

REFERRAL PARTNER AGREEMENT

This Referral Partnership Agreement (this “Agreement”) is entered into this ___ day of 6/25/2024, 20__ by and between Impact PaySystem, LLC, a Tennessee limited liability company (“Impact”), and Jonathan Frohning (“RP”).

RECITALS:

WHEREAS, RP has certain merchant customers that have a desire to obtain electronic bankcard processing services so that those merchant customers may affect transactions with holders of credit and/or debit cards; and

WHEREAS, RP wishes to refer its merchant customers having a need for such bankcard processing services to Impact for the purposes of entering into a card processing relationship with Impact. Those referred merchant customers who enter into a merchant agreement with Impact in form and substance acceptable to Impact or such third-party servicer (the “Merchant Agreement”), shall be referred to herein as “Customers.”

AGREEMENT:

NOW, THEREFORE, based upon the mutual consideration and covenants set forth herein, the parties agree as follows:

1. Definitions. For purposes of this Agreement, the following words and phrases shall be defined as follows:

(a) “Card Association” means Visa, MasterCard and any other association or card issuer having proprietary rights to and clearing and oversight responsibilities with respect to any credit or debit card used to effect transactions for which certain payment processing services are provided pursuant to this Agreement, and includes any debit card network utilized to authorize and settle any debit card used to effect transactions for which certain payment processing services are provided pursuant to this Agreement.

(b) “MasterCard” means MasterCard International, Inc., and any successor organization.

(c) “Net Revenue” means Revenue less all interchange, dues and assessments charged by a Card Association and its respective issuing banks and the authorization, capture and settlement costs relating to such Revenue.

(d) “Revenue” means the sum of the revenue received by Impact from Customers from discount fees, surcharges, authorization fees, statement fees, monthly minimum fees, and other similar fees.

(e) “VISA” means VISA U.S.A., Inc., and any successor organization.

2. Duties and Obligations of Impact.

Initial: Impact _____
RP _____

(a) Impact will be responsible for screening and processing all customer applications in accordance with accepted criteria established by Impact, and for preparing and providing the Merchant Agreement and other documents necessary to process transactions directly to such customer.

(b) Impact agrees to pay RP, as full consideration and compensation for the performance of all of RP's duties and obligations hereunder 10% of the Net Revenue received by Impact with respect to Customers that actually begin processing transactions with Impact ("Compensation").

(c) Impact will generally pay RP its Compensation hereunder within the 30th day of the month with respect to transactions occurring in the immediately preceding month.

3. Duties and Obligations of RP.

(a) RP agrees to refer to Impact, on an exclusive basis, its merchant customers seeking bankcard processing meeting Impact's criteria and standards and acceptable to it in its sole discretion for credit and/or debit card processing pursuant to the terms and provisions of Merchant Agreements. Impact shall have and retain the right, in its sole discretion, to accept or reject any merchant application submitted by RP for review and consideration by Impact or to discontinue or terminate any Merchant Agreement or account accepted by Impact during the term hereof. In this regard RP agrees not to make any representations to any merchant customer concerning the probability of Impact's acceptance of any application and further agrees to expressly indicate to any merchant applicant that acceptance or rejection of any application for a Merchant Agreement or account is solely with Impact's discretion.

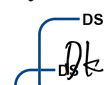
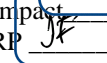
(b) RP must promptly examine all statements and reports related to its Compensation as sent by Impact and notify Impact in writing of any asserted error(s) within sixty (60) days following the date of such statements and reports. After such period, RP will be deemed to have accepted such statements and reports as delivered and Impact shall have no obligation to investigate or correct, or have any liability whatsoever to RP for, any alleged error.

4. Term and Termination.

(a) The original term of this Agreement shall commence with the execution hereof and shall continue for a period of one (1) year Unless terminated sooner pursuant to another provision hereof, this Agreement shall automatically renew for consecutive one (1) year periods at the end of such original term and at the end of each renewal term, unless Impact or RP provides written notice of non-renewal to the other party at least one ninety (90) days before the end of the term.

(b) Either RP or Impact may terminate this Agreement upon a breach of a term or condition hereof by the other party and failure of such breaching party to cure such default within thirty (30) days after receipt of written notice specifying the breach claimed. RP agrees that if Impact, in good faith, deems that the prospect of performance by RP is impaired, such event shall be deemed to be a breach of this Agreement. If this Agreement is terminated by Impact because of RP's breach pursuant to this Section, then Impact shall have no further obligation to pay any Compensation to RP.

(c) In no event shall the termination of this Agreement transfer to RP any ownership or other interest in or to the Merchant Agreements, which shall continue to be owned free and clear by Impact and/or its merchant bank. In addition, termination of this Agreement shall not result in the termination of the Merchant Agreements or trigger any right by RP to assign the Merchant Agreements to a third party.

Initial: Impact 
RP 

(d) Following any termination of this Agreement, all materials and other tangible objects containing or representing Confidential Information (as defined below) which have been disclosed by either party to the other party, and all copies thereof which are in the possession of the other party, shall be and remain the property of such party and shall be promptly returned to such party.

5. Ownership of Merchant Agreements and Customer Relationships. RP agrees and acknowledges that (i) the transaction processing relationships between Impact and Customers and (ii) all rights and interests in the Merchant Agreements entered into by such merchants shall be owned exclusively by Impact, and RP shall have no rights of any kind in such relationships or Merchant Agreements.

6. Compliance with Laws. Each party will comply with all applicable laws and regulations, including Card Association rules and regulations, in the provision of their respective services hereunder. The Card Association rules and regulations shall control to the extent of any inconsistency with the terms and conditions of this Agreement. RP and Impact shall cooperate with each other and with merchant RP to complete and to maintain during the term of this Agreement any necessary registrations of RP with the respective Card Associations.


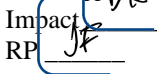
7. Confidential Information.

(a) Confidential Information. RP and Impact acknowledge that each may disclose or learn proprietary, secret or confidential information or data relating to the other party and their respective operations, employees, products or services, clients, customers or potential customers, and includes the terms of this Agreement (“Confidential Information”) during the course of this Agreement and in connection with the transactions contemplated hereunder. The party receiving the Confidential Information shall: (i) use it solely for the purposes of carrying out their obligations hereunder; (ii) maintain it in confidence, except to the extent necessary to carry out the purposes of this Agreement, in which event written confidentiality restrictions shall be imposed upon the parties to whom such disclosures are made; (iii) use at least the same degree of care in maintaining its secrecy as it uses in maintaining the secrecy of its own confidential information, but in no event less than a reasonable degree of care; and (iv) return all copies, notes, packages, diagrams, computer memory media and all other materials containing any portion of the Confidential Information to the disclosing party upon its request.

(b) Exceptions. Information shall not be considered Confidential Information to the extent, but only to the extent, that such information is: (i) already known to the receiving party free of any restriction at the time it is obtained; (ii) subsequently learned from an independent third party free of any restriction and without breach of this Agreement; (iii) or becomes publicly available through no wrongful act of the receiving party; (iv) independently developed by the receiving party without reference to any Confidential Information of the other; or (v) required to be disclosed by law.

(c) Remedy. If either party breaches the provisions of this section, the non-breaching party will suffer irreparable harm and the total amount of monetary damages for any injury to such party will be impossible to calculate and therefore an inadequate remedy. Accordingly, the non-breaching party may (i) seek temporary and permanent injunctive relief against the breaching party or (ii) exercise any other rights and seek any other remedies to which the non-breaching party may be entitled to by law, in equity and under this Agreement for any violation of this Section 7.

8. Non-Solicitation. RP agrees that during the term of this Agreement and for a period of three (3) years following the termination hereof, RP shall not directly or indirectly, whether on behalf of itself or any other party, solicit any Customer referred by RP to Impact hereunder for the purpose of

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RP 

providing or receiving bankcard services or other services that are the same as or similar to those services provided by Impact, including but not limited to the processing of and facilitating the payment of charges for the purchase of goods or services and cash advances or otherwise to any such Customer.

9. Security Interest In Compensation. At any time that RP is receiving, or has a right to receive, Compensation hereunder, Impact shall have a senior security interest in any such Compensation owed by Impact to RP. RP agrees that such amount of compensation may be offset against, utilized for and applied to the payment of any and all outstanding accounts receivable balance or to satisfy any and all of RP's obligations to Impact under this Agreement or any other agreement by and between Impact and RP. RP agrees to assist Impact in perfecting any security interest or rights of collection, setoff, or recoupment and expressly agrees to execute any related instruments deemed necessary by Impact and to refrain granting any security interest in such Compensation to any third party without the express written consent of Impact. In addition, RP is restricted from assigning or otherwise transferring any of its rights in such Compensation to any third party without the express written consent of Impact.

10. Notice. All notices (including requests, consents or waivers) made under this Agreement will be in writing and delivered by personal delivery, facsimile, electronic mail or other electronic means (in which case the recipient will provide acknowledgment within one business day separately from any machine-generated automatic reply), or by prepaid means providing proof of delivery. Notices are effective upon receipt; provided, however, that notices delivered by electronic mail or other electronic means will not be effective unless the sender receives acknowledgement of receipt from the recipient, which acknowledgement shall not include any machine-generated automatic reply. Notices shall be delivered to the following addresses:

If to Impact:

Impact PaySystems, LLC
1164 Vickery Lane, Suite 200
Cordova, TN 38016
Attention: Department of Internal Affairs

If to RP:

Jonathan Frohning
201 S Roman Drive
Dieterich, IL 62424
Attention: Jon Frohning

At any time, either party may, by notice in writing to the other party, specify another address that may be desired for the purpose of furnishing notice under this Agreement.

11. Entire Agreement. This Agreement is the entire agreement between RP and Impact, with respect to the subject matter hereof, and supersedes any prior agreement, oral or written, between RP and Impact.

12. Amendment. This Agreement may only be amended, supplemented, restated or otherwise modified in a written document executed by Impact with a prior notification. Notification will be attempted with the mailing address we have on file. This Agreement shall be construed without regard to the identity of the person who drafted its provisions and each and every provision of this Agreement shall be construed as though each of the parties participated equally in the drafting hereof. Any rule of

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construction that a document is to be construed against the drafting party shall be inapplicable to this Agreement.

13. Assignability. RP's rights under this Agreement are personal to RP and this Agreement shall not be assigned (by operation of law or otherwise), nor shall any performance hereunder be subcontracted or delegated by RP in any manner, nor will RP grant or permit a lien or security interest to exist with respect to such rights, without the prior express written consent of Impact. This Agreement shall be binding upon and inure to the benefit of the parties hereto and each of RP's and Impact's successors and assigns.

14. Governing Law; Venue. This Agreement shall be governed by the substantive and procedural laws of the State of Tennessee without regard to conflict of laws principles. RP and Impact agree that the proper venue and all disputes arising from this Agreement shall be in the state or federal courts located in Shelby County, Tennessee. RP hereby waives all objections to either subject matter or personal jurisdiction in consideration of the Compensation paid to RP hereunder.

15. Section Headings. The section headings contained in this Agreement are for convenient reference only and shall not in any way affect the meaning on interpretation of this Agreement.

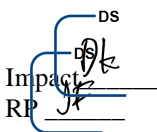
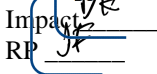
16. Referral RP Disputes. In the event that more than one referral RP claims to have recommended a Customer in connection with this Agreement or similar agreements, Impact shall determine, in its sole discretion, which entity or entities shall receive compensation therefor.

17. Independent Contractors. It is agreed that neither Impact nor RP shall act, or undertake to act, in any way whatsoever, as the agent for the other for any purpose whatsoever. Impact and RP shall be considered, deemed and held for all purposes hereunder to be independent contractors who shall solely determine the manner, fashion and means by which each accomplishes and performs its duties and obligations hereunder. Neither Impact nor RP shall have the right to supervise or direct the other as to such matters and each party shall be solely responsible for the actions of its own employees or agent contracted to accomplish or perform its respective duties hereunder. It is not the intention of the parties hereto to form or create any partnership or joint venture for any purpose whatsoever.

18. Enforceability. If any provision of this Agreement is at any time adjudged invalid or unenforceable to any extent by any court of competent jurisdiction, such provision shall be deemed modified to the extent necessary to render it valid and enforceable and such invalidity or unenforceability shall not affect any other provision of this Agreement.

19. Indemnification. RP agrees to indemnify and hold Impact and its stockholders, directors, officers, advisors, consultants, subsidiaries and affiliates (collectively, "Indemnified Parties") harmless from and against, and to promptly reimburse the Indemnified Parties for, any and all claims incurred by such Indemnified Parties arising from or relating to any breach of any representation or warranty or the non-fulfillment of any obligation, undertaking, covenant or agreement of RP under this Agreement.

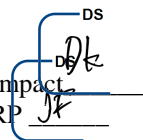
20. Limitation of Liability. NOTWITHSTANDING ANY OTHER PROVISION IN THIS AGREEMENT, IN NO EVENT WILL MERCHANT BANK, IMPACT, OR THEIR RESPECTIVE AFFILIATES, DIRECTORS, OFFICERS, EMPLOYEES, REPRESENTATIVES OR AGENTS BE LIABLE FOR SPECIAL, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES OF ANY KIND TO RP OR ANY THIRD PARTY ARISING FROM THE TRANSACTIONS HEREUNDER, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. Liability of merchant RP and Impact for any and all causes, whether arising out of negligence, breach of

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RP 

contract, tort or otherwise, shall, in the aggregate, not exceed the amounts paid to RP by Impact hereunder for the six (6) calendar months preceding any tort, breach or other liability alleged by RP. The limitations set forth in this section shall apply whether or not the alleged breach or default is a breach of a fundamental condition or term, or a fundamental breach, or if any limited warranty or limited remedy fails of its essential purpose.

[Signature page follows]

Initial: Impact _____
RP _____



IN WITNESS WHEREOF, the undersigned have executed this Agreement effective as of the day first above written.

RP:

Jonathan Frohning

DocuSigned by:
By: Jon Frohning
Name: Jon Frohning
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Title: Mr

IMPACT:

IMPACT PAYSYSTEM, LLC

DocuSigned by:
By: Dee K... [Signature]
Dee K...
President

Initial: Impact [Signature]
RP [Signature]

Compensation Schedule

RP = Referral Partner

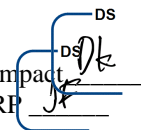
An RP will refer businesses either to MP or Impact Payment Partner.

RP Payout

Merchant Accounts = 10%

An RP can continue to receive 10% on the RP and BP accounts if they convert to an MP by completing the application requirements within 30 days of signing up the new RP/BP. Merchant accounts attained while they were an RP will continue to pay out at the 10% level. If a RP does not renew 90 days past renewal date, IPP reserves the right to terminate this agreement and any payments related to the MP Agreement.

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