

Credit Card Surcharging Program Addendum

This Credit Card Surcharging Program Addendum is an addendum (the “**Addendum**”) to your merchant agreement (the “**Agreement**”) with Moneris Solutions Corporation (“**Moneris**”) and sets out the additional terms and conditions that apply if you assess Surcharges to your customers in connection with the payment of transactions by credit card. This Addendum does not supersede your Agreement which remains in full force and effect, except to the extent supplemented by this Addendum. Capitalized terms used and not defined herein will have the respective meanings given to such terms in the Agreement. To the extent of any inconsistency between the terms and conditions of this Addendum and any other provision of the Agreement, the terms and conditions of this Addendum will govern with respect to its subject matter. We can change this Addendum at any time by giving you notice in accordance with the Agreement. Your continued use of the services set out in this Addendum after such notification constitutes acceptance of any amendment, restatement, supplement or any other modification to this Addendum.

1. Definitions

Capitalized terms used and not defined herein will have the respective meanings given to such terms in the Agreement.

“**Eligible Card**” means a branded Visa, Mastercard, American Express, Discover or UnionPay Card.

“**Surcharge**” means any fee or amount charged by you to a Cardholder for the acceptance of a credit card payment using an Eligible Card in connection with a Transaction.

2. Eligibility for Surcharging

- (a) Prior to assessing Surcharges, you must fulfill and maintain any certification, registration or related requirements required by us or the Card Brands in connection with Surcharges. Without limiting the generality of the foregoing, you expressly acknowledge and agree that at least 30 days prior to applying any Surcharge, you will:
 - i. complete and submit Mastercard’s Merchant Surcharge Disclosure Form available at <https://www.mastercard.ca/en-ca/surcharge-disclosure-webform.html>; and
 - ii. provide Moneris with written notice of your intention to assess Surcharges by completing the form at go.moneris.com/credit-surcharge-registration
(collectively, the “**Registrations**”).
- (b) You will provide Moneris or the Member, upon its request, with the information and documentation required to obtain or maintain these Registrations. All costs, fees, charges, assessments, fines and other financial commitments related to such Registrations shall be your responsibility.
- (c) By assessing Surcharges, you will no longer be eligible to benefit from the Visa and Mastercard Small Merchant Interchange Program (<https://moneris.com/SMB>) (the “**Small Merchant Program**”) and you will be removed from the Small Merchant Program which will result in an increase in your interchange fees.
- (d) Upon our request, you shall promptly provide, within the timelines designated by us, all information and documents that is required by us, the Card Brands or any applicable regulatory authority for the purposes of validating your compliance with the terms and conditions of this Addendum.
- (e) We reserve the right to suspend or terminate your ability to Surcharge upon notice from us:
 - i. if you cease to be eligible in accordance with the Card Brand Rules and Regulations;
 - ii. if we are required to do so by the applicable Card Brand or the Card Brand Rules and Regulations or by applicable law; or
 - iii. if you breach a term or condition of this Addendum.

3. Obligations Related to Surcharging

You will comply with all applicable Card Brand Rules and Regulations and all applicable laws and regulations, in connection with the application of a Surcharge to your Transactions. It is your responsibility to keep informed of, and comply with, laws and regulations that relate to the application of Surcharges, which may vary on a jurisdiction-by-jurisdiction basis.

Without limiting the foregoing, you expressly acknowledge and agree that you will comply with the following:

- (a) You may only assess a Surcharge where a credit-based payment is made using an Eligible Card, as permitted by and in accordance with the Card Brand Rules and Regulations. You may not apply a Surcharge in connection with payments made by debit cards or pre-paid or stored value cards that are Eligible Cards. For certainty, this Addendum does not apply to Interac debit Cards or Transactions.
- (b) You will not assess a Surcharge to a Transaction to which you are also applying a convenience fee or service fee (as those terms are defined in the Card Brand Rules and Regulations)
- (c) You will not permit any third party to assess a Surcharge on your Transactions on your behalf. The Surcharge must be charged by you and the final Transaction amount submitted to us must be inclusive of the Surcharge amount.
- (d) A Surcharge amount must be refunded on a pro-rata basis for any refund for an associated Transaction in which a Surcharge was applied.
- (e) You may not apply a Surcharge to a Transaction in excess of the Surcharge Cap. The Surcharge Cap is the lesser of:
 - i. your Effective Merchant Discount Rate (EMDR) across all Card Brands; and
 - ii. 2.4% (or the maximum Surcharge prescribed by the Card Brand Rules and Regulations, which may be amended from time to time).

(the “**Surcharge Cap**”)

You agree that any information provided by Moneris’ in relation to the Surcharge Cap is made available to you on “as is” basis without representation or warranty of any kind, whether for accuracy, fitness of purpose, or otherwise, provided that Moneris will use commercially reasonable efforts to ensure that the information is consistent with the requirements set out in the Card Brand Rules and Regulations.

- (f) You will clearly and prominently disclose the following information about your Surcharging practices:
 - i. At point-of-entry (e.g. entrance to physical location, or webpage where Cards that are accepted are displayed): a statement that a Surcharge is not greater than the Surcharge Cap.
 - ii. At point-of-sale: (x) the amount or percentage of the Surcharge; (y) a statement that a Surcharge will be applied to the Transaction; and (z) a statement that the Surcharge is not greater than the Surcharge Cap.
 - iii. On the Transaction receipt: the dollar amount of the Surcharge as a separate line item after the subtotal and before the total amount of the Transaction.

Disclosures may not state that a Surcharge is applied as a cost for accepting specifically-identified Card brands.

- (g) Cardholders must be given the option to cancel a Transaction following disclosure of a Surcharge.

- (h) If you apply a Surcharge in respect of any Eligible Card, you must apply the same Surcharge to any other Eligible Card that you accept as payment for Transactions under the Agreement, unless otherwise permitted by the Card Brand Rules and Regulations. If you separately accept payment via PayPal pursuant to a separate agreement with PayPal, you may not impose a Surcharge on Transactions under the Agreement that exceeds the Surcharge amount you apply to PayPal transactions.