

MERCHANT AGREEMENT

ORIGINAL

This Merchant Agreement ("Agreement") is by, between and among:

Merchant Name: MUSKEGON COUNTY
Address: 990 TERRACE STREET
City, State, Zip: MUSKEGON, MI 49442
Main Voice Phone: (231) 724-6504

referred to herein as "Merchant," Litle & Company, LLC, a Delaware Limited Liability Company with a business address at 900 Chelmsford Street, Lowell, Massachusetts 01851 (hereinafter "Litle") and Government Payment Service, Inc. (d/b/a "GovPayNet"), a Delaware corporation having a principal place of business at 7102 Lakeview Parkway West Drive, Indianapolis, Indiana 46268 ("GPS").

WHEREAS, GPS has assembled and supports the "GovPayNet Payment Network," consisting of governmental entities that have each contracted with GPS to accept payments on their behalf made by consumers to GPS; and

WHEREAS, GPS accepts credit cards and debit cards carrying the American Express®, Discover®, MasterCard® and Visa® brands from consumers (individually, a "Cardholder" and collectively, "Cardholders") and executes payments on behalf of Cardholders to participants in the GovPayNet Payment Network; and

WHEREAS, in order to improve Merchant's services and enhance administration, Merchant desires to join the GovPayNet Payment Network and accept payments from GPS, with such support services as GPS provides; and

WHEREAS, the entities that establish and govern the rules, regulations and guidelines for the credit card and debit card systems such as Visa U.S.A., Inc. and MasterCard International Incorporated (collectively, the "Payment Type Organizations" or "PTOs") require that Merchant (i) enter into a direct contractual relationship with an entity that is a member of the PTOs and (ii) agree to comply with PTO rules and regulations ("PTO Rules") as they apply to credit and debit card transactions that are submitted to Litle by GPS on Merchant's behalf; and

WHEREAS, in executing this Agreement, Merchant is fulfilling the above PTO Rules.

NOW, THEREFORE, in consideration of the mutual provisions contained herein and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Merchant, Litle and GPS agree as follows:

1. Security and Compliance.

- 1.1 Merchant acknowledges and agrees that certain PTO Rules apply to Merchant's acceptance of Cardholders' payments. Merchant further acknowledges and agrees that security standards and guidelines published by the Payment Card Industry ("PCI") Security Standards Council including PCI Data Security Standards ("DSS") are also applicable to Merchant's acceptance of payments from Cardholders. In lieu of directly complying with the PTO Rules and PCI DSS requirements, Merchant may and hereby does appoint GPS as its agent to accept debit and credit cards and comply in full with all applicable PTO Rules and PCI DSS requirements, as they may be modified from time to time, on its behalf and GPS accepts such appointment subject to any limitations in the attachments hereto. If any PTO requires an audit and/or forensic investigation due to an actual or suspected data security compromise event in connection with transactions processed hereunder, an audit and/or forensic investigation of GPS and its operations shall be sufficient for such purposes provided, however, that Merchant agrees to cooperate with such audit and/or forensic investigation as GPS may reasonably request.
1.2 Merchant acknowledges that any Cardholder personal information it obtains will be obtained lawfully, shall be retained only as necessary for the performance of Merchant's official duties and will not be used by Merchant in violation of any PTO rules or regulations or applicable law.



- 1.3 If at any time Merchant or GPS believes that Cardholder information has been compromised, Merchant or GPS, as the case may be, must notify the other parties to this Agreement and GPS shall assist in providing notification to the Cardholder and all other proper parties.
- 1.4 Merchant and GPS each additionally agrees to comply, at each party's expense, with all federal, state, and local laws and the requirements of regulatory agencies as they pertain to the respective parties' businesses and operations.

## 2. GPS Obligations

GPS will enable Cardholders to pay amounts owed to the Merchant by doing the following:

- 2.1 GPS shall obtain authorization to process a charge to the Cardholder's credit card account or debit such Cardholder's debit card account for purposes of funding payment(s) by such Cardholder to Merchant. Such charges or debits shall be subject to acceptance by the card issuer, PTO rules, and any other applicable laws or regulations.
- 2.2 GPS shall act on Merchant's behalf in accepting payments from consumers made by credit cards and debit cards for the purposes and at the service fees listed on each attachment designated in Section 11.9 of this Agreement. GPS may modify Cardholder fees at its sole option, providing Merchant with notice of such modification and a revised attachment reflecting modified fees prior to imposing a new fee structure. Service fees are non-refundable.
- 2.3 GPS shall transmit payment transactions on Merchant's behalf to Litle for further processing and shall further direct Litle to transfer Merchant's portion of all settling funds received from PTOs to Merchant as designated in the Funding Schedule attached hereto as designated in Section 11.9. GPS shall make payments to Merchant to satisfy consumer obligations to Merchant based on unique payment codes GPS establishes on its system for the routing of consumer funds to Merchant, such codes to be made available to consumers by Merchant or accessed by consumers through the GPS web site.
- 2.4 GPS shall be responsible for the safety and security of all Cardholder information (such as the customer's PTO account number, expiration date, and CVV2) in connection with the processing services provided under this Agreement.
- 2.5 GPS hereby accepts full responsibility for handling all reversals (i.e., chargebacks), re-presentments, customer service to consumers, claims and any transaction disputes associated with consumers' use of cards to make payments to Merchant through GPS with such assistance from Merchant in claims and chargeback investigations as it may reasonably request of Merchant. Merchant shall retain secondary financial and operational responsibility for such chargebacks in the event GPS defaults on this obligation.
- 2.6 GPS shall not charge Merchant for GPS's basic services or to participate in the GovPayNet Payment Network. GPS reserves the right to charge Merchant for other services or equipment, such as custom software development, peripheral devices, and other services and support as the parties may agree upon from time to time.
- 2.7 GPS shall provide GovPayNet Payment Network administrative support to consumers and to Merchant through a toll-free telephone help line and the Internet.
- 2.8 GPS shall provide Merchant with participation procedures, toll-free telephone numbers, web addresses, and promotional and instructional materials to market and explain the GovPayNet Payment Network to consumers, and shall train Merchant staff on how to access and use, and how to assist consumers to access and use, the GovPayNet Payment Network.
- 2.9 GPS shall be responsible for all federal, state, and local taxes that may be imposed upon its services.



### 3. Merchant Obligations

Merchant's continued participation in the GovPayNet Payment Network is conditioned upon the following:

- 3.1 Merchant understands and agrees that its cooperation in promoting use of the GovPayNet Payment Network is a significant consideration for Merchant and GPS entering into this Agreement. Merchant shall therefore (i) ensure that the appropriate employees participate in any GPS training or refresher training on the use and promotion of the GovPayNet Payment Network and its associated services, (ii) keep available for reference any user manuals and instructional materials GPS provides to Merchant, (iii) display logos, signage, literature, and other promotional and instructional materials that GPS provides and otherwise inform, encourage and assist consumers to use GPS for their payments to Merchant, and (iv) cooperate with all reasonable GPS requests to encourage greater use by consumers of the GovPayNet Payment Network. All marketing and promotion of the GovPayNet Payment Network by Merchant shall conform to guidelines provided by GPS from time to time.
- 3.2 Merchant shall provide telecommunication capabilities, such as telephone, facsimile, and Internet connections to enable consumers to access GPS from Merchant locations and enable GPS to communicate with Merchant.
- 3.3 Merchant shall be responsible for establishing and maintaining secure access at its locations to the GPS administrative system, including user identification, passwords and precautions for accessing all confidential information. GPS shall be entitled to rely on any communications or instructions initiated with Merchant's user identification, passwords or other security and identity tokens or devices.
- 3.4 Merchant shall designate a primary contact and a secondary contact for GPS to communicate with on operational, technical, and administrative issues.
- 3.5 Merchant shall cooperate with GPS in the event of an overpayment to refund to GPS funds that GPS can demonstrate exceed consumer liabilities to Merchant.
- 3.6 Merchant shall provide GPS with prompt written notice of any change in the information Merchant provides to GPS necessary for Merchant's participation in the GovPayNet Payment Network, including but not limited to any change in its bank routing and account numbers.
- 3.7 In the event Merchant receives a payment from GPS that appears to have been obtained through the commission of civil or criminal fraud, Merchant shall cooperate in any resulting investigation and agrees that any sums recovered as a result of such investigation shall be applied, first, to compensate GPS fully for losses suffered as a result of the fraud.
- 3.8 Merchant shall raise any claimed transaction or settlement errors with GPS within 12 months of the date of Merchant's receipt of the GPS report on which the claimed error appeared and shall otherwise follow the GovPayNet Payment Network participation procedures that GPS provides to Merchant, as such procedures may be updated from time to time.

### 4. Term and Termination

- 4.1 This Agreement shall become effective upon the date it has been executed by Merchant and GPS, then accepted and executed by Litle and shall continue for one year, automatically renewing for additional one year periods. Notwithstanding the foregoing, this Agreement shall terminate if and when Litle ceases to provide processing services to GPS or if terminated earlier as provided herein.
- 4.2 Merchant may terminate this Agreement upon 30 days' written notice to GPS and GPS shall promptly inform Litle of such termination. If at any time Merchant wishes to terminate the services of GPS but continue to process transactions under this Agreement through Litle, Merchant shall immediately upon GPS's cessation of services become directly responsible for complying with all duties hereunder Merchant had formerly assigned to GPS.
- 4.3 GPS may terminate this Agreement (a) upon 30 days written notice prior to its annual expiration date, (b) upon 30 days written notice if Merchant fails to comply with GPS procedures for participating in the GovPayNet Payment Network or (c) immediately if Merchant fails to comply with any other term of this Agreement.



**5. GPS and Litle Representations and Warranties**

Each of Litle and GPS represents and warrants as follows:

- 5.1 This Agreement is valid, binding, and enforceable against the warranting party in accordance with its terms. Each party has full power and authority to execute and deliver this Agreement and perform its obligations hereunder.
- 5.2 The employees, agents and subcontractors of Litle and GPS shall possess the education, knowledge and experience necessary to qualify them individually for the particular duties they perform.
- 5.3 During the performance of this Agreement, each of Litle and GPS shall provide services in a non-discriminatory manner and shall not deny services or employment on the basis of race, creed, color, national origin, sex, age, disability, sexual orientation, military status, marital status or any other legally protected class.

**6. Merchant Representations and Warranties**

Merchant has taken all administrative, legal and regulatory measures necessary for it to enter into this Agreement and this Agreement is valid, binding, and enforceable against Merchant in accordance with its terms.

**7. Notices**

All notices permitted or required by this Agreement shall be in writing and shall be given to the respective parties in person, by first class mail or by facsimile (with a hard copy following) addressed to:

**Merchant:**

Heath Kaplan, Finance Director  
Muskegon County  
990 Terrace Street  
Muskegon, MI 49442  
Phone: (231) 724-6397  
Email: kaplanhe@co.muskegon.mi.us

**GPS:**

Client Services Department  
Government Payment Service, Inc.  
7102 Lakeview Parkway West Drive  
Indianapolis, Indiana 46268  
Phone: (866) 564-0169  
Email: accountservices@govpaynet.com

or to such other person or place that the parties may from time to time designate. Notices and consents under this section shall be deemed to be received, if sent by mail or courier, five days following their deposit in the U.S. Mail or with such courier and, if sent by facsimile, when such facsimile is transmitted to the number provided in this section and sender receives a confirmation of such facsimile.

**8. Disclaimers and Limitation of Liability**

- 8.1 The sole purpose of this Agreement is to enable Merchant to participate in the GovPayNet Payment Network. Merchant understands and agrees that GPS takes no responsibility that amounts GPS transmits in payment to Merchant will fully satisfy any consumer's obligation to Merchant, and that GPS does not guarantee any particular outcome or result with respect to any consumer other than the delivery of such consumer's payment to Merchant.
- 8.2 GPS shall provide all services hereunder to Merchant as an independent contractor. Nothing contained herein shall be deemed to create any association, partnership, joint venture, or relationship of master and servant or employer and employee between the parties or to provide either party with the right, power, or authority, expressed or implied, to create any such duty or obligation on behalf of the other party.
- 8.3 GPS shall be liable for losses or damages to Merchant to the extent provided herein only if they are caused directly by the gross negligence or willful misconduct of GPS.
- 8.4 Merchant bears all responsibility for administrative and official actions taken by Merchant. GPS accepts no liability whatsoever for Merchant actions taken based on payment information provided by GPS even if such information proves to be incorrect.





- 8.5 **THIS IS A CONTRACT FOR SERVICES. GPS LIABILITY TO MERCHANT IS LIMITED TO MAKING PAYMENTS TO MERCHANT IN THE AMOUNTS THAT GPS HAS INFORMED MERCHANT HAVE BEEN AUTHORIZED. THE GOVPAYNET PAYMENT NETWORK, ANY INCIDENTAL GOODS AND RELATED SERVICES ARE PROVIDED ON AN AS-IS, AS-AVAILABLE BASIS. GPS MAKES NO WARRANTIES THAT GPS SERVICES WILL BE ERROR FREE OR UNINTERRUPTED AND DISCLAIMS ALL OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY WARRANTIES REGARDING QUALITY, SUITABILITY, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. NEITHER MERCHANT NOR GPS SHALL BE LIABLE FOR LOST REVENUES, PROFITS, INTEREST, GOOD WILL, OR ANY INDIRECT, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES SUFFERED OR INCURRED BY THE OTHER PARTY IN CONNECTION WITH OR ARISING FROM SERVICES PERFORMED UNDER THIS AGREEMENT. LITLE'S FUNCTION IS TO ACCEPT AND PROCESS MERCHANT'S TRANSACTIONS FROM GPS. LITLE SHALL HAVE NO LIABILITY TO MERCHANT WHATSOEVER HEREUNDER.**

#### **9. Publicity**

Neither Litle nor GPS shall issue any press release or make any statement to the media with respect to this Agreement or the services provided hereunder without the prior written consent of Merchant.

#### **10. Intellectual Property**

Merchant acknowledges and shall not challenge GPS' ownership of GPS trademarks, service marks, trade names or other intellectual property ("GPS Intellectual Property"), that any Merchant use of GPS Intellectual Property shall be in accordance with GPS instructions and subject to the control, direction and approval of GPS, that any rights arising out of such use shall inure solely to the benefit of GPS, and that Merchant shall have no ownership or other interest in GPS Intellectual Property.

#### **11. Miscellaneous Terms and Conditions**

- 11.1 **Third-Party Beneficiaries.** There are no third-party beneficiaries to this Agreement.
- 11.2 **Assignment.** This Agreement may not be assigned, in whole or in part, by either party hereto without prior written consent of the other party, which consent shall not be unreasonably withheld.
- 11.3 **Force Majeure.** Either party is excused from performance and shall not be liable for any delay in performance or non-performance, in whole or in part, caused by the occurrence of any contingency beyond the control of the parties including, but not limited to, work stoppages, fires, civil disobedience, riots, rebellions, terrorism, loss of power or telecommunications, flood, storm, Acts of God and similar occurrences.
- 11.4 **Governing Law.** All matters of contractual interpretation shall be governed by the internal laws of the State of Indiana.
- 11.5 **No Waiver.** A waiver of any portion of this Agreement shall not be deemed a waiver or renunciation of other portions.
- 11.6 **Survival.** Rights and obligations under this Agreement which by their nature should survive will remain in effect after termination or expiration hereof.
- 11.7 **Severability.** In the event that any provision of this Agreement is adjudicated by any court of competent jurisdiction to be invalid, illegal, void, or unenforceable, all other provisions of this Agreement shall nevertheless remain in full force and effect.
- 11.8 **Counterparts.** This Agreement may be executed simultaneously in multiple counterparts, each of which is deemed an original, but all of which taken together constitute one and the same instrument.



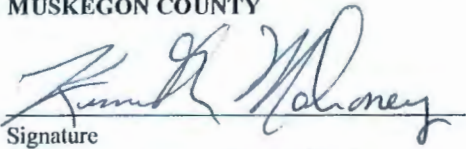
11.9 Complete Agreement. This Agreement, together with its attachments, is the entire agreement between and expresses the complete understanding of the parties, superseding all prior or contemporaneous agreements, with regard to the subject matter herein and may not be altered, amended or modified except in a writing incorporated hereto, and signed by the parties, provided, however, that GPS may revise the terms of this Agreement if required to comply with PTO rules, law or regulation and GPS provides notice to Merchant of such change. The following are attachments to this Agreement:

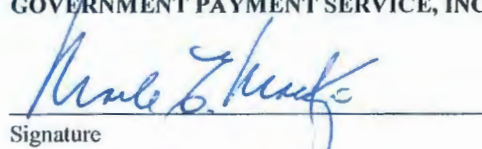
Attachment A  Attachment B  Attachment C  Attachment D  Attachment E

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their duly authorized representatives or agents as of the date written below.

MUSKEGON COUNTY

GOVERNMENT PAYMENT SERVICE, INC.





Signature

Signature

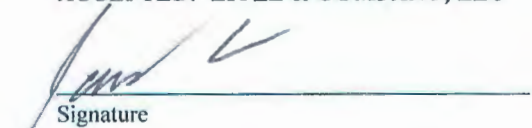
~~Bonnie Hamnerley~~ Kenneth D. Mahoney  
County Administrator County Board Chair

Mark E. MacKenzie  
Chief Executive Officer

Date: 7/1/14

Date: 7/8/14

ACCEPTED: LITLE & COMPANY, LLC



Signature

Jonathan Ellman, Chief Counsel  
Name & Title

Date: 7-11-2014





**ATTACHMENT "A" –SERVICES**

**GPS Agree. No.: MI-MUSKEGONCOUNTY-MERCHANT, 2014MAY28**

<b>Merchant has elected the following options in accordance with the terms of services in the Agreement:</b>	
<input checked="" type="checkbox"/> <b>GovPayNet Basic</b>	<input checked="" type="checkbox"/> <b>GovPayNet Gov\$wipe®</b>
<input type="checkbox"/> <b>GovPayNet Connect</b>	<input checked="" type="checkbox"/> <b>Visa Tax Program</b>

**General Service Terms**

Merchant is responsible for advising GPS as to the types of payments GPS is authorized to accept on Merchant's behalf (per the service fees stated in any Attachment to this Agreement). Merchant may at any time (i) authorize GPS to accept additional types of payments within the scope of the applicable service fees; (ii) cancel the processing through GPS of any types of payments; (iii) modify the options selected above; (iv) modify the account(s) to which GPS shall direct payments to Merchant, or (v) add other agencies, departments or sub-agencies ("Affiliated Agencies") to, or delete Affiliated Agencies from Merchant's use of any GPS services and equipment by specifying all such changes to GPS **in writing** (via letter, email, or facsimile). Any such changes will be subject to GPS acceptance and confirmation **in writing** and will require reasonable lead time to implement.

Merchant warrants that all service and equipment selections Merchant makes and the extension or termination of services with respect to Affiliated Agencies shall be in compliance with the laws and regulations applicable to Merchant's organization.

**GovPayNet Basic**

GovPayNet Basic is designed to be available 24 hours a day, 7 days a week, 365 days a year. GPS will provide Merchant with access, at Merchant's option, to "ProviewEXP," a secure website for transaction administration and review, report generation, and analysis. GPS will make available a reconciliation report to Merchant each day for all transactions completed the previous day. This report will also include any open transactions not previously approved.

Transactions may be completed by:

- Internet, using the [www.govpaynow.com](http://www.govpaynow.com) web site, or
- Telephone, accessing a Customer Service Representative ("CSR"), including bilingual (English and Spanish) CSRs, supported by a language line for additional translation services.

If Merchant has elected not to use CSR services, the service fees GPS provides to Merchant reflecting CSR support shall not apply.

GPS will forward electronically to Merchant's designated account(s) the funds for all approved transactions within two business days after transaction authorization, or will remit funds by check if Merchant so requests **in writing**.

**GovPayNet Connect**

GovPayNet Connect includes the same services as GovPayNet Basic, but provided in an integrated mode. For Merchants that select GovPayNet Connect, GPS establishes an electronic data interface with Merchant's internal accounting, cashiering, and other management systems to exchange encrypted data. The interface is based on specifications Merchant and GPS mutually develop. A Merchant using GovPayNet Connect may receive information from cardholders that is subject to Payment Card Industry Data Security Standards ("PCI DSS"). **GPS ACCEPTS NO RESPONSIBILITY FOR SECURITY OR PCI DSS COMPLIANCE WITH RESPECT TO CARDHOLDER INFORMATION THAT RESIDES ON SYSTEMS OTHER THAN THOSE CONTROLLED BY GPS.**



### **GovPayNet GovSwipe**

*GovSwipe* may be used for all payment types. GPS will provide Merchant with card readers and peripheral equipment (cables, etc.), which are and will remain the property of GPS. Merchant understands that GPS card readers are embedded with proprietary technology (“Firmware”). GPS grants Merchant a license to use such card readers and Firmware for the duration of the Agreement.

Merchant’s use of card readers and Firmware shall be limited to the purposes of this Agreement. Acceptance and use of card readers does not convey to Merchant any title, patent, copyright or other proprietary right in or to the Firmware. At all times, GPS or its suppliers retain all rights to the Firmware, including but not limited to updates, enhancements, and additions. Merchant shall not attempt to access or disclose the Firmware to any party, or transfer, copy, license, sublicense, modify, translate, reverse engineer, decompile, disassemble, tamper with, or create any derivative work based on the Firmware.

Merchant will use reasonable care to protect card readers from loss, theft, damage or any legal encumbrance. GPS shall provide card readers and installation instructions at service implementation and when providing any replacement or additional card readers, by shipment to a location Merchant designates. Or, at GPS’s option, Merchant will allow GPS and its designated representatives reasonable access to Merchant’s premises for training purposes and device installation, repair, removal, modification, upgrades, and relocation. GPS is solely responsible for the maintenance of any card readers and shall supply Merchant with replacement card readers on Merchant’s request and as GPS deems appropriate. Upon termination of the Agreement, GPS may require Merchant to return card readers to GPS, at GPS’s expense and by such method as GPS specifies.

Merchant may increase or decrease the number of card readers deployed upon request **in writing** to and accepted **in writing** by GPS. GPS shall communicate any shipping and handling procedures and costs to Merchant prior to taking any requested action.

Card readers are designed to communicate cardholder data to GPS through Merchant’s computing equipment to which they are cable-attached via USB port. Internet access to GPS is required for *GovSwipe* transaction processing and is enabled solely by Merchant’s computers and networks. Merchant is responsible to use standard safeguards and practices to keep its computers and networks secure and free from malicious software or hardware. GPS shall not be held liable to Merchant for exposure of Merchant’s computers or networks to malicious software or hardware of any kind.

### **Visa Tax Program**

If Merchant elects to participate in the Visa Tax Program, GPS shall submit Merchant as an enrollee in the program. Program participation is subject to Visa’s approval, verifications and related processes.







**ATTACHMENT “B” – SERVICE FEES**

**GPS Agree. No.: MI-MUSKEGONCOUNTY-MERCHANT, 2014MAY28**

<b>Service Fee Schedule #2</b> <b>Visa Tax Program Payments</b>	
<b>Payments Made via Internet</b> <b>(Web/Gov\$wipe®)</b>	<b>Telephone-Assisted Payments</b> <b>(Call Center/Live Agent)</b>
<b>Service Fee = 3.0%</b> <i>(Minimum Fee: \$3.00)</i>	<b>Service Fee = 5.0%</b> <i>(Minimum Fee: \$5.00)</i>
<b>Service Fee for Debit Card Payments = \$3.95</b> <i>(All transactions)</i>	

***All Service Fees Are Non-Refundable***

*Example: Payment made via Web/Internet*

*Tax payment due ..... = \$300.00*

*GovPayNet Service Fee (.03 x \$300)..... = \$ 9.00*

*Total Cardholder Payment ..... = \$309.00*





**ATTACHMENT "C" – REVENUE SHARE PROGRAM**

**GPS Agree. No.: MI-MUSKEGONCOUNTY-MERCHANT, 2014MAY28**

**GovPayNet Revenue Sharing Program**

**PAID ONLY ON CREDIT CARD TAX PAYMENT TRANSACTIONS PER  
ATTACHMENT "B" FEE SCHEDULE VISA TAX #2  
(Debit Card Payments Are Not Included in the Program)**

The GovPayNet Revenue Sharing Program entitles Participant to receive compensation from the fee GPS charges cardholders for its specialized services as outlined in Attachment "B," Service Fee Schedules for Visa Tax Payments. GPS will send Participant a detailed report by the 15<sup>th</sup> day of the month following the month for which revenue sharing is due along with a check.

The GovPayNet Revenue Sharing Program operates as follows:

**Example:**

GovPayNet service fee = X% (3.0% or 5.0%) of the tax payment transaction total

Agency Revenue Share = 15% of GovPayNet service fee

Tax Payment Made via the Internet = \$1500.00

GovPayNet Fee (.03 x 1500) = \$45.00

Total Cardholder Payment (1500 + 45) = \$1545.00

Agency Revenue Share (.15 x 45) = \$6.75





**ATTACHMENT “D”**

**GPS Agree. No.: MI-MUSKEGONCOUNTY-MERCHANT, 2014MAY28**

**FUNDING SCHEDULE**

In order to receive funds from Litle, Merchant must designate a bank account at a bank that is a member of the Automated Clearing House (“ACH”) system and the Federal Reserve wire system. Merchant authorizes Litle to initiate electronic credit and debit entries and adjustments to this bank account in accordance with this funding schedule. Litle will not be liable for any delays in receipt of funds or errors in bank account entries caused by third parties, including but not limited to delays or errors by the PTOs or the bank. The proceeds payable to such bank account shall be equal to the amounts received by Litle in respect of Merchant’s transactions less all chargebacks, customer refunds, reserves, fees, fines, and any other applicable charges. Such amounts will be paid into the account promptly following our receipt of the funds. If the proceeds payable to the account do not represent sufficient credits, or the bank account does not have a sufficient balance to pay amounts due from Merchant under this funding schedule, Litle may pursue one or more of the following options; (i) demand and receive immediate payment for such amounts; (ii) debit the bank account for the amount of the negative balance; (iii) withhold settlement payments to the account until all amounts are paid, (iv) delay presentation of refunds until a payment is made to Litle of a sufficient amount to cover the negative balance; and (v) pursue any remedies Litle may have at law or in equity. Unless and until Litle receives written instructions from Merchant to the contrary, all amounts payable by Litle to Merchant will be deposited in the bank account designated and authorized by Merchant as set forth below:

Name of Bank:	Harris Bank
ABA No.	071000288
Account No.	274-156-9
Account Name:	GPS
Reference:	Receipts



