

Services Agreement

This Services Agreement ("Agreement") is made and entered into, as of the last date executed below, by and between [REDACTED] Limited Liability Company, located at 245 West Main Avenue, Suite 400, Spokane, Washington 99201-0111 and [REDACTED] Burberry ("Client"), a New York corporation, located at 444 Madison Avenue, New York, NY 10019. PES and Client are individually as a Party.

WHEREAS, PES is engaged in the business of providing Consulting Services in regards to Payment Processing Costs; and

WHEREAS, Client desires to have PES perform Consulting Services for Client's Payment Processing Costs in the US and Canada,

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties intending to be legally bound hereby, agree as follows:

1. Definitions.

- a. Client shall be defined as Burberry Limited and Burberry Canada Inc. and does not include any other Burberry group companies.
- b. Payment Processing Costs shall be defined as all costs associated with Client's acceptance of card payments, including but not limited to: credit cards, debit cards, prepaid cards, consumer cards, commercial cards, purchasing cards and business cards. Payment cards from all card brand networks shall be included in payment processing costs, including but not limited to: VISA, MasterCard, American Express, Discover and all other card brands and card brand networks.
- c. Consulting Services shall be defined as PES' proprietary analysis and review of Client's historical Payment Processing Costs and the ongoing monthly auditing, analysis and management of Client's Payment Processing Costs. Such analysis shall include, but is not limited to, the analysis of actual Payment Processing Costs incurred by Client, overpayments, errors, omissions and compliance with Client's payment processing contracts.
- d. Consulting Fee shall be defined as the Rate at which PES is compensated for performing Consulting Services.
- e. Rate shall be defined as the Cost Reduction Rate. Cost Reduction Rate shall be defined as 33% of Payment Processing Cost Reductions for months 1-36 of the Term of this Agreement.
- f. Payment Processing Cost Reductions shall be defined as the difference between Client's Historical Payment Processing Costs and Client's current Payment Processing Costs during the Term of the Agreement.
- g. Historical Payment Processing Costs shall be defined as: a) Effective Rate for the period analyzed; b) Cost Per Item for the period analyzed; or c) A combination of Effective Rate and Cost Per Item.
- h. Refunds shall be defined as repayments, credits, or other funds received by Client to offset overcharges, overpayments, or increased Payment Processing Costs.
- i. Effective Rate shall be defined as Client's reviewed Payment Processing Costs divided by Client's reviewed payment processing volume.
- j. Cost Per Item shall be defined as Client's cost for "individual items or element(s)" of payment processing.
- k. Term shall be defined as 36 months from the date both Parties have executed this Agreement.

2. Client's Data Obligations. Subject to PES complying with clause 7 (Confidentiality), Client shall provide PES with:

- a. A current copy of their payment processing agreement(s), contracts and any documentation or applicable agreements that may affect Client's Payment Processing Costs within 30 days from execution of this Agreement;
 - b. Electronic access to Client's most recent 12 months of Payment Processing Cost statements or, in PES' sole discretion, suitable copies of Client's most recent 12 months of Payment Processing Cost statements within 30 days from execution of this Agreement;
 - c. Letters of authorization to act on Client's behalf, if so required, within 7 days from request by PES;
 - d. Continuing electronic access to Client's ongoing Payment Processing Cost statements for the Term of the Agreement, or, in PES sole discretion, suitable copies of Client's ongoing Payment Processing Cost statements for the Term of the Agreement. Such suitable copies of Client's ongoing Payment Processing Cost statements or electronic access shall be provided within 20 days of the close of Client's monthly payment processing services billing cycle;
- Client warrants that it shall give PES all information reasonably necessary for PES to perform Consulting Services as defined above.

3. PES' Consulting Services. After receipt of data by PES from Client as required in paragraph 2 above, PES will utilize its resources including, but not limited to, its patented software and analytics program, proprietary database, and specialized and confidential industry knowledge to perform Consulting Services for Client. PES will then issue a report to Client that is specifically tailored to the Client containing "Confidential Information," as defined below. This report will specifically set forth: (a) an analysis of Client's Historical Payment Processing Costs; (b) Payment Processing Cost Reduction recommendations; and (c) process(es) by which Client can achieve the Payment Processing Cost Reductions. Client shall be under no obligation to follow any Payment Processing Cost Reduction recommendations or process(es) by which Client can achieve the Payment Processing Cost Reduction and any decision shall be at Client's absolute discretion.

4. Payment Processing Cost Reductions. After PES provides Client with PES' confidential report, at Client's request PES will work with Client and Client's payment processing vendors and/or any designated third-parties to obtain Payment Processing Cost Reductions. At Client's request, PES will also provide ongoing monthly analysis and continuing management of Client's Payment Processing Costs. Regardless of how Payment Processing Cost Reductions are achieved or regardless of who achieves the Payment Processing Cost Reductions on behalf of the Client, Client shall be obligated to pay PES its Consulting Fee for the Term of the Agreement, pursuant to Paragraph 5 of this Agreement.

5. Consulting Fee. Client shall pay PES a Consulting Fee for any Payment Processing Cost Reductions during the Term of the Agreement. Should Payment Processing Cost Reductions occur as a result of Client obtaining a refund, PES shall be entitled to a Consulting Fee at the Rate for refunds. Refunds will be invoiced in the month in which the refund is confirmed and received by Client and will not impact the Term. In all other cases, the Consulting Fee will be at the Cost Reduction Rate. In determining the Cost Reduction Rate, PES, in its sole discretion, shall utilize whatever Historical Payment Processing Cost method most accurately captures Client's Payment Processing Cost Reductions. This method could be the Effective Rate, Cost Per Item or a combination of both, whichever PES, in its sole discretion, decides is the most accurate method for capturing Client's Payment Processing Cost Reductions.

6. Payment Terms. Payment by Client shall be due 45 days from receipt of invoice from PES. Unpaid balances will accrue interest at the monthly rate of 1.5%.

7. Confidentiality. In performing their respective duties under this Agreement, each party will disclose to the other, certain confidential, proprietary and trade secret information. For purposes of this Agreement, "Confidential Information" of PES means any and all information created by PES not otherwise in the public domain prior to the execution of this Agreement, as well as information that was derived from the public domain but was subsequently collected into a list or other document of any kind or has been fashioned, manipulated, sorted, organized, categorized, and/or filtered by PES. This shall specifically include but not be limited to PES' report given to Client. For purposes of this Agreement, "Confidential Information" of Client any information (whether recorded or not and, if recorded, in whatever form and whatever media and by whomsoever recorded) relating to all or any part of the business, property, assets, activities, products, services, financial affairs, management, administration, customers or clients of Client and which is, or which is treated by Client as being confidential to the Client or any Affiliate including in particular but without limitation:

- a. trade secrets, customer lists, trading details (including without limitation details of activities, businesses or finances of an Affiliate);
- b. any other information designated by any Affiliate as confidential; and