



First American Payment Systems, L.P.

301 Commerce Street, Suite 2000 • Fort Worth, Texas 76102
817/317-9100 • FAX: 817/317-9191 • www.first-american.net

First American Use Only

CORP.# _____ LOC.# _____ TID # _____

DEBIT PROCESSING AGREEMENT

BUSINESS NAME(S)

MERCHANT CORPORATE NAME:

DBA NAME:

MAILING/BILLING ADDRESS:

PHYSICAL STREET ADDRESS (IF DIFFERENT FROM MAILING ADDRESS):

CITY, ST., ZIP:

CITY, ST., ZIP:

CORPORATE PHONE NO.:

DBA PHONE NO.:

DBA CONTACT:

OWNER OR OFFICER

NAME:

TITLE:

DATE OF BIRTH:

APPLICANT'S SSN#:

HOME PHONE:

RESIDENCE ADDRESS:

CITY:

STATE:

ZIP:

HOW LONG?

FORMER ADDRESS:

CITY:

STATE:

ZIP:

HOW LONG?

TERMINAL PROGRAMMING EQUIPMENT

TERMINAL TYPE:

PINPAD TYPE:

PRINTER TYPE:

OTHER EQUIPMENT:

TOUCH TONE
ROTARY

DOES MERCHANT HAVE CALL WAITING? YES NO
IS CALL WAITING BLOCK AVAILABLE? YES NO

CALL BLOCK CODE:

NUMBER FOR OUTSIDE LINE:

SCHEDULE OF CHARGES

NETWORK NAME:

DEBIT TRANSACTION FEE

ALL AVAILABLE

\$

(Network acquirer fees will be passed through at cost.)

MONTHLY STATEMENT FEE

\$ 10.00

EBT \$.11 PER TRANSACTION

SURCHARGE TRANSACTION TYPE (IF ALLOWED)

(MUST CHOOSE ONE)

SALE

CASHBACK

SALE & CASHBACK

NONE

SURCHARGE AMOUNT

\$

ANY SURCHARGE MUST BE APPROVED BY

FIRST AMERICAN PAYMENT SYSTEMS, L.P.

Bank Information:

Bank Name: _____ Bank Phone Number: _____

Account Number: _____ Routing Number: _____

IMPORTANT NOTICE All information contained in this application was completed or supplied by all contracting parties. No blank spaces were left incompleted. N/A or None is to be filled in any space where applicable. I accept all contractual aspects of this agreement.

MERCHANT UNDERSTANDS THAT THIS AGREEMENT SHALL NOT TAKE EFFECT UNTIL MERCHANT HAS BEEN APPROVED BY FIRST AMERICAN AND A MERCHANT NUMBER IS ISSUED. THE PROVISIONS ON THE REVERSE SIDE OF THIS AGREEMENT ARE A PART OF THIS AGREEMENT. THOSE PROVISIONS MUST BE READ BEFORE SIGNING. BY SIGNING BELOW YOU AGREE TO THE TERMS ON THE FRONT AND BACK OF THIS AGREEMENT.

MERCHANT SIGNATURE _____ FIRST AMERICAN SIGNATURE _____

NAME _____ TITLE _____

TITLE _____ DATE _____ DATE _____

SALESPERSON

OFFICE #

REP #

WHITE COPY = FIRST AMERICAN

YELLOW COPY = SALES OFFICE

PINK COPY = MERCHANT

DEBIT PROCESSING AGREEMENT

Merchant hereby authorizes FIRST AMERICAN in accordance with this DEBIT Processing Agreement to initiate debit/credit/Electronic Benefits Transfer (EBT) entries to MERCHANT's checking account, as indicated below. The authority is to remain in full force until (a) FIRST AMERICAN has received written notification from MERCHANT of its termination in such a manner as to afford FIRST AMERICAN reasonable opportunity to act on it; and (b) all obligations of MERCHANT to FIRST AMERICAN that have arisen under terminals and/or accompanying equipment and/or check guarantee fees, and amounts due for supplies or materials.

THIS AGREEMENT is made by and between First American ("PROCESSOR") and the undersigned "MERCHANT" and shall be effective upon the approval of the PROCESSOR.

WHEREAS: The PROCESSOR is engaged in the business of financial processing which includes, but is not limited to, the processing of and providing for the payment of charges created by the holders of Debit Network Cards, hereinafter referred to as Debitcards, as well as certain other Debit Network Cards; and

WHEREAS: The Processor provides Electronic Benefits Transfer (EBT) processing capabilities which includes acceptance of EBT cards from cardholders that receive food stamp benefits and/or cash benefits from the individual States and/or United States Government.

WHEREAS, MERCHANT hereby affirms this it is engaged in a lawful business and is duly licensed under the laws of the State, County, and City it is located in, to conduct such business; and

WHEREAS: MERCHANT currently accepts debitcards and/or EBT cards for the purchase of goods and services; and

WHEREAS: MERCHANT warrants that it has not been terminated from depositing debitcard and/or EBT card sales by any other PROCESSOR.

NOW THEREFORE, in consideration of the representations covenants and promises made herein, the parties hereto agree as follows:

1. AGREEMENT: This document as well as all other documents executed by MERCHANT, pursuant to the acceptance of the PROCESSOR shall be incorporated herein and attached hereto and shall constitute the entire agreement between the PROCESSOR and the MERCHANT. MERCHANT acknowledges that the PROCESSOR may provide financial transactions hereunder through contracts or subcontracts with third parties engaged in the business of transaction processing and authorization.

2. ACCEPTANCE OF DEBIT/EBT CARDS: MERCHANT agrees to honor all valid debit and/or EBT cards when properly presented for payment by cardholder. Merchant shall not honor expired, counterfeit, or revoked cards, nor honor cards presented by persons other than the proper card holder as identified by the entry of the authorized Personal Identification Number (PIN) assigned to the card.

3. POINT-OF-SALE DEVICES: MERCHANT agrees to utilize a POS electronic terminal in connection with all debitcard transactions processed pursuant to this Agreement. MERCHANT acknowledges that the PROCESSOR shall have no responsibility in connection with acquisition, rental, or servicing of any POS electronic terminal utilized in connection with the processing of debitcard transactions whether leased or purchased.

4. AUTHORIZATION: MERCHANT understands and acknowledges that its floor limit shall be ZERO and that all transactions MUST be authorized.

5. FEES: Merchant agrees to pay the following fees monthly: (a) Statement fee as indicated on the front of this agreement; (b) Transaction fee stated on the front of this agreement for each debit and/or EBT transaction that has been approved or declined; (c) Debit network transaction fees passed through to Merchant at cost.

6. SETTLEMENT: MERCHANT understands and agrees to balance and settle each terminal daily, except on days when MERCHANT's place of business is closed, at a cost of \$.20 per settlement, subject to increase under paragraph 16 of this agreement.

7. PAYMENTS: All payments to the MERCHANT for legitimate and authorized sales, shall be made by the PROCESSOR through the Automated Clearing House (ACH) and shall be electronically transmitted directly to a "Designated Account" of the MERCHANT. MERCHANT understands that payments are transmitted daily, except on weekends and bank holidays. However, the PROCESSOR cannot guarantee the timeliness with which any payment may be credited by MERCHANT's bank. MERCHANT understands that due to the nature of the ACH and the electronic networks involved and the fact that not all banks belong to an ACH, payment to the MERCHANT can be delayed. In such cases, the MERCHANT agrees to assist the PROCESSOR to help resolve any problems in crediting MERCHANT's "Designated Account." In the event that a payment is rejected by MERCHANT's bank or fails to arrive within 5 days from the date of settlement due to problems, which the PROCESSOR may have no control over, then, if payment is otherwise proper, the PROCESSOR agrees to periodically pay by check all funds due MERCHANT until the problem is corrected. All payments to the MERCHANT shall be paid in full, less discount, credits, chargebacks or other fees for which MERCHANT shall be responsible. Said fees shall be deducted from incoming transactions or may be debited against MERCHANT's "Designated Account" at the PROCESSOR's sole discretion.

8. MERCHANT shall set up a system in accordance with the requirements of each debitcard network, to store and maintain sales drafts in such a manner so as to allow MERCHANT to forward, within 24 hours, copies of any sales drafts requested by PROCESSOR

on behalf of card issuer.

9. WARRANTY BY MERCHANT: MERCHANT warrants and agrees that MERCHANT shall fully comply with all federal, state and local laws, rules and regulations, as amended from time to time, including the Federal Truth-In-Lending Act and Regulation Z of the Board of Governors of The Federal Reserve System. MERCHANT warrants and agrees that MERCHANT shall fully comply with all network and PROCESSOR rules and regulations as may be prescribed from time to time.

10. FRAUDULENT SALES/FACTORING: MERCHANT shall never accept or deposit or enter into its terminal, a fraudulent sale, or sales made by any other MERCHANT. MERCHANT represents and warrants to PROCESSOR is a bonafide sale of merchandise or service or both, that the transaction complies with the terms or conditions set out in this agreement, including provisions as to customer identification, that the transaction is in compliance with all governmental rules and regulations pertaining to the subject transaction that the MERCHANT has no knowledge or notice of information which will impair the enforceability or collection of the subject transaction. PROCESSOR may withhold any payments to MERCHANT that have resulted from fraudulent, suspect or other questionable transactions, including transactions varying materially in character or volume from original ticket size or monthly volume disclosed by MERCHANT in this Agreement, until such time as such transactions have been resolved to the satisfaction of the PROCESSOR.

11. DUE CARE: PROCESSOR shall not be liable for special consequential, exemplary, or punitive damages. In no event, shall PROCESSOR's cumulative liability to MERCHANT hereunder exceed the amount of the BANK Processing Fees paid by MERCHANT to PROCESSOR in the prior month.

12. FORCE MAJEURE: The parties to the Agreement shall be released from liability hereunder for failure to perform any of the obligations herein where such failure to perform occurs by reason of any act of God, fire, flood, storm, earthquake, tidal wave, communications failure, sabotage, war, military operation, national emergency, mechanical or electrical breakdown, civil commotion, or the order, requisition, request, or recommendation of any governmental agency or acting governmental authority, or either party's compliance therewith or government proaction, regulation, or priority or any other cause beyond either party's reasonable control whether similar or dissimilar to such causes.

13. GOVERNING LAW: This Agreement shall be governed by and construed in accordance with the laws of Texas or in the event of any assignment by or successor to PROCESSOR then this Agreement shall be governed by the laws of the state where the successor is domiciled; and shall, in addition be subject to the bylaws and operating rules and regulations of all debit networks shown herein. The parties to the Agreement agree to the jurisdiction of any state or federal court located within Tarrant County, Texas, and to service of legal process in accordance with the laws of the State of Texas.

14. ASSIGNMENT: This Agreement may be assigned by PROCESSOR, Pursuant to paragraph 1, PROCESSOR may delegate its obligations hereunder in whole or in part by contract or subcontract with third parties, provided, however, that such obligations shall not relieve PROCESSOR of its obligations hereunder.

15. TERMINATION: The PROCESSOR shall have the right to terminate this Agreement without cause and without notice. The MERCHANT shall give thirty days written notice of termination of this Agreement provided that any monies due the other shall be paid in full and said termination shall not release one from the other until such sums are paid in full.

16. AUTHORIZATION: MERCHANT hereby authorizes PROCESSOR in accordance with this Agreement to initiate debit/EBT/credit entries to its checking account, as indicated herein. The authority is to remain in full force and effect until PROCESSOR has received written notification from MERCHANT of its termination in such manner as to afford PROCESSOR reasonable opportunity to act. PROCESSOR may charge MERCHANT a termination fee if PROCESSOR terminates this Agreement, such fee equal to reasonable and customary costs incurred by PROCESSOR in connection with such termination, but in no event less than \$50.00.

17. ADJUSTMENTS: Discount shall mean a percentage of the total sales deposited to MERCHANT's Account. Transaction fee shall mean a fee charged on each sales and each credit draft regardless of the total stated. PROCESSOR shall have the right to increase charges as necessary to offset any direct or indirect increase to PROCESSOR in the costs of providing the services hereunder including but not limited to increases in the cost of living index or due to, changes in rules, regulations, or operating procedures of a Debitcard network, or any additional requirement imposed of any federal or state governmental agency or regulatory authority, or due to any increase in communication costs charged to PROCESSOR by communications common carriers. Such increases shall, without prior notice, become effective as of the date of change. Adjustments for EBT are not allowed in some states.

18. INVESTIGATIVE CONSUMER REPORT: An investigative or Consumer Report may be made in connection with application. Applicant(s) authorizes PROCESSOR or any credit bureau or any credit reporting agency employed by PROCESSOR or any agents of PROCESSOR to investigate the references given or any other statements or data obtained from MERCHANT, or any of the undersigned principals, for the purpose of this application for accompanying POS terminal(s) or equipment financing.