



ACH CLIENT AGREEMENT



This contract constitutes the entire Agreement between you, herein referred to as the "Client", and Payliance an Ohio Corporation, herein referred to as the "Company" and sets forth the terms and conditions of your benefits. If you have any questions concerning your benefits, feel free to contact us. We take pride in serving you and welcome your questions.

SERVICES PROVIDED

CLIENT UNDERSTANDS AND AGREES THAT EACH SERVICE LISTED BELOW HAS SERVICE OPERATING RULES. CLIENT AGREES THAT IT HAS READ AND UNDERSTANDS THESE RULES AND IS BOUND BY THE TERMS OF ALL OF THE SERVICE OPERATING RULES FOR EACH SERVICE SELECTED, WHICH MAY FROM TIME TO TIME WITH 30 DAY NOTICE BE AMENDED BY THE COMPANY. SELECTED SERVICE OPTIONS MAY HAVE ADDITIONAL ADDENDA.

ACH PAYMENT SOLUTIONS APPLYS TO: Recurring Payments (PPD), One Time Payments (PPD), and Credit (Refund) Capability

GATEWAY: eProcessing Network SOFTWARE: Emerging Technologies SUBMISSION METHOD: Emerging Technologies coded API of ePN Gateway

ACH SERVICE RATES

# of Locations	Tran Fee Per Item	Discount Rate %	Statement Fee	Monthly Min. Fee	Return Fee	NOC Fee	Unauthorized Return Fee
	\$0.30	0.00%	\$15.00	\$0.00	\$3.50	\$5.00	\$25.00

PROCESSING VOLUME AND LIMITS INFORMATION – ESTIMATE AMOUNTS

Monthly Check Volume Amount?	Average Check Amount?	Largest Check Amount?	Maximum Daily Volume?	Maximum Credit (Refund)?	# Of Returns/Month?
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SERVICE PROVIDED TO

BUSINESS NAME		TAX IDENTIFICATION NUMBER		SIC CODE - EDUCATION – CHILD CARE	
DBA		BUSINESS PHONE NUMBER		BUSINESS FAX NUMBER	
BUSINESS ADDRESS		MAIN CONTACT NAME/TITLE			
CITY		STATE ZIP		EMAIL ADDRESS	
TOTAL YEARS IN BUSINESS		YEARS AT THIS LOCATION		TYPE OF CHILD CARE ENVIRONMENT (i.e. preschool, religious organization, hospital, military, public school, private School, other)	
PRINCIPAL/OWNER		TYPE OF OWNERSHIP: SOLE PROPRIETOR <input type="checkbox"/> PARTNERSHIP <input type="checkbox"/> CORPORATION <input type="checkbox"/>			
HOME ADDRESS		TITLE		HOME PHONE NUMBER	
CITY		STATE		ZIP	
HOME ADDRESS		DRIVERS LICENSE NUMBER		SOCIAL SECURITY NUMBER	
CITY		STATE		ZIP	
CITY		DATE OF BIRTH		% of EQUITY	

ACH Debit and Credit Authorization: CLIENT hereby authorizes its Financial Institution to pay and charge to its account by electronic funds transfer or draft the amount due Company under this Agreement and to accept all credits and debits made to its account. This authorization shall remain in effect until revoked in writing by Client. A voided check must accompany this Agreement.

CLIENT BANKING INFORMATION

FINANCIAL INSTITUTION	ROUTING NUMBER	ACCOUNT NUMBER
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THIS AGREEMENT INCLUDES THE OPERATING RULES ATTACHED HERETO. THIS AGREEMENT HAS BEEN ENTERED INTO ON BEHALF OF & BY THE AUTHORIZED REPRESENTATIVE OF EACH PARTY AS OF THE DATE WRITTEN BELOW AND SIGNED IN MULTIPLE COPIES EACH BEING EFFECTIVE AS AN ORIGINAL. AGREEMENT IS NOT VALID UNTIL SIGNED BY COMPANY REPRESENTATIVE. THIS AGREEMENT INCLUDES ALL OF THE TERMS AND CONDITIONS CONTAINED ON THE BACK AND ATTACHED RECITALS OF THIS AGREEMENT. THIS AGREEMENT HAS BEEN EXECUTED ON BEHALF OF AND BY THE AUTHORIZED MANAGEMENT OF EACH PARTY AS OF THE DATE BELOW. CLIENT AUTHORIZES COMPANY OR ANY CREDIT REPORTING AGENCY BY COMPANY OR AGENT OF COMPANY, TO MAKE WHATEVER INQUIRIES THAT COMPANY DEEMS APPROPRIATE TO INVESTIGATE, VERIFY OR RESEARCH REFERENCES, STATEMENTS OR DATA OBTAINED FROM CLIENT FOR THE PURPOSE OF THIS APPLICATION.

PERSONAL GUARANTEE: TO INDUCE AND IN CONSIDERATION OF COMPANY ACCEPTANCE OF THE ELECTRONIC CHECK TRANSFER PORTION OF THIS AGREEMENT, THE UNDERSIGNED (HEREIN REFERRED TO AS "GUARANTOR") UNCONDITIONALLY, PERSONALLY, INDIVIDUALLY, JOINTLY AND SEVERALLY GUARANTEES PERFORMANCE OF THE CLIENT'S OBLIGATIONS UNDER THIS AGREEMENT AND PAYMENT OF ALL SUMS DUE THERE UNDER AND HEREBY CONTINUES TO PERSONALLY INDEMNIFY COMPANY FOR ANY AND ALL FUNDS DUE FROM CLIENTS UNDER THE TERMS OF THIS AGREEMENT. ACH DEBIT/CREDIT AUTHORIZATION: CLIENT HEREBY AUTHORIZES BANK IN ACCORDANCE WITH THIS AGREEMENT TO INITIATE DEBIT/CREDIT ENTRIES TO CLIENT'S CHECKING ACCOUNT, AS INDICATED PER THE ATTACHED COPY OF A VOIDED CHECK FROM SAME. THE AUTHORITY IS TO REMAIN IN FULL FORCE AND EFFECT UNTIL (A) BANK HAS RECEIVED WRITTEN NOTIFICATION FROM CLIENT OF ITS TERMINATION IN SUCH A MANNER AS TO AFFORD BANK REASONABLE OPPORTUNITY TO ACT ON IT, AND (B) ALL OBLIGATIONS OF CLIENT TO BANK/COMPANY TO HAVE ARISEN UNDER THIS AGREEMENT HAVE BEEN PAID IN FULL.

FOR CLIENT:	FOR COMPANY:	
AUTHORIZED PRINTED NAME/TITLE	SALES REPRESENTATIVE COMPANY NAME :	AGENT ID
AUTHORIZED SIGNATURE	INDIVIDUAL SALES REPRESENTATIVE NUMBER:	
	COMPANY MANAGEMENT SIGNATURE:	

ACH Client Operating Rules

SERVICES

Payments by Phone (TEL). When a customer call Client to make payment, Client electronically debits the customer's checking account with this module. Company electronically debits funds from customer's checking account on behalf of Client via the ACH Network for the purpose of securing payment for Client's goods or services. Client must give notice to the customer and obtain the customer's authorization for all transactions submitted for ACH. Such authorization shall consist of a voice recording of customer's authorization or written notification to proceed with the transaction. Said voice recording or written notice shall be stored for 2 years from the date of the transaction settlement date using commercially reasonable methods to secure the same. Client shall make this information available to Company upon demand. Company will provide Client with the language of the required notices.

Payments by Web (WEB). Company electronically debit funds from the customer's checking or savings account on behalf of Client via the ACH Network for the purpose of securing payment for Client's goods or services on customer initiated purchase transactions over the Client's Web site via the Internet. When instructed by Client, Company will credit customer's checking account on behalf of Client for the purpose of processing customer refunds and returns by Client. Client agrees to submit electronic credit transactions only in conjunction with refunds or returns of customer purchases initially transacted utilizing an ACH debit at Client's Web site. All other submissions of electronic transactions by Client shall require written approval from Company.

Planned/Recurring Payments (PPD). Company will electronically debit funds from a customer's account on behalf of Client via the Automated Clearing House (ACH) Network for the purpose of securing recurring payments for Client's goods or services. Client hereby acknowledges and agrees that in order to utilize PPD services, its customers must have (a) authorized the transaction as a direct payment for recurring or multiple payments, or (b) authorized the transaction as a one-time debit for a purchase or payment, and (c) provided account information including routing number and transit number. Client agrees to store the customers' authorizations and account information for 2 years following the transaction settlement date using commercially reasonable methods to secure the same and shall make this information available to Company upon demand.

Bundled Payments (RCK, POP, PPD, BOC, TEL, WEB). Company will electronically process batch file on behalf of Client via the ACH Network for the purpose of securing payment for Client's goods or services. **Electronic Recovery (RCK).** Client authorizes Company to collect Client's returned items plus any NSF fees permitted by state law directly from the check writer's bank account. Client shall execute a bank authorization directing Client's bank to forward all returned items directly to Company. Client may accept checks under its own terms and conditions. Company does not guarantee the recovery or payment of the returned items. Client also authorizes Company to refer any returned items to a recovery agency or attorney for recovery, under terms consistent with this Agreement. Client shall be paid an amount of money equal to the face-value of the returned item, and Company shall retain the bad check fee as its compensation for its recovery services.

GENERAL TERMS

Term, Termination and Amendment. The initial term of this Agreement shall expire on the 1-year anniversary of the date Client executed this Agreement. Thereafter, this Agreement shall renew automatically for successive 1-year terms unless terminated by either party with 30 days written notice prior to renewal. Early terminations are subject to a cancellation fee of \$95. (Cancellation fees are waived for Emerging Technologies' customers)

Pricing and Payment. Client shall make payment to Company for fees and expenses pursuant to the Product Service Rates set forth in this Agreement. Company fees and expenses will be billed monthly and Client authorizes Company to electronically debit Client's bank account to which Client's payments and recoveries are credited, or to other account mutually agreed upon. Billing will occur on the 1st business day after the 5th day of each month, and the account will be debited on the 1st business day after the 15th day of each month. Accounts not collected within 31 days after billing will accrue interest at the rate of 1% per month beginning on the 31st day after billing until paid in full and Client agrees to pay Company a state-allowed fee for any debits to Client's account which are not honored because of insufficient funds.

Fees, Rates, and Charges. Client shall pay Company the fees and rates set forth or amended by the terms of this Agreement, plus all applicable taxes for services rendered. If the amount set forth as the Monthly Minimum Fee is greater than Client's transaction fees and discounted rate, the Monthly Minimum Fee shall apply. The Transaction per Item is the flat fee incurred on each check processed through Company (excluding RCK). If Company determines that Client is not profitable, Company reserves the right to change (a) Monthly Minimum Fees, (b) Inquiry Rate, (c) Discount Rates, (d) Transaction per Items and (e) Statement Fees at its discretion, by giving written notice to Client. If applicable, the Monthly Minimum Fee will apply beginning the first full month after the execution of this Agreement.

Payment. All fees and charges are due and payable upon receipt. A delinquency charge of 1½% per month shall be added to the outstanding balance of any account 30 days delinquent. Without prejudice to all rights stated in Pricing and Payment Paragraph above, Company reserves the right to suspend its service and obligations to Client, including the payment of all checks previously authorized, during any period in which Client's account is delinquent. Continuance of service and payment during any period of delinquency shall not constitute a waiver of Company's rights of suspension and termination. Any delinquent fees or other amounts not paid by Client when due, including rejected items, may be debited against any amounts due Client from Company. A Returned Item Fee will be assessed for any check or ACH item which is returned by Client's bank for any reason. Return Item Fees will be equal to the state allowed fee in the state in which the Client is located. Company reserves the right to deduct payment from the Client's claims in the event that the Client's account becomes delinquent after 30 days.

Credit Law Compliance. Client acknowledges and understands that it has certain obligations and responsibilities under the FCRA. Client qualifies as "User of Information" and "Furnisher of Information" as defined by the Federal Trade Commission and agrees to comply fully with these requirements and with the FCRA. Client certifies that it has a legitimate business need, in connection with a business transaction involving the check writer, to receive the information provided by Company and that such information will only

be used for permissible purposes in accordance with the FCRA and applicable state laws. Client agrees that the information will not be used for employment purposes and will not be used for any purposes other than the business transaction between Client and customer. Client agrees that neither it or its agents or employees will disclose the results of an inquiry made to Company except to the person about whom such inquiry is made and in no case to any other person outside Client's organization. If Client decides to reject any check either wholly or partly because of information obtained from Company, Client agrees to provide the customer with all information required by the FCRA and Company.

Legal Responsibility. In the event of Client's violation of any of the terms of this Agreement or its addenda, Client agrees to pay all costs, including reasonable attorneys' fees, for steps taken by Company to preserve, defend or enforce its rights. In the event of any legal action with third parties, customers, businesses or regulatory agencies concerning any transaction or event arising under this Agreement, Client agrees to: (a) immediately notify Company of the claim or legal action; (b) cooperate with Company in the making of any claims or defenses; (c) provide any information deemed important or relevant by Company or its attorneys; (d) make available at least one employee or agent who can testify regarding said claims or defenses; and (e) assist in the full resolution of the claim. Company and Client shall each be responsible for its own attorney's fees and court costs except as otherwise provided by this paragraph. Except as expressly set forth herein, Company makes no warranty, express or implied, and it is agreed that no implied guarantee shall arise from performance by Company under this Agreement.

Governing Law and Integration. This Agreement plus any addenda attached hereto is the entire Agreement between Client and Company concerning its subject matter and supersedes all previous representations, understanding and agreements in relation to its subject matter. This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio.

Severability. If any provision of this Agreement or its addenda, or application of such provision to any circumstance or person is declared by a court of competent jurisdiction to be invalid, illegal or unenforceable for any reason, such provision shall be substituted by a new provision as similar as possible to the provision declared invalid, illegal or unenforceable. All other provisions shall remain valid and fully enforceable.

Survivability. All representations, covenants, and indemnities made herein shall survive the termination of this Agreement and shall remain enforceable after such termination.

Waiver. All rights and duties within this Agreement are material, relevant and important. No waiver of any rights hereunder shall be deemed effective unless specifically set forth in writing and executed by the waiving party. Client and Company agree that delay or failure to exercise any right hereunder on the part of either party shall not operate as a waiver to further exercise such right. Client and Company agrees that no single or partial exercise of any right hereunder shall preclude its further exercise.

Indemnification. Client agrees not to accept payment for checks processed through Company. Client agrees to promptly inform Company of the recovery or dispute of any check and to hold Company harmless from any liability arising from Client's failure to do so. Client agrees that a decision to reject any check for its goods or services shall be solely Client's own responsibility. Client shall defend, save and hold harmless Company from all liability resulting directly or indirectly from any disclosure or act forbidden or required by this Agreement or by applicable law. In no event shall Company be liable to Client or to any other person for any loss or injury to earnings, profits or goodwill or for incidental or consequential damages. Company shall not be held responsible for any failure or delays or suspension of service caused by power or mechanical failure, fire, strikes, labor difficulties, inability to operate or obtain service for its equipment, acts of God, unusual delay in transportation or other causes reasonably beyond the control of Company. Notwithstanding anything to the contrary in this Agreement, in no event shall Company's liability under this Agreement exceed the total amount of fees paid to Company by Client pursuant to this Agreement during the preceding 12-month period.

Legal Process. After exhausting its electronic recovery efforts, at Company's option, returned check or failed transactions may be referred to traditional recovery or an attorney for recovery. After recovery of 100% of the all monies due, including attorney's fees, Client will receive 70% of the principle amount of the returned check. **Checks Returned to the Client.** Company will return any unpaid check item or, at the discretion of Company, an imaged copy thereof, to Client upon request. There is no charge for a check returned within 30 days of listing by Company. Thereafter, at the Company's discretion, Company will be entitled to receive \$10.00 for each month the returned item has been maintained in the check recovery system not to exceed the maximum returned check service fee allowed by state law. Returned items cannot be returned after referral to traditional recovery or to an attorney for recovery as set forth in the Legal Process section above. **Retention of Checks.** Upon termination of this Agreement, Company will retain returned items for a period not less than 1 year.

Point-of-Sale Notification. Client is required to conspicuously post notice of returned check service charges at all Client point-of-sale locations. Company agrees to provide Client with copies of such required notice.

Client Compliance. Client agrees to comply with current NACHA rules and regulations ("Rules") regarding the processing of check transactions, including, but not limited to, the following: (a) check writer authorization for electronic settlement of check writer checks, either in writing or in an electronic format that the customer can print; (b) check writer authorization for returned check service charges; (c) retention, storage, retrieval and destruction of check writer transactions and authorization; (d) electronic settlement of corporate or other business entity checks; (e) limitations on check writer check amounts; (f) utilization of a system that includes fraud detection elements, data encryption of at least 128-bit SSL, and RDFI routing number verification; and (g) performance of annual audits to verify physical security of data and personnel access to data and network security, the results of which must be made available to the originating depository financial institution and Company upon request. Copies of all such Rules will be made available to Client by Company upon Client's request. Such Rules are hereby made part of this Agreement and incorporated herein by this reference. Client further agrees to comply with all applicable state and federal laws, statutes and regulations affecting the recovery of checks.

Security Check transfers all or substantially all of its business and assets. All provisions contained in this Agreement shall extend to and be binding upon the parties hereto or their respective successors and permitted assigns.

RESERVE ACCOUNT

A. Establishment. Company will establish and maintain a non-interest bearing deposit account ("Reserve Account") initially or at any time in the future as Company deems necessary, with sums sufficient to satisfy Client's current and future obligations as determined by Company. Client authorizes Company to establish such Reserve Account and to debit the Bank account identified on the attached Client Agreement ("Client Account") or any other account it has with any financial institution to establish or maintain funds in the Reserve Account. Company may deposit into the Reserve Account funds that would otherwise be obligated to pay Client, for the purpose of establishing, maintaining, or increasing the Reserve Account in accordance with this section, if it determines such action is reasonably necessary to protect its interests.

B. Application. Company may, without notice, apply deposits in the Reserve Account against any outstanding amounts owed under this Agreement or any other agreement between Client and Company. Also, Company may exercise their rights under this Agreement against the Reserve Account to collect any amounts due to Company including, without limitation, rights of set-off and recoupment. In the event of any legal action with any regulatory agencies against the Merchant resulting in the suspension of processing and/or freezing of Merchants' processing related assets, the Company may assess an administrative fee to cover expected expenses related to the suspension. The Company, at its sole discretion, will determine the amount of the fee which will not exceed the amount in the Reserve Account.

C. Funds. Funds in the Reserve Account will remain in the Reserve Account until 180 days following the later of termination of this Agreement or Client's last transmission of electronic credit or debit entry to Company, provided, however, that Client will remain liable to Company for all liabilities occurring beyond such 180 day period. After the expiration of such 180 days period Client must provide Company with written notification indicating Client desires a release of any funds remaining in the Reserve Account in order to receive such funds. Starting at the expiration of such 180 day period, either a \$200 or 10% per month administration fee may be assessed against any funds remaining in the Reserve Account, whichever is greater. Client agrees that it will not use funds in the Reserve Account for any purpose, including but not limited to paying charge backs, fees, lines or other amounts owed to Company under this Agreement. Company shall have full control of the Reserve Account.

D. Assurance. In the event of a bankruptcy proceeding and the determination by a court that this Agreement is assumable under the Bankruptcy Code, as amended from time to time, Client must establish or maintain a Reserve Account in an amount satisfactory to Company.

INITIALS: _____