



PIN-Based, Online Debit Card Addendum to the Terms of Service

This PIN-Based, Online Debit Card Addendum to the Terms of Service is entered into as of the Effective Date by and among the **State of Wisconsin** ("Merchant"), **Elavon, Inc. f/k/a NOVA Information Systems, Inc.** ("Servicer") and **Member**. Merchant, Servicer and Member may be referred to collectively herein as the "Parties."

WHEREAS, Merchant, Servicer and Member are parties to that certain Terms of Service ("TOS"); and

WHEREAS, pursuant to the TOS, the terms and conditions for the acceptance of any additional Payment Devices shall be set forth in one or more addenda, which shall incorporate the TOS by reference; and

WHEREAS, Merchant has requested that Servicer and Member provide to Merchant PIN-based, online Debit Card Transaction processing services;

WHEREAS, the Parties maintain that it is their interest to enter this Addendum regarding Merchant's utilization of those services.

NOW, THEREFORE, in consideration of the foregoing premises, and the mutual promises of the Parties hereinafter set forth, and intending to be legally bound hereby, the Parties hereto covenant and agree as follows:

Section A – Definitions

1) Additional Definitions.

- a. **Addendum:** This PIN-Based, Online Debit Card Addendum and all additions to, amendments, and modifications of, and all replacements to the Addendum, as applicable.
- b. **Debit Card:** Any PIN-based, online Debit Card.
- c. **Effective Date:** The date set forth in the signature block herein.
- d. **EFT Networks:** (i) Interlink Network Inc., Maestro U.S.A., Inc., STAR Networks, Inc., NYCE Payments Network, LLC, PULSE EFT Association, ACCEL/Exchange Network, Alaska Option Services Corporation, Armed Forces Financial Network, Credit Union 24, Inc., NETS, Inc., and SHAZAM, Inc.; and (ii) any other organization or association that hereafter authorizes the Servicer and/or Member to authorize, capture, and/or settle Transactions effected with Debit Cards, and any successor organization or association to any of the foregoing.
- e. **PED:** A Pin Entry Device that is used by the Cardholder to enter a PIN that identifies a Cardholder in an Authorization request originating at a terminal with electronic capability.
- f. **PIN:** A Personal Identification Number.
- g. **PIN Pad:** A secure device with an alphanumeric keyboard which conforms with the Debit Card Rules and the PCI Data Security Standard, and requirements established from time to time by Servicer, and through which a Cardholder may enter a PIN.
- h. **POS Device:** A terminal or other point-of-sale device at a Merchant location that incorporates: (i) a Track 2 Magnetic Stripe Reader; (ii) communicates electronically, directly or indirectly, with the Servicer's Debit System; (iii) uses a receipt printer capable of providing a receipt conforming to the Debit Card Rules and Regulation E; (iv) uses a journal printer, journaling facility or terminal-generated receipt; (v) uses an encrypted alphanumeric

PIN Pad; and (vi) uses a keyboard that can perform actions, functions and data entry. POS Device also includes a Pin Entry Device (PED) that is used by the Cardholder to enter a PIN that identifies a Cardholder in an Authorization request originating at a terminal with electronic capability.

- i. **Service Debit System:** Servicer's electronic Debit Card Transaction processing system for provision of Debit Card authorization, data capture, and settlement services.
- 2) **Rules of Construction.** Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to such terms in the TOS. Singular terms shall include the plural, and vice versa, unless the context otherwise requires. The words "hereof," "herein," and "hereunder," and words of similar import when used in the TOS or this Addendum shall refer to the TOS or this Addendum as applicable and not to any particular provision of the TOS or Addendum. The word "day" shall mean "calendar day", unless specifically stated otherwise. This Addendum incorporates the TOS by reference as if it were fully set forth herein. In the event of a conflict between the terms of this Addendum and the TOS, the terms of this Addendum shall prevail.

Section B – Acceptance of PIN-Based, Online Debit Cards

- 3) **Debit Card Rules.** Merchant shall comply with and be bound by the Debit Card Rules, which are incorporated by this reference as if fully set forth herein.
- 4) **Debit Card Transaction Fees.** Fees for Debit Card Transactions are set forth in the response to Section 12.2 of the RFP or Appendix 3, as discussed in Section F of the Enterprise Banking Services Contract.
- 5) **Display Of Debit Card Marks.** Unless otherwise informed by Servicer, Merchant shall prominently display the most current versions of the EFT Network's names, symbols, and/or service marks, as appropriate, at or near the POS Device and may display such marks on promotional materials to inform the public that such Debit Cards will be honored at Merchant's place(s) of business. Merchant's use of such marks must comply with the requirements of each mark's owner. Merchant's right to use or display such marks shall continue only long as the Agreement remains in effect and such right shall automatically terminate upon termination of the Agreement, and Merchant must remove the marks immediately upon termination.
- 6) **Use And Availability Of POS Devices And Pin Pads.**
 - a. A Cardholder's Debit Card information and PIN are confidential. The Merchant may not request or require a Cardholder to disclose his or her PIN at any point during a Transaction.
 - b. During the Transaction process, the Merchant must provide a reasonably secure area for Cardholders to enter their PIN into the PIN Pad.
 - c. Merchant shall cause a POS Device and PIN Pad to be readily available for the use of all Cardholders at all of Merchant's business locations where Debit Cards are accepted. Merchant shall take all reasonable steps to ensure that all POS Devices and PIN Pads operated at Merchant's business locations function with a minimum of error, in a reliable manner, and in accordance with the standards established from time to time by Servicer and the EFT Networks.
 - d. Merchant shall use a POS Device to initiate every Debit Card Transaction, and Merchant shall require that either the Cardholder or the Merchant insert and "swipe" the Debit Card through the POS Device to initiate every Debit Card Transaction, except as set forth herein. No Debit Card Transaction may be initiated unless the Debit Card is physically present.
 - e. Merchant shall require that each Debit Cardholder enter his or her PIN utilizing a PIN Pad at the POS Device when initiating a Debit Card Transaction. Merchant may not require a Debit Cardholder to sign a Transaction Receipt or other receipt, or require any other means of identification.
- 7) **No Minimum Or Maximum.** Merchant shall not establish minimum or maximum Debit Card Transaction amounts except to establish a maximum Cash Back dollar amount not to exceed \$200.00.

- 8) **Surcharges.** Merchant may not add any amount to the posted price of goods or services Merchant offers as a condition of paying with a Debit Card unless permitted by all of the applicable Debit Card Rules.
- 9) **Pre-Authorization Requests.** Merchant may initiate pre-authorization requests pursuant to the following procedures:
- The Cardholder must enter the PIN on the PIN Pad.
 - The Debit Card must be inserted and "swiped" through the POS Device.
 - The pre-authorization request must be for a specific dollar amount. The subsequent purchase pre-authorized hereunder must be completed within two (2) hours after the original pre-authorization request.
 - Funds shall not be transferred with respect to a pre-authorization request.
 - In order to complete the subsequent purchase pre-authorization, Merchant shall transmit a completion message indicating the actual dollar amount of the Debit Card Transaction, and shall comply with all requirements of a purchase Debit Card Transaction, at that time, except that entry of a PIN and "swiping" of a Debit Card is not required to complete the subsequent purchase if these steps were properly taken in order to pre-authorize such purchase. Such subsequent purchase shall not be authorized or completed unless the actual dollar amount of the purchase is less than or equal to the amount specified in the pre-authorization request.
 - If Merchant initiates pre-authorization requests, it shall support the processing of partial pre-authorizations.
- 10) **Debit Card Transactions.**
- Merchant shall support the following Debit Card Transactions:
 - Purchases, and
 - Merchandise credits.
 - Merchant may also support the following Debit Card Transactions if supported by the applicable EFT Network:
 - Purchase with cashback, and
 - Balance inquiries.
 - Prohibited Transactions. Merchant shall initiate Transactions only for products or services approved by Servicer. In no event shall Merchant initiate, allow, or facilitate a gambling or gaming transaction, or fund a stored value account for such purposes.
- 11) **Transaction Receipt Requirements.** At the time of any Debit Card Transaction (other than a balance inquiry or pre-authorization request), Merchant shall make available to each Cardholder a Transaction Receipt that complies fully with all Laws and containing, at a minimum, the following information:
- Amount of the Debit Card Transaction;
 - Date and local time of the Debit Card Transaction;
 - Type of Transaction;
 - If during the Debit Card Transaction the Cardholder is prompted to select the type of account used, then the type of account accessed must be displayed on the Transaction Receipt;
 - Truncated Debit Card number (showing the final four (4) digits);
 - Merchant's name and location at which the Debit Card Transaction was initiated; and
 - Trace or retrieval reference number.
- 12) **Merchandise Returns.** Merchant may electronically perform a merchandise return (if permitted by the applicable EFT Network) for a Debit Card Transaction only at the same Merchant named on the Transaction Receipt where the original Debit Card Transaction was initiated. If permitted, a merchandise return requires the following procedures:
- The Cardholder must re-enter the PIN on the PIN Pad,
 - The Debit Card must be inserted and "swiped" through the POS Device, and
 - Merchant must transmit the reference number or authorization number and the exact dollar amount of the Debit Card Transaction to be returned.

- 13) **Balance Inquiries.** Merchant may accommodate balance inquiries if the applicable EFT Network and the Issuer support the balance inquiry function provided that the Merchant requires that the Cardholder enter their PIN on the PIN Pad and insert and "swipe" the Debit Card through the POS Device.
- 14) **Purchase With Cash Back.** Merchant may offer purchase with cashback Transactions pursuant to the following procedures:
 - a. For each purchase with Cash Back, Merchant shall transmit in its Transaction message the amount of cash given to the Cardholder (if permitted by Servicer's Debit System).
 - b. If a request for Authorization of a purchase with Cash Back is denied solely because the cash requested exceeds the Debit Card Issuer's limit on cash withdrawals, Merchant shall inform the Cardholder of the reason for the denial and that a new purchase Transaction in the amount of the purchase alone might be approved.
 - c. The amount of Cash Back may be limited by the EFT Networks or Issuer.
- 15) **Technical Problems.** Merchant shall ask a Cardholder to use an alternative means of payment if the Servicer Debit System, the POS Device, or the PIN Pad is inoperative, the electronic interface with any EFT Network is inoperative, or the magnetic stripe on a Debit Card is unreadable, and Merchant elects not to or is unable to store Debit Card Transactions.
- 16) **Adjustment.** A Debit Card Transaction may be adjusted if an error is discovered during Merchant's end-of-day balancing only by means of a written request from Merchant to Servicer. The request for adjustment must reference a settled Debit Card Transaction that is partially or completely erroneous or a denied pre-authorize Transaction for which the pre-authorization request was approved. An adjustment must be completed within forty-five (45) days after the date of the original Debit Card Transaction.
- 17) **Termination/Suspension.** When requested by any EFT Network in its sole discretion, Merchant will immediately take action to: (i) eliminate any fraudulent or improper Transactions; (ii) suspend the processing of Debit Card Transactions; or (iii) entirely discontinue acceptance of Debit Card Transactions.
- 18) **TOS.** Except as supplemented herein, the TOS remains unaltered and in full force and effect.