

Appendix C - Other Important Provisions for Card Acceptance

1. SETTLEMENT/PAYMENT

a. Discount and Fees. The initial Discount and payment terms are set forth below and shall be effective within thirty (30) days of the date of last signature to this Agreement. **In addition to the Discount, American Express may charge Authorized Users Gateway Fees for processing. Any adjustment to the Discount shall be pursuant to section 21. above and Appendix H.**

b. Except as set forth in sub-section 1.c. below, in the United States (excluding Puerto Rico, the U.S. Virgin Islands, and other U.S. territories and possessions), the Discount for electronic Submissions is as follows.

Discount Rate (Non-CPC):	2.15%
Discount Rate (CPC):*	2.05%
Prepaid Card Rate:	1.15%
Payment Plan:	One-day payment plan [^]

*The Discount Rate (CPC) is available for Transactions in which Authorized Users capture additional or reformatted Transaction Data on the Charge Record, and Transmission Data on the Transmissions, pursuant to the Technical Specifications set forth in the Merchant Regulations.

c. Debit Card Transactions (excluding Puerto Rico, the U.S. Virgin Islands and any other U.S. territories): The Discount Rate for Debit Card Transactions shall be according to the table below.

Discount Rate - Unregulated:	1.20%
Utilities-Unregulated:	\$0.75
Payment Plan:	One-day payment plan [^]

[^] **One-day payment plan** means that we initiate payment one (1) day after our cutoff time for receiving and processing Charges.

The following table illustrates the one-day payment plan.

Receipt Date (Day 0)	Settlement Day (Day 1)
Sunday	Monday
Monday	Tuesday
Tuesday	Wednesday
Wednesday	Thursday
Thursday	Friday
Friday	Monday*
Saturday	Monday*

*ACH network does not operate on Saturdays, Sundays and Federal Reserve holidays.

d. Third Party Providers. The State acknowledges that Authorized Users may have the option to contract for American Express® Card acceptance through third parties, and that the rates through such third party service providers may differ from the rates under this Agreement.

e. Authorized User Participation. Notwithstanding anything to the contrary in the Agreement, the State acknowledges that a State Entity will not be covered by this Agreement if it enters into a separate Card Acceptance Agreement with American Express.

2. Exceptions to the Merchant Regulations

This paragraph 2 of Appendix C sets forth certain exceptions to the Merchant Regulations as applied to acceptance of Cards:

Provisions Superseded. The following provisions of the Merchant Regulations are deemed superseded by the Agreement and are therefore not applicable to the Agreement:

- a. Section 2.12 (Marketing Programs)
- b. Section 7.2 (Settlement Amount)
- c. Section 7.3 (Discount/Discount Rate)
- d. Section 7.5 (Speed of Payment)
- e. Section 8.6 (Indemnity Obligations for a Data Incident)
- f. Section 8.9 (Disclaimer)
- g. Section 12.1 through 12.10 (Specific Industries)
- h. Section 12.12 through 12.15 (Specific Industries)
- i. Section 13 (Payment Aggregator)
- j. Section 14 (Merchant Fees)
- k. Appendix A.1 (Arbitration Agreement)