

Schedule 12 Authorization Optimization Services Schedule

This Schedule adds the Authorization Optimization Services to the Payment Solutions Agreement (**Agreement**) among First Data and Company. The terms of the Agreement and this Schedule apply to the Authorization Optimization Services, but, if anything in this Schedule conflicts with the Agreement, this Schedule will control. The Authorization Optimization Services are **Services** under the Agreement and are provided by First Data and not by Bank. **Bank is not a party to this Schedule and is not liable to Company in connection with the Authorization Optimization Services or this Schedule.**

Capitalized words or phrases not defined in this Schedule use the definitions given to them in the Agreement.

The parties agree:

1 Authorization Optimization Services

First Data will provide to Company certain services and tools described further below, which are designed to maximize Company's ecommerce authorization approval rates (the **Authorization Optimization Services**). The Authorization Optimization Services include the following:

- 1.1 Authorization Retry Services. First Data will use research, data analytics, and industry relationships to maximize Company's card not present authorization approval rates. The suite of tools used in the Dynamic Retry Services and Deferred Retry Services (each defined below) may include, but is not limited to: (1) leveraging various Network products to better decision transactions; (2) analyzing consumer behavior through First Data's systems to formulate retry strategies via rules engines and machine learning; and/or (3) analyzing issuer behavior to update authorization payload and improve likelihood of approvals based on issuer insights. Company may elect to receive either or both of the retry services, which are further described below.
 - 1.1.1 Dynamic Retry. Dynamic Retry is a service in which First Data will: (1) analyze transactions declined by an issuing bank and determine whether enriching the transaction data will increase the likelihood of approval; and (2) re-submit qualifying authorization requests with enriched transaction data (the **Dynamic Retry Services**). First Data's analysis and decisioning is based on a proprietary model formulated using research, data analytics, and industry relationships. When using Dynamic Retry Services, First Data may enrich qualifying transactions by supplementing the request with, among other fields, credentials on file indicators, PAN, and expiration date.
 - 1.1.2 Deferred Retry. Deferred Retry is a service that uses an analysis of consumer spending behavior through First Data's systems to formulate strategies via rules engines and machine learning allowing Company to resubmit previously declined transactions when the likelihood of approval has increased (the **Deferred Retry Services**). Such retries are targeted toward declines which would not yield an approval on resubmitting immediately such as following a decline due to lack of sufficient funds. First Data will return an indicator to Company when First Data has determined that retry is appropriate. First Data will then supply Company a batch file identifying the approved transactions for settlement.
- 1.2 Account Updater Services. Certain Networks (e.g., Visa, Mastercard, American Express, and Discover) offer account updater programs that will allow Company to obtain updated Card account information for Cardholders or updated Tokens from First Data's TransArmor service (the updated TransArmor Tokens and updated Card account information are referred to collectively as **Updated Cardholder Information**) with whom Company has an existing relationship. Such account updater programs may be (1) off line services to which Company submits inquiries and receives Updated Cardholder Information (such programs are referred to herein as **Batch Account Updater Programs**) or (2) real time services through which Company receives Updated Cardholder Information during the authorization process (such programs are referred to herein as **Real Time Account Updater Programs**, and, together with Batch Account Updater Programs, **Account Updater Programs**). For Networks that offer both a Batch Account Updater Program and a Real Time Account Updater Program, Company may elect to use such Network's Batch Account Updater Program, Real Time Account Updater Program, or both Account Updater Programs for such Network. First Data will provide Company with access to the Networks' Account Updater Programs (the **Account Updater Services**) pursuant to the terms of this Schedule.

1.2.1 Company Responsibilities – Account Updater Services

- (1) To use the Account Updater Services, Company must:
 - (a) have a legitimate business need in connection with an active or on-going business relationship with a Cardholder to receive that Cardholder's Updated Cardholder Information (e.g., a subscription or membership services involving recurring payments or transactions utilizing a Cardholder's stored Card account information or TransArmor Token);
 - (b) not be categorized as a high-risk merchant by a Network (as determined by the Network);
 - (c) register with, be approved by, and execute any participation agreements required by the Networks;
 - (d) comply with all rules and procedures established by each Network, as applicable; and
 - (e) only use any Updated Cardholder Information as expressly permitted by the Networks and the Agreement.
- (2) Company acknowledges and agrees that if Company submits update requests or transactions to the Account Updater Programs for Card accounts that have previously returned a "closed account" response from that Network, Company will incur a charge for such request or transaction.
 - (1) Company may not use the Account Updater Services on behalf of, or for the benefit of, any third parties; provided, however, that Third Party Agents, as defined by Visa (or such other term as an applicable Network uses to describe such parties) may use the Account Updater Services so long as such Third Party Agent complies with all requirements for Third Party Agents that are established by a Network for its Account Updater Program.

1.2.2 Batch Account Updater Programs

- 16.3.2.1 In connection with its use of a Network's Batch Account Updater Program, Company will maintain a database of Card account information and/or TransArmor Tokens for those Cardholders for which it requests Updated Cardholder Information. In connection with that database, Company must:
- 16.3.2.1.1.1.1 submit update requests for each Card account or TransArmor Token according to the timeframes established by the Networks for their Account Updater Programs (currently, at least once every 180 calendar days);
 - 16.3.2.1.1.1.2 update its database within five (5) business days after receiving a response file containing the Updated Cardholder Information;
 - 16.3.2.1.1.1.3 delete all Card account update request files that it sends to First Data and all response files that it receives from First Data; and
 - 16.3.2.1.1.1.4 delete Cardholder profiles and Card account and TransArmor Token records on its database for Cardholders with which it no longer maintains an active or on-going business relationship or when profiles or accounts are closed by a Cardholder.
- (2) First Data offers two service options for American Express's Batch Account Updater Program, American Express Cardfresher: the Regular Service Option and the Subscription Service Option. American Express's Batch Account Updater Program provides Updated Cardholder Information on an ongoing basis for each Card that Company submits for inquiry. First Data's **Subscription Service Option** provides Company with such Updated Cardholder Information on an ongoing basis as such information is received from American Express. First Data's **Regular Service Option** provides Updated Cardholder Information for Cards submitted for inquiry by Company only in response to such inquiry. For the avoidance of doubt, if Company selects the Regular Service Option, American Express will continue to send to First Data

Updated Cardholder Information on an ongoing basis and charge for such updates, but the Regular Service Option provides Company with the benefit of limiting when Company receives Updated Cardholder Information to only when Company requests to receive such updates; Company will continue to be responsible for the charges in connection with all updates that American Express sends. Company must select either the Regular Service Option or the Subscription Service Option.

1.2.3 Real Time Account Updater Programs

- (1) Company must submit authorization requests in the file format that First Data specifies in order to use a Network's Real Time Account Updater Program.
- (2) Each of Visa's and Mastercard's Real Time Account Updater Programs will function if Company does not update its systems to accept the Updated Cardholder Information; however, if Company does not update its systems to accept such Updated Cardholder Information, each future submission of the same, non-Updated Cardholder Information or TransArmor Token will be treated as a new transaction using the applicable Real Time Account Updater Program, and Company will be charged the applicable fee as set forth in Section 2 below.

2 Fees

Company will pay First Data the fees described below for the Authorization Optimization Services. For clarity, only one fee of the fees below will apply to any Card transaction, even if both Real Time Account Updater and Dynamic Retry services are provided for the transaction. The Authorization Optimization Services fees are in addition to the other fees charged to process Company's transactions under the Agreement. Company will be responsible for any set-up charges or fees charged by the applicable Networks in connection with the Account Updater Programs.

Service	Fee	Driver
17 Dynamic Retry*		
Visa	\$_____	per approved transaction
Mastercard	\$_____	per approved transaction
Deferred Retry*		
Visa	\$_____	per approved transaction
Mastercard	\$_____	per approved transaction
Batch Account Updater Program		
Visa	\$_____	per record match
Mastercard	\$_____	per record match
Discover	\$_____	per record match
American Express	\$_____	per record match
Real Time Account Updater Program		
Visa	\$_____	per record match
MasterCard	\$_____	per record match

* Fees are only applied in instances where declines are successfully converted into approvals.

3 Disclaimer

First Data is not responsible for: (1) inaccurate or incomplete Card account data or TransArmor Tokens provided by Company; (2) non-First Data information accessed or used in connection with the Authorization Optimization Services; or (3) Network-provided Updated Cardholder Information or other information that the Networks' Account Updater Programs return to First Data. Not all Networks offer Account Updater Programs, and not all financial institutions that issue Cards participate in the Networks' Account Updater Programs. Whether the Account Updater Services are available for a particular Cardholder's Card account will depend on whether the Network maintains an Account Updater Program and whether the Card issuer participates in the Account Updater

Program; and First Data will not provide Account Updater Services for Card accounts for which the Account Updater Services are not available.

4 Term; Termination

- 4.1 This Schedule is effective as of the date last signed below. Company agrees to take all preparatory steps to start its implementation of the Authorization Optimization Services no later than _____.
- 4.2 First Data may suspend or terminate Company's access to the Authorization Optimization Services generally, or any of the component services individually, upon 60 days' notice or, if required to suspend or terminate by a Network or under applicable law, such notice as is commercially reasonable in such circumstance.
- 4.3 This Schedule will continue until the earlier of: (1) the expiration or termination of the Agreement, (2) with respect to a particular Network's Account Updater Program, at such time as such Network terminates such Account Updater Program or terminates or suspends Company's access to such Account Updater Program, and (3) Company terminates the Schedule by providing First Data with 30 days' prior written notice.