

ACH PROCESSING SERVICES AGREEMENT

ECheck Processing

This ACH Processing Services Agreement ("Agreement") is made and entered into by and between **Certified Payments No. 1, Ltd., by and through its General Partner, Certified Payments, Inc.**, a Texas Corporation, with offices located at 3410 Midcourt Rd., Suite 136, Carrollton, TX 75006 ("**Certified**") and Collin County TX Tax Collector, 2300 Bloomdale, McKinney, TX 75071 ("**Agency**").

RECITALS

WHEREAS, Agency desires to accept payments from its customers ("Customers") by electronic ACH ("ACH Entries") through a third party ACH Service Provider;

WHEREAS, Certified provides third party ACH Processing Services ("Services") on behalf of Agency pursuant to ACH Origination Service Agreements with Originating Depository Financial Institutions ("ODFI"), agreements with ACH Originators ("Originators") and other agreements with other parties that are a part of the ACH process (collectively "Participants").

WHEREAS, Agency desires to employ Certified to act on behalf of Agency in providing such services and Certified desires to provide such Services subject to the terms and conditions set forth in this agreement.

NOW THEREFORE, the Agency and Certified agree as follows:

1. **DEFINITIONS**: As used herein, the following terms have the meaning set forth below:

"ACH" (Automated Clearing House) is a clearing and settlement facility for the interchange of electronic debits and credits among financial institutions.

"ACH Entries" are the electronic transactions initiated and authorized by Agency's customers and processed by Certified.

"ACH Network" means the funds transfer system governed by the Rules of NACHA which provides for the interbank clearing of electronic entries for participating financial institutions.

"ACH Origination Service Agreement" shall mean the contractual agreement between Certified and an ODFI.

"ACH Returns" is the process of returning and settling funds that were dishonored by the RDFI and returned to the ODFI.

"Agency Bank" is the Depository Financial Institution where the Agency Bank account is maintained for Certified's access to settle financial payment transactions under this agreement.

"Agency Bank Account" is the Bank account Agency has established with Agency Bank for settlement of ACH credit and debit entries provided under the terms of this agreement, and identified as **Exhibit B** attached hereto. The Bank account will also be used for credits and debits incurred in connection with any reversed or returned electronic ACH entries.

"Convenience Fee" means the fee charged by Certified to Agency's customers for the convenience of using the ACH Processing Services in making the Agency's payment.

"Customer" means Agency's customer who submits a payment through Certified for processing through the ACH Network.

“MXP” means Mid-America Payment Exchange.

“NACHA” means the National Automated Clearing House Association that establishes the standards, rules and procedures that enable depository financial institutions to exchange ACH payments on a national basis.

“NACHA Rules” means the then-current National Automated Clearing House Association (“NACHA”) ACH Operating Rules and Operating Guidelines published by NACHA.

“Net Total” is the net amount of ACH debits, credits and return Entries (in US Dollars) contained in the ACH Batch.

“ODFI” means the originating depository financial institution which accepts and processes debit and credit entries for distribution to an automated clearing house.

“Originator” means the person or organization that has authorized an ODFI to transmit a credit or debit entry to the account of a receiver with an RDFI or to the RDFI. In some cases, the ODFI may also be the originator.

“RDFI” (Receiving Depository Financial Institution) means a receiving depository financial institution intended to be the end recipient of either debit or credit entries to the account of a Recipient.

“Recipient” means any person or entity which has authorized Certified to originate electronic debit or credit entries to be posted to its account at a depository financial institution.

“Rules” means the combined MXP Rules, the NACHA Rules, the ODFI and Originator Rules as well as those rules of the Federal Reserve which apply to or govern the provision of the Services.

“Settlement Account” means a demand deposit account at the ODFI Bank, designated by Certified as the account to be used for, and in conjunction with Certified’s automated clearing house transactions.

2. CERTIFIED’S OBLIGATIONS

- A. Certified will process Agency Payments from Agency’s Customers through web initiated ACH entries and when available, through telephone initiated transactions.
- B. In consideration of Certified’s provision of services hereunder, Certified may charge Agency’s Customers a Convenience Fee for each Agency payment processed. The Fee will be collected in addition to the corresponding Agency Payment. **Exhibit A** attached hereto details the Schedule of Fees that Certified may charge Agency’s Customers.
- C. Certified will originate and transmit two single-entry transactions, the Agency Payment and the corresponding Convenience Fee payment (“ACH Entries”) to ODFI for processing through the ACH system pursuant to the ACH Origination Service Agreement between Certified and ODFI.
- D. Certified will obtain express authorization from the Customer prior to initiating a debit to the Customer’s account. Customer’s express authorization allows Certified to instruct ODFI to initiate an electronic debit entry for Certified against Customer. It also permits Certified to reinitiate an Entry where the original Entry is returned and to assess a collection fee against Customer.
- E. The express authorization will be identified as an ACH debit transaction and will identify both the payment amount to the agency and the convenience fee payment. The authorization clearly states the terms of the ACH debit and encourages the customer to print and retain a copy of the authorization. The Customer must

authenticate the authorization by signing and accepting the terms of the ACH Debit Authorization Agreement. Certified will store a copy of the authorization and produce a copy upon request.

- F. Certified will provide each Customer with electronic confirmation of the Agency Payment and corresponding convenience fee.
- G. Certified will transmit ACH Entries by batch to the ODFI according to a pre-determined schedule agreed upon by Certified and the ODFI.
- H. Certified will generally transmit settlement to Agency's bank within 48 to 72 hours of the receipt of the ACH Entry. Certified will transmit a Net Total deposit to Agency's Bank account. Agency hereby authorizes Certified to initiate debit and credit entries to Agency's Bank Account. Certified shall retain all Convenience fees and any collection fees collected by it hereunder.
- I. Agency will immediately reimburse Certified in connection with any reversed or rejected electronic entries or for any shortfalls or amounts Certified is unable to collect from Agency's customers.
- J. Certified will provide Agency with ACH payment data and reports summarizing the use of the Services by Customers for a given reporting period. Agency will have the ability to import such payment data utilizing Microsoft Excel, Microsoft Access, a comma-delimited file ("CSV") or XML file.
- K. Certified will retain all logs and data for such period of time as required by applicable law and the rules and regulations of NACHA and Certified's ODFI.

3. AGENCY'S OBLIGATIONS

- A. In addition to this Agreement, Agency agrees to enter into and any and all applicable agreements that are required to perform the services hereunder.
- B. Prior to Certified's commencement of services, Agency will complete in full and sign all necessary paperwork that Certified puts forth.
- C. In order to provide the Services hereunder, Certified is required to enter into agreements that include but are not limited to Third Party Processing Agreements with an ODFI as such term is defined and used under the rules promulgated by the National Automated Clearing House Association as modified from time to time.
- D. Agency acknowledges and agrees that Certified will collect ACH payments from Agency's customers and transmit such entries for processing into the ACH network. As such, Agency acknowledges that the ODFI is acting solely in the capacity as a processor for Certified and the ODFI has no duty or obligation to Agency to inquire, review or investigate the nature of the transactions that occur between Agency and Certified. Agency is not a third party beneficiary of any Third Party Processor Agreement between Certified and the ODFI. Agency acknowledges that the ODFI has no fiduciary duties to Agency under this Agreement. Agency agrees to look solely to Certified for the performance of the processing services specified herein.
- E. Certified is required to fully adhere to the procedures and rules of NACHA and the ACH Origination Service Agreement; accordingly, Agency agrees to immediately comply with any requests by Certified regarding any Agency conduct that is outside said rules and regulations. Agency's failure to comply with any such request by Certified will be grounds for immediate termination of this Agreement.

4. ADDITIONAL MATTERS

A. Confidentiality

Agency will not disclose to any third party or use for any purpose inconsistent with this Agreement, any confidential or proprietary, non-public information it obtains during the term of this Agreement regarding Certified's business, operations, financial condition, technology, systems, know-how, products, services, suppliers, customers, marketing data, plans and models and personnel. Certified will not disclose to any third party or use for any purpose inconsistent with this Agreement any confidential Customer information it receives in connection with its performance of the Services, except that Certified may use personal information provided by Customers to establish and maintain individual user accounts requested to be established by such Customers with Certified.

B. Relationship of Parties

The performance by Certified of its duties and obligations under this Agreement shall be that of an independent contractor and nothing contained in this Agreement shall be deemed to constitute a joint venture or partnership between Certified and Agency.

C. Capacity to Contract

Each party hereby certifies that the person executing this Agreement on its behalf is fully authorized with complete legal capacity and approval to do so.

D. Intellectual Property

In order that Agency may promote the Services and Certified's role in providing the Services, Certified grants to Agency a revocable, non-exclusive, royalty-free license to use Certified's logo and other service marks (the "Certified Marks") for such purpose only. Agency does not have any right, title, license or interest, express or implied, in and to any object code, software, hardware, trademark, service mark, trade name, trade dress, formula, system, know-how, telephone number, telephone line, domain name, URL, copyrighted image, text, script (including, without limitation, any script used by Certified on Certified's website) or other intellectual property right of Certified. All Marks, the System and all rights therein (other than rights expressly granted in this Agreement) and goodwill pertaining thereto belong exclusively to Certified.

E. Force Majeure

Certified will be excused from performing the Services as contemplated by this Agreement to the extent its performance is delayed, impaired or rendered impossible by acts of God or other events that are beyond Certified's reasonable control and that do not involve either fault or judgment of Certified.

F. Remedies

Agency's sole remedy in the event of Certified's failure to perform the Services as set forth herein shall be to terminate the arrangement contemplated by this Agreement.

G. Notice

Any notice to be given hereunder shall be in writing and may be affected by personal delivery, in writing or by registered or certified mail, return receipt requested, addressed to the proper party, at the following address:

AGENCY: Collin County TX Tax Collector
2300 Bloomdale
McKinney, TX 75071

CERTIFIED PAYMENTS: Certified Payments, Inc.
Attn: Pamela Stewart, President
3410 Midcourt Rd., Suite 136
Carrollton, TX 75006
pamela.stewart@certifiedpayments.net

H. Term of Arrangement

This Agreement shall become effective once it has been signed by an authorized representative of both Certified and Agency. Unless otherwise terminated, the term of the arrangement shall continue from the date of this Agreement until thirty (30) days after such time as either Certified or Agency has notified the other party in writing of its decision to terminate.

I. Termination

Certified's performance of this Agreement is subject to the Automated Clearing House Origination Service Agreement, the Third Party Processor Agreement, the rules and regulations of NACHA, federal, state and local laws or regulations applicable to the Services. Receipt of a written directive from Certified's ODFI Bank to terminate shall be immediate upon such event.

J. Governing Law

In the event a dispute arises between any of the parties to this agreement, all parties hereby agree that such a dispute shall be governed by the laws of the State of Texas.

K. Assignment

This Agreement may not be assigned by either party without the prior written consent of the other party, which consent shall not be unreasonably withheld, however, the obligations of Certified under this Agreement may be provided or fulfilled by any parent, subsidiary, affiliate, successor corporation or subcontractor of Certified so long as Certified assumes full responsibility for such obligations.

L. Entire Agreement; Modifications

This Agreement, together with the Third Party Processor Agreement and exhibits and schedules attached hereto constitutes the entire agreement between Certified and Agency with respect to the subject matter hereof. There are no restrictions, promises, warranties, covenants or undertakings other than those expressly set forth herein and therein. This Agreement supersedes all prior negotiations, agreements, and undertakings between the parties with respect to such matter. This Agreement, including the exhibits and schedules hereto may be modified or amended only by an instrument in writing executed by the parties or their permitted assignees.

M. Severability

If any provision of this Agreement is held by court or arbitrator of competent jurisdiction to be contrary to law, then the remaining provisions of this Agreement will remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement on _____, 2012.

AGENCY'S ACCEPTANCE:

By: _____
Agency Signature

Printed Name and Title

Date

CERTIFIED PAYMENT'S ACCEPTANCE:

**CERTIFIED PAYMENTS NO. 1, LTD.
BY: CERTIFIED PAYMENTS, INC., GENERAL PARTNER**

By: _____
Pamela Stewart, President

Date

EXHIBIT A
SCHEDULE OF FEES
Confidential

This Exhibit A to the ACH Processing Services Agreement between Certified and Agency provides as follows:

1. Schedule of Convenience Fees

Certified and Agency agree to the following provisions:

- A. \$ 1.50 shall be the agreed upon Convenience Fee that the Agency agrees to allow Certified to charge Customers for Agency tax payments when Customer initiates an ACH debit entry.

AGENCY'S ACCEPTANCE:

By:

Agency Signature

Printed Name and Title

Date

CERTIFIED PAYMENT'S ACCEPTANCE:

CERTIFIED PAYMENTS NO. 1, LTD.
BY: CERTIFIED PAYMENTS, INC., GENERAL PARTNER

By:

Pamela Stewart, President

Date

EXHIBIT B
AGENCY BANK ACCOUNT
Confidential

This Exhibit B to the ACH Processing Services Agreement between Certified and Agency provides as follows:

AGENCY/BUREAU NAME: Collin County TX Tax Collector **BUREAU CODE:** _____

Banking Information - ACH/ECheck

The undersigned authority authorizes Certified Payments to deposit ACH credits and withdraw ACH debits to and from the Agency Bank account listed below. The undersigned authority has supplied and hereby confirms the bank account information provided.

Bank Name	Bank Contact Name	Contact Telephone/Fax/Email
Street Address	City, State	Zip Code
Bank Routing Number	Bank Account/DDA Number	
Name on Agency Bank Account		

PLEASE PROVIDE A COPY OF A VOID CHECK ON THE ABOVE-REFERENCED BANK ACCOUNT

AGENCY'S ACCEPTANCE:

By: _____
Agency Signature

Printed Name and Title

Date

CERTIFIED PAYMENT'S ACCEPTANCE:

CERTIFIED PAYMENTS NO. 1., LTD.
BY: CERTIFIED PAYMENTS INC., GENERAL PARTNER

By: _____
Pamela Stewart, President

Date

BUREAU ACCOUNT SETUP FORM

(Hereafter, Agency is referred to as Bureau)

BUREAU NAME: Collin County TX Tax Collector Federal Tax ID _____

BUREAU LOCATION

<u>2300 Bloomdale</u> Street Address	<u>McKinney, TX</u> City, State	<u>75071</u> Zip Code
_____ Phone Number	_____ Fax Number	_____ Website/URL

Please select if this is the Primary Account (Primary Account Ex: Property Tax) Note: If multiple payment types will be accepted under this contract, complete Pages 1 and 2 and the Bureau Banking Information form for each additional account.

PLEASE PROVIDE A COPY OF A VOID CHECK FOR EACH BANK ACCOUNT

COLLECTED VOLUMES

Please tell us the volumes you collect from customers; if you have not previously taken credit cards, please provide estimates.

\$ _____ Average Ticket Size	\$ _____ High Ticket Size	\$ _____ Average Monthly Volume	\$ _____ High Monthly Volume	\$ _____ Annual Volume
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BUREAU TYPE

Select the Account's payment type or choose OTHER and select payment acceptance online and/or at the counter

TAX	MOTOR VEHICLE	COURT/CLERK	UTILITY
_____ Tax WEB	_____ MV WEB	_____ Court/Clerk WEB	_____ Utility WEB
_____ Tax CNT	_____ MV CNT	_____ Court/Clerk CNT	_____ Utility CNT
_____ OTHER	(If other, please describe) _____		

CONTACT INFORMATION

User Administrator – Contact Information

It is recommended that the Bureau initially assign one individual as the User Administrator. The User Administrator will create User Accounts and access permissions from the Certified Payments' Reporting Services website. Please provide the User Administrator's information.

_____ First & Last Name	_____ Email address	_____ Telephone Number
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Notices and Changes – Contact Information

Periodically, Certified Payments will send its Bureaus' notifications on various issues and alerts to upcoming changes. These notices can take the form of either physical mail or electronic mail. Please provide the contact information for the person that should receive such correspondence.

_____ First & Last Name	_____ Email address	_____ Telephone Number
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Chargebacks – Contact Information

Certified Payments handles all cardholder initiated Chargebacks on behalf of the Bureau; however, we will require the Bureau's assistance in that endeavor and a means by which to communicate. In order to document the process, the primary communication medium will be through email. Please provide the name email address and additional contact information for that person.

_____ First & Last Name	_____ Email address	_____ Telephone Number
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REFUNDS

As stated in the Service Provider Agreement, refunds are issued when the need arises. All Refund Requests must be initiated by the Bureau through the Reporting Services website, utilizing the "Refund Request" Link. Certified Payments will not accept Refund requests from cardholders and any such requests by a cardholder will be referred to the Bureau's Primary Telephone Number for assistance.

BUREAU ACCOUNT SETUP FORM

BUREAU NAME: _____ Collin County TX Tax Collector _____

Payment Acceptance – Options Available

Please select IVR System if we should provide your customers/cardholders with access to Certified Payments' IVR System

_____ **IVR SYSTEM – Telephone Payments**


Please provide the location where consumer payments will originate. **If your website is hosted, please contact your provider and obtain the re-direct link and we will publish the link on our consumer website so that all payments will be completed and posted through your hosted site.**

_____ **CERTIFIED PAYMENT'S CONSUMER WEBSITE** <http://www.certifiedpayments.net>
 _____ **BUREAU WEBSITE** <http://www.> _____
 _____ **OTHER WEBSITE** <http://www.> _____

Certified Website and Payment Customization

Certified Payments has the ability to customize our consumer website so that it will collect detailed payment information specific to each Bureau's needs. If you accept multiple types of payments, we can provide you with a drop down menu; the drop down menu will contain a list of options for the consumer to select when making a payment. This list of options will assist the Bureau in identifying the payment and where the payment should be applied within the Bureau's system.

Following is an example of payment types identified for a **Motor Vehicle Registration** Bureau accepting payments at the counter (CNT); the same detail is available for online (WEB) transactions. Ex: "Drop Down" Menu



Payment Type	Transaction Type	Reference Number	Payment Amount
Payment ▼	Building and Plumbing Permits ▼	67890523	67.50
<input type="button" value="Add Payment"/>			
Reference Number: Registration #, Permit #, Tag # or Description			

Payment Type License & Fees	Transaction Type Building and Plumbing Permits Motor Vehicle	Reference Number Permit # License #
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Using the examples above, please provide your list of **Transaction Types** and **Reference Number/Identifiers**, and we will customize your Bureau information accordingly.

Account/Payment Type	Transaction Type	Reference Number
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

BUREAU **CREDIT CARD** ACCOUNT SETUP FORM

Confidential

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BUREAU BANKING INFORMATION

COMPLETE THIS FORM FOR EACH BUREAU ACCOUNT REQUESTED

BUREAU NAME: Collin County TX Tax Collector

Banking Information - Credit Card Account

The undersigned authority authorizes Certified Payments to deposit ACH credits and withdraw ACH debits or initiate wire transfers for the payment of settlements due to and from the Agency listed below and provides and confirms the following agency bank account for such purposes:

<u>Bank Name</u>	<u>Bank Contact Name</u>	<u>Contact Telephone / Fax/ Email</u>
<u>Street Address</u>	<u>City, State</u>	<u>Zip Code</u>
<u>Bank Routing Number</u>	<u>Agency's Bank Account/DDA Number</u>	
<u>Name as it appears on Agency Checking Account</u>	<u>Date Bank Account Opened</u>	

PLEASE PROVIDE A COPY OF A VOID CHECK ON THE ABOVE-REFERENCED BANK ACCOUNT

AGENCY'S ACCEPTANCE:

NAME OF BUREAU

By: Agency Signature

Printed Name and Title

Date

CERTIFIED PAYMENT'S ACCEPTANCE:

CERTIFIED PAYMENTS NO. 1, LTD.

BY: CERTIFIED PAYMENTS, INC., GENERAL PARTNER

By: Pamela Stewart, President

Date