

CONNECTIVITY AND AGREEMENTS UNDER THE QUEST EBT RULES

Forms of Agreement

- **Acquirer Agreement:** Insured depository institution (“Bank”) agreement with an Issuer or the Issuer’s Designated Agent allowing the Acquirer to bring ATMs and POS terminals into Quest; must address compliance with the Quest Rules and use of the Quest Marks
- **Designated Agent Agreement:** Agreement between an Issuer and a Network, Bank or Prime Contractor allowing the Designated Agent to sign Quest agreements on behalf of the Issuer; must address compliance with the Quest Rules
- **Processor Agreement:** Agreement between an Issuer and a Processor that directly connects to the Issuer allowing the Processor to establish the connection and process Quest transactions; must address compliance with the Quest Rules
- **Merchant Agreement:** Agreement between an Acquirer and a Merchant allowing the Merchant to bring POS terminals into Quest; must address compliance with the Quest Rules and provisions set forth at Chapter 4
- **TPP Agreement:** Agreement between an Acquirer and the processor that handles transactions for which the Acquirer is responsible; must address compliance with the Quest Rules

NOTE: The Quest Rules allow any other non-conflicting provisions to be included in the above agreements. The title of the agreements is not controlling as long as they address the relevant issues. Each party to an agreement referenced below is obligated to enter the agreement.

Agreements Necessary for Connectivity Chart Entries

1. Bank directly connects to Issuer for ATM participation.
 - Bank signs Acquirer Agreement with Issuer.
2. Merchant (generally a large chain or an EBT-only Mom and Pop) directly connects to the Issuer for POS participation.
 - Option 1: The Merchant has a Bank Acquirer.
 - The Issuer must sign an Acquirer Agreement with the Merchant's Bank Acquirer.
 - If the Merchant directly connects to the Issuer as a processor, the Merchant must sign a Processor Agreement with the Issuer.
 - The Acquirer signs a Merchant Agreement with the Merchant.
 - Option 2: Issuer acts as Acquirer and signs a Merchant Agreement with the Merchant. There is no separate bank Acquirer for this Merchant. The Issuer, as Acquirer, is responsible for the Merchant's participation in Quest. If the Merchant is doing its own processing, the Merchant Agreement should also require the Merchant’s compliance with respect to its processing functions.

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3. A non-bank TPP directly connects to the Issuer for ATM and POS participation of Banks and Merchants behind it.
 - TPP signs a Processor Agreement with the Issuer because the TPP directly connects to the Issuer.
 - If TPP is not a Bank, Network or Prime Contractor, it may not act as the Issuer's "Designated Agent".
 - The TPP may still distribute the Issuer's contracts, but the Issuer must sign them directly.
4. TPP that is connected to the Issuer provides a gateway for a Bank's ATMs to participate in Quest.
 - Bank signs an Acquirer Agreement with Issuer.
 - Bank signs a TPP Agreement with the TPP.
5. TPP that is connected to the Issuer provides a gateway for a Merchant with POS terminals to participate in Quest.
 - Option 1: The Merchant has a Bank Acquirer.
 - The Acquirer must sign a Merchant Agreement with the Merchant.
 - The Acquirer also signs an Acquirer Agreement with the Issuer or its Designated Agent. Per #3 above, the TPP may deliver a copy of the Issuer's form of Acquirer Agreement, but may not sign on the Issuer's behalf unless it acts as a Designated Agent.
 - The TPP signs a TPP Agreement with the Acquirer and with the Merchant.
 - Option 2: Issuer acts as Acquirer and signs a Merchant Agreement with the Merchant. There is no separate Bank Acquirer for this Merchant. The Issuer, as Acquirer, is responsible for the Merchant's participation in Quest.
6. A Network directly connects to the Issuer.
 - Option 1: The Network acts as a "Designated Agent" of the Issuer. The Network may sign agreements with Acquirers on behalf of the Issuer. This facilitates the contract process because the Network can simply amend its existing agreements to provide for Quest participation. The Issuer is liable for the acts and omissions of the Network for the limited purpose of executing Quest agreements.
 - Option 2: The Network signs a Processor Agreement. The Network may still distribute the Issuer's contracts, but those contracts must be signed by the Issuer.
7. A Network that is connected to the Issuer provides a gateway for a Bank's ATMs to participate in Quest.
 - Option 1: If the Network is acting as a Designated Agent, it may sign an Acquirer Agreement with the Bank, which may consist of a simple modification of the Bank's existing agreement with the Network to provide for Quest participation.

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- Option 2: If the Network is acting as a TPP, the Bank must sign an Acquirer Agreement with the Issuer. The Bank signs a TPP Agreement with the Network.
8. A Network that is connected to the Issuer provides a gateway for a Merchant with POS terminals to participate in Quest. The Merchant must have a Merchant Agreement with an Acquirer.
- Option 1: The Merchant enters a Merchant Agreement with a Bank Acquirer. The Bank's Acquirer Agreement may either be with the Network, acting as Designated Agent, or directly with the Issuer.
 - Option 2: Issuer acts as Acquirer and signs a Merchant Agreement with the Merchant. There is no separate Bank Acquirer for this Merchant. The Issuer, as Acquirer, is responsible for the Merchant's participation in Quest.
9. A Network that is connected to the Issuer provides a gateway for a TPP with ATMs and POS terminals behind it to participate in Quest.
- The TPP does not need to have a Processor Agreement with the Issuer because it is not directly connected to the Issuer.
 - The TPP still must be sponsored into Quest by the Acquirers who utilize its gateway services for their own ATMs or for the POS terminals of their Merchants.
10. A TPP that connects to the Issuer through a Network provides a gateway for a Bank's ATMs to participate in Quest.
- Option 1: If the Network is acting as a Designated Agent, it may sign an Acquirer Agreement with the Bank, which may consist of a simple modification of the Bank's existing agreement with the Network to provide for Quest participation.
 - Option 2: If the Network is acting as a TPP, the Bank must sign an Acquirer Agreement with the Issuer.
11. A TPP that connects to the Issuer through a Network provides a gateway for a Merchant with POS terminals to participate in Quest.
- Option 1: The Network is acting as the Issuer's Designated Agent and the Merchant has a Bank Acquirer.
 - The Network must sign an Acquirer Agreement with the Merchant's Bank Acquirer.
 - The Acquirer signs a Merchant Agreement with the Merchant.
 - The Acquirer also signs a TPP Agreement with the TPP.
 - Option 2: Issuer acts as Acquirer and signs a Merchant Agreement with the Merchant. There is no separate Bank Acquirer for this Merchant. The Issuer, as Acquirer, is responsible for the Merchant's participation in Quest.