



## ePort Connect Services Agreement – Setomatics Partnership Coin-Op Laundromat Stores

**Customer/Company Name:** \_\_\_\_\_ (“Customer”)

**1. Parties**—USA Technologies, Inc. (USAT), per the effective date herein, hereby agrees to provide to (“Customer”) cashless financial services utilizing the USAT ePort Connect card processing network in connection with the Customer’s installation of Setomatic Systems, Inc. (SETOMATICS) Spyder Wash (SPYDER WASH) cashless payment solution on Customer’s unattended laundry machines (“Equipment”).

**2. Cashless Transaction Processing & Associated Fees**—USAT shall act as and is hereby appointed the agent on behalf of Customer in connection with the processing of all card transactions (authorized and settled) by the payment processor or other private network in connection with the Customer’s Equipment. USAT shall retain a processing fee consisting of a percentage or a processing fee of a percentage + a set dollar amount per transaction of the gross sales price, for all card revenues derived from the Equipment. All processing fees charged to Customer, as marked by Customer, are predicated upon processor or private network authorized and settled transactions, and *not* from third party forms of M2M data. See *Schedule A — Fees*. The net revenues (gross revenues less refunds, transaction processing fees, any consumer refund and/or chargeback fees from the card processor and/or fraudulent transactions or any other fee due to USAT hereunder) shall be remitted to Customer by USAT on a daily or weekly basis, as selected by Customer.

**3. Network & Services Fees**—The Customer shall pay to USAT an annual fee per Coin-Op Laundromat store using Spyder Wash, connected to the USAT processing network, web-based cashless transaction reporting, financial/accounting transaction services, and customer support services. See *Schedule A—Fees*. If Customer selects the wireless services from USAT, Customer shall pay to USAT a monthly wireless fee per laundry room. See *Schedule A—Fees*. If Customers monthly wireless usage per Coin-Op Laundromat store exceeds the one (1) Megabyte maximum allocation in *Schedule A - Fees*, Customer will be automatically moved to the next wireless data plan.

**4. Registration & Activation Fee**—USAT will charge Customer at the time of SPYDER WASH installation or at time of transfer of ownership of a SPYDER WASH system to Customer. USAT will include on the invoice, an initial fee to register & activate each laundry room installed and linked to the USAT processing network. See *Schedule A—Fees*. This may include but is not limited to the registration of a SIM card required to establish wireless communications or an Ethernet connection, in addition to administrative setup for Customer to receive daily or weekly EFT payments, Merchant ID assignment, and access to USALive web reporting.

**5. Un-Registration and Re-Registration & Activations**—The Customer may choose to unregister the system, which stops all communications with the USAT processing network, at no charge, with thirty (30) day written notice to USAT. However, if the customer decides to re-register & activate system, a re-registration & activation fee is required. See *Schedule A—Fees*.

**6. SIM Cards**—All SIM cards remain the property of USAT and must be returned to USAT upon termination of this services agreement for any reason.

**7. Device Location Assignment**—After the SPYDER WASH cashless payment solution is installed into Customer’s Equipment, Customer in conjunction with Setomatics should use USALive to update the device location for proper identification. USALive has the ability to accept a spreadsheet using the Mass Update function or individually update each Spyder Wash system installed in the field. If this function is performed by



USA Technologies a fee may be applied for each device updated. Improper location assignment could result in higher chargeback activity.

**8. Pre-Authorization**—Customer agrees for all cashless transactions, every card will be submitted to the card processor for card validation and transaction authorization.

**9. Settlement**—Customer agrees that for any transaction during the settlement process that is subsequently declined by the card processor for non-sufficient funds (NSF) or other reasons, the risk of the associated loss of vended product, settlement funds and transaction fee for that transaction shall be assumed by the Customer.

**10. Proprietary Software** – Customer acknowledges and agrees that the computer programs, computer software, specifications, data, images, designs, codes, configurations, (“Software”) contained in or utilized by USAT’s USALive® network are proprietary and confidential to USAT and protected under United States copyright law. Customer shall not copy, modify, adopt, translate, merge, reverse engineer, decompile, or disassemble, the Software, or create any derivative works based on the USALive® network or Software.

**11. Patents and Intellectual Property** - USAT will grant to Customer a non-exclusive, non-transferrable, royalty-free license to certain USAT patents, including, without limitations, a license to USAT’s U.S. Patent Nos. 5,844,808; 6,505,095; 7,076,329; 7,131,575; and 7,464,867 for of the ePort Connect Services network, so long as the ePort Connect Services Agreement is in effect and the SPYDER WASH is connected to the ePort Connect Service. This license will include patents, know-how and technologies which may be necessary for the purpose stated above. Except as provided in this Agreement, no right or license is granted to Customer to sublicense or otherwise transfer USAT Intellectual Property Rights. The foregoing license shall not apply for a SPYDER WASH used and/or connected to a network other than the ePort Connect Services network and/or has not entered into an ePort Connect Services Agreement with USAT.

**12. Term**—The term of this Agreement shall be for a period of thirty-six (36) months effective on the effective date of this agreement. The Agreement will automatically renew for one (1) year, unless thirty (30) day written notice has been provided to USAT by Customer.

**13. Termination**— Customer may choose to terminate its USAT ePort Connect Services agreement on all of its Customer-owned equipment with a written thirty (30) day notice. **USAT reserves the right to change or modify the agreement at any time.**

**14. Availability of Service**—Customer acknowledges that USAT relies on third-party providers in the delivery of its services, including, but not limited to, wireless data network providers, cellular radio service provided by third parties that is available only when within the operating range of cellular systems, and cellular service is subject to transmissions limitations and dropped or interrupted transmissions. Cellular service may be temporarily refused, limited, interrupted, or curtailed because of government regulations or orders, atmospheric and/or topographical conditions, and cellular system modifications, repairs, and upgrades. Customer agrees that USAT shall not be liable for, and to hold USAT harmless for any losses, damages, or business interruptions sustained as a result of interruptions caused by its wireless data network providers or any other third-party provider.

**15. No Consequential Damages**—In no event shall USAT be liable for any punitive, incidental, or consequential damages or any damages for loss of profits, business interruption, loss of information, or pecuniary loss, even if such party has been advised of the possibility of such damages.

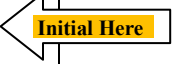
**16. Indemnification**—Customer shall indemnify and hold harmless USAT , its officers, directors, agents, and employees from and against any and all claims, demands, causes of action, obligations, liabilities, expense



(including reasonable attorney's fees), damages, or suits whatsoever, in connection with, arising out of, or relating to, in whole or in part, any act or omission of Customer, including, but not limited to, the operation and management of the Equipment.

**17. Validity** — Should any part of this Agreement, for any reason, be declared invalid, then such portion shall be invalid only to the extent of the prohibition without invalidating or affecting the remaining provisions of the current Customer and USAT Agreement. This agreement shall be constructed in accordance with the laws of the State of Pennsylvania exclusive of any conflicts of law principles.

#### Schedule A—Fees

<b>BLENDED RATE CARD PROCESING FEES</b>	<b>US Blended Rate Fee</b>	<b>Canada Blended Rate Fee</b>	<b>Average Card Purchase Amount <i>Customer Selection</i></b>
Average Card Purchase Amount – \$8.00 - \$9.00	3.20% + \$0.15	3.20% + \$0.15	
Average Card Purchase Amount – \$9.00 - \$10.00	3.00% + \$0.15	3.00% + \$0.15	
Average Card Purchase Amount – \$10.00 - \$11.00	2.80% + \$0.15	2.80% + \$0.15	<b>X</b>  <b>Initial Here</b>
Average Card Purchase Amount – \$11.00 - \$12.00	2.60% + \$0.15	2.60% + \$0.15	
Average Card Purchase Amount – \$12.00 - \$13.00	2.40% + \$0.15	2.40% + \$0.15	

\* MasterCard Debit Cards Accepted under this Blended Rate Fee plan

1. If the semi-annual Card Associations Interchange or Processor fee increases are in excess of the stated processing fees above, with a 30-day written notice USAT has the right to increase rates and pass through to Customer
2. The transaction processing rates are predicated upon the indicated average card purchase amount and upon 30-days of initial transaction processing, the average card purchase price and rate will be reviewed.
3. Customer agrees that if the average card purchase amount is above or below the customer selected average purchase amount, then USAT may adjust the rate according to the schedule provided upon written notice.
4. The card processing and service fees will be in effect for the calendar year 2013. USAT reserves the right to adjust the card processing and service fees at the beginning of each calendar year, with thirty-day (30) written notice to Customer.
- 5.

<b>Chargeback Fees</b>	<b>US Dollars</b>	<b>Canadian Dollars</b>
Consumer Chargeback Fee per item + Actual Transaction Amount	\$10.00	\$10.00



Annual Network Service Fees (per Laundry Store)	US Dollars	Canadian Dollars	INITIAL <i>Your Monthly Service Option</i>
Annual License & Service Fees per Laundromat Store	\$75.00	\$75.00	X_____

Initial Here

**IN WITNESS WHEREOF**, the parties hereto agreeing to be legally bound have executed this **AGREEMENT** by their duly authorized representatives the signatures of which are set forth below.

**Customer/Company:** \_\_\_\_\_

**Service Provider: USA Technologies, Inc**

Signature: \_\_\_\_\_

Sign Here

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Address: 100 Deerfield Lane, Suite 10

City State & Zip: \_\_\_\_\_

City, State & Zip: Malvern, PA 19355

Phone: \_\_\_\_\_

Phone: 800-633-0340

Fax: 610-989-0344

EMAIL: \_\_\_\_\_

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

Date Here