



CUST. # _____ CHAIN # _____ SITE # _____

AGREEMENT FOR CHECK GUARANTEE

THIS AGREEMENT FOR CHECK GUARANTEE ("Agreement"), is entered into by and between SECUR-CHEX, a division of First American Payment Systems, L.P. a Texas limited partnership ("Secur-Chex"), and the undersigned merchant ("Merchant"):

MERCHANT INFORMATION

MERCHANT CORPORATE NAME:

DBA NAME:

PHYSICAL ADDRESS:

TELEPHONE #:

CITY/STATE:

ZIP CODE:

MAILING ADDRESS:

CORP. TELEPHONE #:

CITY/STATE:

ZIP CODE:

TYPE OF ORGANIZATION (CHECK ONE):

☐ CORPORATION

☐ SOLE PROPRIETOR

☐ PARTNERSHIP

☐ OTHER (NON-PROFIT)

TYPE OF PRODUCT OR SERVICE SOLD:

OWNERS OR OFFICERS

NAME:

1.

TITLE:

D.O.B.:

SSN #:

HOME PHONE #:

RESIDENCE ADDRESS:

CITY/STATE:

ZIP CODE:

HOW LONG?

FORMER ADDRESS:

CITY/STATE:

ZIP CODE:

DRIVER'S LICENSE #:

STATE:

NAME:

2.

TITLE:

D.O.B.:

SSN #:

HOME PHONE #:

RESIDENCE ADDRESS:

CITY/STATE:

ZIP CODE:

HOW LONG?

FORMER ADDRESS:

CITY/STATE:

ZIP CODE:

DRIVER'S LICENSE #:

STATE:

BANK ACCOUNT INFORMATION

BANK NAME:

TRANSIT/ROUTING NUMBER:

ACCOUNT #:

BANK ADDRESS:

CITY/STATE:

ZIP CODE:

TELEPHONE #:

EQUIPMENT/SALES AGENT INFORMATION

SALES AGENT:

OFFICE #:

REP #:

ESTIMATED AVERAGE CHECKS:

CHECK READER TYPE:

PC:

☐ YES

☐ NO

TERMINAL TYPE:

AVAILABLE CHECK KEY:

CREDIT/DEBIT PROCESSOR:

VERIFONE TRANZ/ZON LOCATION (MUST BE FILLED IN) 000=

001=

019=

PLEASE CHOOSE ADDITIONAL SERVICES PROGRAMMED IN TERMINAL:

☐ CREDIT

☐ DEBIT

☐ OTHER (WRITE IN):

SCHEDULE OF CHARGES

MAXIMUM AMOUNT PER CHECK: \$

ONE TIME PROGRAMMING FEE: \$

GUARANTEE RATE:

%

TRANSACTION FEE: \$

MINIMUM PER CHECK FEE: \$

VOICE AUTHORIZATION FEE: \$

MONTHLY MINIMUM: \$

MONTHLY STATEMENT FEE: \$

TERM OF AGREEMENT:
6 MONTHS

A LA CARTE - CUSTOM CHECK GUARANTEE PROGRAM

STOP PAYMENT COVERAGE: If a Qualifying Check under \$100 has been returned from your bank because of "Stop Payment" Secur-Chex will guarantee payment.

I AGREE TO PAY AN ADDITIONAL 7 CENTS PER TRANSACTION FOR THIS SERVICE.

☐ YES

☐ NO

BANK FEE REIMBURSEMENT: All claims for returned Qualifying Checks submitted with bank notice showing the fee charged by your bank will be paid an amount up to the Maximum Amount plus the bank fees.

I AGREE TO PAY AN ADDITIONAL 11 CENTS PER TRANSACTION FOR THIS SERVICE.

☐ YES

☐ NO

NO FAULT COVERAGE: In the event a Qualifying Check is submitted for a claim without all required information needed for guarantee, the check will still be guaranteed.

I AGREE TO PAY AN ADDITIONAL 5 CENTS PER TRANSACTION FOR THIS SERVICE.

☐ YES

☐ NO

7 DAY CLAIMS PAYMENT: All claims submitted for Qualifying Checks will be paid within seven days of the receipt of the claim.

I AGREE TO PAY AN ADDITIONAL 5 CENTS PER TRANSACTION FOR THIS SERVICE.

☐ YES

☐ NO

FLOOR LOG: All checks under \$100 can be submitted through a daily floor log without obtaining authorization through the terminal at the time of the sale. The floor log is mailed daily to Secur-Chex.

I AGREE TO PAY AN ADDITIONAL 8 CENTS PER TRANSACTION FOR THIS SERVICE.

☐ YES

☐ NO

I UNDERSTAND THAT MY STANDARD TRANSACTION FEE OF \$ _____ HAS BEEN INCREASED TO \$ _____ BASED ON THE SERVICES ADDED UPON MY REQUEST.

The provisions on the reverse side of this agreement are a part of this agreement. Those provisions must be read before signing. By signing below, you agree to the terms on the front and back of this agreement. In Witness whereof, the parties hereto have entered into this agreement effective the date signed by Secur-Chex.

SECUR-CHEX

MERCHANT

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: _____ Date: _____

Title: _____ Date: _____

RECITALS

WHEREAS, Secur-Chex is engaged in the business of providing guaranties for payment of qualifying checks submitted by participating merchants under the program herein described;

WHEREAS, Merchant wishes to participate in this check guarantee program under the rules and in accordance with procedures established by Secur-Chex; and

NOW, THEREFORE, in consideration of the mutual obligations and agreements hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and confessed, the parties agree to the following:

AGREEMENTS

1. **GUARANTEE OF QUALIFYING CHECKS.** In accordance with the terms of this Agreement, Secur-Chex shall guarantee payment to the Merchant for each check accepted by the Merchant during the term of this Agreement which qualifies for coverage hereunder ("Qualifying Check") in an amount up to, but not exceeding, the maximum amount designated herein (the "Maximum Amount"). For purposes of this Agreement, "Qualifying Check" shall mean a check that meets the requirements set forth in Secur-Chex's Check Guarantee Procedures (the "Procedures" or individually a "Procedure"), as amended from time to time.

2. **CHECK GUARANTEE PROCEDURES.** The Merchant shall follow all requirements set forth in the Procedures as currently in effect. Secur-Chex shall notify the Merchant of changes in the Procedures in writing at least three (3) days in advance of the effective date of such change.

In order for a Merchant to receive payment from Secur-Chex pursuant to the Agreement for Check Guarantee, the Merchant must ensure that the check it receives is a "Qualifying Check" in accordance with the following requirements:

- (a) The date of the check and the date of the inquiry must be the same and must be the current date.
- (b) The maker's name must be imprinted by the bank.
- (c) The address must appear on the check. P.O. Boxes are not acceptable for listed address. If it is not imprinted on the check it must be handwritten on the check and match the address on the identification required.
- (d) All checks must be payable to the Merchant.
- (e) The amount in words and figures must coincide and must match that of the inquiry amount.
- (f) The check must be signed by an individual whose name is imprinted on the check.
- (g) The signature of the customer paying by check must correspond to the signature contained on the identification presented.
- (h) Check writer's home phone and work phone numbers must appear on the check, or the words "no home phone" and "no work phone". The phone number may be written in if it is not imprinted.
- (i) Merchant must make an inquiry on the consumer's valid identification and receive an approval code obtained from Secur-Chex. The only acceptable forms of valid identification are a state issued drivers license or state issued identification card. No military or student IDs are acceptable.
- (j) Consumer's date of birth, the identification number and state that it was issued from, along with the approval code obtained from Secur-Chex, must appear on the front of the check.
- (k) All checks must be submitted for claims and all claims must be postmarked no later than thirty (30) days from the date the check was written.
- (l) Guaranteed checks must be accepted at the physical address shown on the contract or at the Merchant's primary place of business.
- (m) Checks must be for full amount or final payment amount of goods or services exchanged.
- (n) Any alterations on the checks must be initialed by the Check writer.

3. **TERM AND CANCELLATION OF AGREEMENT.** This Agreement shall have an initial term as shown on the front of the Agreement. In the event this Agreement is not otherwise canceled or renewed, the Agreement shall renew automatically on a month to month basis. Either party may terminate this Agreement thirty (30) days prior to the end of the term, without penalty, upon written notice to the other party. In the event Merchant wishes to cancel the Agreement prior to the term, Secur-Chex may assess a cancellation fee equal to the monthly fees due through the term as stated in this Agreement. This cancellation fee will be electronically debited via ACH upon receipt of the Merchant cancellation notice. This Agreement is terminable by Secur-Chex in the event Merchant fails to follow any Procedure or submits non-Qualifying Checks, as determined by Secur-Chex. This Agreement is also terminable as otherwise provided herein.

4. **DEBIT/CREDIT AUTHORIZATION.** Merchant hereby grants authorization to Secur-Chex to credit and/or debit Merchant's business checking account for fees imposed and for claim reimbursement payments pursuant to automated electronic debit or credit via the automated clearing house ("ACH"). Merchant agrees to provide a preprinted voided check for proper and accurate set up of bank and account information as well as ACH. Any change in account status or information or lack of funds during any attempted ACH shall give Secur-Chex the right to terminate this Agreement immediately without notice to Merchant.

5. **FEES.** The cost of services under this Agreement shall be as follows:

- (a) **Programming Fee:** A one time charge as stated herein. This fee shall be non-recurring and non-refundable.
- (b) **Monthly Fees:** Merchant also agrees to pay the following fees monthly:
 - (i) A Voice Authorization Fee as stated on the front of the Agreement per each voice authorization attempted.
 - (ii) A Transaction Fee as stated on the front of the Agreement per each electronic authorization attempted.
 - (iii) A Guarantee Rate Fee as stated on the front of the Agreement of the dollar amount of each authorization attempted.
 - (iv) A Minimum Per Check Fee as stated herein. In the event the sum of the fees of (i) through (iii) is less than the Minimum Per Check Fee, then the Minimum Per Check Fee applies instead of (i) through (iii).
 - (v) A Monthly Minimum Fee as stated herein. In the event the sum of the fees of (i) through (iii) or the Minimum Per Check Fee, as applicable, do not exceed the Monthly Minimum Fee, then the Monthly Minimum Fee shall apply instead of (i) through (iv).
 - (vi) A Statement Fee as stated herein.

6. **COMPENSATION OF SECUR-CHEX.** Each month Secur-Chex shall provide the Merchant with an itemized statement containing accumulated guarantee charges based on Merchant's inquiries and the amount of such statement shall be paid by Merchant to Secur-Chex via ACH. In the event the ACH for collection of fees owed to Secur-Chex is rejected by the Merchant's bank, Merchant agrees to pay Secur-Chex a reject fee of no less than \$25.00 and no more than \$50.00. These fees shall be paid by Merchant to Secur-Chex via ACH.

7. **MERCHANT COOPERATION.** Merchant and its employees shall cooperate with Secur-Chex's collection efforts, including working with local law enforcement, on checks guaranteed hereunder and further acknowledges full assignment of all rights in and to the instrument to Secur-Chex and its assigns. Secur-Chex shall have the right to pursue collection, including the filing of suit, if necessary of any guaranteed check hereunder. In addition, the Merchant agrees to sign a separate assignment form on any instrument, as well as provide any documentation associated with the transaction involving Qualifying Checks such as order forms, profiles, sales receipts, or other information, upon request by Secur-Chex.

8. **RESPONSIBILITY AND LIABILITY OF MERCHANT.** Merchant shall assume the responsibility and the risk of ascertaining the validity and comparing signatures of any identification presented to the Merchant in connection with the making of a check in which a guarantee authorization has been obtained by Secur-Chex and for submitting and determining whether the check is a "Qualifying Check". Secur-Chex does not sell, finance, repair, or maintain, and is not responsible for any equipment used in association with this service or Agreement. The responsibility to purchase, finance, repair, or maintain such equipment shall be solely the Merchant's.

9. **USE OF MERCHANT NAME.** Merchant hereby authorizes Secur-Chex to utilize, in advertisements or otherwise, the name of Merchant as being a Secur-Chex user.

10. **GUARANTEE PAYMENTS.** All Qualifying Checks received between the 1st and prior to the 15th of the month will be paid to the Merchant on the 1st of the following month or the first business day thereafter. All Qualifying Checks received between the 16th and prior to the last day of the month will be paid to the Merchant on the 15th of the following month or the first business day thereafter. Secur-Chex reserves the right to investigate any Qualifying Check presented for payment and withhold payment pending resolution of any matters associated with determining whether or not the check is a Qualifying Check.

11. **COLLECTION REIMBURSEMENT.** Qualifying Checks up to the Maximum Amount are paid an amount equal to the full face value of the check. Qualifying Checks over the Maximum Amount are paid up to the

Maximum Amount. For collections made by Secur-Chex which are in excess of the Maximum Amount, Merchant will receive a reimbursement payment equal to 70% of such excess collection. Collection attempts on all Qualifying Checks over the Maximum Amount will be limited to ninety (90) days from the date of submission of the claim on the Qualifying Check. Merchant agrees that Secur-Chex shall be entitled to all collection costs, damages and fees against the check writer or account holder that are allowed by law.

12. **LIMITATIONS TO GUARANTEE.** Secur-Chex shall not guarantee payment for any of the following: (a) traveler's checks, money orders, cashier's checks, sight drafts, checks payable to "cash" or "bearer", checks that are one of multiple checks for a single exchange of goods or services; (b) counter or temporary checks; (c) company or payroll checks; (d) "stop payment" checks unless for reason not arising out of a dispute and with a local law enforcement agency report of the check; (e) "forgery", "lost" or "stolen" checks, unless an affidavit of forgery is provided with the submission form for the claim on these checks; (f) "signature irregular", "counterfeit", "refer to maker" or "tax levy" checks; (g) checks declined by Secur-Chex; (h) checks that are given as a substitute for a check previously declined for the same exchange of goods or services; (i) checks for partial payment for goods or services, unless it is a final payment; (j) checks for goods or services that are not exchanged at the time the check is written; (k) leases, rentals, loans, gift certificates, lay aways or any other similar transactions; (l) checks where only cash is exchanged, even if the check is payable to Merchant; and (m) non-Qualifying checks. Any check listed above will be deemed ineligible for guarantee, even if an authorization number is obtained. In the event a claim is paid and through collection or investigation of such claim Secur-Chex determines that the check was not a Qualifying Check or that the check fails under any limitations or Procedures contained in this Agreement, Secur-Chex may debit the Merchant's account without notice the amount of such claim and send notice to Merchant following such action.

13. **NON-QUALIFIED BUSINESS.** Unless agreed to in writing by Secur-Chex pursuant to an addendum to this Agreement, the following business shall be ineligible for guaranty services hereunder: apartment houses, bail bondsman, card rooms, check cashing establishments, cocktail lounges/bars, employment agencies, gambling establishments, income tax services, insurance agencies, real estate agencies, leasing companies, limousine services, massage parlors, membership type businesses, pawn shops, schools, seminar sales, sexual encounter firms, utility companies, divorce/bankruptcy attorneys, collection agencies, and rental services.

14. **ATTORNEY FEES.** In the event of any dispute arising out of or related to this Agreement, the prevailing party shall be entitled to payment of its reasonable attorney's fees and expenses, including those incurred resolving the dispute, at trial, and on appeal as determined by the court.

15. **GOVERNING LAW; SEVERABILITY.** This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Texas. This Agreement is entered into and enforceable in Tarrant County Texas. Venue for any dispute under this Agreement shall be in Tarrant County, Texas. Should any provision of this Agreement be held unenforceable or invalid under the laws of the United States of America or the State of Texas, or under any other applicable laws of any other jurisdiction, then the parties hereto agree that such provision shall be deemed modified for purposes of performance of this Agreement in such jurisdiction to the extent necessary to render it lawful and enforceable, or if such a modification is not possible without materially altering the intention of the parties hereto, then such provision shall be severed herefrom for purposes of performance of this Agreement in such jurisdiction. The validity of the remaining provisions of this Agreement shall not be affected by any such modification or severance, except that if any severance materially alters the intentions of the parties hereto as expressed herein (a modification being permitted only if there is no material alteration), then the parties hereto shall use their best reasonable efforts to agree to appropriate equitable amendments to this Agreement in light of such severance.

16. **AMENDMENT.** This Agreement or any provision hereof may be modified by Secur-Chex upon three (3) days written notice to Merchant. Upon notice of such amendment, the Merchant has thirty (30) days after such notice to cancel this Agreement and not accept the amended terms by delivering written notice to Secur-Chex of cancellation. In the event the Merchant fails to cancel this Agreement within such thirty (30) day period, this Agreement shall be deemed amended for all purposes for the remaining term of the Agreement.

17. **WAIVER; ASSIGNMENT.** Any of the terms, provisions, representations, warranties, covenants, or conditions hereof may be waived, only by a written instrument executed by all parties hereto, or, in the case of a waiver, by the party waiving compliance. The failure of any party at any time to require performance of any provision hereof shall in no manner affect the right to enforce the same. The rights and obligations of Merchant hereto may not be assigned without the prior written consent of Secur-Chex.

18. **INDEMNIFICATION.** Merchant does hereby indemnify and hold harmless Secur-Chex from and against any claims, damages, actions, costs or expenses, including reasonable attorney's fees and costs of court for any breach by Merchant of any provision of this Agreement, for failure to submit Qualifying Checks or the submission of non-Qualifying Checks, and for third party claims resulting from or arising out of, Secur-Chex exercising any rights under this Agreement, or in connection with, the indemnifying party's failure to comply with the terms of this Agreement.

19. **NOTICE.** Except as otherwise provided herein, all notices, requests, demands and other communications required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given, if delivered personally, given by telecopy, facsimile, prepaid telex or telegram or mailed first class, postage prepaid, certified United States mail, return receipt requested, to the party to receive such notice, request, demand or communication at such party's address set forth herein; provided that, any party may change its address for notice by giving to the other party written notice of such change. Any notice given under this Section shall be effective (i) if delivered personally when delivered, (ii) if sent by telecopy, facsimile, telex or telegram, upon sending, and (iii) if mailed, 48 hours after mailing.

20. **ENTIRE AGREEMENT.** This Agreement, when executed by both Secur-Chex and Merchant, shall constitute the entire agreement as between the parties, and shall supersede and cancel all prior offers and negotiations whether in writing or otherwise. No amendment or modification of this Agreement shall be effective unless in writing and duly executed by the appropriate parties hereto.

21. **SECUR-CHEX A LA CARTE.** Customized Check Guarantee Program

(a) **Stop Payment Coverage:** Any Qualifying Check in an amount up to but not exceeding \$100.00 submitted for a claim that is marked "stop payment" will be paid like any other claim. Secur-Chex will contact the check writer to determine if a dispute exists between the Merchant and the check writer. In the event that the check writer confirms a dispute, then the Merchant must assist Secur-Chex in validation and collection efforts, to the extent Secur-Chex requests such assistance. In the event the Merchant does not assist, as requested by Secur-Chex, then any payment on the claim will be reversed and an ACH debit made to the Merchant's DDA account on file with Secur-Chex. All other guarantee Procedures must be followed in order to qualify for this benefit.

(b) **Bank Fee Reimbursement:** Any Qualifying Check submitted for a claim with an itemized statement from the Merchant's bank showing the fees charged for the unpaid item will be paid the fees charged by the Merchant's bank in addition to the qualifying amount of the check submitted for a claim. The bank form must clearly show the fees, identify the item on which fees are paid, and state the bank name to qualify for this feature. No copies of the bank form are acceptable, it must be an original bank notice. This benefit has a maximum amount of \$25.00 per item submitted for claims. All other guarantee Procedures must be followed in order to qualify for this benefit.

(c) **No Fault Coverage:** Any Qualifying Check submitted for a claim, will be paid, even if the item is missing one or more of the following guarantee requirements; date not current; the amount in words and figures does not agree; the check writer's home phone and work phone numbers or the words "no home phone" and "no work phone" do not appear on the check; check writer's date of birth, identification number, state of identification or approval code obtained do not appear on the check; or any alterations not initiated by the checkwriter. Only the exceptions listed apply to this benefit. All other guarantee Procedures must be followed in order to qualify for this benefit.

(d) **7 Day Claims Pay:** All claims submitted for Qualifying Checks that meet the guarantee Procedures outlined in the Agreement for Check Guarantee will be paid within 7 days of receipt of the Merchant's claims by Secur-Chex. All other guarantee Procedures must be followed in order to qualify for this benefit.

(e) **Floor Log:** All Qualifying Checks under \$100.00 accepted at the point of sale can be submitted through a daily log without obtaining authorization through a terminal. The floor log must include: the date of the check, the I.D. number and state of the I.D. presented and the amount of the check. The floor log must be postmarked no later than one business day after the date of the checks and must be submitted daily. All checks must be printed checks and have the cross on front of check with the check writer information. All other guarantee Procedures must be followed in order to qualify for this benefit.