



EFT Network, Inc.
ACH PROCESSING AGREEMENT
245 Saw Mill River Road • Suite 105 • Hawthorne, NY 10532 • 800-492-2794 • 914-747-7218 Fax

CLIENT INFORMATION: Client ID Number _____ Service Center _____ New Client _____ or Change Info _____ Date _____
 Company Name _____
 Physical Address _____ City _____ State _____ Zip _____
 Mailing Address _____ City _____ State _____ Zip _____
 E-Mail _____ Federal EIN # _____ State EIN # _____ DUNS # _____
 Telephone _____ Ext. _____ Fax _____ No. of Locations _____ Type Business _____
 Date Established ____/____/____ No Employees _____ Type of Entity: _____ Corporation _____ Partnership _____ Sole Proprietor _____ St/Local Govt _____ Non-Profit

Company Contacts: Name	Title	Telephone	Extension
_____	_____	_____	_____
_____	_____	_____	_____

Company Officers/Partners:
 Name: _____ Title _____ Date of Birth ____/____/____ SS # ____/____/____
 Residence Address: _____ City _____ State _____ Zip _____ Home Ph# _____
 Name: _____ Title _____ Date of Birth ____/____/____ SS # ____/____/____
 Residence Address: _____ City _____ State _____ Zip _____ Home Ph# _____
 DBA/Location Name _____ E mail Statement to: _____
 Location Address _____ Mail Stmtns & Replacement Cks to: Corp Hq. Lction
 Service requested POS Truncation Electronic Check Re-presentation Lockbox Truncation Automated Payments RCK Software
 Software Setup ONLY = Do you dial a telephone access code # for a long distance carrier? Yes No If Yes, before _____ or after _____ Code# _____

A copy of a VOIDED check must accompany this application. Do not send a deposit slip.

FINANCIAL INSTITUTION INFORMATION: Credit/Debit Account
 Name of Institution _____ Type of Account: _____ Business _____ Personal _____ Checking _____ Savings _____
 Branch _____ Account Description: _____
 Address _____ City _____ State _____ Zip _____
 Bank Contact _____ Title _____ Tel _____ Fax # _____
 Account Number _____ Bank Routing Number _____

I authorize the above financial institution to release the following information to EFT Network, Inc. or any agents of EFT Network, Inc. for the purpose of this application.

Signed _____ Name Printed _____ Company _____ Date _____

ORIGINATOR APPROVAL: AUTHORIZATION: I authorize the EFT Network, Inc. to initiate periodic credits & debits from my account(s) (Financial Institution Information) for electronic funds transfer transactions I have performed. I understand that these debits will occur 10 days after I receive a faxed invoice for those transfers. I understand that this authority will remain in full force and effect until the EFT Network, Inc. has received written notification from me of its termination in such time and manner as to afford the companies and depositor a reasonable opportunity to act on it. I have the right to stop payment of this automatic payment by notification to EFT Network, Inc. five (5) days before this payment is to be made.

CHANGE OF INFORMATION. In order to allow proper processing, I agree to provide new financial institution information to EFT Network, Inc. at least 15 days prior to closing or changing the account above.

CANCELLATION. Either party may cancel this Agreement with 15 days written notice to the other which will allow the completion of prior transactions which may be in process. EFT Network, Inc.'s authorization to debit the clients account for reversals shall survive the termination of this agreement for a period of 90 days from the date of the last transaction processed by EFT Network, Inc. on behalf of the client.

INVESTIGATIVE REPORT. An investigative or Consumer Report may be made in connection with the application. Applicants authorize EFT Network, Inc. or/and any credit bureau or credit reporting agency employed by EFT Network, Inc. and/or agents of EFT Network, Inc. to investigate references, statements or data obtained from the Company, or any of the principals, officers, employees or agents for the purpose of this application and Agreement and will be used to determine the financial condition of the Merchant or Client.

BINDING CONTRACT. This contract shall be binding on the parties only upon execution by an authorized representative of EFT Network, Inc.

Authorized Signature _____ Date _____ Print Business Name _____

Print Signer's Name and Title: _____

The officer(s) signing here have the authority to execute this Agreement pages 1-4 in its entirety with EFT Network, Inc. on behalf of the corporation.

Sales Agent _____	Sales Agent # _____	EFTN-I/D# _____	CR _____ % _____
Processor A/D _____	Date ____/____/____	By _____	
Percentage _____	MID # _____	Rule Set # _____	This Section For office use only.

POINT OF SALE TRUNCATION

Goods/Services Sold: _____ Years in Business: _____ Time at this location: Years: ____ Months ____ Distribution & Marketing Methods (must equal 100%): Retail ____% Service ____% Mail Order ____% Trade Show ____% Other (specify) ____% Business Hours: <input type="checkbox"/> S <input type="checkbox"/> M <input type="checkbox"/> T <input type="checkbox"/> W <input type="checkbox"/> Th <input type="checkbox"/> F <input type="checkbox"/> S AM to PM _____ How many locations do you operate # _____ Total card Terminals: _____	Avg checks per day # _____ Per month # _____ Daily check \$ _____ Avg returns/year # _____ Per month # _____ Time w/ current fin inst? ____ Avg daily balance \$ _____ Merchant NSF TTM# _____ High \$ _____ Monthly check \$ _____ Receive analysis Y / N Cash back w/ sale Y / N MAXIMUM CHECK AMOUNT TO BE ACCEPTED: ____ 100 ____ 200 ____ 300 ____ 400 ____ 500 ____ Other
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Merchant Location: Shopping Center Office Building Residence Mobile Merchant Other (specify) _____

Square Footage: 0-250 250-500 500-1500 Area Zoned: Commercial Industrial Residential Sign permanently affixed to bldg? Y N

Does the presentation, inventory level, merchandising, maintenance of premises and flow of customers appear consistent with a healthy business? Y N

Merchant: Owns Leases the business' premises. Landlord Name _____ Landlord Phone _____

POS Agreement will not be processed without TWO photos of the Merchant's location must accompany this processing agreement.

You agree to pay the following and to have such amounts debited from your bank account as per the following ACH Authorization:

\$ _____ Network Hook Up Fee (Payable to Agency or Agent)	Monthly Maintenance Fee \$ 7.00 Per Terminal
\$ _____ Per transaction for each check processed (8 checks per day minimum)	Fee Per Returned Item (NSF, etc.) \$ _____
\$ _____ Daily E-mail & Fax Statements (\$10.00 monthly)	Setup Fee (One Time per Merchant) \$ _____

SETUP FEE

Setup/Application Fee \$ _____ (**\$75.00 Non Refundable**)

ELECTRONIC CHECK REPRESENTMENT

TRANSACTION INFORMATION: Estimated # Transactions per Month:
 # Check Presentments _____ Face Amount Avg. \$ Each _____ Fee Per Non-RCK Item (IRD's)\$ _____
 # Fee Presentments _____ Fee Amount Avg. \$ Each _____

FEE SCHEDULE FOR TRANSACTIONS:
 Fee Per Presented Item \$ _____ Monthly Maintenance Fee \$ _____
 Fee Per Returned Item (NSF, etc.) \$ _____ Monthly Minimum Billed Transactions **100**

AUTOMATED PAYMENTS

TRANSACTION INFORMATION: Estimated # Transactions per Month:
 # EFT Presentments _____ Amount Avg. \$ Each _____

FEE SCHEDULE FOR TRANSACTIONS:
 Fee Per Presented Item \$ _____ Monthly Maintenance Fee \$ _____
 Fee Per Returned Item (NSF, etc.) \$ _____ Monthly Minimum Billed Transactions **100**

ACCOUNTS RECIEVEABLE CONVERSION (ARC)

TRANSACTION INFORMATION: Estimated # Transactions per Month:
 Check Presentments _____ Amount Avg. Each \$ _____ Monthly Minimum Billed Transactions **100**

FEE SCHEDULE FOR TRANSACTIONS: Monthly Maintenance Fee \$ _____
 Fee Per ARC Item \$ _____ Fee Per Non-ARC Items (IRD's) \$ _____
 Fee Per Returned ARC Item (NSF, etc.) \$ _____ Fee Per Returned Non-ARC Item (IRD's)\$ _____

INTERNET CHECK

TRANSACTION INFORMATION: Estimated # Transactions per Month:
 Check Presentments _____ Amount Avg. \$ Each _____ Scan Verification [] \$ _____

FEE SCHEDULE FOR TRANSACTIONS:
 Fee Per Presented Item \$ _____ Monthly Maintenance Fee \$ _____
 Fee Per Returned Item (NSF, etc.) \$ _____ Monthly Minimum Billed Transactions _____

IRD's (IMAGE REPLACEMENT DOCUMENTS)

TRANSACTION INFORMATION: Estimated # Transactions per Month:
 IRD Presentments _____ Amount Avg. IRD \$ Each _____

FEE SCHEDULE FOR TRANSACTIONS: Fee Per Presented IRD \$ _____ Monthly Maintenance Fee \$ _____
 Fee Per Returned IRD \$ _____ Monthly Minimum IRD _____

_____ Initials

TERMS AND CONDITIONS

Terms and Conditions governing the agreement between the Company (the Originator) named on the Processing Agreement to which these Terms and Conditions are Attached (hereinafter "Client") and EFT Network, Inc., and its officers, employees, affiliates, licensees and agents (hereinafter Processor):

WHEREAS: Client desires Processor, and Processor agrees, to provide Automated Clearing House (ACH) and other services to Client as indicated on page 2 of this agreement. Transactions are placed through Processor as a third party processor of ACH transactions, paper draft or IRD checks. Processor will send all transactions through an Origination Depository Financial Institution (ODFI) all in accordance with the terms of this Agreement, the Operating Rules (Rules) of the National Automated Clearing House Association (NACHA) and the applicable Federal Regulations (Regulations) governing ACH transaction. Entry or Entries shall mean either a Credit Entry, a Debit Entry, a paper draft or an IRD as appropriate. Client also agrees to comply with all rules at the time each entry is initiated by the Client with respect to the most recent NACHA operating rules and that each entry shall in no way breach any Federal, State, or local statute of regulation pertaining to and for electronic funds transfers, including the Electronic Funds Transfer Act and Regulation E, and all such other laws and regulations. Client understands that a violation of any NACHA rules may result in fines issued by NACHA for said violations and said fines will be passed on to client. You will comply with EFT Network, Inc.'s requests for record retention and signature authorization. You grant to us or our designee the right to audit these authorizations and your record retention compliance, at no expense to us.

1.0 SPECIFIC ELECTRONIC CHECK RE-PRESENTMENT/ACH GUIDELINES: the following items must be specifically adhered to in conducting electronic re-presentation but may not constitute all of the rules governing NACHA's RCK (electronic check re-presentation) program.

[A] A Represented Item must meet the following eligible item requirements: 1. A check in an amount less than \$2500; 2. A check dated 180 days or less from the day of issuance. 3. A check that has not been transmitted twice electronically - a total of 3 deposits are allowed on any check in any combination of physical or electronic presentations. 4. A check that indicates on its face that it was returned NSF, Non Sufficient Funds, Uncollected Funds, or comparable language.

[B] Client must notify customer of Client's intentions to redeposit check electronically should the check be returned: Compliance may be in the form of: 1. Signed authorization or other recorded authorizations as prescribed by REG E. 2. Posted notice at point of sale, 3. Letter of notification informing customer of electronic redeposit and their ability to recover the original paper check. 4. Client must obtain or have some kind of written authorization from the account holder when collecting a fee. 5. Client must retain the original paper check for 90 days and a copy or image for 7 years. 6. All other rules in the current NACHA Guidelines must be adhered to a copy will be supplied upon request.

1.1 SPECIFIC POINT OF SALE TRUNCATION/ACH GUIDELINES: Client agrees to use a system at the point of sale that performs the following functions. 1. Captures an image and the MICR information of the check to be converted. 2. Verifies the check writer against a national database of negative and or positive check writers. 3. Prints a receipt containing the last 4 digits of the routing number and account number of the check with the check number and dollar amount of the check to be converted. The receipt shall also contain verbiage allowing the conversion of the check and the collection of a returned check service charge should the converted check be returned by the check writers bank unpaid. 4. Obtain a signature authorization from the check writer prior to asking us to process the converted check.

1.2 SPECIFIC ACCOUNTS RECEIVABLE CONVERSION – IMAGE REPLACEMENT GUIDELINES: : the following items must be specifically adhered to in conducting an Accounts Receivable Conversion Program but may not constitute all of the rules governing NACHA's ARC (Accounts Receivable Conversion Program) program. Only check drawn on a Consumer Account qualify for ARC. Only check initiated by an invoice or statement and mailed in for payment or dropped off at a payment location are eligible. The check writer must be informed on each invoice or statement that their check WILL be electronically deposited. Suggested verbiage is as follows; [IF you pay by check, your check will be electronically deposited unless]. After the WILL in your notification you may list reasons check will not be electronically deposited, Ex. unless you pay by Non-Consumer check; IE Corporate Check, Money Order, Credit Card Check, Travelers Check, or other checks of a Non-Consumer nature. Checks of a Non-Consumer nature or checks unable to be processed as ARC items will be processed as IRD's (Image Replacement Documents).

1.3 Definitions. In the Agreement which follows, persons presenting checks to you for settlement are your "Customers;" checks presented to the automated clearing house for presentation to your Customer's bank are "debits" or for presentation to your bank to pay back funds previously credited are called "credits;" debits and credits are called "entries." The account at your bank (the "settlement bank") at which the credits are offset against the debits is the "settlement account," and the residual balance which is maintained in the settlement account to pay credits is called the "reserve." The writing approved by us by which your customer authorizes you to process the entry electronically and to charge the state's allowable fee if the entry is returned is called the "authorization." The laws and regulations governing electronic transfers and automated clearing house transactions are called "rules."

2.0 - YOUR RESPONSIBILITIES

2.1. Obtaining Authorizations. You will obtain a signature authorization prior to asking us to charge the Customer the state's allowable fee for NSF checks.

2.2. Submitting Entries. While this agreement is in affect, you are authorized to use any of our applicable systems to process or transmit transactions to us. The use of any of our systems is solely at your own risk. You can transmit electronic entries on a 24 hour daily basis.

2.3. Representations. Client represents and warrants with respect to all entries we process for you that: (a) EACH Customer has authorized the debiting and/or crediting of his, her, or its account and the collection of any NSF check fees, (b) EACH entry is for an amount agreed to by the Customer, (c) EACH entry is in accordance with the rules and properly authorized in all other respects. Client agrees to defend, indemnify, and hold Processor and all its agents harmless for any losses, liabilities, legal action costs or expenses we incur as a result of any breach of these representations and warranties either intentionally or unintentionally by Client. Client shall cease initiating Entries immediately upon receiving actual or constructive notice of the termination or revocation by the Receiver of authority.

2.4. Regulatory Compliance. Client will use its best efforts, & bears the final responsibility to ensure that Clients policies and procedures meet the requirements of all applicable Rules and Regulations pertaining to ACH Transactions of any kind. Processor is very concerned that Client remains compliant to the rules and regulations regarding ACH and other type transactions. Client is encouraged to consult Clients counsel regarding compliance of authorization and payment procedures whenever there is any doubt about compliance. It is understood that Processor is solely a Data Processor and therein not required to be licensed by any Federal, State or Local government. Processor must and will comply with all rules and regulations governing ACH transactions.

2.5. Identifying Numbers. We may rely solely on identifying numbers provided by you to determine the bank account and other information with respect to a Receiver even if the numbers identify a bank or account holder different from the one Client identified by name. Client will indemnify Processor for any losses, liabilities, costs, or expenses Processor suffers or incurs as a result of incorrect data supplied by Client.

2.6. Settlement and Hold Period Requirements. You agree that we may require you to maintain a minimum balance in your settlement account. You agree that we may require an increase in this amount, or an extension of the hold period as a condition of your continued service. You authorize us to create a reserve in your name to cover any liabilities that may arise. We have the right to increase the amount of this reserve.

3.0 - DEBIT AUTHORIZATION

Client hereby authorizes EFT Network, Inc., or its designees, to initiate debit and/or credit entries to Clients bank account in accordance with this agreement. EFT Network, Inc.'s authority will remain in full force and effect until either (a) 90 days after EFT Network, Inc. has received written notification from Client of the termination of this agreement to provide EFT Network, Inc. reasonable opportunity to act upon any outstanding liabilities; or (b) all obligations of Client to EFT Network, Inc. that have arisen under this agreement have been paid in full, including, but not limited to, those obligations described in this agreement. This obligation extends to such entries in said account concerning lease, rental, or purchase agreements for P.O.S. terminals and/or accompanying equipment and/or check processing fees and/or guarantee fees. Client understands and agrees that Client bears full liability for any kind of fraudulent transactions processed by the Client.

Initials

- 3.1 Processor's Responsibilities.** Submitting entries - Entries shall be submitted to the Processor by the Client using the Processors web site or processors CheckRep Software as provided by the Processor. Entries received by the processor by 5:00 PM EST shall be processed through the contracted third party Processor the same day.
- 3.2 Accepting Transactions:** We are responsible for accepting and processing only those entries that have been received in a proper format and on a timely basis.
- 3.3 Originating Transactions.** Processor will use the information provided by Client to originate Client entries through the ACH. Client understands that Processor may reject Clients Entries for any reason permitted or required in the Rules and Regulation. Client also understands that a Entry may be rejected by Processor or its origination may be delayed if the Entry would cause Processor to knowingly violate any Federal Reserve or other regulatory risk control program or any law or regulation. At Client's request, Processor will make reasonable efforts to reverse or delete an Entry, but Processor will have no responsibility for the failure of Processor or any other person or entity to comply with client request. All requests MUST be in writing and faxed, delivered or mailed to the EFT Network, Inc.
- 3.4 Returned Entries and NOC's.** Processor will apply returned Entries to Clients account when they are received. All returns will be processed and available through Processors web site or CheckRep software or by other means as agreed to by the Processor and the Client.
- 3.5 Settlement and Finality.** (a) We will settle all entries after the pre-established hold period normally five (5) business days from the date the transactions are initially transmitted to the ACH or on a schedule agreed to in writing and made as part of this agreement or at our discretion. (b) Returned Entries Beyond Settlement: Entries not honored by your customer's bank will be debited from your settlement account. In the event there are not sufficient funds in the Account to cover Clients obligations under this Agreement, Client agrees to pay Processor the amount of the deficiency on demand in immediately available funds. Processor may, as a last resort, hold or net settle transactions and or debit any account maintained by Client to recover returned transactions. Any Credit Entries that Client creates will be debited from Clients account in accordance with the hold period prior to the credit being distributed to Client payees accounts. In the event the Debit Entry is returned for any reason, the Credit Entries will be canceled due to the unavailability of funds. (d) Re-presentment, and Lockbox - Client's account will be credited after a pre-agreed hold period. This hold period allows sufficient time for as many returns to be received by Processor as possible before settlement.
- 3.6 Reports.** Processor will provide detailed report of all funds transfers collected as a result of any & all funds transfers. Monthly transaction reports will be delivered to you by email, Fax, U.S. Mail, or on-line reporting via the Internet.
- 3.7 Limits of Our Liability.** Processor will be responsible for Processor's performance in processing ACH services as a Third Party Processor of ODFI transactions in accordance with the terms of this Agreement, and the Rules and Regulations. Processor does not accept responsibility for errors, acts or failures to act of others, including, and among other entities, banks, communications carriers or clearing houses through which Entries may be originated or Processor receives or transmits information, and no such entity shall be deemed Processor's agent. Processor shall not be responsible nor bear any loss, liability or delay caused by fires, earthquakes, wars, civil disturbances, power surges or failures, acts of government or God, labor disputes, failures in communication networks, legal constraints or other events beyond Processor control.

OTHER TERMS AND CONDITIONS

- 4.1. Pricing and Payment.** You shall make payment to us for fees and expenses pursuant to the price and payment terms set forth on Page Two of this agreement. Our fees and expenses will be billed monthly, and/or as agreed to as per page 1 of this agreement, and you authorize us to electronically debit your bank account to which your collections are credited or a separate bank account as long as said account remains in good standing. Amounts not collected thirty-one days after billing will accrue interest at the rate of 1.5% per month beginning on the thirty-first day after billing until paid in full and you agree to pay us a \$25.00 fee for any debits to your account which are not honored.
- 4.2. Term and Cancellation.** This Agreement shall have an initial term of twelve months and shall thereafter automatically renew unless terminated by 90 days notice.
- 4.3. No Warranty.** WE MAKE NO WARRANTY, EXPRESSED OR IMPLIED, AND THERE ARE EXPRESSLY EXCLUDED ALL WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. WE SHALL HAVE NO LIABILITY WITH RESPECT TO OUR OBLIGATIONS UNDER THIS AGREEMENT FOR CONSEQUENTIAL, SPECIAL, DIRECT, EXEMPLARY, PUNITIVE, OR INCIDENTAL DAMAGES TO YOU OR TO THIRD PARTIES DEALING WITH YOU EVEN IF WE HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
- 4.4. Limitation of Actions.** No action or proceeding arising out of this Agreement may be brought by us or you more than one years after the cause of action has arisen.
- 4.5. Independent Contractors.** We and you are acting hereunder as independent contractors and under no circumstances shall any of the employees of one party be deemed the employees of the other for any purpose. This Agreement shall not be construed as authority for either party to act for the other party in any agency or other capacity, or to make commitments of any kind for the account of or on behalf of the other, except to the extent and for the purposes provided for herein.
- 4.6. Arbitration.** All disputes between the parties arising out of this Agreement shall be submitted to binding arbitration in Westchester, NY, under the commercial arbitration rules of the American Arbitration Association. The arbitrators award may be entered in any court having jurisdiction of the parties. Any award may include and award for attorneys fees and costs.
- 4.7. Notice.** All notices required or permitted to be given shall be deemed sufficient if sent by fax, email, or U.S. mail and received at the addresses set forth herein.
- 4.8. Confidentiality/Restriction on Use of or Disclosure of Trade Secrets.** Neither party will disclose to anyone, directly or indirectly, either during the term of this Agreement or at any time thereafter, any trade secrets, or confidential information of the other party or use such information other than in the course of services provided under this Agreement. All documents that we prepare, or any confidential information that might be given to you in the course of our services under this Agreement, are our exclusive property and shall remain in our possession on our premises. Under no circumstances shall any such information or documents be removed without our prior written consent. Processor may advise potential users of the services that Processor has with Client.
- 4.9. Modification, Term, and Termination.** Processor will notify Client in writing of any modification to this agreement. Use of the Processors services after the Client receives the notification of the modification in writing by evidence acceptance of the modifications. Any termination will not affect either parties rights or obligation arising before the termination.
- 4.10. Damage Waiver.** Processor will not be liable to Client for any special, consequential, indirect or punitive damages, whether or not (1) any claim for these damage is based in tort or contract or (2) either party knew or should have known the likelihood of these damages in any situation. Processor makes no representations or warranties other than those expressly made in this Agreement.
- 4.11. Entire Agreement.** This Agreement makes up the entire agreement between the parties concerning Processors ACH services. If any provision of these Agreement is deemed unenforceable, the remaining provisions shall remain enforceable. There are no third party beneficiaries of this Agreement. Client means each Client named on the EFT Network, Inc. Processing Agreement and any and all other parties as the contract requires. If there is more than one Client named on the Processing Agreement each and every so named Client is bound by the signing thereof.
- 4.12. Acceptance.** This Agreement and schedule is governed by New York Law and not binding on us until accepted by us at our processing office in New York.

Signature of Co. Officer

Date

Name Printed