

TERMS & CONDITIONS OF checXchange™ AGREEMENT

Merchant Client ("Client") authorizes Money Transfer Systems, Inc. ("MTSI") to re-present all return check items forwarded to MTSI by Client or Client's bank(s) in accordance with the Electronic Funds Transfer Act of the Federal Reserve Governing Board. Client authorizes MTSI to originate a draft or an electronic debit for a separate non-sufficient funds ("NSF") fee, in an amount posted by the Client and agreed to by the check writer. This fee will not exceed the maximum amount allowed by applicable state laws. Client authorizes MTSI to initiate credit/debit entries for collected checks equal to the agreed upon sum per the terms on this Agreement. Client acknowledges that the origination of ACH transactions to Client's account must comply with the provisions of U.S. Law.

Client agrees to complete the Bank Release Authorization form provided by MTSI and forward the completed Bank Release Authorization to the bank(s) utilized by Client so that all returned items will be forwarded to MTSI after first presentation by Client's bank(s). Client agrees to display a decal supplied to Client by MTSI at all point of sale locations at all times in accordance with applicable law.

With respect to each re-presented item, Client represents and warrants to MTSI that: (a) it has good title to the returned item; (b) all signatures on the returned item are authentic and authorized; (c) the returned item has not been altered; (d) the Client is not able to avail itself of any defenses to payment (e.g. defective merchandise); (e) the Client is not insolvent; (f) the returned check has only been presented for payment once; (g) any restrictive endorsement placed on the check is void or ineffective; (h) it understands the check recovery services herein are provided to Client by and through MTSI (or any other similar independent contractor made available for your use by Bank from time to time), an independent contractor and not an affiliate or subsidiary of Bank or otherwise owned or controlled by Bank or any of Bank's affiliates or subsidiaries; and (i) Bank does not provide or participate in any of the processes, re-presentation, or collection methods undertaken by MTSI.

MTSI will be allowed thirty (30) days from the date of receipt of a return check item to complete its electronic re-presentation process. If this Agreement is terminated by either party for any reason, MTSI will retain the right to complete its electronic re-presentation process for all returned check items forwarded to MTSI prior to said termination. MTSI does not guarantee the collection or payment of any returned item presented to MTSI for electronic re-presentation. However, MTSI will provide its best efforts to collect Client's NSF checks. MTSI makes no representation or warranty as to the collectivity or validity of any returned item. MTSI retains the right to refuse to process any transaction submitted by Client. If any Client customer whose check is undergoing electronic re-presentation by MTSI pays Client the amount owed directly, Client agrees to forward any return fees received that are related to such transaction to MTSI.

For checks collected electronically, MTSI will pay Client 100% of the face value of the check. The Client specifically agrees to permit MTSI to access the Client's designated bank account to reverse and retrieve any funds paid to the Client in error, including but not limited to any payments to Client for funds that MTSI has not collected.

Client agrees to indemnify Bank, MTSI, and any third party service provider which may be utilized by Bank or MTSI to provide any of the services regarding the recovery of checks for Client under the terms of this Agreement (together, the "Indemnified Parties") and to hold the Indemnified Parties harmless from and against any and all damages, penalties, losses, liabilities, judgments, settlements, awards, costs and expenses and reasonable attorneys fees and related costs ("Losses") which Client may have as a result of any claims, assertions, demands, causes of action, suits, proceedings or other actions, (collectively, "Claims") which the Indemnified Parties may incur or which may be asserted against any Indemnified Party arising from, relating to or in any way connected with a breach of the Client's obligations, representations or warranties under this Agreement, or otherwise arising out of Bank, MTSI, or any third party service provider providing check recovery services to the Client; provided, however, that the foregoing indemnity shall not apply to claims, damages, losses, liabilities and expenses solely attributable to an Indemnified Party's gross negligence or willful misconduct. Client also hereby agrees to release, defend, indemnify, and hold the Indemnified Parties harmless from and against any and all Losses which Client may have as a result of any Claims which arise or may arise relating in any way to the check recovery services and in no event shall Bank be liable for any indirect, consequential, incidental, punitive, exemplary or special losses or damages, or expenses which Client may incur by using the check recovery services set forth in this Agreement, whether or not the possibility or likelihood of such damage was known or contemplated by the Bank. Client's sole remedies and recourse for any Losses or Claims shall be against MTSI and not Bank.

All disputes between Client and its customers relating to a check transaction will be settled between Client and said customers. Client agrees to indemnify and hold MTSI harmless from any claim, liability, loss, or expenditure resulting from Client's actions or inactions, including but not limited to failing to obtain written authorizations or posting notices as required by this Agreement. Notwithstanding the foregoing, MTSI agrees to indemnify and hold Client harmless from any claim, liability, or loss by MTSI's actions or inactions while processing returned check items from Client. Any dispute between MTSI and the Client will be submitted to binding arbitration, to be conducted pursuant to the rules of the American Arbitration Association. Any arbitration proceedings will occur in Clearwater Florida, Pinellas County. Each party represents, warrants, and mutually agrees that all information concerning the other party which comes into its possession shall be maintained as confidential and shall not be used or divulged to any other party except as necessary to permit the activities contemplated under this Agreement. MTSI may advise potential users of its service that Client has a relationship with MTSI.

All transactions covered by this Agreement are governed by and must comply with the National Automated Clearing House ("NACHA") rules, Regulations CC and E established by the Federal Reserve Board, Uniform Commercial Code ("UCC") Article 4, The Electronic Funds Transfer Act, and other applicable laws and regulations. MTSI complies with the Gramm-Leach-Bliley Privacy Act, Public Law 106-102, Title V, governing the Disclosure of Nonpublic Personal Information - 15 USC, Subchapter I, Sec. 6801-6810 and Fraudulent Access to Financial Information - 15 USC, Subchapter II, Sec. 6821-6827.

If Client fails to comply with any term of this Agreement or any applicable laws or regulations cited in this Agreement, MTSI may terminate this Agreement immediately by giving written notice to Client. Any termination will not affect the rights and obligations of the parties arising prior to the effective date of such termination, and the indemnification provisions hereof shall specifically survive termination.

Either party to this Agreement may terminate this Agreement by giving the other party thirty (30) days' written notice of said termination.

MTSI may change the terms of this Agreement at any time by giving Client ten (10) days' notice of said change. If Client does not agree to the change, Client may terminate this Agreement. The laws of the State of Florida will govern this Agreement. All questions regarding this Agreement and electronic check processing should be referred to:

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