

MERCHANT ELECTRONIC CHECK RECOVERY AGREEMENT

NSF CHECK RECOVERY SERVICE: this agreement is entered into on _____ (date), by and between _____, Hereafter referred to as Company, and _____

_____ hereafter referred to as Client, to provide electronic re-deposit of checks returned as Non-Sufficient (NSF) or uncollected funds. To provide ACH services according to the Rules and Regulation, Company and Client agree as follows: Client will post a sign at or near the check-out counter that meets NACHA requirements notifying the customer of the Client's intent to electronically debit the customer's bank account if the customer's check is returned for non-sufficient (NSF) or uncollected funds.

Client agrees that Company will hold collected funds in a custodial account for approximately seven (7) days before collected funds are paid to Client. The hold period is required to allow enough time for RDFI (Receiving Depository Financial Institutions) to return those items that return a second time. Company will credit collected funds to Client's bank account on a weekly basis.

Client agrees that if an electronic re-deposit is returned following the seven-day hold period, the amount of the return items will be debited from the Client's bank account. Client will be notified prior to any reversals being initiated. Client must maintain a balance that will cover any reversals.

Client agrees not to accept payment from check writer or recall checks once checks are placed in the system. Client will sign a Release Form authorizing Client's bank to mail returned checks to processor in your area, and that client's bank will not be allowed to re-deposit the paper check. Checks returned for reasons other than NSF or uncollected funds will be 1) returned to the client for further collection, or 2) delivered to secondary collection entity. 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 the Agreement. Company may advise potential users of its service that Client has a relationship with Company. Any dispute between Company and Client shall be submitted to binding arbitration, to be conducted pursuant to the rules of the American Arbitration Association. Any award may include an award for attorneys' fees and costs.

Either party may terminate this Agreement at any time by written notice. Any termination will not affect Company's or Client's rights and obligations arising before the termination.

Company agrees to abide by all UCC and NACHA rules as they apply to electronic check re-presentation and electronic funds transfers in general.

Client will receive a fax, email, or mail weekly of all checks received for processing that week.

Fax #: _____ **email:** _____

Client will supply copy of or an original voided check of account where payment of collected funds is to be made.

Fees. Company charges \$_____ per month to Client for electronic check re-presentation. Company does charge \$5 for client-authorized stop processing or refund request. Company recovers the collection fees as allowed by law in Client's particular state. Company's collection affiliate charges no fees to Client for collecting checks that are forwarded to secondary collection entity as directed by Client for other return reasons, e.g. Account Closed etc. and pays full face value of checks collected monthly. Collection agency charges 50% of statutory service charges if merchant accepts payment for or recalls check. This agreement makes up the entire agreement between Company and Client concerning Company RCK services. If any provision of the Agreement is deemed unenforceable, the remaining provisions will still be enforceable.

Centralized Return Agreement: Client must sign one option!

YES, I want to have **Company** electronically process my return items so that they are not physically returned to my bank and I will not be charged a return item fee from my bank. **Company** has my permission to debit my account for the face amount of any return item and an additional service charge of \$_____ per return item. By signing this I understand I will be charged for the cost of my new endorsement stamp(s) at \$18.00 each. I need _____ stamps and hereby authorize **Company** to debit my account for the total price of the new stamp(s), \$_____. Checks for \$2,500.00 or greater are not eligible for the service.

NO, I am not interested in the Centralized Returns at this time and I wish to have my return items processed through my bank. I understand that I will continue to be responsible for any fees that my bank charges for their service. **This choice authorizes only the NSF CHECK RECOVERY SERVICE.**

X _____ **Date:** _____

BANK RELEASE AUTHORIZATION STATEMENT

Client Information

Merchant Name: _____

Address: _____

City: _____ **State:** _____ **Zip:** _____

Fed I.D. #: _____ **Date of Incorporation:** _____

Business Phone:(_____) _____ **FAX:** (_____) _____

Contact: _____ **Sales Rep:** _____

E-Mail: _____ **Reports: Fax or Email or Mail**

Bank Authorization Form

Effective this date ____/____/____, This authorizes _____ (Merchant's Bank) to mail the authorized NSF Processing Entity listed below all checks that have been given to us by our customers that have been returned (NSF Items) unpaid or uncollected by their bank.

This authorization supersedes and cancels all prior authorization and instructions for check forwarding. This authorization will remain in effect from the effective date forward until the below named bank (1) has received written notice to the contrary.

(1)Merchant's Bank: _____

Address _____

City _____ **State** _____ **Zip** _____

Phone _____ **Fax** _____

Bank Routing #: _____ **Account #:** _____

Authorizing Merchant Signature: _____ **Date:** _____

Printed Name: _____ **Title:** _____

These checks are not to be held or re-deposited. They are to be sent immediately when first dis-honored to:

Please Remit All Return Items To:

Gulf Management Systems
35246 U.S. 19 N. # 132
Palm Harbor, FL 34684

Phone : (800)-947-3156

Fax : (727)-669-7344