

## SecureCheck™ Service Agreement

Welcome to SecureNet Payment Systems Service Agreement. In order to obtain or continue using the SecureCheck, you must agree to and accept the terms and conditions of this Agreement. The Agreement sets out the terms and conditions under which you may utilize the SecureCheck Services. Please read this Agreement carefully.

**By signing the SecureCheck Service Application, you hereby acknowledge your acceptance of the Agreement terms and conditions. Merchant acknowledges and agrees that it has reviewed and understands the Agreement and agrees to be legally bound by all its terms and conditions. If Merchant does not agree or is not willing to be bound by the terms and conditions of this Agreement, please do not complete and submit the SecureCheck Service Application and do not seek to obtain or continue using the SecureCheck Service.**

### 1. Definitions.

#### 1.1 "Acceptable Use Guidelines" see

<<http://www.securenet.com/company/use.php>>.

1.2 "**Agreement**" means the SecureCheck Service Application, the SecureCheck Service Agreement, Fee Schedule, exhibits attached hereto, and all incorporated policies and procedures.

1.3 "**Application**" or "SecureCheck Application" means the online Merchant service application.

1.4 "**ACH**" means the Automated Clearing House financial network for processing electronic funds transfers.

1.5 "**Bank**" means a participating originating depository financial institution that processes and submits SecureCheck Transactions to the ACH and the Federal Reserve System. Participating Banks are listed in Exhibit A, which may be modified from time to time.

1.6 "**Bank Terms**" means the specific additional terms and conditions required by a participating Bank processing Merchant's SecureCheck Transactions which are attached as Exhibit A.

1.7 "**Chargeback**" means an ACH reversal initiated by a Purchaser's financial institution for reasons such

as cancellation of order, non-receipt of goods or services purchased, or fraud.

1.8 "**Credit Card Association**" - for the purposes of this Agreement means Visa U.S.A., Inc., Visa International, Inc., MasterCard International, Inc., and any other credit or debit card issuing company.

1.9 "**SecureCheck Service**" means SecureNet Payment System's branded, proprietary electronic check processing service, as further described by this Agreement and the Operating Procedures and User Guide, which is incorporated herein by reference and which may be updated from time to time. The SecureCheck Service is independent of and contingent upon merchant enrolling in a SecureNet Payment Systems payment gateway account.

1.10 "**SecureCheck Transaction**" means any electronic check charge or refund or batch settlement completed or submitted by Merchant to SecureNet Payment Systems using the SecureCheck Service.

1.11 "**Fee Schedule**" indicates the list of fees and charges to be paid by Merchant to SecureNet Payment Systems. The Fee Schedule is located in the Merchant Interface.

1.12 "**Merchant**" means the person or business entity, including its parents, agents and employees that has a contractual relationship with SecureNet Payment Systems and sells goods or services to another party.

1.13 "**Merchant Interface**" means the user interface available to Merchants at <<http://terminal.securenet.com>>.

1.14 "**Merchant Service Provider**" means any third party through whom SecureNet Payment Systems may provide the SecureCheck Service to Merchant, including, but not limited to, a reseller, independent service organization, application service provider, merchant aggregator, and acquiring bank.

1.15 "**Operating Procedures**" means the methods, processes and procedures that govern SecureCheck Transactions (including Chargebacks). A current version of the Operating Procedures is contained in the Operating Procedures and User Guide

1.16 "**Operating Procedures and User Guide**" means the document containing the Operating Procedures and which is available at <<http://www.securenet.com/document.html>>, or such

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other location specified by SecureNet Payment Systems.

1.17 "**Privacy Policy**" see

<<http://www.securenet.com/document.html>>.

1.18 "**Purchaser**" means a person or entity that submits a form of payment to Merchant for the purchase of goods or services from Merchant.

1.19 "**Reserve Account**" means the money held as collateral by SecureNet Payment Systems as security against amounts owed by Merchant to SecureNet Payment Systems as further described in Section 5.4.

**2. Merchant's Capacity and Related Matters.** By submitting a SecureCheck Application, Merchant represents and warrants that (a) Merchant (or the person executing this Agreement on behalf of Merchant) is 18 years of age or older, (b) all information Merchant has provided to SecureNet Payment Systems is true and correct in all respects, and (c) Merchant will update SecureNet Payment Systems by calling Customer Support at 1-888-231-0060 with any changes to information Merchant has previously supplied. Merchant hereby authorizes SecureNet Payment Systems to investigate and confirm the information submitted by Merchant herein. For this purpose, SecureNet Payment Systems may utilize credit bureau / reporting agencies and /or its own agents. Upon Merchant's request, SecureNet Payment Systems will provide Merchant with a copy of the results of such investigation. SecureNet Payment Systems reserves its right to refuse to provide Merchant with the SecureCheck Service, with or without notice, for any or no reason, including, without limitation, if Merchant has supplied any information which is misleading, untrue, inaccurate or incomplete. Merchant expressly acknowledges and agrees that SecureNet Payment Systems may share information about it and its account with Merchant Service Providers.

### 3. Undertakings of SecureNet Payment Systems.

3.1 **Grant of Rights.** SecureNet Payment Systems hereby grants Merchant a non-exclusive and non-transferable right, during the effective term of this Agreement, to use the SecureCheck Service subject to the restrictions herein and any other restrictions communicated by SecureNet Payment Systems to Merchant. Merchant is provided no other right to use the SecureCheck Service except as is expressly provided by this Agreement. Without limiting the

generality of the foregoing, Merchant will not directly or indirectly access or use the SecureCheck Service in violation of or contrary to the Operating Procedures and User Guide or the terms of this Agreement.

### 3.2 SecureCheck Service -- ACH Charge Requests and Funding.

Subject to any and all applicable laws and regulations and applicable Bank Terms, SecureNet Payment Systems shall provide the SecureCheck Service to Merchant in all material respects in accordance with the terms of this Agreement and all generally applicable guidelines or procedures, including, but not limited to, the Operating Procedures. Upon SecureNet Payment Systems' receipt of a request from Merchant to process a SecureCheck Transaction to charge a Purchaser's account, SecureNet Payment Systems will fund Merchant's virtual ACH processing account with SecureNet Payment Systems for the amount of the ACH charge request. Subject to the terms of this Agreement (including, but not limited to, the chargeback rights described in Section 5.3), SecureNet Payment Systems shall remit payment for the SecureCheck Transaction to Merchant's depository account in accordance with the Operating Procedures and User Guide.

3.3 **Relationship to Bank.** Merchant acknowledges and agrees that SecureNet Payment Systems acts as Merchant's processor and prepares and submits SecureCheck Transactions to a Bank selected by SecureNet Payment Systems on behalf of Merchant in accordance with Merchant's payment instructions. SecureNet Payment Systems is only a processor and not a bank or financial institution. SecureNet Payment Systems shall be considered Merchant's agent with full power and authority to act on behalf of Merchant solely to process and submit SecureCheck Transactions to Bank(s) in accordance with the terms and during the Term of this Agreement.

3.4 **Customer Service.** If Merchant is current in payment of all fees owing to SecureNet Payment Systems and is otherwise not in default under this Agreement, SecureNet Payment Systems shall provide customer service to Merchant, as set forth in the "Support Services" section of the SecureNet Payment Systems Web site at <<http://www.securenet.com>>.

4. **Undertakings of Bank. ACH Services.** Bank provides ACH services to Merchant, which will consist of sending and/or receiving ACH transactions based on information and instructions provided to Bank by SecureNet Payment Systems. Bank will charge

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and/or refund transactions to an account designated by SecureNet Payment Systems and held in the name of SecureNet Payment Systems (the "Account"). All bank statements, notices and other communications in respect of the Account or the transactions hereunder shall be directed by Bank to SecureNet Payment Systems.

### 5. Undertakings of Merchant.

**5.1 ID and Password.** In connection with the rights described in Section 3.1, SecureNet Payment Systems will issue to Merchant or permit Merchant to continue using the username and password given to Merchant by SecureNet Payment Systems or a Merchant Service Provider, to enable Merchant and/or Merchant's employees and agents to access and use the SecureCheck Service. Merchant will restrict access to such ID, password, and account to Merchant's employees and agents as may be reasonably necessary consistent with the purposes of this Agreement and will ensure that each such employee and agent accessing and using the account is aware of and otherwise complies with all applicable provisions of this Agreement regarding such use and access. Merchant is solely responsible for maintaining adequate security and control of any and all IDs, passwords, or any other codes that are issued to Merchant by SecureNet Payment Systems or a Merchant Service Provider for purposes of giving Merchant access to the SecureCheck Service. Merchant is responsible for the results of using the SecureCheck Service and related ACH services and for the accuracy and adequacy of the data Merchant provides to Bank via SecureNet Payment Systems. SecureNet Payment Systems shall be entitled to rely on information it receives from Merchant and may assume that all such information was transmitted by or on behalf of Merchant.

**5.2 Risk Management.** Merchant is solely responsible for all acts and omissions of its officers, directors, partners, employees, agents, representatives, contractors, and third party service providers (such as third party payroll administrators), including persons granted signature authority on Customer's accounts and personnel who are permitted to initiate and/or give SecureNet Payment Systems instructions in respect of Customer's entries (collectively, "**Merchant Personnel**"). SecureNet Payment Systems is entitled, without further inquiry or investigation, to assume that the actions of Merchant Personnel are appropriate and authorized by Merchant. This authorization will remain in effect unless SecureNet Payment Systems receives written

notice to the contrary from Merchant and has a reasonable opportunity to react thereto (including, but not limited to, providing any required notice to Bank).

### 5.3 Purchaser Reversals; Chargeback's.

#### 5.3.1 Chargeback Rights; Erroneous Entries.

Merchant hereby authorizes SecureNet Payment Systems to either initiate transaction entries to Merchant's depository account number or to charge Merchant's credit card, both of which are listed in Merchant's SecureCheck Application (and as those numbers may be changed, any new account numbers provided to SecureNet Payment Systems) without additional authorization or consent for any balance due SecureNet Payment Systems, including amounts due associated with Chargeback(s). In the event that SecureNet Payment Systems is unable to collect monies owed from Merchant by these methods, Merchant authorizes SecureNet Payment Systems to instruct the Merchant's bank to return any monies originally transferred by SecureNet Payment Systems to Merchant, until the balance of Merchant's ACH account with SecureNet Payment Systems is brought current with a zero balance. If SecureNet Payment Systems reasonably believes that a Chargeback or refund is likely with respect to any SecureCheck Transaction submitted by Merchant to SecureNet Payment Systems, SecureNet Payment Systems may withhold from payments otherwise due to Merchant under this Agreement until such time that: (a) SecureNet Payment Systems is charged back by Purchaser's bank, in which case SecureNet Payment Systems shall retain the funds; (b) the period of time under applicable law or regulation by which the Purchaser may dispute the ACH charge and the Purchaser's bank may exercise its chargeback rights has expired (generally 60 days from the date the financial institution first made available to the Purchaser its bank statement with the applicable charge transaction listed on it); and/or (c) SecureNet Payment Systems determines that a Chargeback on the ACH charge requested by Merchant will not occur. Merchant further grants SecureNet Payment Systems permission to initiate adjustment entries to Merchant's checking account or to charge Merchant's credit card in the event of erroneous transactions being posted to said account.

**5.3.2 Expenses.** Merchant agrees to pay all costs and expenses of whatever nature, including attorneys' fees and other legal expenses, incurred by or on behalf of SecureNet Payment Systems in connection with the collection of all SecureCheck ACH

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processing account deficit balances unpaid by Merchant.

### 5.4 Reserve Account.

**5.4.1 Creation Right.** Merchant hereby grants SecureNet Payment Systems the right to retain as collateral money payable to Merchant in a Reserve Account to ensure SecureNet Payment Systems' recovery of any liabilities owed it or reasonably anticipated to be owed it by Merchant pursuant to this Agreement. The Reserve Account may be established, with or without prior notice to Merchant, at any time prior to, at, or after termination of this Agreement whenever SecureNet Payment Systems, in its sole discretion, believes recovery of such liabilities may be in jeopardy. Once established, SecureNet Payment Systems shall promptly send Merchant notice of the amount held in the Reserve Account.

**5.4.2 Security Interest; Collection.** Merchant hereby grants to SecureNet Payment Systems a possessory security interest in any money held as a Reserve Account established under this Agreement. Merchant agrees that SecureNet Payment Systems may enforce its security interest in the Reserve Account by deducting, without prior notice or demand, amounts owed to SecureNet Payment Systems under this Agreement. In addition to assessing Merchant an over limit fee for exceeding the approved monthly processing limit, Merchant further agrees that SecureNet Payment Systems may enforce its security interest in the Reserve Account to collect the over limit fee. SecureNet Payment Systems' right to sums owed it by Merchant pursuant to this Agreement shall in no way be limited by the balance or existence of the Reserve Account. Any deducted amounts from the Reserve Account will be replaced by equal amounts either from amounts derived from SecureCheck Transactions or by direct payment by Merchant upon demand by SecureNet Payment Systems. SecureNet Payment Systems' rights with respect to the Reserve Account, including its security interest therein, shall survive the termination of this Agreement. The Reserve Account may be held by SecureNet Payment Systems for up to six (6) months after the later of the last transaction, Chargeback or other liability pursuant to this Agreement and applicable law. SecureNet Payment Systems may charge Merchant a monthly fee for maintenance of said Reserve Account, if established.

5.5 Compliance with Laws, Operating Procedures, and SecureNet Payment Systems Guidelines.

**5.5.1 Compliance.** In connection with the exercise of Merchant's rights and obligations under this Agreement (including, without limitation, any related to individual privacy), Merchant warrants that it will comply, at Merchant's own expense, with all applicable laws, regulations, rules, ordinances and orders of governmental and governing authorities having jurisdiction, including, but not limited to, the Gramm Leach Bliley Act, the Operating Procedures and User Guide, Electronic Fund Transfer Act, Federal Reserve Regulation E, the Fair Credit Reporting Act, all rules and operating guidelines of the National Automated Clearing House Association ("NACHA") and similar state laws and regulations, to the extent the same may be applicable to the ACH transactions processed hereunder. Merchant shall comply with sanctions enforced by the U.S. Department of Treasury, Office of Foreign Assets Control (OFAC), including trade embargoes, anti-money laundering, and terrorism controls. Information regarding such sanctions may be found at <<http://www.treas.gov/ofac>> or the OFAC Compliance Hotline at (800) 540-OFAC.

**5.5.2 Bona Fide Transactions.** Merchant agrees that all SecureCheck Transactions that SecureNet Payment Systems requests Bank to originate are the result of bona fide business transactions between Merchant and its customers and no such entries are, directly or indirectly, for the benefit of any third party whether in a service bureau or other context. Merchant will be considered the Originator of SecureCheck Transactions submitted by SecureNet Payment Systems on behalf of Merchant.

**5.5.3 Other Compliance.** Merchant is prohibited from using the SecureCheck Service in any manner or in furtherance of any activity that constitutes a violation of any law or regulation or that may reasonably be expected to subject SecureNet Payment Systems or its suppliers or vendors to investigation, prosecution or legal action.

**5.5.4 SecureNet Payment Systems Policies.** Merchant shall comply with all then current policies, procedures, and guidelines of SecureNet Payment Systems governing the SecureCheck Service, including, but not limited to, the Operating Procedures and User Guide and the SecureNet Payment Systems Acceptable Use Guidelines. SecureNet Payment Systems reserves the right to amend, modify or change such policies, procedures, and guidelines, at any time and without notice.

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**5.5.5 Bank Terms.** Merchant agrees to and shall comply with all then current Bank Terms.

**5.5.6 Error Resolution.** Merchant further agrees to receive, resolve and respond to Customer-alleged errors at its expense under this Agreement and all applicable laws, regulations and the Rules.

**5.6 Record Retention; Inspection Rights.** Merchant shall preserve all records pertaining to an ACH transaction as may be required by law and in no event less than two (2) years from the date thereof. Merchant shall permit SecureNet Payment Systems to examine, verify and copy such records at any reasonable time upon SecureNet Payment Systems' request. Merchant shall provide SecureNet Payment Systems with a copy of any requested ACH authorization or other transaction memorandum no later than twenty-four (24) hours from date of SecureNet Payment Systems' request. Merchant also agrees to execute, file and record any statements, notices and certificates as SecureNet Payment Systems may reasonably request to preserve and protect its interest.

**5.7 Additional Financial Documents.** SecureNet Payment Systems reserves the right to require additional financial documents (e.g. personal and business tax returns and financial statements) from Merchant if Merchant's SecureCheck transaction processing exceeds its normal processing volume, as determined by SecureNet Payment Systems in its sole discretion.

### 6. Data Collection, Privacy and Security.

#### 6.1 Merchant Obligations.

**6.1.1** Merchant is solely responsible for the security of data residing on the server of Merchant, or a third party designated by Merchant (e.g., a Web hosting company, processor, or other service provider), including checking account numbers. Merchant shall comply with all applicable laws and regulations governing the collection, retention and use by Merchant of all data associated with SecureCheck Transactions. Merchant agrees to provide notice to consumers on Merchant's Internet Web site transaction page(s) disclosing how and why personal information is collected and used. Merchant is solely responsible for obtaining and maintaining any and all necessary rights, power and authority to provide data associated with SecureCheck Transactions to SecureNet Payment Systems.

**6.1.2** Merchant agrees that, except as may be reasonably necessary in the ordinary course of business to carry out the activities to be performed by it hereunder or required by law, Merchant will not disclose any consumer or customer information to any third party. Merchant shall use proper controls for and limit access to, and render unreadable prior to discarding, all customer records.

**6.1.3** Merchant agrees to comply with all SecureNet Payment Systems security protocols and security advisories in effect during the term of this Agreement. Merchant is solely responsible for verifying the accuracy and completeness of all transactions submitted and processed by SecureNet Payment Systems associated with its account and for verifying that all corresponding funds are accurately processed. Merchant acknowledges that SecureNet Payment Systems shall not be liable for any improperly processed or unauthorized SecureCheck Transactions or illegal or fraudulent access to its account or data. SecureNet Payment Systems' liability for improperly processed or unauthorized Transactions solely attributable to the negligence of SecureNet Payment Systems is limited pursuant to Section 14.

**6.1.4** Merchant will comply with all then-current legal obligations and guidelines, including, without limitation, those issued by Credit Card Associations and the Federal Trade Commission, associated with the collection, security, dissemination and destruction of data on its Web site, and expressly including the Payment Card Industry (PCI) Data Security Standard, Visa Cardholder Information Security Program (CISP) and the MasterCard Site Data Protection Program (SDP). Merchant warrants that it has taken such precautions as are necessary to ensure that its server and electronic systems are secure from breach or intrusion by unauthorized third parties. In the event that Merchant's system is breached and an unauthorized third party has access to or has accessed Data or Transaction data, Merchant shall notify SecureNet Payment Systems promptly of such breach and shall take such precautions as may be necessary to prevent such breaches from occurring in the future.

#### 6.2 SecureNet Payment Systems Obligations.

**6.2.1** SecureNet Payment Systems agrees to collect, retain and disclose information and data collected from Merchant and Merchant's customers (including data associated with SecureCheck Transactions) in accordance with SecureNet Payment Systems'

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Privacy Policy. Consistent with the privacy policy, SecureNet Payment Systems agrees to use commercially reasonable security measures for the transport of SecureCheck Transaction data using the Internet. Notwithstanding the foregoing, SecureNet Payment Systems does not, and cannot, warrant that all SecureCheck Transaction data will be transported without unauthorized interception or modification. Merchant understands that SecureNet Payment Systems will collect and hold personal or non-public information about Merchant and its customers, including, but not limited to: Merchant name, address, telephone number, e-mail address, social security number and/or tax identification number, (and if a sole proprietorship or partnership, date of birth, salary, job title and credit history) for the purpose of considering eligibility for the SecureCheck Service as well as its customers' names, mailing and shipping addresses, e-mail addresses, phone numbers, dollar amounts of purchases, types of purchases and descriptions of purchases for the purpose of providing Merchant with the SecureNet Payment Systems Services ("Data"). Merchant also understands and agrees that SecureNet Payment Systems may obtain various consumer reports regarding Merchant from third parties, run a credit check, report unpaid collection issues to credit bureaus, and/or obtain other personal or credit information about Merchant.

**6.2.2** Merchant further understands and agrees that SecureNet Payment Systems, its subsidiaries, Merchant Service Providers, partners, suppliers and/or their agents/contractors may transfer Data amongst themselves as necessary for the purpose of the provision and management of the SecureNet Payment Systems Services, and that SecureNet Payment Systems may further transfer Data: (i) to third parties assisting SecureNet Payment Systems in evaluating Merchants' eligibility for, provision of, administration and management of the SecureNet Payment Systems Services, as well as under circumstances described in SecureNet Payment Systems' Privacy Policy, as may be modified from time to time; (ii) with non-affiliated entities that assist SecureNet Payment Systems in providing financial products and services that Merchant has requested; (iii) with companies that provide support services to SecureNet Payment Systems or with which SecureNet Payment Systems has agreements to provide marketing services on its behalf; or (iv) as otherwise permitted by law. While SecureNet Payment Systems uses commercially reasonable efforts to safeguard Data and Transaction data transmitted while using the SecureNet Payment

Systems Service, SecureNet Payment Systems does not warrant that Data and Transaction data will be transported without unauthorized interception or modification or that Data or Transaction data will not be accessed or compromised by unauthorized third parties.

**7. Fees.** Merchant shall pay SecureNet Payment Systems the service fees set forth in the Fee Schedule located in the Merchant Interface, which is incorporated herein by reference. SecureNet Payment Systems reserves the right to impose additional fees upon Merchant if its ACH transaction processing in connection with the SecureCheck Service: (a) exceeds Merchant's Account Restrictions, such as normal ACH processing volume and/or per-transaction parameters, as determined by SecureNet Payment Systems; or (b) for any other substantial increase in risk assumed by SecureNet Payment Systems. Such additional and/or increases in fees may be established at any time, upon written notice to Merchant and will become effective retroactive to the date Merchant's use of the SecureCheck Service falls under one of the above categories. Further, SecureNet Payment Systems reserves the right to change any SecureCheck Fee upon at least thirty (30) days notice. Merchant shall not be required to pay any fees to Bank for the SecureCheck Service.

## **8. Payment Terms.**

**8.1 Billing Terms.** Merchant shall remit any and all amounts which are payable to SecureNet Payment Systems under this Agreement on a daily basis, except for the SecureCheck Minimum Monthly Fee. The SecureCheck Minimum Monthly Fee is due and payable on a monthly basis. The first such monthly payment will be due on the first day of the month immediately following the Effective Date, and all subsequent monthly payments shall be due on the first day of the month thereafter. Merchant hereby authorizes SecureNet Payment Systems to initiate transaction entries to Merchant's depositories account or, if SecureNet Payment Systems is unable to collect owing amounts from Merchant's depositories account, to charge Merchant's credit card for any and all amounts owing to SecureNet Payment Systems under this Agreement. The authorizations provided here and in sections 3.2 and 5.3.1 to initiate transactions to Merchant's depositories account are to remain in full force and effect until SecureNet Payment Systems has received written notification from Merchant of its request for termination in such time as to afford SecureNet Payment Systems and Merchant's depository institution a commercially

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reasonable opportunity to acknowledge and respond to the request. If Merchant's depositories account number or credit card number changes, Merchant shall promptly provide SecureNet Payment Systems with written notice of the change and the new number(s). If Merchant fails to provide SecureNet Payment Systems with accurate current depositories account or credit card numbers, SecureNet Payment Systems may suspend the SecureCheck Service for Merchant until such information is provided to SecureNet Payment Systems. Merchant acknowledges that any change in account information may not be effective until the billing month following the second month in which SecureNet Payment Systems receives such notice. Any amounts due to SecureNet Payment Systems under this Agreement and not paid when due will be subject to a finance charge equal to one and one-half percent (1.5%) or the highest rate allowable by law, whichever is less, determined and compounded daily from the date due until the date paid. Payment of such finance charges will not excuse or cure any breach or default for late payment. SecureNet Payment Systems may accept any check or payment from Merchant without prejudice to its rights to recover the balance due or to pursue any other right or remedy. No endorsement or statement on any check or payment or any correspondence accompanying any check or payment or elsewhere will be construed as an accord or satisfaction. Merchant agrees to pay all costs and expenses of whatever nature, including attorneys' fees, incurred by or on behalf of SecureNet Payment Systems in connection with the collection of any unpaid charges and fees.

**8.2 Non-Sufficient Fund Fee, Late Payment Fee, and Service Reactivation Fee.** Merchant shall pay to SecureNet Payment Systems a Non-Sufficient Fund Fee, in the amount set forth in the SecureCheck Fee Schedule, each time SecureNet Payment Systems attempts to charge Merchant's depositories account for any amounts owing under this Agreement and receives a non-sufficient fund message from Merchant's bank. If Merchant does not pay owing amounts on or before the first business day following the tenth (10th) day of the month, Merchant will be subject to a Late Payment Fee, in the amount set forth in the SecureCheck Fee Schedule. In the event SecureNet Payment Systems has suspended the SecureCheck Service to Merchant for failure to pay pursuant to Section 10.2, SecureNet Payment Systems agrees to restore Merchant's access to the SecureCheck Service if Merchant subsequently pays in full all owing fees and charges, including a Service

Reactivation Fee in the amount set forth in the SecureCheck Fee Schedule.

**8.3 Personal Guarantee.** In consideration of SecureNet Payment Systems' acceptance of the Merchant's SecureCheck Application and the terms of this Agreement, each Personal Guarantor indicated on the Application (jointly and severally if more than one) unconditionally guarantees the performance of all obligations of Merchant to SecureNet Payment Systems under this Agreement and payment of all sums due hereunder. In the event of default, each Personal Guarantor hereby waives notice of default and agrees to indemnify SecureNet Payment Systems for all funds due and owing from Merchant arising out of or related to this Agreement, including, but not limited to, attorney's fees and other legal expenses, and all costs and expenses incurred by or on behalf of SecureNet Payment Systems in connection with the enforcement of this Section 8.3. Further, each Personal Guarantor: (a) waives any and all rights of subrogation, reimbursement or indemnity derived from Merchant and all other rights and defenses available to the Personal Guarantor, including any surety ship laws, and further waives any and all rights or defenses arising by reason of any modification or amendment to the terms of the Agreement whatsoever (including, without limitation, the renewal, extension, acceleration, or other change in the time any payment or other performance hereunder is due, and/or any change in any interest or discount rate or fee hereunder); (b) confirms that he or she is a party to this Agreement; and (c) unconditionally and specifically authorizes SecureNet Payment Systems (or its authorized agent) to (i) charge any overdue fees, costs, fines, penalties, expenses or obligations under this Agreement and/or any contractual relationship with SecureNet Payment Systems from any personal checking account or other account owned or controlled by such Personal Guarantor (including credit card accounts), and (ii) report any default hereof on the Personal Guarantor's personal Credit Bureau Report.

**9. Term.** This Agreement shall commence on the date Merchant executes this Agreement, whether in writing or via online acceptance, (the "Effective Date") and remain in full force and effect until terminated by either party pursuant to Section 10.

### 10. Termination.

**10.1 Termination at Will.** Either party may terminate this Agreement at any time and for any reason by providing thirty (30) days prior written notice to the

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other party. Merchant acknowledges that SecureNet Payment Systems may immediately terminate this Agreement: (i) if it has reasonable evidence of Merchant's fraudulent or illegal use of the Services; (ii) as required by legal or regulatory authority; (iii) as a result of Merchant's breach of any representations or warranties contained herein; (iv) if, in its sole opinion, any information contained in the Application is found or believed to be inaccurate or false; (v) for violation of the Acceptable Use Guidelines; or (vi) as a result of a Force Majeure Event.

**10.2 Termination for Cause; Suspension of Service.** In addition to any other termination rights granted by this Agreement, either party may terminate this Agreement on ten (10) days written notice for material breach by the other party of its obligations hereunder unless such breach is cured within such ten (10) day period. SecureNet Payment Systems may immediately terminate this Agreement and/or suspend Merchant's ACH transaction processing capability via the SecureCheck Service, upon written notice, for (a) excessive Chargebacks, (b) returned items in SecureNet Payment Systems' sole discretion, or (c) failure of Merchant to pay all owing amounts on or before the last business day of the month in which such amounts were due. If SecureNet Payment Systems suspends the SecureCheck Service, SecureNet Payment Systems (i) shall have no obligation to resume the service until the causes of such suspension are remedied to SecureNet Payment Systems' satisfaction and (ii) reserves the right to terminate this Agreement at any time.

**10.3 Effect of Termination.** Upon termination of the Term for any reason, all rights and obligations of the parties under this Agreement shall be extinguished, except that: (a) all accrued payment obligations hereunder shall survive such termination; and (b) the rights and obligations of the parties under Sections 1, 5.4, 5.6, 8.3, 10.3, 11.1, and 12 through 15 shall survive such termination. Upon termination of the effective term of this Agreement for any reason, SecureNet Payment Systems may withhold payment to Merchant for such period of time necessary to establish a Reserve Account to cover any potential Chargeback's, refunds and/or uncollected discounts or fees.

### 11. Intellectual Property and Confidentiality.

**11.1 SecureNet Payment Systems.** The parties agree that SecureNet Payment Systems owns and retains all right, title and interest in and to the SecureNet Payment Systems Marks, SecureNet

Payment Systems Services and any related technology utilized under or in connection with this Agreement, including, but not limited to, all intellectual property rights associated therewith. No title to or ownership of any of the foregoing is granted or otherwise transferred to Merchant or any other entity or person under this Agreement. Merchant will not reverse engineer, disassemble, decompile or otherwise attempt to discover the source code or trade secrets for any of the SecureNet Payment Systems Services or related technology.

**11.2 SecureNet Payment Systems Marks License.** Subject to the terms and conditions contained herein, SecureNet Payment Systems hereby grants to Merchant the right to use, reproduce, publish, perform and display the SecureNet Payment Systems Marks (as defined on Appendix A attached hereto): (a) on Merchant's Web site in connection with offering payment options to its customers; and (b) in promotional and marketing materials and electronic and printed advertising, publicity, press releases, newsletters and mailings about or related to any of the SecureNet Payment Systems Services.

**11.3 Merchant Marks License.** Subject to the terms and conditions contained herein, Merchant hereby grants to SecureNet Payment Systems and its affiliates the right to use, reproduce, publish, perform and display Merchant Marks (as defined on Appendix A attached hereto): (a) in connection with the development, use, reproduction, modification, adaptation, publication, display and performance of the SecureNet Payment Systems Services offered and/or accessible through the Merchant Web site; and (b) in promotional and marketing materials and electronic and printed advertising, publicity, press releases, newsletters and mailings about or related to any of the SecureNet Payment Systems Services.

**11.4 Use of Trademarks.** Each party shall strictly comply with all standards with respect to the other party's Trademarks contained herein or which may be furnished by such party from time to time. Further, neither party shall create a combination mark consisting of one or more Trademarks of each party. All uses of the other party's Trademarks shall inure to the benefit of the party owning such Trademark. Each party hereby acknowledges and agrees that, as between the parties, the other party is the owner of the Trademarks identified as its Trademarks in any written notice provided to the other party pursuant to this Agreement. Either party may update or change the list of Trademarks usable by the other party

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hereunder at any time by written notice to the other party.

**11.5 Use the Appropriate ® or ™ Symbol.** Merchant must reproduce any SecureNet Payment Systems Marks exactly as shown on Exhibit B, including the exact reproduction of any proprietary markings or legends and including the appropriate ® or ™ symbol at the first and most prominent reference, or as soon as practicable thereafter.

**11.6 Provide Appropriate Trademark Attribution.** Merchant must include a statement of ownership when displaying or reproducing any SecureNet Payment Systems Marks. The statement should read: "SECURENET PAYMENT SYSTEMS and the SecureNet Payment Systems logo [or any other applicable marks] are trademarks or registered trademarks of SecureNet Payment Systems." If it is not feasible to include the attribution statement, it is acceptable to use a general-purpose attribution statement in a form such the following: "All other trademarks are the property of their respective owners."

**11.7 Trademarks and Domain Registration.** Merchant shall not use, register or attempt to register any: (a) SecureNet Payment Systems Marks; or (b) trademarks or domain names that are confusingly similar to any of the SecureNet Payment Systems Marks or the Domain.

**11.8 Trademark Restrictions.** Merchant shall not (i) use the SecureNet Payment Systems Marks except as expressly authorized in this Agreement; (ii) take any actions inconsistent with SecureNet Payment Systems' ownership of the SecureNet Payment Systems Marks and any associated registrations, or attack the validity of the SecureNet Payment Systems Marks, its ownership thereof, or any of the terms of this Agreement; (iii) use the SecureNet Payment Systems Marks in any manner that would indicate it is using such SecureNet Payment Systems Marks other than as a licensee of SecureNet Payment Systems; nor (iv) assist any third party to do any of the same.

**11.9 Further Assurances.** Each party shall take, at the other party's expense, such action (including, without limitation, execution of affidavits or other documents) as the other party may reasonably request to effect, perfect or confirm such other party's ownership interests and other rights as set forth in this Section 11.

**11.10 Confidential Information.** Merchant agrees to hold all information communicated by SecureNet Payment Systems to it, whether written or oral or in any media whatsoever (the "Confidential Information"), in strict confidence, not to disclose, distribute or disseminate the Confidential Information or information derived there from in any way to any third party and not to use the Confidential Information for Merchant's own benefit or the benefit of others, or for any purpose except in connection with the purposes of this Agreement. Merchant agrees to use its best efforts to protect all Confidential Information and in any event, to take precautions at least as great as those taken to protect Merchant's own information of a similar nature. Merchant agrees that this Agreement is Confidential Information. Upon SecureNet Payment Systems' request, Merchant will return all materials, in any medium, that contain, embody, reflect or reference all or any part of any Confidential Information. Merchant acknowledges that breach of this provision may result in irreparable harm to SecureNet Payment Systems, for which money damages may be an insufficient remedy, and therefore SecureNet Payment Systems will be entitled to seek injunctive relief to enforce the provisions of this section.

## 12. Representations and Warranties.

**12.1 Mutual Warranties.** Each party represents and warrants to the other that (a) it has all necessary right, power and ability to execute this Agreement and to perform its obligations therein; (b) no authorization or approval from any third party is required in connection with such party's execution, delivery or performance of this Agreement, (c) this Agreement constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms, (d) the party's obligations under this Agreement do not violate any law or breach any other agreement to which such party is bound; and (e) it has all right, title or interest, or valid license to use, its respective Marks (as defined on Exhibit B), and that its grant of rights associated therewith do not violate any intellectual property or other proprietary rights of any third party.

## 12.2 SecureNet Payment Systems Warranty.

**12.2.1** During the effective term of this Agreement, SecureNet Payment Systems represents and warrants that the SecureCheck Services will conform in all material respects to the Operating Procedures and User Guide, as may be amended from time to time. The preceding warranties will not apply if: (i) any SecureCheck Services or products provided

## SecureCheck™ Service Agreement

hereunder are used in material variation with this Agreement or the applicable documentation; (ii) any SecureCheck Services or products have been modified without the prior written consent of SecureNet Payment Systems; or (iii) a defect in SecureCheck Services or products has been caused by any of Merchant's malfunctioning equipment or software. Merchant expressly acknowledges that the SecureCheck Services are computer network-based services, which may be subject to outages, interruptions, attacks by third parties and delay occurrences.

**12.2.2** In the event Merchant discovers that the SecureCheck Services are not in conformance with the representations and warranties made in Section 12.2.1 and reports such non-conformity to SecureNet Payment Systems or if the SecureCheck Services are subject to outages, interruptions, attacks by third parties and delay occurrences, SecureNet Payment Systems shall use commercially reasonable efforts to remedy material interruptions and will provide adjustments, repairs and replacements, within its capacity, that are necessary to enable the SecureCheck Services to perform their intended functions in a reasonable manner. Merchant acknowledges that SecureNet Payment Systems does not warrant that such efforts will be successful. If SecureNet Payment Systems' efforts are not successful, you may terminate this Agreement in accordance with Section 10.1. The foregoing shall constitute Merchant's sole remedy, and SecureNet Payment Systems' sole liability, in the event of interruption, outage or other delay occurrences in the SecureCheck Services. SecureNet Payment Systems does not warrant the services of any third party, including, without limitation, the Merchant Service Provider, bank or any third-party processor.

**12.2.3 DISCLAIMER.** THE SECURECHECK SERVICES ARE PROVIDED ON AN "AS IS", "AS AVAILABLE" BASIS WITHOUT ANY REPRESENTATIONS OR WARRANTIES. SECURENET PAYMENT SYSTEMS DOES NOT REPRESENT OR WARRANT THAT THE SECURECHECK SERVICES WILL BE AVAILABLE, ACCESSIBLE, UNINTERRUPTED, TIMELY, SECURE, ACCURATE, COMPLETE, OR ENTIRELY ERROR-FREE. MERCHANT MAY NOT RELY UPON ANY REPRESENTATION OR WARRANTY REGARDING THE SECURECHECK SERVICES BY ANY THIRD PARTY IN CONTRAVENTION OF THE FOREGOING STATEMENTS, INCLUDING REPRESENTATIONS OR WARRANTIES OF ANY

MERCHANT SERVICE PROVIDER. EXCEPT AS EXPRESSLY SET FORTH IN SECTION 12.2.1, SECURENET PAYMENT SYSTEMS SPECIFICALLY DISCLAIMS ALL REPRESENTATIONS, WARRANTIES, AND CONDITIONS WHETHER EXPRESS OR IMPLIED, ARISING BY STATUTE, OPERATION OF LAW, USAGE OF TRADE, COURSE OF DEALING, OR OTHERWISE, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OR CONDITIONS OF MERCHANT ABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, OR TITLE WITH RESPECT TO THE SECURECHECK SERVICES, OR OTHER SERVICES OR GOODS PROVIDED UNDER THIS AGREEMENT. MERCHANT UNDERSTANDS AND AGREES THAT SECURENET PAYMENT SYSTEMS SHALL BEAR NO RISK WITH RESPECT TO MERCHANT'S SALE OF PRODUCTS OR SERVICES, INCLUDING, WITHOUT LIMITATION, ANY RISK ASSOCIATED WITH CREDIT CARD FRAUD OR CHARGEBACKS.

**12.3 BANK.** MERCHANT UNDERSTANDS AND AGREES THAT ALL MERCHANT COMPLAINTS AND CLAIMS CONCERNING THE SECURECHECK SERVICES PROVIDED HEREUNDER ARE TO BE MADE SOLELY AND EXCLUSIVELY THROUGH SECURENET PAYMENT SYSTEMS, UNLESS SUCH COMPLAINT OR CLAIM IS DUE TO ACH TRANSFERS THAT ARE IMPROPERLY SUBMITTED, DELAYED, OR OTHERWISE NOT COMPLETED AS A RESULT OF ANY THIRD PARTY'S ACTS OR OMISSIONS.

**12.4 Merchant.** Merchant represents and warrants that:

**12.4.1** At all times during the term of this Agreement, its use of the SecureCheck Services will conform to specifications set forth in the Operating Procedures and User Guide and that all representations and statements made by it in this Agreement, or in any other document relating hereto by Merchant or on its behalf, are true, accurate and complete in all material respects;

**12.4.2** Merchant is engaged in a lawful business that includes the sale of products and/or services, and is duly licensed to conduct such business under the laws of all jurisdictions in which Merchant conducts business;

**12.4.3** Merchant will comply with all laws, policies, guidelines, regulations, ordinances or rules applicable to Merchant, this Agreement, its business or the

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SecureCheck Transactions, including, without limitation: (i) the Credit Card Association rules and regulations; (ii) the Gramm Leach Bliley Act; (iii) the Payment Card Industry (PCI) Data Security Standard, Visa Cardholder Information Security Program (CISP) and the MasterCard Site Data Protection Program (SDP); and (iv) Merchant's right to process ACH transaction has not been terminated by any financial institution; and

**12.4.4** Merchant has not violated any of the NACHA rules and/or regulations except as specifically disclosed in writing to SecureNet Payment Systems.

**12.5 Third-Party Software.** Merchant acknowledges that the SecureCheck Service is designed for use with certain third-party software, including, but not limited to, certain Internet browser software programs. Merchant will look solely to the developers and manufacturers of such programs with regard to warranty, maintenance or other support regarding the same. SecureNet Payment Systems makes no warranty, express or implied, with regard to any such third-party software.

### 13. Indemnification.

#### 13.1 Indemnification by SecureNet Payment Systems.

**13.1.1 General.** SecureNet Payment Systems shall defend, indemnify and hold Merchant, Merchant's affiliates, and any of their officers, directors, agents and employees harmless from and against any and all third-party claims, actions, proceedings, and suits and all related liabilities, damages, settlements, penalties, fines, costs or expenses (including reasonable attorneys' fees and other litigation expenses) incurred by Merchant, arising out of or relating to: (a) any alleged breach by SecureNet Payment Systems of any representation, warranty or obligation of SecureNet Payment Systems set forth in Section 12; or (b) any alleged infringement of a U.S. patent or copyright of any other entity or person by the SecureCheck Service.

#### 13.1.2 Limitation; Prevention of Infringement.

SecureNet Payment Systems' obligations in Section 13.1.1(b) do not apply if the SecureCheck Service or portions or components thereof (a) are modified by persons or entities other than SecureNet Payment Systems if the alleged infringement relates to such modification; (b) are combined with other products, processes or materials not supplied or recommended

by SecureNet Payment Systems where the alleged infringement relates to such combination, or (c) continue to be used after SecureNet Payment Systems has made a non-infringing version available to Merchant (collectively, "**Merchant Faults**"). If the SecureCheck Service or any component thereof becomes, or in SecureNet Payment Systems' opinion is likely to become, the subject of a claim of infringement, then Merchant shall permit SecureNet Payment Systems, at SecureNet Payment Systems' sole option and expense, either to (i) procure for Merchant the right to continue using the SecureCheck Service as permitted in this Agreement, or (ii) replace or modify the affected SecureCheck Service or infringing component so that it becomes non-infringing. If, after using commercially reasonable efforts, SecureNet Payment Systems is unable to cure the infringement, either party may terminate this Agreement upon notice to the other, as provided in Section 10.1. This Section 13.1 states the entire liability of SecureNet Payment Systems to Merchant with respect to infringement of any intellectual property rights by the SecureCheck Service.

**13.2 Indemnification by Merchant.** Merchant shall defend, indemnify, and hold harmless SecureNet Payment Systems and its affiliates, parents, and/or subsidiaries, and any of their officers, directors, agents and employees, from and against any and all third-party claims, actions, proceedings, and suits and all related liabilities, damages, settlements, penalties, fines, costs or expenses (including reasonable attorneys' fees and other litigation expenses) incurred by SecureNet Payment Systems, arising out of or relating to: (a) any breach or alleged breach by Merchant of any representation, warranty, or obligation set forth in this Agreement; (b) any damage or loss caused by negligence, fraud, dishonesty or willful misconduct by Merchant or any of its employees, agents or customers; (c) the reliability, accuracy, or legitimacy of payment data or purchase orders submitted by Merchant to SecureNet Payment Systems; (d) payment card transactions submitted by Merchant to SecureNet Payment Systems and rejected by SecureNet Payment Systems or an issuing bank; (e) any alleged infringement of a patent, copyright, trademark or other intellectual property right resulting from a Merchant Fault; (f) any alleged or actual violation of any applicable laws, regulations or rules of (i) the Credit Card Associations; (ii) the Gramm Leach Bliley Act; (iii) or any state or federal regulatory body or agency having jurisdiction over the subject matter hereof; (g) any violation of SecureNet Payment Systems' Acceptable Use Guidelines or

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Privacy Policy, or (h) any alleged infringement of a patent, copyright, trademark or other intellectual property right resulting from a Merchant Fault. In the event Merchant causes fines and/or penalties to be charged to SecureNet Payment Systems by the Credit Card Associations or any other entity, Merchant agrees to immediately reimburse SecureNet Payment Systems for said fines or penalties.

**13.3 Indemnification Procedure.** The obligations of each party ("**Indemnitor**") under this Section 13 to defend indemnify and hold harmless the other party ("**Indemnitee**") shall be subject to the following: (a) Indemnitee shall provide Indemnitor with prompt notice of the claim giving rise to such obligation; provided, however, that any failure or delay in giving such notice shall only relieve Indemnitor of its obligations under Sections 13.1 and 13.2 to the extent it reasonably demonstrates that its defense or settlement of the claim or suit was adversely affected thereby; (b) Indemnitor shall have control of the defense and of all negotiations for settlement of such claim or suit; and (c) Indemnitee shall cooperate with Indemnitor in the defense or settlement of any such claim or suit, provided that Indemnitee shall be reimbursed for all reasonable out-of-pocket expenses incurred in providing any cooperation requested by Indemnitor. Subject to clause (b) herein, Indemnitee may participate in the defense of any such claim or suit at its own expense. Indemnitor shall not, without the consent of the Indemnitee, enter into any settlement that reasonably can be expected to require a material affirmative obligation of, result in any ongoing material liability to or materially prejudice Indemnitee in any way.

**13.4 Exceptions.** If Merchant is an agency or instrumentality of a state of the United States and is precluded by the law of Merchant's state from entering into indemnification obligations, then the obligations under Sections 13.2 and 13.3 shall apply only to the extent permitted by such state law.

## 14. LIMITATIONS OF LIABILITY AND DISCLAIMERS.

**14.1 LIMITATIONS.** UNDER NO CIRCUMSTANCES; (I) WILL SECURENET PAYMENT SYSTEMS OR ANY OF ITS PARENTS, AFFILIATES OR VENDORS (OR ANY OFFICERS, DIRECTORS, EMPLOYEES OR AGENTS OF THE PARTIES, OR ITS PARENTS, AFFILIATES OR VENDORS) BE LIABLE FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL OR EXEMPLARY DAMAGES (HOWEVER ARISING), INCLUDING, WITHOUT LIMITATION,

DAMAGES FOR LOST REVENUE, LOST PROFITS, ANTICIPATED PROFITS, LOST BUSINESS OR INJURY TO BUSINESS REPUTATION, COST OF PROCUREMENT OF SUBSTITUTE SERVICES, UNDER ANY THEORY OF LIABILITY OR CAUSE OF ACTION WHETHER IN TORT (INCLUDING NEGLIGENCE), CONTRACT OR OTHERWISE, REGARDLESS OF WHETHER IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES; OR (II) WILL SECURENET PAYMENT SYSTEMS'S TOTAL LIABILITY TO MERCHANT, WHETHER ARISING IN TORT (INCLUDING NEGLIGENCE), CONTRACT OR OTHERWISE, UNDER THIS AGREEMENT OR WITH REGARD TO ANY SECURENET PAYMENT SYSTEMS PRODUCTS OR SERVICES, EXCEED THE AGGREGATE COMPENSATION SECURENET PAYMENT SYSTEMS RECEIVED FOR PROVIDING THE SECURECHECK SERVICES TO MERCHANT DURING THE THIRTY DAYS PRECEDING THE DATE ON WHICH THE CLAIM AROSE OR \$1,000, WHICHEVER IS LESS.

**14.2 DISCLAIMER.** EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT, MERCHANT EXPRESSLY AGREES THAT SECURENET PAYMENT SYSTEMS SHALL NOT BE LIABLE FOR ANY LOSS (HOWEVER ARISING, INCLUDING NEGLIGENCE), ARISING FROM OR RELATED TO: (I) MERCHANT'S FAILURE TO PROPERLY ACTIVATE, INTEGRATE OR SECURE ITS MERCHANT ACCOUNT; (II) FRAUDULENT TRANSACTIONS PROCESSED THROUGH ITS PAYMENT GATEWAY ACCOUNT; (III) DISRUPTION OF SECURENET PAYMENT SYSTEMS SERVICES, SYSTEMS, SERVER OR WEB SITE BY ANY MEANS, INCLUDING, WITHOUT LIMITATION, DDOS ATTACKS, SOFTWARE VIRUSES, TROJAN HORSES, WORMS, TIME BOMBS, OR ANY OTHER TECHNOLOGY; (IV) ACTIONS OR INACTIONS BY ANY THIRD PARTY, INCLUDING, WITHOUT LIMITATION, A MERCHANT SERVICE PROVIDER, PAYMENT PROCESSOR OR BANK; OR (V) UNAUTHORIZED ACCESS TO (A) DATA, CUSTOMER DATA (INCLUDING CREDIT CARD NUMBERS AND OTHER PERSONALLY IDENTIFIABLE INFORMATION), TRANSACTION DATA OR PERSONAL INFORMATION BELONGING TO SECURENET PAYMENT SYSTEMS, MERCHANT OR ANY THIRD PARTY AND/OR (B) THE SECURECHECK SERVICES, OR ANY SYSTEM OR PROGRAM ASSOCIATED THEREWITH; OR (VI) THE LIMITATION OF THE

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FUNCTIONING OF ANY SOFTWARE, HARDWARE, EQUIPMENT OR SERVICE.

**14.3 THIRD-PARTY SERVICES.** SECURENET PAYMENT SYSTEMS EXPRESSLY DISCLAIMS ANY LIABILITY FOR ANY AND ALL CLAIMS OF LOSS AND/OR FRAUD INCURRED RESULTING FROM THE USE OF OR CONCLUSIONS DRAWN FROM ANY THIRD-PARTY PRODUCT OR SERVICE, REGARDLESS OF WHETHER OR NOT SECURENET PAYMENT SYSTEMS IS A RESELLER OF SUCH PRODUCT OR SERVICE. .

### 15. General Provisions.

**15.1 Publicity.** The parties may work together to issue publicity and general marketing communications concerning their relationship and other mutually agreed-upon matters, provided, however, that neither party will have any obligation to do so. In addition, neither party will issue such publicity and general marketing communications concerning this relationship without the prior written consent of the other party (not to be unreasonably withheld or delayed).

**15.2 Non-exclusivity.** Each party acknowledges and agrees that the rights granted to the other party in this Agreement are non-exclusive, and that, without limiting the generality of the foregoing, nothing in this Agreement shall be deemed or construed to prohibit either party from participating in similar business arrangements as those described herein.

**15.3 Relationship of the Parties.** The parties are independent contractors and nothing in this Agreement shall make them joint ventures', partners, employees, agents or other representatives of the other party. Neither party shall make any representation that suggests otherwise.

**15.4 Notices.** All notices to Merchant shall be given electronically, sent to the electronic mail address provided by or for Merchant during registration for the SecureCheck Service and/or posted in the Announcement section of Merchant's gateway account, or in writing sent to the address or fax number provided by or for Merchant during registration for the SecureCheck Service,. All notices to SecureNet Payment Systems shall be in writing and sent to SecureNet Payment Systems LLC, 11140 Rockville Pike Suite 640, Rockville, Maryland 20852. To cancel the SecureCheck Service, Merchant must either contact its Merchant Service Provider or send an e-mail to [merchantsupport@SecureNet.com](mailto:merchantsupport@SecureNet.com) with

all information necessary to facilitate cancellation of its account, including, without limitation, name, account number, and phone number. Such written notice will be deemed given upon personal delivery, upon confirmation of receipt if sent by fax, or three (3) days after the date of mailing if sent by certified or registered mail, postage prepaid.

**15.5 Amendment; Modifications.** No amendment, modification, or change to any provision of this Agreement, nor consent to any departure by either party therefrom, will in any event be effective unless the same will be in writing and signed by the other party, and then such consent will be effective only in the specific instance and for the specific purpose for which given. Sales representatives or Merchant Service Providers of SecureNet Payment Systems are not permitted to make any representation or warranty not contained herein and cannot waive, alter, or amend the printed terms and conditions hereof. Notwithstanding the foregoing, SecureNet Payment Systems may amend this Agreement and any policy, guideline or procedure governing SecureCheck Transactions (including, but not limited to, the Operating Procedures and User Guide) at any time upon written or electronic notice to Merchant of not less than ten (10) days prior to the effective date of such amendment; provided that the addition or change of service fees, will become effective upon at least thirty (30) days' notice. If Merchant does not agree to such amendments, Merchant's sole remedy is to immediately terminate this Agreement upon written notice to SecureNet Payment Systems.

**15.6 Severability; Headings.** If any provision of this Agreement is held to be invalid or unenforceable for any reason, the remaining provisions will continue in full force without being impaired or invalidated in any way. The parties agree to replace any invalid provision with a valid provision, which most closely approximates the intent and economic effect of the invalid provision. Headings are used for convenience of reference only and in no way define, limit, construe or describe the scope or extent of any section, or in any way affect this Agreement.

**15.7 Governing Law; Jurisdiction.** This Agreement and performance under it will be interpreted, construed and enforced in all respects in accordance with the laws of the State of California, without reference or giving effect to its conflicts of law principles. Merchant hereby irrevocably consents to the personal jurisdiction of and venue in the state and federal courts located in Santa Clara, California, with respect to any action, claim or proceeding arising out

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of or related to this Agreement and agree not to commence or prosecute any such action, claim or proceeding other than in such courts, except as otherwise provided in Section 15.11 below. No action, regardless of form, arising out of or in conjunction with the subject matter of this Agreement, except for claims involving intellectual property, claims to recover outstanding amounts due SecureNet Payment Systems and claims for indemnification, may be brought by either Party more than one (1) year after the cause of action arose.

**15.8 Waiver.** The failure of any party to insist on or enforce strict performance of any provision of this Agreement or to exercise any right or remedy under this Agreement or applicable law will not be construed as a waiver or relinquishment to any extent of the right to assert or rely upon any such provision, right or remedy in that or any other instance; rather, the same will be and remain in full force and effect. Waiver by either party of a breach of any provision contained herein must be in writing, and no such waiver will be construed as a waiver of any other and/or succeeding breach of such provision or a waiver of the provision itself.

**15.9 Assignment.** Merchant may not assign any of Merchant's rights or delegate the performance of any of Merchant's obligations under this Agreement without the prior written consent of SecureNet Payment Systems.

**15.10 Force Majeure.** SecureNet Payment Systems will not be liable for any losses arising out of the delay or interruption of its performance of obligations under the Agreement due to any acts of God, acts of civil or military authorities, civil disturbances, wars, strikes or other labor disputes, fires, transportation contingencies, interruptions or termination of financial or ACH services to SecureNet Payment Systems by the Bank or any of SecureNet Payment Systems' financial institutions, interruptions in telecommunications, utility, Internet, or network provider services, or other catastrophes or any other occurrences which are beyond SecureNet Payment Systems' reasonable control (each a "Force Majeure Event"). If a Force Majeure Event arises, SecureNet Payment Systems will provide Merchant notice of any such delay or interruption as soon as reasonably practicable and will use commercially reasonable efforts to minimize any delays or interruptions resulting from the Force Majeure Event. In no event will any failure to pay any monetary sum then due under this Agreement be excused for any Force Majeure Event.

**15.11 Telephone Recording.** Merchant acknowledges, agrees and consents on behalf of itself, and its Agents, that SecureNet Payment Systems may monitor and record any customer service telephone conversations at any time, without additional further notice to the parties of such conversations. The decision to record any conversation shall be solely in SecureNet Payment Systems' discretion, and SecureNet Payment Systems shall have no liability for failing to do so.

**15.12 Order of Precedence.** The following order of precedence shall apply to the interpretation and application of this Agreement: (1) SecureCheck Service Agreement, (2) Bank Terms, (3) Operating Procedures and User Guide, and (4) other exhibits.

**15.13 Entire Agreement.** This Agreement, including the Exhibits and Operating Procedures and User Guide, sets forth the entire understanding and agreement of the parties, and supersedes any and all prior or contemporaneous oral or written agreements or understandings between the parties, as to the subject matter of this Agreement. Merchant acknowledges that this Agreement reflects an informed, voluntary allocation between SecureNet Payment Systems and Merchant of all risks (both known and unknown) associated with the SecureCheck Service.

**15.14 Cancellation.** Cancellation fees may apply depending on the agreement with your service provider.

# SecureCheck™ Service Agreement

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## SCHEDULE 1

EFFECTIVE DATE: \_\_\_\_\_

### COMPLIANCE UPDATE FOR ACH ORIGINATORS

In this Schedule “we” and “us” refer to SecureNet Payment Systems and “you” refers to the Merchant.

**Compliance With the NACHA Rules and Law**—By initiating SecureCheck Transactions and thereby causing SecureNet Payment Systems to transmit information about ACH entries to us, you authorize us to transmit, and to debit or credit the amount of, those entries (referred to below as “your entries”) to the Receiver’s account. You agree to be bound by the rules of the National Automated Clearinghouse Association and other relevant clearinghouse associations as in effect from time to time (the “Rules”). You will be considered the Originator of your entries under the Rules. You agree not to initiate entries that violate the laws of the United States.\*

\*IMPORTANT: These laws include, but are not limited to, sanctions enforced by the Office of Foreign Assets Control (OFAC). It is your responsibility to obtain information regarding OFAC enforced sanctions. You may obtain further information from the OFAC Compliance Hotline at (800) 540-OFAC.

**Receiver Authorization**—By requesting (or causing SecureNet Payment Systems request) us to initiate entries, you represent that: (1) The Receiver has authorized you to initiate your entries to the Receiver’s account; (2) In the case of CBR, CCD and CTX entries, the Receiver has an agreement with you to be bound by these rules as in effect from time to time; (3) In the case of debit entries to Consumer Accounts (including, but not limited to, TEL and WEB entries), you have obtained the consumer’s authorization in the form, content and manner required by the Rules; (4) In the case of PPD accounts receivable truncated check debit entries, you have given the notice and verified that the requirements of NACHA OR 2.1.4 have been satisfied; (5) In the case of WEB entries, you have implemented a commercially reasonable fraudulent transaction detection system to screen entries, you have taken commercially reasonable steps to verify the routing number, you establish secure Internet sessions utilizing commercially reasonable technology prior to consumer key entry of banking information, and you have complied with the security audit requirements set forth in the Rules (and you agree to provide us with copies of such audit reports promptly after they are completed); and (6) In the case of TEL entries, you have given the consumer the notices required by the Rules and you have taken commercially reasonable steps to verify the consumer’s identity and routing number. You agree to retain and provide copies or other evidence of such authorizations as required by the Rules or otherwise requested by us.

**Prenotifications** -If you initiate prenotifications, you agree to send them as required by the Rules. If the RDFI indicates it cannot accept such entries, you agree not to initiate the entries.

**Credit Entries**—In the case of credit entries subject to UCC Article 4A (in general, this means non-consumer credit entries), you are hereby notified that: (1) these entries may be transmitted through the ACH; (2) your rights and obligations concerning these entries shall be governed by and construed in accordance with New York law (in all matters between you and us, however, Nebraska law shall govern); (3) credit given by RDFIs to Receivers is conditional until final settlement or payment in accordance with UCC 4A; and (4) if an RDFI does not receive such payment, the RDFI is entitled to a refund from the Receiver and you will not be considered to have paid the Receiver.

**Rejection of Entries; ODFI Exposure Limits**—We may refuse to transmit entries that would violate the general or special exposure limits that we have adopted. We also reserve the right to refuse entries for other reasons, including, but not limited to, insufficient funds in any relevant account.

**Your Entries**—We make numerous warranties and indemnities to third parties concerning your entries and files, as specified in the Rules. You agree to reimburse us for any payments we are required to make to these third parties with respect to your entries or files. You also agree to comply with all of your obligations in Article Three of the Rules

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(Obligations of Originators). If we are fined due to your Rules infractions, you are responsible for reimbursing us for the amount of that fine. You agree not to reinitiate entries except as permitted by the Rules. You agree that reversing entries and reversing files must be transmitted on a timely basis as required by the Rules.

**Special Entries**-Entries based on Paper Items: If you initiate entries based on paper items (for example, destroyed check, re-presented check, POP, or PPD accounts receivable truncated check debit entries), you are responsible for compliance with all requirements of the Rules that pertain to those entries.

This responsibility includes, but is not limited to, responsibility for requirements pertaining to initiation of entries (including rules regarding eligibility of the underlying items) and requirements regarding keeping or providing copies or originals of the underlying items. You also have the responsibility specified in the preceding paragraph with respect to any special warranties or indemnities that we make under the Rules as to these entries.

**Notifications of Change**-You agree to promptly make changes requested in a Notification of Change.

**Returns, Adjustments, Etc.**-All credits given to you or SecureNet Payment Systems are provisional until we receive final settlement. To the extent that any credits are revoked or affected by any third party claim or demand or any other process recognized by the Rules (such as, but not limited to, returns, reversals, adjustments, reclamations, or claims based on breach of any warranty made by Originators or ODFIs under the Rules) or to the extent that we are required to indemnify any Receiver, RDFI or other third party in respect of your entries (collectively, "Special Handling Claims"), you agree to reimburse us. Our right of reimbursement is absolute and unconditional, shall survive any termination of our relationship with you, and shall not, for any reason whatsoever, be subject to any reduction, setoff, defense, counterclaim, deferment or right of recoupment. You must reimburse us even if SecureNet Payment Systems was the cause of the Special Handling Claim. If Special Handling Claims become excessive (in our judgment) we may discontinue services or take other actions that we deem appropriate.

**Effective Date**-This ACH Update is effective as of the date first written above and supersedes and replaces any previous such update.