



iTransact

Automated Clearing House (ACH) Agreement

Merchant Name:			Gateway ID:	Reseller Id:
Address:			Merchant ID:	
City:	State:	Zip:	Federal Tax ID:	State Tax ID:
Telephone:	Fax:		Email:	Web Address:

Principal(s) / Individual(s)				
Name (1):		DOB:	Title:	% of Ownership:
Residence Address:		City:	State:	Zip:
Residence Telephone #:		Social Security #:	Drivers Lic. #:	State:
Name (2):		DOB:	Title:	% of Ownership:
Residence Address:		City:	State:	Zip:
Residence Telephone #:		Social Security #:	Drivers Lic. #:	State:

Trade References			
Business Name:	Address:	Contact	Phone #
Business Name:	Address:	Contact	Phone #
Business Name:	Address:	Contact	Phone #

Bank References			
Bank Name:	Address:	Account #:	Phone:
Bank Name:	Address:	Account #:	Phone:

Estimated Transaction Volume and Threshold Parameters			
Maximum Monthly Transactions:	Maximum Monthly Amount:	Maximum Single Amount:	Maximum Daily Transactions:

Return Thresholds	
Zero Amount	Notification of Change and Rejected Prenote Items
Standard	All Positive Value Items Excluding High Risk
High Risk	Customer Advises Not Authorized, Authorization Revoked and Stop Payment
Total	

Fees					
Per Transaction:	Per Return:	Discount Rate:	Monthly Maintenance:	Chargeback Fee:	Application/ Setup:
			\$15.00	\$15.00	

Counterparts - This Agreement may be executed in any number of counterparts with the same effect as if the parties had all signed the same document. All counterparts shall be construed together and shall constitute one agreement.

Binding Contract - This Agreement, which includes Schedule A, ACH Agreement Terms and Conditions, shall be binding on both parties only upon execution by an authorized representative of First American Payment Processing, Inc.

Personal Guarantee - To endure and in consideration of First American's acceptance of the merchant application, the undersigned unconditionally guarantees performance of the merchant's obligation under this merchant agreement and payment of all sums due thereafter and, in the event of a default, hereby waives notice of default and agrees to indemnify First American for any and all funds due from merchant pursuant to terms of this agreement.

First American Payment Processing, Inc.

Authorized Signature

Name (Print or Type)

Title

Date

Merchant Name: _____

X

Authorized Signature (Duly Authorized Officer Only)

Name (Print or Type)

Title

Date

SCHEDULE A: ACH AGREEMENT TERMS AND CONDITIONS

AUTHORIZATION

As a duly authorized representative for the Company named above, I authorize the account above to be debited and/or credited by FIRST AMERICAN according to the ACH Agreement Terms and Conditions. I further authorize FIRST AMERICAN to process electronic funds transfers as a Third Party Originator through the account listed above. This authorization is also applicable for any new account information provided by me at a future date. I agree to be bound by the ACH Agreement Terms and Conditions as stated or elsewhere in this agreement. I agree to provide new account information to FIRST AMERICAN at least 10 days prior to closing or changing the above account.

CANCELLATION

Either party may cancel this agreement with 30 days written notice to the other party.

CONSUMER CREDIT INQUIRIES

A credit report may be made in connection with this application. Applicant(s) authorize FIRST AMERICAN, or any credit bureau or any credit reporting agency employed by FIRST AMERICAN or any agents of FIRST AMERICAN to investigate the references provided or any other statements or data obtained from the Company, or any of the above principals, for the purpose of this application.

FIRST AMERICAN and Client have contracted for FIRST AMERICAN to provide Automated Clearing House ("ACH") services as a third party processor of ACH transactions. These transactions will be placed through a financial institution used by FIRST AMERICAN who will be acting as the Originating Depository Financial Institution ("ODFI"). FIRST AMERICAN will debit funds ("Debit Entry") for the purpose of collecting Automatic Payments from the accounts of the Client's customers ("Receivers") and/or credit funds ("Credit Entry") for the purpose of paying the Client's accounts receivable in accordance with the terms of this agreement, the Operating Rules ("Rules") of the National Automated Clearing House Association ("NACHA"), and applicable Federal regulations ("Regulations") governing ACH transactions. The terms and conditions of this Agreement do not limit Client's obligation to comply with the Rules. "Entry" or "Entries" shall mean either a Credit Entry or a Debit Entry.

CLIENT RESPONSIBILITIES

AUTHORIZATION. Client agrees to obtain authorization from Receivers' prior to debiting and/or crediting Receivers' accounts. Client will maintain copies of the authorizations as necessary to resolve disputes for a period of two years.

REPRESENTATIONS. Client represents and warrants with respect to all Entries originated by FIRST AMERICAN for the Client that (1) each Receiver has authorized the debiting and/or crediting of its account, (2) each Entry is for an amount agreed to by the Receiver, and (3) each Entry is in all other respects properly authorized. Client agrees to indemnify FIRST AMERICAN for any losses, liabilities, costs or expenses suffered or incurred as a result of the breach of these representations and warranties.

IDENTIFYING NUMBERS. Client understands that FIRST AMERICAN may rely solely on identifying numbers provided by the Client to determine the bank and account of a Receiver even if the numbers identify a bank or account holder different from the one identified by the Client by name. Client will indemnify FIRST AMERICAN for any losses, liabilities, costs or expenses suffered or incurred as a result of an incorrect account of other identification.

REGULATORY COMPLIANCE. Client bears the final responsibility to insure that the Client's policies and procedures meet the requirements of the Rules and Regulations. Client is encouraged to consult counsel regarding compliance with authorization and payment procedures whenever there is any doubt about compliance.

NOTICE OF ERRONEOUS UNAUTHORIZED

TRANSFERS. Client agrees to promptly and regularly review all entries and other communication received from FIRST AMERICAN and to immediately notify FIRST AMERICAN if there are any discrepancies between client's records and those provided by FIRST AMERICAN, the ODFI or your bank, or with respect to any transfer not authorized by Client. If Client fails to notify FIRST AMERICAN within 7 days of the date FIRST AMERICAN mails or otherwise provides a statement of account or other report of activity to Client, then the Client will be responsible for all losses or other costs associated with any erroneous or unauthorized transfer.

FIRST AMERICAN RESPONSIBILITIES

ACCEPTING TRANSACTIONS. FIRST AMERICAN will only be responsible for processing Entries that have arrived at our premises in proper format and on a timely basis. FIRST AMERICAN will advise Client of any applicable cut-off time. Client does not have the right to cancel or amend any entry after submission to the ACH.

ORIGINATING TRANSACTIONS. FIRST AMERICAN will use the information provided by the Client to originate Entries to the ACH. Client acknowledges understanding that FIRST AMERICAN may reject Entries for any reason permitted or required in the Rules or Regulations. Client also understands that entries or files may be rejected which exceed the threshold parameters identified and set for the Client. Client also understands that an Entry may be rejected if the Entry would cause FIRST AMERICAN to violate any Federal Reserve or other regulatory risk control program or any other law or regulation. At Client's request FIRST AMERICAN will make reasonable efforts to reverse, modify, or delete an entry, but will have no responsibility for the failure to comply with that request. All request must be made in writing and faxed, delivered, or mailed to FIRST AMERICAN.

RETURNED ENTRIES AND NOCS. FIRST AMERICAN will apply returned entries to Client's account when they are received. FIRST AMERICAN will create and make available to the Client a report containing detailed information about returned Entries. If the Client requests that the returned Entries be provided electronically, FIRST AMERICAN may do so according to the rules and regulations regarding those transactions.

SETTLEMENTS AND FINALITY. Client's account will settle 5 business days following the effective date of Entries originated. If any Entry is returned beyond this settlement, FIRST AMERICAN will at FIRST AMERICAN's discretion, either apply the debit to the current day's settlement, or debit the Client's account for the amount of the returned Entry plus associated fees.

LIMITS OF LIABILITY. FIRST AMERICAN will be responsible for the performance of ACH services as a Third Party Processor in accordance with the terms of this Agreement and the Rules and Regulations. FIRST AMERICAN will not accept responsibility for errors, acts, or failure to act by others, including but not limited to, banks communication common carriers or clearing houses through which Entries may be passed and/or originated. FIRST AMERICAN will not be responsible for any loss, liability or delay caused by fires, earthquakes, war, civil disturbances, power surges or failures, acts of governments, labor disputes, failures in communication networks, legal constraints or other events beyond the control of FIRST AMERICAN.

ADDITIONAL TERMS AND CONDITIONS

FEES AND PAYMENT. FIRST AMERICAN will notify Client in writing of fees due for services rendered. Any changes to the existing fee structure as stated in this Agreement must be made in writing to the Client with 30 days notice. Client has the right to cancel the agreement in writing at that time. Client also agrees to provide FIRST AMERICAN the information necessary to ACH debit Client's account(s) for fees due.

VOLUME ANALYSIS. FIRST AMERICAN will routinely analyze Client origination and return activity. In the event the Client exceeds its established threshold parameters or ceases to do business with FIRST AMERICAN, FIRST AMERICAN shall have the right at any time to place a percentage of the provisional or final credit provided to Client for each Debit Entry originated by it in Escrow for a period of 180 days after the last return.

CONFIDENTIALITY. Each party represents, warrants and mutually agrees that all information concerning the other party which comes into its possession during the term of this Agreement shall be maintained as confidential and shall not be used or divulged to any other party except as necessary to permit the activities contemplated under this Agreement or as required by law.

GOVERNING LAW. This Agreement is governed by, and shall be construed under, the laws of the State of Arizona without regard for the principles and conflicts of law.

ARBITRATION. Any dispute between the parties 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 attorney fees and costs.

AGREEMENT MODIFICATION AND TERM. Notice will be made in writing before this agreement can be modified. Use of services after any such modification will evidence acceptance of the modification(s). Agreements may be terminated at any time with 30 days written notice. Any termination will not affect the rights or obligations of either party arising before termination of this Agreement.

DAMAGE WAIVER. FIRST AMERICAN will not be liable to the Client for any special, consequential, indirect or punitive damages, whether or not (1) any claim for these damages is based on tort or contract law or, (2) either party knew or should have known the likelihood of these damages in any situation. FIRST AMERICAN makes no representations or warranties other than those expressly made in this Agreement.

RESERVE BALANCE. For Clients where Reserve Escrow Accounts are required, Client acknowledges that an amount equal to ___ percent of highest monthly origination total amount will be held in escrow by FIRST AMERICAN. This amount will remain in escrow for a period of 180 business days following the last debit transaction initiated by Client. Client acknowledges that this escrow account will be used to fund any and all returned items. Client acknowledges that no amount of this escrow account can or will be refunded until such time that this agreement is terminated. For purposes of funding the escrow account, FIRST AMERICAN agrees to deduct an amount equal to no more than ___ percent of each debit origination until such time that the entire ___ percent reserve escrow amount is reached.

FUNDING POLICY. Client acknowledges that funding for each origination will be delayed for 5 business days, and the amount disbursed will be the origination amount less returned items, processing fees, any reserve amount as required. Client must maintain at least 5 business days worth of unfunded transactions with FIRST AMERICAN. Unfunded amount may not be less than 12.5 percent of the highest consecutive 30 business day average

ENTIRE AGREEMENT. This Agreement makes up the entire Agreement between the parties concerning ACH services. If any provision of this Agreement is deemed unenforceable, the remaining provisions shall still be enforceable. There are no third party beneficiaries of this Agreement.

First American Payment Processing, Inc.

Authorized Signature

Name (Print or Type)

Title

Date

Merchant: _____

X

Authorized Signature (Duly Authorized Officer Only)

Name (Print or Type)

Title

Date