

Ithacash Benefit Corporation

Inaugural Membership Agreement



I/We, _____ (Business Name, herein referred to as "Member") hereby apply for the privilege of membership in and of trading goods and services in the membership-based network ("Circuit") of Ithacash Corporation, a New York public benefit corporation ("Ithacash"). By signing below, I/We agree:

1. GENERAL CONDUCT

- 1.a. To operate with integrity in word and action, honoring commitments and other members at all times.
- 1.b. To maintain honest, clear, and timely communication with Ithacash administration regarding experiences, needs, challenges, and other aspects of participation as may arise.
- 1.c. To update the administration (by calling 607-654-0807 or emailing support@ithacash.org) with any changes to Member's contact information as soon as possible.

2. NATURE OF PARTIES

- 2.a. That Ithacash operates an association (the "Circuit") of individuals, businesses, nonprofits and others who agree to participate for the purposes of expanding commercial activity and enjoying other benefits. Ithacash bears the responsibility of managing and reporting the trading, credits, debits, fees, etc. as well as the day to day administration and marketing of the Circuit.
- 2.b. That Ithacash regulates the Circuit as a third-party record-keeper and manages a clearinghouse for the transactions that occur therein.
- 2.c. That Member is a bona fide and legal business that desires to do business with other Members and participants in the Circuit, and is subscribing to Ithacash's services. Member is in compliance with all State, Federal, industry and professional laws and regulations.
- 2.d. That Ithacash reserves the right to refuse services to anyone as a Member for any reason it deems necessary.

3. NATURE AND USE OF ITHACA DOLLAR CURRENCY

- 3.a. To acknowledge that Ithaca Dollars ("i\$") are a private currency which operates as contractually accepted tender for private debts between Members and other participants in the Circuit, and are backed only by the goods & services available within the Circuit at any given time. Ithaca Dollars are not and should not be represented as legal tender, securities, or gift certificates.
- 3.b. To honor i\$ as equivalent in value to United States Dollars ("USD"). To not to charge any more to customers using i\$ than any other customer would in making a similar purchase. Reports of such activity or negative treatment of Members may lead to a suspension or cancellation of membership and trading privileges.
- 3.c. To make clear Member's intention to use i\$ in making payment upfront so that any negotiation between buyer and seller is appropriately informed of that intention.
- 3.d. To accept as much of a purchase in i\$ as possible unless otherwise agreed to and authorized by Ithacash and/or the Member is on "Standby" status.

- 3.e. To communicate any deal constrictions and/or any need for “Blended Payments” (part i\$ and part USD) to Ithacash and customers sooner than any such constrictions would have effect via the Circuit’s online presence and via Member window cling(s).
- 3.f. To invoke Standby status only when necessary and after having contacted Ithacash for support spending down the Member’s balance, and making all reasonable efforts to continue accepting i\$ uninterrupted. Standby status can NOT be invoked when a Member has a negative i\$ balance.
- 3.g. To not sell Ithaca Dollars for USD unless otherwise explicitly and specifically agreed to in writing as part of a resellers agreement with Ithacash. Ithacash cannot support the redemption of i\$ for USD.

4. LINES OF CREDIT

To use the lines of credit available in i\$ (known as “PayltFwd”), with the understanding that:

- 4.a. PayltFwd credit is available at 0% Interest, with no monthly minimum repayment.
- 4.b. Negative balances are interpreted as a debt and liability owed to the whole of the Circuit.
- 4.c. Balances that remain in the negative for too long may attract special attention by Ithacash in an effort to bring it back into the positive.
- 4.d. If a Member refuses to sell goods and/or services for i\$ when they have a negative balance, the negative balance may become due in USD.
- 4.e. Lines of PayltFwd credit are not guaranteed. Members may be asked for financial statements, bank statements, authorization to access credit reports, and business or personal references.
- 4.f. It is the Member’s responsibility to keep track of their balance and not exceed their PayltFwd limit. Members may log onto their account and check their balance at any time, and it will be on account statements.
- 4.g. If at any time Ithacash feels that a Member is abusing PayltFwd, Ithacash reserves the right to suspend or cancel the line of credit, as well as to require repayment of any balance in USD.

5. TAXATION

- 5.a. To declare and report all local, state, and federal taxes due against any and all transactions occurring in i\$, and hold Ithacash harmless against any fees or penalties incurred as a result of a failure to do so. Member is solely responsible in collecting and paying all taxes due to tax authorities. Under no circumstances is Ithacash to be held responsible in any way for the payment of any taxes on behalf of any Member.
- 5.b. To maintain an up to date W-9 form with Ithacash for use in meeting its obligations with the IRS as required by law. Any and all fees incurred by Ithacash as a result of a Member’s failure to do so will be passed on to that Member and due to Ithacash in USD immediately.

6. MEMBER ACCOUNT

- 6.a. To maintain “Good Standing” status, which is interpreted as:
 - 6.a.1. Abiding by all the terms of the Membership Agreement,
 - 6.a.2. Keeping current on any and all fees and dues to Ithacash,
 - 6.a.3. Having a current, valid method of payment on file with Ithacash, and
 - 6.a.4. Having a current, active account in the Circuit.
- 6.b. To communicate with Ithacash about any transfer of ownership or changes in name pertaining to the Member Account. Accounts are not transferrable in any way to any other business.

- 6.c. To supply Ithacash with permission to use Member's name, website, logo, and any other marketing assets in promotional and marketing materials.
- 6.d. To secure all passwords, Personal Identification Numbers ("PINs"), and other pertinent details of a Member's account. This applies to online, phone, and any other forms of transacting that occur via the Circuit. Ithacash will not be held liable for a Member's failure to keep relevant details secure.
- 6.e. To report to Ithacash any security concerns and/or fraudulent activity as soon as it is discovered.

7. FEES

All fees will be billed monthly with exception of those otherwise denoted. All fees are for services rendered, due within 30 days of billing date, and non-refundable.

- 7.a. One-time Sign up Fee - Premier Business: \$360, Regular Business: \$240, NonProfit: \$240, Freelancer: \$120
- 7.b. Monthly Fee - Premier Business: \$30 + i\$30 Regular Business: \$20 + i\$20, NonProfit: \$20 + i\$20, Freelancer: \$10 + i\$5, Individual Member: Sliding Scale (suggested as one hour's wages)
- 7.c. Processing Fee - 2% of sales occurring through the electronic platform and any associated payment methods will be due in USD.
- 7.d. PayItFwd Fee - a flat rate of 2.5% will be assessed in i\$ on each use of PayItFwd. This fee funds an account that protects the Circuit from bad debts and other abuses.
- 7.e. Inactivity Fee - If an account has remained inactive (no buying or selling) for a period of six months, the greater of i\$10, or 1% of the account's balance will be assessed on a monthly basis until a Member becomes active again.
- 7.f. Variable Expiry Rate - All or some accounts may be subject to a rate levied against balances in i\$ for the purposes of incentivizing circulation and responsibly stewarding the supply of i\$.
- 7.g. Late Fee - The greater of \$10 or 5% of the balance due in USD will be assessed against any account that is over 30 days late. If the account is still due after another 30 days, prior fees will be considered principal and a new late fee assessed against the new balance.
- 7.h. Invalid Payment Fee - A \$30 fee on all returned checks and/or invalid credit/debit cards.
- 7.i. Member authorizes Ithacash to charge any credit/debit card or bank account submitted in writing or online.
- 7.j. It is the sole discretion of Ithacash to waive, refund, or allow any USD fees to be paid in i\$.
- 7.k. All billing disputes should be submitted in writing to 101 E State St #202, Ithaca NY, 14850 or emailed to support@ithacash.org within 30 days of the billing date. If 30 days have passed and no dispute has been received, it will be assumed that the bill is accurate.

8. CLOSING OF MEMBER ACCOUNT

To submit a request in writing to 101 E State St #202, Ithaca NY, 14850 or via email to support@ithacash.org close an account. Such requests must be made at least 7 days prior to the next billing period to avoid charges, and any remaining fees will be due immediately.

9. SUSPENSION / TERMINATION OF MEMBER ACCOUNT

- 9.a. That Ithacash reserves the right to suspend or cancel any account at any time for any reason. This includes but is not limited to delinquent accounts on fees, acts inconsistent with the Membership Agreement, complaints from other Members, fraudulent activity toward Ithacash

or other Members, inactivity on the account, inability to establish contact for an extended period of time, or a Member's holding a negative balance without duly working towards repayment through supply of goods and services. All fees due in USD and i\$ will become due immediately.

- 9.b. That if a terminated account has a negative balance in i\$, the Member will have 60 days to bring the account to a \$0 or positive balance through the sale of their goods and/or services. If 60 days have passed and a negative balance remains on the account in question, the remaining balance becomes due immediately in USD. If the terminated account has a positive balance, the Member will have 60 days to spend it down, after which any remaining balance will be forfeited to Ithacash unless agreed to otherwise by Ithacash.
- 9.c. That if an account is terminated due to illegal activity, then any negative balances become due in USD immediately and any positive balance is automatically forfeited to Ithacash.
- 9.d. That if an account is late on paying any of the monthly fees in USD or i\$, Ithacash reserves the right to temporarily suspend, limit, or terminate the account until the account is brought current. This may occur even if the account has a positive balance.
- 9.e. That Ithacash may at any time limit or terminate any account if Ithacash believes the Member to be abusing the system in any way or otherwise harming the effectiveness of the network or other members.

10. DISPUTES

- 10.a. To make all disputes, between other members and/or Ithacash itself, in writing via mail (to 101 E State St. #202, Ithaca, NY, 14850) or via email (to support@lthacash.org). All efforts will be made to handle disputes between members through mediation, and Ithacash reserves the right to mediate and/or have a staff person be included in any mediation of disputes between two or more members. Notice of any dispute must be submitted in writing within 90 days of the disputed occurrence or the right to dispute is waived.
- 10.b. To cover any and all legal and attorney's fees incurred by Ithacash in the course of its enforcing any part of this Membership Agreement, provided the ruling is in Ithacash's favor.

11. PERSONAL GUARANTEE

That Members personally guarantee all fees in USD and i\$ associated with being a Member.

12. EQUIPMENT

To take good care of any equipment provided by Ithacash for use in receiving funds electronically via TXT2PAY or other payment channels as may be added. Such equipment is the property of Ithacash and is leased to the Member, who is responsible for any loss, theft, or damage that may occur to it.

13. INDEMNIFICATION

To hold Ithacash, its officers, employees, representatives, and affiliates harmless with respect to any claim, debt, or any other liability whatsoever which may arise from participating as a Member. Ithacash makes no warranty or guarantee with regard to the services of other members, and disclaims all liability for the fitness, quality, delivery, etc. of its Members' goods and/or services.

14. SEVERABILITY

That if any term or policy of this Membership Agreement is judged unenforceable it shall not affect the enforceability of the other terms or policies.

15. WAIVER OF RIGHTS

That Ithacash's delay in exercising any right shall not operate as a waiver thereof, and any single or partial exercise of rights shall not preclude any other or further exercise of its rights in any way.

16. DISSOLUTION

That should Ithacash fail to continue to operate, all accounts with a negative balance will become due and that balance will be owed in USD. That cash will be used to reimburse members with positive balances to the fullest extent possible. Ithacash will strive to maintain a viable, balanced market, but no guarantees are extended to any account balances whatsoever and neither Ithacash nor its officers, employees, affiliates, or other associated parties will be held liable for any remaining balances.

17. PRIVACY

That Ithacash will not share or sell its Members' private information to any third party, nor to any other Member.

18. AMENDMENT

That Ithacash reserves the right to amend this Membership Agreement from time to time as deemed necessary, and will send notice of any changes prior to their taking effect. Members will have 14 days to dispute changes or it will be assumed that they agree to these changes.

19. ENTIRE AGREEMENT

That this Membership Agreement comprises the sole and whole representation of the agreement between Ithacash and the Member, and that no oral or other representations will supersede the details contained and agreed to herein.

20. APPLICABLE LAW

That this agreement shall in all respects be construed under the laws of the State of New York.