

Terms and Conditions Update: FAQs

What are the key changes to the credit card Terms & Conditions?

In addition to grammatical and other minor, clarifying changes, the key updates to the credit card Terms & Conditions include the following:

- Identifying the Card Network Operating Rules that Merchants must follow, and clarifying that Merchants are responsible for keeping abreast of any changes to those Operating Rules. See [Definitions, Operating Rules](#).
- Providing that Payments to Merchants for Valid Charges may be reduced by the amount of any fees, fines, assessments, or other amounts Merchant owes under the Agreement and that, if sufficient funds are not available in Merchant's Settlement or Reserve Accounts, that the Bank may deduct those amounts from any other bank accounts about which Bank has information. [Section 4, Procedures for Card Transactions](#); [Section 5, Chargebacks](#); [Section 14, Settlement Accounts](#); and [Section 18, Processing Fees](#).
- Clarifying that Chargebacks may arise out of the Operating Rules or other applicable laws, and reiterating that the Merchant is solely responsible for Chargebacks, even if the Bank has previously provisionally credited the Merchant's Settlement Account for such a transaction. [Section 5, Chargebacks](#).
- Adding a Representation and Warranty that the Merchant has not been listed on the MasterCard MATCH system, or the Combined Terminated Merchant File, and that to the Merchant's knowledge, it is not threatened with any investigation or action that would impair its financial condition. [Section 6, Merchant's Representations and Warranties](#).
- Providing further detail regarding PCI Compliance requirements, and adding a fee for Merchants who are not PCI Compliant. [Section 7, Confidentiality; Data Security](#); [Section 18, Processing Fees](#).
- Providing that Bank may increase Merchant's Processing Fees in the event the Card Networks increase interchange, fees, assessments, or other charges. [Section 12, Amendments; Waivers](#).
- For Merchants who executed Merchant Agreements before June 2015, adding liquidated damages for Merchants who are terminated for cause due to violations of Card Network Operating Rules, fraud, or other limited and enumerated reasons. The liquidated damages provisions have been in place since Base Commerce began working with National Bank of California (now Commercial Bank of California) in June 2015. Thus, Merchants who executed Merchant Agreements after that date are already bound by the liquidated damages provision. [Section 13, Term; Termination](#).
- Providing additional detail regarding the disposition of Reserve Accounts following a Merchant's bankruptcy filing to clarify that Settlements are provisional and subject to Chargebacks. As a

result, Reserve Accounts are not available to bankrupt Merchants to satisfy general creditors. [Section 14, Settlement Accounts](#); [Section 15, Additional Collateral Security](#); [Reserve Accounts](#).

- Clarifying that Merchant's indemnity obligations include the duty to defend and indemnify Bank for demands, losses, damages, liabilities, and expenses, including attorneys' fees, arising out of Merchant's acts or omissions. [Section 19, Indemnity](#); [Limitation of Liability](#); [Warranty](#).
- For Merchants who executed the Merchant Agreement before August 2013, designating Maricopa County, Arizona, as the exclusive venue and jurisdiction for any disputes arising under the Merchant Agreement. [Section 21, Governing Law](#); [Jurisdiction](#); [Venue](#).
- Adding a jury trial waiver for any disputes arising out of the Merchant Agreement. [Section 21, Governing Law](#); [Jurisdiction](#); [Venue](#).

Where can I find the full credit card Terms & Conditions?

They can be found at: <https://www.basecommerce.com/docs/cbcal/merchant-agreement-v6.02.18.pdf>.

Are there also changes to the ACH Terms & Conditions?

Yes.

What are the key changes to the ACH Terms & Conditions?

The updates to the ACH Terms & Conditions include the following:

- Providing further detail regarding the types and amount of fees Base Commerce may charge. [Section 4.1, Fees and Payment](#).
- Changing the method for calculating liquidated damages. [Section 4.3, Liquidated Damages](#).
- Adding a jury trial waiver for any disputes arising out of the ACH Agreement. [Section 4.6, Jury Trial Waiver](#).
- Clarifying and simplifying the manner in which notice may be provided to you. [Section 4.8, Notices](#).
- Providing additional detail regarding the treatment and disposition of funds held in Reserve Accounts. Clarifying that funds held in a Reserve Account are not available to bankrupt Merchants to satisfy general creditors. [Section 4.12, Reserve Account](#).

Where can I find the full ACH Terms & Conditions?

They can be found at <https://www.basecommerce.com/docs/ach-terms-and-conditions-v3.1.18.pdf>.

Who can I contact if I have any additional questions after reviewing the Terms & Conditions?

Any and all questions that may arise can be directed to questions@basecommerce.com.