY IN THE MOST RECENT KNOX-PROCESSED TRANSACTION, REGARDLESS OF THE NUMBER, IDENTITY, OR STATUS OF THE CLAIMANTS. WHERE MORE THAN ONE ENTITY OR INDIVIDUAL RELATED TO US IS SUBJECT TO ANY CLAIM OR MATTER, THE RECOVERY OF THE CLAIMANT OR CLAIMANTS WILL BE LIMITED AS A GROUP AS PROVIDED BY THIS PARAGRAPH, AS IF ALL SUBJECTED PARTIES WERE A SINGLE ENTITY.

### **Force Majeure**

No party will be liable for delays in processing or other nonperformance caused by such events as fires, telecommunications failures, utility failures, power failures, equipment failures, labor strife, riots, war, terrorist attack, nonperformance of our vendors or suppliers, acts of God, or other causes over which the respective party has no reasonable control.

### **Indemnity**

You agree to indemnify, defend, and hold Knox and its third party service providers (and each of their directors, officers, managers, employees, agents, representatives, successors and assigns)

(the “Knox Parties”) harmless from any investigation, proceeding, claim, demand, lawsuit, judgment, damage, penalty, loss, cost, liability or expense (including court costs and attorneys’ fees) arising out of: (a) any negligence or willful misconduct by you or your affiliated entities (or any of their directors, officers, managers, employees, agents, representatives, successors and assigns); (b) any actual or alleged breach of your representations, warranties or obligations in these Terms or any other contract with a Knox Party; (c) your wrongful, improper, unlawful or unauthorized use of the Services; (d) any transaction performed in any part by or on behalf of you through use of the Services; (e) any other party’s access and/or use of the Services through your account(s) or using your account credentials; (f) your violation of any local, state or federal law, rule or regulation; or (g) your violation, or alleged violation, of any right of a third party, including, without limitation, any publicity rights, right of privacy or intellectual property rights.

## **Termination and Suspension**

### *Your Right to Terminate*

You may terminate these Terms by terminating your use of the Services (and any related account) and promptly notifying us in writing of your termination, for which writing and unambiguous email that is actually received and acknowledged by Knox will suffice.

### *Knox’s Right to Terminate and/or Suspend the Services*

We may terminate these Terms and your use of the Services at any time without notice for any reason or no reason if we believe that it is necessary or appropriate to do so. We also have the right to suspend your use of the Services and/or your access to any related account if you (i) breach these Terms or any other contract between you and us or a third party service provider; (ii) present a risk to our business that we determine in good faith is unacceptable; (iii) provide false, fraudulent, inaccurate, misleading, or incomplete information, documentation or other materials; or (iv) engage in unlawful or fraudulent activity.

### *Effect of Termination*

If these Terms and/or the Services are terminated or suspended, you acknowledge and agree that you will continue to be bound by your obligations under these Terms that do not expressly end upon the termination or suspension of the Services. Once your Services are terminated or suspended, you must immediately stop using the Services and any license granted to you under any agreement related to your use of the Services will immediately terminate. Knox reserves the right to implement such termination, with notice to you, by ending your access to the Services. Termination or suspension of your Services does not relieve you from your obligation to pay us any amounts owed. Any transactions that are pending shall be cancelled upon termination or suspension. We will not be liable to you or any third party as a result of the termination of these Terms and/or termination or suspension of the Services.

## **Transaction Disputes**

You understand and agree that Knox Payments is not responsible for the merchandise or services that are paid for using Knox’s service. We strongly recommend that your policies are clear and easily accessible to consumers before their transactions are completed. You are responsible for resolving any disputes that a consumer may have upon completion of their transaction. All

consumers reserve the right to dispute a transaction with Knox Payments, as outlined below.

Knox will accept Disputes regarding the service or merchandise being provided including but not limited to: service or merchandise not being provided, cancellation or return of service or merchandise, not recognizing a transaction, authorization of the transaction, receipt of merchandise or service that differed from that of which was ordered. Disputes may not involve the purchase of digital currency/Bitcoins, the quality of merchandise or services being provided, or any circumstances extending beyond the merchandise or service being provide.

Upon initiation of a Dispute, Knox will notify you and retract and hold all funds in the amount of the dispute until a final decision has been made. Knox will provide you via email with the consumer's claim and what will be needed to continue on your behalf. You will have seven days from which the email is sent to respond to the consumers claim. Any failure to respond of either party will forfeit all eligibility to contest this reversal and the claim will be resolve in favor of the other party. If your response is deemed valid and addresses the claims of the consumer, your response to the consumer's claim will be provided to the consumer by email for the consumer to address within seven days of it being delivered. However, if your response is deemed invalid and does not address the claims of the consumer no further information will be requested of either party and a decision will be made regarding the Dispute in question. If the consumer's response to your original response changes the nature of the dispute, you will be contacted once more for a final response addressing the change of the nature of the dispute (Customer disputes transaction for not receiving merchandise, then receives merchandise that is different from which was ordered). Once a final decision is made, Knox will communicate via email how a resolution is reached with both parties involved and credit the party of which the dispute is resolved in favor of.

Release of Knox Payments. Upon the filing of a Dispute, you understand and agree that: Knox's responsibility is only to assist in resolving the Dispute in its sole discretion and that such assistance or Knox's decision may not be satisfactory to you; Knox Payments provides a fair and unbiased review of any Dispute brought forth and no business relationship with either party involved will influence any decision reached and carried out; Knox's assistance in resolving the dispute does not guarantee any particular outcome nor any action on Knox's part; and You release Knox Payments, our officers, directors, agents, employees, and suppliers from all claims, demands and damages of any kind arising out of your dispute with a consumer and Knox Payments' review of your Dispute.

### **Disputes with Knox Payments**

The exclusive means for resolution of any claims or disputes between us and you or any other person or entity claiming through you shall be private arbitration to be held with a single arbitrator in Richmond, Virginia, according to the rules and procedures of the American Arbitration Association. Notwithstanding the foregoing, if you are a consumer bringing a claim relating to personal, household, or family use, any arbitration hearing will occur within the county in which you reside.

YOU AGREE THAT ANY CLAIM, DISPUTE, OR OTHER CONTROVERSY BROUGHT AGAINST A KNOX PARTY MAY ONLY BE BROUGHT ON AN INDIVIDUAL BASIS, AND NOT AS A PART OF A CLASS OR REPRESENTATIVE ACTION OR PROCEEDING. NEITHER YOU NOR THE ARBITRATOR MAY CONSOLIDATE OR JOIN YOUR CLAIM WITH ANY OTHER PERSON OR ENTITY'S CLAIM. THE ARBITRATOR MAY ONLY AWARD RELIEF TO YOU TO THE EXTENT NECESSARY TO PROVIDE RELIEF BASED ON YOUR INDIVIDUAL CLAIMS.

If the amount sought is \$10,000 or less, Knox may require that the arbitration be conducted by telephone or based solely on written submissions. The arbitrator's decision and award shall be binding on the parties and may be entered as a judgment in any court of competent jurisdiction. Payment of all filing, administration, and arbitrator fees will be governed by the AAA's rules. If either party prevails on any claim for which such party is legally entitled to attorneys' fees, such party may recover those fees from the other party.

The arbitrator will decide the substance of all claims in accordance with the laws of the Commonwealth of Virginia. The arbitrator shall not be bound by prior rulings in arbitration relating to other users of the Services. With the exception of the prohibition on class or representative actions, if any of the terms or provisions of this section regarding arbitration are deemed unenforceable, the unenforceable provision(s) shall be severed, and the remaining terms shall remain in full force and effect. If a court determines the prohibition on class or representative action is unenforceable, then this entire section regarding arbitration will be null and void.

Notwithstanding the foregoing, for injunctive relief or for any non-arbitrable claim, you agree that the sole and exclusive venue will be the state or federal courts in the City of Richmond, Virginia. You waive all objections to venue and jurisdiction, including *forum non conveniens* arguments. Additionally, you may assert claims in small claims court only in the City of Richmond, Virginia if your claims qualify.

Knox's failure to enforce any of the terms or to assert any of its rights under these Terms will not constitute a waiver of such terms or rights. Waivers must be express and written. If Knox does waive any term or right under these Terms in any instance, that waiver will not be deemed to be a continuing or further waiver of that term or right, or any other term or right.

### **Responding to Legal Process**

Knox may respond to and comply with any writ, lien, levy, subpoena, warrant, or other legal order ("Legal Process") that we believe to be valid. We may deliver or hold any funds or, subject to the terms of our Privacy Policy, any information as required under such Legal Process, even if such information relates to third parties. Where permitted, we will use reasonable efforts to provide you notice of such Legal Process by sending a copy to the email address we have on file for you. Knox is not responsible for any losses, whether direct or indirect, that you may incur as a result of our complying with Legal Process, or as a result of your non-receipt of notice of such legal process.

## **Prohibited Uses of Our Services**

Due to banking regulations, legal concerns, and other industry-specific risks that may outweigh the benefits of serving certain types of merchants, Knox does not permit, and with knowledge will discontinue, use of the Services by certain merchants. This list is subject to change.

If you do not know whether your business fits into one of these categories, please ask us via email at [support@knoxpayments.com](mailto:support@knoxpayments.com)

Types of merchants that are not permitted or supported by Knox include, but are not limited to, those selling:

- Credit counseling or credit repair services
- Bankruptcy services
- Collections services
- Money orders, debit cards, or other stored value services or products
- Counterfeit products
- Foreign governments or their agents or agencies
- Extended warranties
- Psychic services
- Gambling in any form
- Sports book-making or predictions
- Multi-level marketing or pyramid schemes
- Tobacco products and e-cigarettes
- Weapons and munitions
- Telemarketing services
- Timeshares
- Travel reservation services
- Cruises or cruise vacations
- Business or investment opportunities
- Stand-alone extended warranties
- Marijuana
- Illegal drugs or substances designed to mimic them
- On-line pharmacies or pharmacy referral services
- Brokerage services, including for securities, shipping, businesses, or real property
- Deceptive marketing or business practices
- Get-Rich-Quick schemes
- Escort services or prostitution
- Any product or service that infringes upon the copyright, trademark, or trade secrets of any third party
- Any product or service that is deceptive, predatory, or prohibited by law or regulation
- Any service, any funding, or any other product or service related to an item on this list
- Cable Box De-scramblers
- Life-Time Memberships



Mailing Lists/Personal Info [think hacked information]

PayDay Loans

Debt consolidation

Dating services

Drug Paraphernalia

Fireworks Sales

Racist Materials

Surveillance Equipment

Government Grants

Home-Based Charities