

1. Baldwin County will pay no fee(s) to IMS Enterprises, Inc. (IMS) or to the Debit/Credit processors in connection with the processing of credit card transactions or e-checks. And all monies collected for licenses will be paid directly to Baldwin County's Judge of Probate General Motor Vehicle account.
2. Baldwin County has executed a Merchant Agreement with Newtek Solutions for Visa, Master Card and Debit Card transactions payments.
3. Baldwin County has executed a Merchant Agreement with VeriCheck for the processing of Direct Ach debits to the customer checking account and payment to Baldwin County.
4. IMS will assess a convenience charge to the consumer. This fee is at the discretion of IMS, but subject to review by the County Commission Chairman.
5. The customer will be advised that Baldwin County receives no revenue from this convenience charge. Furthermore, they will be afforded opportunity to cancel the transaction after they have been advised of the fee.
6. Baldwin County agrees to assist IMS in the collection of License fees, taxes, convenience fee, and penalties in the event of payment default of any kind. Furthermore, Baldwin County will return the defaulted license fees to VeriCheck or NewTek.
7. If a county governing body has authorized the use of credit cards and has entered into an agreement with one or more issuers or processors, each office or agency within a county may elect whether or not to accept Internet based payments in its office or agency, and may establish its own rules for acceptance of said Internet based payments with the county pursuant to that agreement.
8. All customer information to include cardholder data collected in connection with Internet sales must be stored in a secure computer with appropriate firewalls in place. Additionally, all transmitted information should be process over a secured internet connection with an SSL certificate installed. Employee access to computer location and the data stored therein will be restricted to a "need to know" basis.
9. The County Commission Chairman may terminate this agreement unconditionally.
10. If IMS does not maintain a reasonable level of service; IMS will be given 30 days to remedy any circumstance identified in writing by the County Commission Chairman.

Dated 07/12/2007

Signed R. Kaldi Jr.

Rudy Kaldi
IMS Enterprises, Inc.

Dated 7-25-07

Wayne Gruenloh
County Commission Chairman
Baldwin County

Will
Resign
→

Newtek

Merchant Solutions

A Registered Service Provider of NCMIC Finance Corporation

✓CHECKPOINTS:

- All applicable spaces completed before signing? Additional forms attached?
- Imprinted voided check attached? Site inspection completed?
- If multiple locations, a MAA Form is complete for each & Headquarters Info. sheet is complete.
- If applicable, copies of merchant bank card statements for 3 recent months attached?

Bank Name or # _____
 Association Name or # _____
 Office Name or # _____
 Rep. Name or # _____

MERCHANT INFORMATION

Business Name (Doing Business As): Baldwin County Commission			Corporate Name (also used for Headquarters information): IMS Enterprises, Inc.		
Business Address: 1 Courthouse Square			Billing Address (if different than location address): 3115 Northington Ct. Suite 150		
City: Bay Minette	State: AL	Zip: 36507	City: Florence	State: AL	Zip: 35630
Location Phone: (251) 937-0264			Location Fax: _____		
Business e-mail or Website Address: http://www.renewyourtag.com			Contact Name: Rudy Kaldi		
We Give Our Permission to Release Our Customer Service Phone #:			Contact Phone: (256) 246-0600		
			Contact Fax/e-mail: _____		
Send Monthly Merchant Statements To: <input checked="" type="checkbox"/> Corporate Headquarters <input type="checkbox"/> Business Location					
Name to Appear on Cardholder Statement: (abbreviate if necessary, not to exceed 25 characters including spaces) Baldwin County Judge of Probate					

OWNERS/PARTNERS/OFFICERS

1) Name (print first and last): Wayne Gruenloh	Title: County Commission Chairman	Equity/Ownership: 100%
Date of Birth: _____	Social Security #: _____	Home Phone: _____
Home Address: _____	City: _____	State: _____ Zip: _____
2) Name (print first and last): _____	Title: _____	Equity/Ownership: _____
Date of Birth: _____	Social Security #: _____	Home Phone: _____
Home Address: _____	City: _____	State: AL Zip: _____

MERCHANT PROFILE SECTION

VISA/MASTERCARD INFORMATION

Type of Ownership: <input type="checkbox"/> Sole Proprietor <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation <input checked="" type="checkbox"/> Other Other currently/previously owned businesses <u>Government</u>		MERCHANT TYPE		VISA/MASTERCARD SALES PROFILE	
No. of Years in Business: _____ Tax ID Number: _____		<input checked="" type="checkbox"/> Retail Outlet	Credit Cards Swiped	0	%
Prior Bankruptcy? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Date Discharged: _____		<input type="checkbox"/> Restaurant/Food	Credit Cards Keyed With Imprint, Card Present	0	%
Do you currently accept VISA/MasterCard? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, you must submit 3 most current months statements		<input type="checkbox"/> Lodging	Credit Cards Keyed Via Mail Order/Telephone/Internet	100	%
Seasonal Business? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes list months: _____		<input checked="" type="checkbox"/> Mail/Telephone Order Only	Must Total 100%		
Has this business or any associated principal been terminated as a VISA/MasterCard Merchant? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		<input checked="" type="checkbox"/> Home Business, Trade Fairs			
Describe products/services sold: tag renewals		<input checked="" type="checkbox"/> Outside Sales/Service, Other, Etc			
Methods of Marketing: <input type="checkbox"/> Newspaper/magazines <input checked="" type="checkbox"/> Internet <input type="checkbox"/> Television/Radio <input type="checkbox"/> Direct Mail, Brochure & Catalogs <input type="checkbox"/> Outgoing Telemarketing Sales		<input type="checkbox"/> Manual Entry with Imprint			
		<input checked="" type="checkbox"/> Internet (contact email address required above)			

COMPLETE THIS SECTION FOR ALL MERCHANTS PROCESSING WITH 20% OR MORE KEYED VOLUME

Percentage of monthly volume for:			IF INTERNET RELATED, COPY OF WEB PAGE REQUIRED	
Telephone Orders 0%	Mail and/or Fax Orders 0%	Internet Orders 100%	Write Web Address Below	
Special Processing Addendum Required			http://www.renewyourtag.com	

OTHER CARD TYPES

BANKCARD TYPES

<input type="checkbox"/> New AMEX Account	<input type="checkbox"/> AMEX Merchant # _____	<input checked="" type="checkbox"/> Both Credit Cards and Debit Cards (Check Card)
<input type="checkbox"/> New Discover Account	<input type="checkbox"/> Discover Merchant# _____	<input type="checkbox"/> Credit Cards only
<input type="checkbox"/> New Other Account	<input type="checkbox"/> Other Merchant # _____	<input type="checkbox"/> Debit Cards (Check Card) only
This section applies to all Visa and MasterCard products.		

REFERENCES

BANK REFERENCE			TRADE REFERENCE			LANDLORD/MORTGAGE HOLDER		
Name: _____			Name: _____			Name: _____		
Address: _____			Address: _____			Address: _____		
City: _____	State: _____	Zip: _____	City: _____	State: AL	Zip: _____	City: _____	State: _____	Zip: _____
Contact: _____			Contact: _____			Contact: _____		
Phone: _____			Phone: _____			Phone: _____		
DDA Account Number: _____			Account Number: _____			Rent/Mortgage Payment Amt.: \$ _____		
Transit Routing Number: _____								

SCHEDULING OF PROCESSING CHARGES

SCHEDULING OF PROCESSING CHARGES

		CHECKCARD	CREDIT CARD
Visa/MasterCard Qualified discount rate.....		0 %	0 %
Visa/MasterCard MID-Qualified discount rate.....		0 %	0 %
Visa/Mastercard NON-Qualified discount rate.....		0 %	0 %
Transaction Fee (applies to all card types).....		\$0.00 ea.	\$0.00 ea

Debit Access Fee	\$ 0 /mo	Visa/MasterCard Minimum Monthly Discount Fee	\$ 0 /mo.
Debit Transaction Fee	\$ 0 /ea	Statement Fee	\$ 0 /mo.
AVS Surcharge	\$.05 ea.	Charge Back Fee	\$ 25.00 ea.
Voice Authorization	\$ 1.50 ea.	Research Fee	\$ 25.00 ea. <small>or 10% of amt. investigated</small>
Voice AVS	\$ 2.50 ea.	ACH Returned Item Fee	\$ 25.00 ea.
Non Bankcard Transaction Fee	\$ 0 /ea <small>If different from above</small>	Request for Copy (retrieval)	\$ 15.00 ea
Gateway Transaction Fee	\$ 0 /ea <small>If applicable</small>	Checking Account Change	\$ 25.00 ea
Gateway Monthly Fee	\$ 0 /mo <small>If applicable</small>	Monthly Discount (Add % to Disc. rates)	
		Merchant Club	\$ 14.95/Mo.
		<input type="checkbox"/> Internet Reports	\$ 10.00/mo
		<input type="checkbox"/> CT Web hosting/carl	\$ 7.95/mo
		<input type="checkbox"/> E-mail Batch Report	\$ 4.95/mo

Each applicant certifies that the above average ticket size and monthly sales volume is accurate and acknowledges that any significant variance from this information could result in delayed or withheld settlement of funds and/or assessment of additional fees.

Average Ticket Size For VISA/MasterCard ONLY: \$100.00

Other: Please Specify Online Use only

Monthly Visa/MasterCard Sales Volume: \$10,000

EQUIPMENT INVENTORY - EXISTING OR PURCHASING

Purchasing Price Does Not Include Sales Tax Or Shipping And Handling Charges

Terminal Model	Quantity	<input type="checkbox"/> Purchase	<input type="checkbox"/> Rent	<input type="checkbox"/> Lease	<input type="checkbox"/> Existing*	Amount \$
PC Software	Quantity	<input type="checkbox"/> Purchase	<input type="checkbox"/> Rent	<input type="checkbox"/> Lease	<input type="checkbox"/> Existing*	Amount \$
Printer Model	Quantity	<input type="checkbox"/> Purchase	<input type="checkbox"/> Rent	<input type="checkbox"/> Lease	<input type="checkbox"/> Existing*	Amount \$
PIN Pad Model	Quantity	<input type="checkbox"/> Purchase	<input type="checkbox"/> Rent	<input type="checkbox"/> Lease	<input type="checkbox"/> Existing*	Amount \$
OTHER	Quantity	<input type="checkbox"/> Purchase	<input type="checkbox"/> Rent	<input checked="" type="checkbox"/> Lease	<input type="checkbox"/> Existing*	Amount \$
**Manual Imprinter	Quantity	<input type="checkbox"/> Purchase	<input type="checkbox"/> Existing	Plate Size <u>x</u>		Amount \$

(* Note: Imprint Must Be Obtained When Transaction Is Keyed) (* Reprogramming Fee For Existing Equipment)

SHIP EQUIPMENT TO:

Merchant Location Agent Bank Sales Office Other (Name):

Bay Minette

Address City State Zip Attention

FEES COLLECTED	FRONT END	PROGRAMMING
<p style="text-align: center;"><u>Amount</u></p> <p>Application Fee: \$ _____</p> <p>Application Rush Fee: \$ _____</p> <p>Equipment: \$ _____</p> <p>First & Last on Lease: \$ _____</p> <p>Other: \$ _____</p> <p>Discover Application Fee \$ 25.00</p> <p>Tax: \$ _____</p> <p>Total: \$ _____</p> <p><input type="checkbox"/> Single Payment <input type="checkbox"/> Three equal payments</p> <p>***Note: Information Required Below **** Deposit Account Will Be Used</p>	<p><input type="checkbox"/> FDR Omaha</p> <p><input type="checkbox"/> FDR Nashville</p> <p><input type="checkbox"/> FDR North</p> <p><input type="checkbox"/> Vital</p> <p><input type="checkbox"/> Other _____</p>	<p><input type="checkbox"/> Rep Install <input type="checkbox"/> Retail <input type="checkbox"/> AVS</p> <p><input type="checkbox"/> NMSW Install <input type="checkbox"/> Restaurant <input type="checkbox"/> Lodging</p> <p><input type="checkbox"/> Auto Close Time _____ <input type="checkbox"/> Tips <input checked="" type="checkbox"/> Direct Mktg</p> <p><input type="checkbox"/> Internet Processing <input type="checkbox"/> Server <input type="checkbox"/> Dial Access _____</p> <p><input type="checkbox"/> Split Dial <input type="checkbox"/> CVV/CVC <input type="checkbox"/> Reverse PIP</p> <p><input type="checkbox"/> Other _____</p>

CREDIT CARD AUTHORIZATION

REQUIRED ONLY FOR CREDIT CARD PAYMENTS

Credit Card Acct. #: _____ Expiration Date: _____

Merchant Signature: X

Date: _____

SITE SURVEY

PLEASE ATTACH PHOTOS "IF REQUIRED"

1. Is the Merchant's DBA name displayed at the facility (exterior signage) and does it match the application? Yes No
If no, please explain: _____
2. Does the address match that of the application? Yes No
3. Type of Location: Shopping Center / Retail / Restaurant Warehouse Office
 Residence Shows / Conventions Other: _____
4. Does Merchant Own Lease Other: _____
5. Is Merchant located within another Merchant's facility? Yes No
If Yes, name of the other Merchant: _____
6. Is the Merchant's telephone number and address verifiable? (i.e. Yellow Pages) Yes No
7. Is the business currently operating? If no, expected opening date _____ Yes No
8. Does the merchant have appropriate and sufficient equipment and inventory consistent with the type of business and projected sales volume and average ticket? If no, please explain: _____ Yes No
9. What are the sales and return policies? Are they displayed, written, and available to the consumers? (i.e., "All Sales Final") Yes No
If no, please explain: _____
10. No. of employees _____

I hereby certify the above information is accurate and I personally recommend this merchant application based on the site inspection

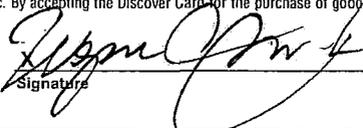
X Rudy Kaldi **X** _____
 Representative Name Printed Representative's Signature Date

DISCOVER ACCEPTANCE AGREEMENT

Monthly Fee: \$ n/a Monthly Min: \$ n/a Trans Fee: _____ +\$.10* Discover Discount Rate: _____ %

* An additional \$0.10 per transaction fee will apply to each Discover transaction processed and will be deducted along with the discount rate by Discover.
 **One-time \$25.00 Discover membership fee will be collected via a separate ACH by Discover.

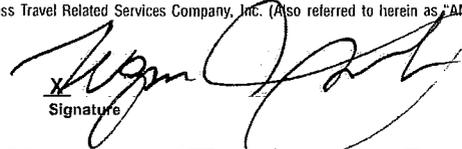
By signing below, I represent that the information I have provided on this application is complete and accurate. I hereby request for Discover Card acceptance to be added to my Merchant Application. I understand that the Terms and Conditions for Discover Card Acceptance (Terms & Conditions) will be sent to the business indicated above upon approval by Discover Financial Services, Inc. for this business entity to accept the Discover Card by Discover Financial Services, Inc. By accepting the Discover Card for the purchase of goods and/or services, I agree to be bound by the Terms and Conditions.

X _____  _____
 Print Principal or Corporate Officer Name Signature Date

AMERICAN EXPRESS ACCEPTANCE AGREEMENT

Pay Frequency: 3 Day 15 Day 30 Day Daily or Monthly Gross Pay Estimated Annual AMEX Volume: \$ _____ AMEX Discount Rate: _____ %
 (Please Check One) (Please Circle One)

By signing below, I represent that the information I have provided on the Application is complete and accurate. I understand that the Terms and Conditions for the American Express® Card Acceptance ("Terms and Conditions") will be sent to the business entity indicated above along with the welcome letter upon approval of such business entity to accept the American Express Card by American Express Travel Related Services Company, Inc. By accepting the American Express Card for the purchase of goods and/or other services, I agree to be bound by the Terms and Conditions. The Undersigned also represents that the Merchant agrees to the terms and conditions of the American Express Card Acceptance Agreement. Additionally, Merchant agrees that all representations and agreements found above shall be deemed to have been made for the benefit of, and may be enforced by, American Express Travel Related Services Company, Inc. (Also referred to herein as "AMEX") and that American Express may use all information (including, but not limited to, consumer reports) referred to herein.

By: _____  _____
 Print Principal or Corporate Officer Name Signature Date

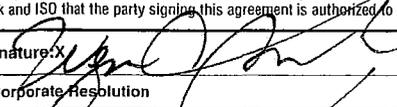
PERSONAL GUARANTEE

The undersigned unconditionally guarantees to Bank and ISO the performance of this Agreement by Merchant, including paying of all sums due and owing and any attorneys' fees and costs associated with enforcement of the terms thereof. Bank or ISO shall not be required to first proceed against Merchant or enforce any other remedy before proceeding against the undersigned. This is a continuing guaranty and shall not be discharged or affected by the death of the undersigned, shall bind the heirs, administrators, representatives and assigns and may be for the benefit of any successor of Bank or ISO. The term of the guarantee shall be for the duration of the BankCard Merchant Agreement and for any period thereafter during which any rights of offset or chargeback of transaction remain valid under the applicable Card Association regulations.

Guarantor: **X** Date: / / Co-Guarantor: X Date: / /

AUTHORIZED SIGNER FOR BUSINESS

By Signing below, Merchant (i) represents that the information provided by Merchants in this Bank Card Merchant agreement is true, complete and not misleading; (ii) acknowledges that Merchant has read and understands this Agreement and Operating Procedures and agrees to be bound by their terms; and (iii) authorized Company and its agents to credit and debit the Account in accordance with this Agreement and represents and warrants to Bank and ISO that the party signing this agreement is authorized to do so and to act on behalf of the merchant in the performance thereof.

Merchant Owner/Officer Signature: **X**  Title: County Commission Chairman Date: 7/25/07

FOR ALL CORPORATIONS - Corporate Resolution

The indicated officer identified above has the authorization to execute the Merchant Processing Agreement with Bank on behalf of the herewithin named corporation.

Secretary of the Board: **X** Date: / /

FOR BANK USE ONLY

Application Approved By: _____ Title: _____ Date: / /

MERCHANT AGREEMENT

ADDITIONAL TERMS AND CONDITIONS

In these Additional Terms and Conditions, "Agreement" means the Merchant Bank Card Application and Agreement and these Additional Terms and Conditions. "You," "Your" and "Merchant" means any party who signs this Agreement as the Merchant. NCMIC means NCMIC Finance Corporation, a Iowa Financial Institution, located at 14001 University Avenue, Clive, IA 50325-8258, and its assigns. These Additional Terms and Conditions are part of your Agreement. You agree to be bound by these Additional Terms and Conditions when you sign the Agreement.

Definitions and Interpretation

1.1. For purpose of this Agreement, the following terms shall have the meaning set forth

below:

- (a) "Agent Bank" means the Agent Bank, if any, identified in the Merchant Bank Card Application and Agreement. If there is no Agent Bank identified in the Merchant Bank Card Application and Agreement, then the term Agent Bank shall refer to NCMIC.
- (b) "Application Fee" means the then-current fee, if any, for becoming a member of the Interchange System as charged by NCMIC.
- (c) "Authorization" means the approval (by voice or electronically) of a Bank Card Transaction by the Issuer or its authorized agent.
- (d) "Authorization Center" means the facility designated by NCMIC that provides responses (by voice or electronically) to your Authorization requests.
- (e) "Bank Card" means a credit card or debit card issued by a member of either Interchange System and bearing the Interchange System's trade name, trademark, service mark, and/or symbols.
- (f) "Bank Card Transaction" means a Sales Transaction, Credit Transaction, or Chargeback.
- (g) "Cardholder" means the person or Entity whose name is embossed on the Bank Card or any authorized user of a Bank Card.
- (h) "Chargeback" means an item representing a Sales Transaction disputed by a Cardholder in accordance with applicable Operating Rules, or a rejected Sales Draft that is returned unpaid for any reason by the Issuer of the Bank Card.
- (i) "Code Ten" is defined in Section 4.5 of these Additional Terms and Conditions.
- (j) "Credit Transaction" means a transaction between you and a Cardholder through use of a Bank Card for exchange, return of, and/or adjustment on merchandise or services sold in a Sales Transaction, as evidenced by a Credit Voucher that you present to NCMIC for processing through the Interchange System.
- (k) "Credit Voucher" means a paper or electronic record of a Credit Transaction through use of a Bank Card in a form provided or approved by NCMIC.
- (l) "Depository Bank" is defined in Section 3.2 of these Additional Terms and Conditions.
- (m) "Discount" means an amount equal to the total amount of a Sales Draft and/or Credit Voucher multiplied by the appropriate Discount Rate.
- (n) "Discount Rate" is defined in Section 7.2 of these Additional Terms and Conditions.
- (o) "EDC Merchant" means a Merchant that processes its Bank Card Transactions through use of an EDC Terminal.
- (p) "EDC Terminal" means a Point-Of-Sale Terminal that electronically captures Bank Card Transaction data.
- (q) "Effective Date" means the date on which this Agreement is received and signed by a duly authorized representative of NCMIC at its Wisconsin offices.
- (r) "Entity" means a corporation, partnership, sole proprietorship, joint venture, or other form of organization.
- (s) "Floor Limit" means the specific dollar amount above which a Sales Transaction requires Authorization. For purposes of this Agreement, your floor limit is zero.
- (t) "Initial Term" is defined in Section 25.1 of these Additional Terms and Conditions.
- (u) "Interchange Rate" means any then-current fee charged by the Interchange System for each Bank Card Transaction.
- (v) "Interchange System" means the MasterCard International, Incorporated system, or VISA U.S.A. Inc. or VISA International, Inc. system, or both, or their successors and assigns.
- (w) "Issuer" means the institution that issued the Bank Card to a Cardholder.
- (x) "Item" means a credit or debit processed through an Interchange System arising from use of a Bank Card.
- (y) "Merchant Collateral Account" is defined in Section 3.4 of these Additional Terms and Conditions.
- (z) "Minimum Monthly Fee" means the then-current monthly fee for maintaining your membership in the Interchange System as charged by NCMIC.
- (aa) "Operating Rules" means all respective bylaws, operating rules and regulations, procedures, and guidelines promulgated by each Interchange System, as they may from time to time be amended.
- (bb) "Point-of-Sale Terminal" means the computer terminal or similar device at your location that provides electronic responses to Authorization requests.
- (cc) "Preauthorized Order" means a Cardholder's written authorization to make one or more charges to the Cardholder's Bank Card account on a future date.
- (dd) "Program" means the program of Merchant participation in the Interchange Systems as described in this Agreement.
- (ee) "Reserve Account" is defined in Section 3.6 of these Additional Terms and Conditions.
- (ff) "Sales Draft" means a paper or electronic record of a Sales Transaction in a form provided or approved by NCMIC.
- (gg) "Sales Transaction" means a transaction between you and a Cardholder for sale or rental of merchandise or the provision of services through use of a Bank Card as evidenced by a Sales Draft that you present to NCMIC for processing through the Interchange System.
- (hh) "Settlement Account" means the commercial checking account identified in Section 3.1 of these Additional Terms and Conditions.

1.2. Each definition in this Agreement includes the singular and the plural, and the word "including" means "including but not limited to." Reference to any statute or regulation means such statute or regulation as amended at the time and includes any successor statute or regulation. Section and other headings in this Agreement are solely used for convenience and shall not be considered in its interpretation.

Appointment of Agents

2.1. You hereby appoint NCMIC as your agent for the purpose of forwarding to Issuers all Sales Drafts and Credit Vouchers arising from Bank Card Transactions. You shall process all Bank Card Transactions through NCMIC.

Settlement and Merchant Collateral Accounts

3.1. You shall establish and maintain a Settlement Account with any bank in the United States which (a) is a member of the Automated Clearing House system; (b) will permit NCMIC to make electronic deposits to and withdrawals from the Settlement Account, and (c) is reasonably requested by NCMIC from time to time for the purpose of obtaining the privilege of using and making debits and credits and information inquiry to and concerning the Settlement Account.

3.2. You hereby appoint NCMIC as your agent and attorney-in-fact and authorize NCMIC to make any payment to you or to collect any amount due and owing by you from time to time pursuant to this Agreement by initiating and transmitting automatic credit and debit entries to the Settlement Account, to obtain from the bank (the "Depository Bank") at which the Settlement Account is maintained account and balance information and statements, and to otherwise deal with the Settlement Account in your name and stead for purposes of performing NCMIC obligations and rights under this Agreement. This authority shall remain in full force and effect until NCMIC has received written notification from you of your termination in such time and in such a manner as to afford NCMIC a reasonable opportunity to act on it. In the event of termination of this Agreement, such revocation of authority shall not be effective until NCMIC issues a certification to the Depository Bank that you have paid all amounts due under this Agreement. You agree to hold harmless Depository Bank for any action taken by Depository Bank at the request of NCMIC consistent with the terms of this Agreement.

3.3. You agree to deposit and maintain in the Settlement Account sufficient funds to cover all fees, charges, and expenses due NCMIC and/or Agent Bank, including those estimated by NCMIC as likely to arise, and shall maintain such funds in the Settlement Account until all possible Chargeback rights recognized under the Operating Rules shall have been exercised or expired for lapse of time, but in no event for a period less than 120 days following termination of this Agreement. NCMIC shall bill you for the amount of any fees, charges, or expenses that exceed the balance of your Settlement Account. Payment in full for each invoice shall be due within 15 days of receipt thereof. NCMIC may, at its option, impose a late payment charge of two percent per month (or the maximum legal rate, if less) on the past due balance in the event you fail to pay any fees, charges, or expenses within 15 days after the same are due.

3.4. You acknowledge that NCMIC and Agent Bank may monitor your daily account activity. If NCMIC or Agent Bank suspects or becomes aware of any abnormal, irregular, suspicious, or fraudulent Merchant activity, including any change in your business practices or activity that is inconsistent with the information contained in or submitted as part of your Merchant Bank Card Application and Agreement, that is inconsistent with your prior processing activities (such as level of charges or number of Credit Vouchers), or that departs from ordinary business practices of other merchants in the same or a similar line of business, NCMIC and Agent Bank may, in their sole discretion, without notice to you, do one or more of the following:

- (a) Deposit any amounts otherwise payable to you by credit to the Settlement Account pursuant to Section 8 of these Additional Terms and Conditions in an account (the "Merchant Collateral Account") established in NCMIC's name. Neither NCMIC nor the Agent Bank shall have any liability for any losses or damages, whether direct, indirect, actual, or consequential, suffered by you as a result of such diversion of funds to the Merchant Collateral Account. You agree to pay with respect to funds deposited to the Merchant Collateral Account (i) a one-time account opening fee of \$25, (ii) a monthly account maintenance fee of \$15, (iii) fees and expenses of independent auditors, and (iv) reasonable fees and expenses of counsel to NCMIC and/or the Agent Bank in connection with inquiries, actions or proceedings by Merchant through its attorneys.
- (b) Freeze or request the Depository Bank to freeze the Settlement Account so as to preclude any further withdrawals by you.
- (c) Withdraw amounts from the Settlement Account by any means, including wire transfer, and deposit such amounts in the Merchant Collateral Account.
- (d) Impose a monthly investigation fee up to the maximum set forth in your Merchant Bank Card Application and Agreement.

3.5. NCMIC shall have sole dominion and control of funds in any Merchant Collateral Account. All funds that are or may be placed in a Merchant Collateral Account shall be subject to a security interest in favor of NCMIC. NCMIC may debit the Merchant Collateral Account for any and all amounts owed by you under this Agreement. NCMIC may retain funds in the Merchant Collateral Account for such time as NCMIC deems necessary.

3.6. NCMIC may also, in its sole discretion, require Merchant to establish a Reserve Account for such items as Chargebacks, including for mail and telephone orders as provided by Section 19.1 of these Additional Terms and Conditions, subject to terms and conditions to be established by NCMIC.

Sales Transactions

4.1. Honor All Bank Cards. For the Bank Card types selected on the application page, you shall honor all valid and unexpired Bank Cards when properly presented as payment from a Cardholder for a Sales Transaction, provided that the requirements of this Section 4 are satisfied. You shall maintain a policy that does not discriminate among customers seeking to make purchases through use of a Bank Card. If you do not deal with the public at large, you shall be deemed to have complied with this Section 4.1 if you honor Bank Cards of Cardholders who have purchasing privileges with you. In all events you shall not:

- (a) establish, or post any signs that indicate that you require, any minimum or maximum amount of purchase as a condition of honoring a Bank Card;
- (b) directly or indirectly impose any surcharge on any Sales Transaction;
- (c) collect any applicable tax separately in cash, or
- (d) require a Cardholder to provide any personal information such as a home or business telephone number or home or business address, or additional identification such as a driver's license as a condition to honoring a Bank Card, unless such information is required under Section 4 or Section 6 of these Additional Terms and Conditions or other specific circumstances cited in the Operating Rules.

4.2. Conditions of a Sales Transaction. You shall not complete any Sales Transaction unless all of the following conditions are met:

- (a) except in the case of a mail or telephone order, a Bank Card is presented;

MERCHANT AGREEMENT

ADDITIONAL TERMS AND CONDITIONS

- (b) the Sales Transaction date is on or after the "valid from" date and before the expiration date shown on the Bank Card;
- (c) the signature on the Sales Draft is the same as that contained on the signature panel of the Bank Card (which signature may, but need not be the name embossed or printed on such Bank Card), or the Cardholder resembles the person depicted in the picture (if any) on the Bank Card;
- (d) if you are using an EDC Terminal that reads the magnetic stripe on the Bank Card, the embossed account number on the Bank Card matches the account number displayed and/or printed from the EDC Terminal;
- (e) if the Bank Card contains optional security features, the embossed account number on the face of the Bank Card matches the account number indent printed on the signature panel; and
- (f) you obtain Authorization for the Sales Transaction.

4.3. Authorization of Sales Transaction. You shall obtain Authorization before completing each Sales Transaction. The requirement of prior Authorization includes without limitation each of the following circumstances:

- (a) the total dollar amount of the Sales Transaction exceeds your floor limit, which for each sales transaction is defined to be zero;
- (b) the Sales Transaction is completed in partial payment of a single purchase;
- (c) you will make a delayed presentment of the Sales Draft, which shall be made in accordance with Section 4.10(b) of these Additional Terms and Conditions; or
- (d) the Sales Transaction (other than a mail or telephone order or a Preauthorized Order) involves (i) a handwritten Sales Draft that does not contain the imprint of your Merchant plate and the Bank Card, or (ii) an unsigned Bank Card, in which case you must also comply with Section 4.4 of these Additional Terms and Conditions.

Except as otherwise provided in Section 4.10(a) of these Additional Terms and Conditions, you shall request Authorization for the total amount of the Sales Transaction. If an expired Bank Card is presented and you are not an EDC Merchant, you must contact the Authorization Center by telephone. If the Authorization Center grants Authorization, you shall type or legibly print the Authorization approval code on the Sales Draft. An Authorization is effective only for that specific Sales Transaction and shall not constitute a waiver of any other requirement.

An additional Authorization is not required where a gratuity is added by the Cardholder if you have obtained Authorization for the Sales Transaction amount, and the gratuity does not exceed 20 percent of the Sales Transaction amount. If the gratuity exceeds 20 percent of the Sales Transaction amount, you must obtain Authorization for the additional amount. You shall type or legibly print both approval codes on the Sales Draft.

You shall in all events be responsible for the Sales Transaction regardless of any Authorization if you complete a Bank Card Transaction when: the Cardholder is present and does not have his or her Bank Card; the signature on the Sales Draft is unauthorized as compared to the signature appearing on the panel of the Bank Card; or, the signature panel on the Bank Card is blank and you do not comply with Section 4.4 of these Additional Terms and Conditions.

Authorization of a Sales Transaction shall in no event limit or preclude NCMIC from refusing to accept or revoking its receipt of a Sales Draft as provided in Section 8 of these Additional Terms and Conditions.

4.4. Unsigned Bank Card. If a Bank Card is not signed, before completing the Sales Transaction, you must:

- (a) obtain Authorization;
- (b) obtain and review positive identification to determine that the user is the Cardholder;
- (c) unless otherwise prohibited under applicable law, indicate such positive identification including any serial number and expiration on the Sales Draft; and
- (d) require the Cardholder to sign the signature panel of the Bank Card.

Positive identification must consist of a current, official government identification document such as a passport, driver's license, or state identification card that bears the Cardholder's signature. If recording of information is prohibited under applicable law, you should note the type of additional identification (but not record the information contained therein) on the Sales Draft.

4.5. Code Ten. You shall telephone the Authorization Center and state to the Authorization clerk, "This is a Code Ten" under the following circumstances:

- (a) you believe there to be a discrepancy between the signature on the Bank Card and the signature on the Sales Draft or are uncertain whether the person presenting the Bank Card is the same person depicted in the photograph (if any) on the Bank Card;
- (b) the embossed number displayed and/or printed from your EDC Terminal does not match the account number embossed on the Bank Card;
- (c) the response to a Point-Of-Sale Terminal Authorization request so directs; or
- (d) you suspect that the Bank Card may be counterfeit or stolen, or you have any other reason to be suspicious of the Sales Transaction.

You shall then await instructions from the Authorization clerk and shall follow those instructions when given. The instructions given by the Authorization clerk shall not constitute a waiver of any provision of this Agreement.

4.6. Retention of Bank Cards. You shall use your best efforts, by reasonable and peaceful means, to retain a Bank Card under the following circumstances:

- (a) while making an Authorization request or Code Ten call;
- (b) until the Authorization Center can be contacted regarding a Code Ten, as required by Section 4.5 of these Additional Terms and Conditions, if the Authorization Center is closed or cannot be reached; and
- (c) after completing a telephone call to the Authorization Center, if the Authorization clerk directs you to do so. You shall return the Bank Card to the Cardholder after completing a telephone call to the Authorization Center, unless directed not to do so.

4.7. Mail Order or Telephone Order. If you are authorized to make a Sales Transaction pursuant to a mail or telephone order subject to the provisions of Section 19 of these Additional Terms and Conditions, you must use equipment running an address verification service. For each Sales Transaction, you shall obtain the valid date (if indicated on the Bank Card) and expiration date of the Bank Card and, when Authorization is required, forward it as part of the Authorization request. A Sales Draft based on a mail or telephone order may be completed without Cardholder signature or imprint;

provided, however, that you must maintain shipping documents indicating the address where goods are shipped and obtain signatures of the individual or Entity receiving the goods whenever possible. You shall type or legibly print on the signature line on the Sales Draft the letters "MO" for a mail order and the letters "TO" for a telephone order. You shall be deemed to represent and warrant to NCMIC that the person who placed the mail or telephone order is the holder of the Bank Card.

4.8. Preauthorized Orders. You may accept a Preauthorized Order for a Sales Transaction only if the Cardholder has signed a written authorization for the preauthorized charge. The written authorization must at least specify the Sales Transaction amount(s) charged to the Cardholder's account, the frequency of the charges (if applicable), and the duration of time for which such Cardholder's authorization is granted. If Cardholder authorization is renewed, the Cardholder must complete and deliver to you a subsequent written authorization for continuation of such merchandise or services to be charged to Cardholder's account. You shall retain the written authorization and make it available upon request to NCMIC. You shall not deliver merchandise or perform services covered by a Preauthorized Order after you receive actual notification that the written authorization has been canceled or that the Bank Card covered by the Preauthorized Order is not to be honored. For each Preauthorized Order, you shall type or legibly print the letters "PO" on the signature line of the Sales Draft.

4.9. Multiple Sales Drafts. You shall not use two or more Sales Drafts to avoid an Authorization request. You shall include all items of merchandise and services purchased in a single Sales Transaction in the total amount on a single Sales Draft in every case except for:

- (a) purchases in separate departments of a multiple department store; or
- (b) a partial payment or delayed delivery transaction as described in Section 4.10 of these Additional Terms and Conditions.

4.10. Partial Consideration. You shall not effect a Sales Transaction when only a part of the amount due is included on a single Sales Draft, except when:

- (a) The balance of the amount due is paid by the Cardholder at the time of sale in cash, by check, with another credit or debit card, or any combination thereof. In all such cases, Authorization is required for the amount of the purchase effected with the Bank Card.
- (b) The Cardholder executes two separate Sales Drafts in a delayed delivery Sales Transaction. In such case, a deposit is made by completion of one Sales Draft and payment of the balance is tendered by completion of a second Sales Draft, the latter being conditioned upon delivery of merchandise or performance of services. Separate Authorization approval codes shall be obtained for and recorded on each Sales Draft, which shall also contain the words "delayed deposit," and the words "deposit" or "balance," as appropriate. You shall not deposit the Sales Draft labeled "balance" until shipment of the merchandise or performance of the services.

4.11. Product Changes. Merchant shall submit Bank Card Transactions for approval by NCMIC only for the product or products listed in the Merchant Bank Card Application and Agreement. Merchant shall not submit Bank Card Transactions for any product, including goods and services, not previously approved in writing by NCMIC.

Sales Drafts

5.1. You shall use a Sales Draft in each Sales Transaction. Each Sales Draft shall be imprinted with the appropriate legends in accordance with Section 6 of these Additional Terms and Conditions. The Bank Card must actually be presented, even if for some reason the information embossed thereon is written in by hand (unless the Sales Transaction is transacted by mail or by telephone in accordance with Section 4.7 and Section 19 of these Additional Terms and Conditions). The Sales Draft shall also contain:

- (a) the date of the Sales Transaction;
- (b) the total cash price of the sale (including any applicable state or federal taxes), or (i) the amount to be charged if a partial payment is made in cash or by check in accordance with Section 4.10(a) of these Additional Terms and Conditions, or (ii) the amount to be charged if a partial payment is made as a deposit or as the balance owing after a deposit has been made in accordance with Section 4.10(b) of these Additional Terms and Conditions;
- (c) A short description of the merchandise or services;
- (d) The words "delayed deposit," "deposit," or "balance" as appropriate and the Authorization approval code if Authorization for delayed deposit is given in accordance with Section 4.3(c) and Section 4.10(b) of these Additional Terms and Conditions;
- (e) The letters "MO" (mail order), "TO" (telephone order), or "PO" (Preauthorized Order), if applicable to the Sales Transaction; and
- (f) If you are using an EDC Terminal, the Cardholder's account number and your name and location code (or city and state).

5.2. The Cardholder shall sign the Sales Draft unless the Sales Transaction is completed by mail or telephone subject to Section 4.7 and Section 19 of these Additional Terms and Conditions or is a Preauthorized Order. The Cardholder shall not be required to sign the Sales Draft until the final Sales Transaction amount is known and indicated in the total column. You shall deliver a true and completed copy of the Sales Draft to the Cardholder.

5.3. You shall not alter any Sales Draft after it has been signed by the Cardholder.

Imprints

6.1. You shall use a suitable electronic printer or imprinter to print legibly on each Sales Draft and Credit Voucher the embossed legends from the Bank Card presented by the Cardholder and your Merchant plate. If either or both legends are not so printed and you are not within one of the exceptions noted in Section 6.2 of these Additional Terms and Conditions, you must note legibly on the Sales Draft or Credit Voucher sufficient detail to identify the Cardholder, the Issuer, and you. Such detail shall include at least the Cardholder's name and account number; the ICA or BIN number, the valid date (if any), and the expiration date of the Bank Card; any company name; the name of the trade style of the Issuer as it appears on the face of the Bank Card; your name and address; and any other embossed data such as security symbols.

- 6.2. You are not required to obtain an imprint of either legend if:
- (a) you are an EDC Merchant and your EDC Terminal produces Sales Drafts and Credit Vouchers that contain the information specified in the Operating Rules; or
- (b) the Bank Card Transaction is based on a mail or telephone order subject to Section 4.7 and Section 19 of these Additional Terms and Conditions or is a Preauthorized Order subject to Section 4.8 of these Additional Terms and Conditions.

6.3. The exception set forth in Section 6.2(a) of these Additional Terms and Conditions shall not apply if the EDC Terminal or printer is not functioning or if your EDC Terminal does not read

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the magnetic stripe on the Bank Card. In such cases, you must obtain an imprint of both legends or otherwise comply with Section 6.1 of these Additional Terms and Conditions.

6.4. Except in the case described in Section 6.2(a) of these Additional Terms and Conditions, if you complete a Bank Card Transaction without imprinting the Bank Card, whether or not Authorization is obtained, you shall be deemed to represent and warrant to NCMIC the true identity of the customer as the Cardholder unless you have obtained independent evidence of the Cardholder's true identity. In any case in which you obtain independent evidence, you must record the information contained in the independent evidence on the Sales Draft, unless recording is prohibited under applicable law, in which event you must note the type of evidence (but not record the information contained therein) on the Sales Draft.

6.5. You must immediately notify NCMIC in the event that any information on your Merchant plate is changed.

Deposit of Sales Drafts

7.1. You shall not deposit a Sales Draft with NCMIC until you have performed all of your obligations relating to the Sales Transaction. You shall not, directly or indirectly, deposit any Sales Draft with NCMIC that did not originate in a legitimate Sales Transaction in the ordinary course of your business as described in the Merchant Bank Card Application and Agreement.

7.2. The amount of the Discount Rate applicable to each Sales Draft and/or Credit Voucher, and any adjustments to the Discount Rate, shall be determined by NCMIC in its sole discretion. The amount of the Discount Rate may be dependent in part upon when you deposit the Sales Draft. Without limiting the generality of the preceding sentence, the otherwise applicable Discount Rate will be increased with respect to (i) Sales Transactions in which an Authorization was not obtained, (ii) except as otherwise required by these Additional Terms and Conditions with respect to specific Sales Drafts (such as "delayed deposit" or "balance" transactions), deposits or batch transmissions two or more days after the date of the included Sales Transactions or Credit Transactions, (iii) transactions including Bank Cards issued outside the United States, (iv) Sales Transactions in which use of an address verification service was required by the Additional Terms and Conditions but Merchant failed to use such service, (v) any Keyed Bank Card Transaction (except for Merchants approved by NCMIC or Agent Bank as a keyed Merchant), and (vi) any Bank Card Transaction involving a corporate card or corporate purchase card. You shall deposit a copy of each Sales Draft with NCMIC not later than the bank business day following the date of the Sales Transaction, except:

- (a) in those cases when goods are shipped or services performed after the expiration of the otherwise applicable one bank day period, the deposit shall not be made sooner than the shipment or performance, and shall be made immediately thereafter;
- (b) in those cases in which the Cardholder has agreed in writing to a delayed presentment, and you request and receive an Authorization for delayed presentment, deposit shall be made within the period permitted for delayed presentment; or
- (c) in those cases in which you are obligated by law to retain the Sales Draft or return it to the Cardholder upon timely cancellation, the deposit shall be made within 10 bank business days after the date of the Sales Transaction.

Receipt of Sales Drafts

8.1. Except as otherwise provided in this Agreement, NCMIC shall receive and process all Sales Drafts deposited with it that comply with the terms and conditions of this Agreement and Operating Rules. NCMIC shall pay you the total face amount of each Sales Draft, less the applicable Discount and any adjustments determined daily according to information contained in the Merchant Bank Card Application and Agreement, by credit to the Settlement Account. All payments, credits, and charges are subject to audit and final checking by NCMIC, and prompt adjustment shall be made for inaccuracies discovered.

8.2. Notwithstanding any other provision of this Agreement, NCMIC may refuse to receive any Sales Draft or revoke its prior receipt if:

- (a) The Cardholder disputes liability on any of the following grounds:
 - (i) that the merchandise, services, or other things of value received by the Cardholder do not conform to the written characterization appearing on the Sales Draft or accompanying support documentation, and the Cardholder has returned or attempted to return the merchandise or other things of value or has canceled or attempted to cancel the services;
 - (ii) that the merchandise or other things of value covered by the Sales Draft that were to be shipped (1) were not received by the Cardholder, or (2) were returned by the Cardholder because they were received broken or otherwise not suitable for the purpose for which they were sold;
 - (iii) that the services covered by the Sales Draft were not rendered because you were unwilling or unable to perform such services;
 - (iv) that the merchandise, services, or other things of value covered by the Sales Draft were paid for by another means;
 - (v) that you received notification from the Cardholder of revocation or nonrenewal of Authorization or cancellation of account or payment prior to completion of the Sales Draft evidencing a Preauthorized Order;
 - (vi) that a Credit Voucher or some other advice with an account number and amount issued by you has not been processed to the Cardholder's account; or
 - (vii) the Cardholder asserts a claim or defense against the Issuer under federal or state statute or regulation or other local law that provides the Cardholder with additional rights, and all requirements of the federal or state statute or regulation or the local law are satisfied; or the Sales Transaction giving rise to the Sales Draft was not made in compliance with all terms and conditions of this Agreement, the Operating Rules, or any other applicable laws and regulations of any governmental authority, including:
 - (i) that you did not provide the Issuer with a legible reproduction of the Sales Draft, the original Sales Draft, or a substitute Sales Draft within five bank business days following the date of the request;
 - (ii) that, in response to a retrieval request, you provided the Issuer with an illegible or incomplete copy or substitute of the Sales Draft;
 - (iii) that you did not obtain Authorization for the Sales Transaction;
 - (iv) that you were notified in response to an Authorization request that the Bank Card was not to be honored or received a negative account number verification;
 - (v) that the Cardholder account number, Sales Transaction amount, or your name on the Sales Draft is missing or not sufficiently legible to allow proper posting;
 - (vi) that the account number on the Sales Draft does not match any account number in the Issuer's master files;

- (vii) that you erroneously received payment for a Sales Transaction processed by another merchant;
- (viii) that you did not submit all of the applicable Sales Drafts within five bank days from the earliest processing date stamped on your transmittal summary clearing draft;
- (ix) that the Sales Draft on its face shows that there was an error in addition and the amount shown as total is incorrect;
- (x) that the amount of the Transaction was increased or reduced (for a credit) without the Cardholder's permission;
- (xi) that the account number on the Sales Draft does not match the account number obtained from the magnetic stripe on the Bank Card;
- (xii) that the Cardholder's account was incorrectly posted as a result of (1) using an incorrect Bank Card Transaction code (for example, a credit was posted as a sale), or (2) processing the imprinted amount instead of the correct Sales Transaction amount as evidenced by other information on the Sales Draft;
- (xiii) that the Cardholder or Issuer suspects that a Sales Transaction may have been charged more than once;
- (xiv) that no signature appears on the Sales Draft, and the Cardholder states in writing that he or she did not make or authorize the Sales Transaction;
- (xv) that, unless you fall within one of the exceptions set forth in Section 6 of these Additional Terms and Conditions, the Sales Draft does not contain an electronic print or imprint of the embossed legends from the Bank Card and your Merchant plate;
- (xvi) that the Cardholder states that neither he or she nor anyone authorized by him or her engaged in the Sales Transaction;
- (xvii) that the Sales Transaction was processed with an account number that was never issued or that expired before the Sales Transaction date and was never renewed;
- (xviii) that the valid date embossed on the Bank Card had already passed on the Sales Transaction date;
- (xix) that the expiration date imprinted on the Sales Draft had already passed on the Sales Transaction date;
- (xx) that you did not provide the Issuer with the amount of the Sales Transaction in the original Sales Transaction currency;
- (xxi) the Sales Draft resulted from the fraudulent use of account numbers or any abnormal, irregular, or fraudulent Merchant activity, including any activity described in Section 3.4 of these Additional Terms and Conditions;
- (xxii) that the Sales Transaction date is more than 30 days prior to the central site processing date; or
- (xxiii) that NCMIC has any other basis to conclude there is any other violation of this Agreement, the Operating Rules, or any other applicable laws and regulations of any governmental authority.

8.3. In the event of a revocation of the prior receipt of the Sales Draft, you shall pay NCMIC any amount previously paid to you for such Sales Draft. NCMIC may withdraw this amount from the Settlement Account.

Credits to Settlement Account as Full Payment

9.1. You agree that receipt of the Sales Draft by NCMIC and the making of an appropriate credit to your Settlement Account shall constitute payment to you for merchandise or services furnished by you to or for the account of the Cardholder. After an appropriate credit is made, you shall not make any claim against or receive payment from any person with respect to the same Sales Transaction, unless NCMIC thereafter revokes its receipt in accordance with Section 8 of these Additional Terms and Conditions.

Refunds and Adjustments

10.1. You shall establish and maintain a fair policy for the exchange or return of, or adjustments on, merchandise or services sold in Sales Transactions. Provided that proper disclosure is made at the time of the Sales Transaction, you may:

- (a) not accept merchandise in return or exchange and not issue a refund to a Cardholder; or
- (b) only accept merchandise in immediate exchange for similar merchandise of a price equal to the amount of the original Sales Transaction; or
- (c) accept merchandise in return and deliver to Cardholder an in-store credit for the value of the merchandise that may only be used in your place(s) of business; or
- (d) if permitted by applicable law, stipulate special circumstances agreed to by the Cardholder (e.g., late delivery, delivery charges, insurance charges, or other non-credit-related charges) as terms of the Sales Transaction, but under no circumstances shall a surcharge be assessed for use of a Bank Card.

10.2. Proper disclosure shall be deemed given if the words "No Refund," "Exchange Only," "In-Store Credit Only" (or similar words), or the special terms, as applicable, appear legibly, in letters approximately 1/4 inch high and in close proximity to the space provided for the Cardholder's signature, on all copies of your Sales Drafts or on an invoice presented to the Cardholder for signature. If you do not make proper disclosure, then you shall give the Cardholder a full refund upon return of any merchandise or termination or cancellation of any services purchased from you.

Credit Vouchers

11.1. You shall not make cash refunds or payments to any person for returns or adjustments described in Section 10 of these Additional Terms and Conditions; instead, when a refund or payment is due for any return or adjustment, you shall issue a Credit Voucher. Each Credit Voucher shall be imprinted with the appropriate legends in accordance with Section 6 of these Additional Terms and Conditions. The Bank Card must actually be presented, even if for some reason the information embossed thereon is written in by hand. The Credit Voucher shall also contain:

- (a) the date it is issued;
- (b) the total amount of the refund or adjustment; and
- (c) a brief description of the merchandise or services in connection with which the refund or adjustment is to be made.

11.2. You shall sign and date the Credit Voucher and deliver a true and completed copy of the Credit Voucher to the Cardholder.

11.3. You shall not issue any Credit Voucher with respect to merchandise or services paid for in cash that are returned or canceled or to which a fee adjustment is allowed or without having

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completed a previous Sales Transaction with the same Cardholder. You shall not accept payment from a Cardholder for the purposes of preparing and depositing a Credit Voucher that will result in a deposit to the Cardholder's account.

Deposit of Credit Vouchers

12.1.If you are an EDC Merchant, you shall electronically deposit a copy of each Credit Voucher with NCMIC not later than the close of business on the next bank business day following the date of the issuance. If you are not an EDC Merchant, you shall deposit the bank processing copy of each Credit Voucher not later than the next bank business day following the date of its issuance. You agree to pay NCMIC the total amount of each Credit Voucher issued by you which shall be received by NCMIC, less any Discount or adjustments determined according to the information contained in the Merchant Bank Card Application and Agreement. NCMIC shall arrange a credit to the Bank Card account of the Cardholder named on the Credit Voucher in the total face amount of such Credit Voucher.

12.2.You warrant and covenant that each Credit Voucher issued by you which is received by NCMIC represents a bona fide refund or adjustment on a Sales Transaction by you with respect to which a Sales Draft has been accepted by NCMIC.

Disputes with Authorized Users

13.1.All disputes between you and any Cardholder relating to any Bank Card Transaction shall be settled between you and the Cardholder. You agree to indemnify, defend, and hold NCMIC harmless from all claims and defenses arising out of any Bank Card Transaction, whether or not the other party ultimately prevails. You agree to pay all of the expenses, including reasonable attorney fees, of NCMIC in seeking to overcome such claims and defenses in the event NCMIC chooses to do so.

Application Fee; Minimum Monthly Fees

14.1.You agree to pay NCMIC any Application Fee that may be in effect at the time of this Agreement. The amount of this fee, if any, is specified in the Merchant Bank Card Application and Agreement.

14.2.You agree to pay NCMIC the Minimum Monthly Fee specified in the Merchant Bank Card Application and Agreement. The amount of all Discounts determined by NCMIC in accordance with Section 8 of these Additional Terms and Conditions shall be credited toward the Minimum Monthly Fee. If the Minimum Monthly Fee exceeds the total amount of Discounts, NCMIC shall debit your Settlement Account the balance due. Any increase in the monthly fee imposed from time to time by an Interchange System to maintain your membership therein shall automatically and contemporaneously increase the Minimum Monthly Fee by a like amount, without prior notice to you.

Point-Of-Sale Terminals and Printers

15.1.The terms and conditions of this Section 15 shall apply if you are purchasing Point-Of-Sale Terminals or printers, using Point-Of-Sale Terminals or printers, or accessing other financial services using Point-Of-Sale Terminals as shown in this Agreement:

- (a) Physical installation and telephone lines shall be your responsibility. Upon order and confirmation that the connection is complete, NCMIC shall provide the downtime load necessary to begin using the unit as a Point-Of-Sale Terminal on NCMIC's system.
- (b) Payments may be deducted from your Settlement Account upon receipt of each agreement for sale or use of Point-Of-Sale Terminals or printers or access to services by NCMIC, and each month thereafter, if monthly assessments are made. NCMIC shall bill you for the amount of any charges that exceed the balance of your Settlement Account. Payment in full for each invoice shall be due within 15 days of receipt. NCMIC may, at its option, impose a late payment charge of two percent per month (or the maximum legal rate, if less) on the past due balance in the event you fail to pay any charges within 15 days after they are due.
- (c) To the extent allowed by law, NCMIC shall take reasonable measures to extend the manufacturers' standard warranties to you.
- (d) NCMIC's obligation to sell or otherwise provide any Point-Of-Sale Terminals is conditioned upon the availability of the Point-Of-Sale Terminals or printers from NCMIC's customary source of supply, in sufficient quantities to supply your requirements and NCMIC's other requirements.
- (e) You shall pay all applicable sales, use, personal property, and other taxes applicable to the sale, service, use, or ownership of any Point-Of-Sale Terminal or printer regardless of whether taxes are invoiced by NCMIC.

15.2.NCMIC shall have no liability for any negligent design or manufacture of any Point-Of-Sale Terminal or printer. NCMIC's entire liability, if any, and your exclusive remedy in all situations, shall be to perform repair services on any inoperative Point-Of-Sale Terminal or printer sold by NCMIC. NCMIC shall not be liable for any damages resulting from any delay in performance or nonperformance caused by circumstances beyond NCMIC's control, including, but not limited to, act of God; fire; flood; war; governmental action; accident; labor trouble or shortage; inability to obtain a Point-Of-Sale Terminal or printer, parts, service, or transportation; or other events of similar effect in connection with NCMIC's obligation, if any, to sell or otherwise provide any Point-Of-Sale Terminal or printer; and NCMIC's obligation, if any, to provide access to other financial services.

Imprinter Purchase

16.1.If you are not an EDC Merchant, you shall use imprinters acceptable to NCMIC. If you are an EDC Merchant, you shall maintain at least one imprinter for back-up purposes. NCMIC will arrange for the sale of any reasonable number of imprinters that you require for your own use under this Agreement. The sale price shall be determined in accordance with the information contained in the Merchant Bank Card Application and Agreement and may be debited from your Settlement Account or paid in advance.

Promotional Materials and Other Forms

17.1.NCMIC shall make available to you, at Merchant's expense, such promotional materials as NCMIC deems appropriate indicating your participation in the Interchange System. NCMIC shall also provide you, at Merchant's expense, Sales Drafts, Credit Vouchers, and any other forms that may be required by NCMIC.

Display of Materials; Trademarks

18.1.You agree to prominently display promotional materials provided by NCMIC regarding your participation in the Interchange System in your place(s) of business. Use of such promotional materials, and use of any trade name, trademark, service mark, or logotype associated with Bank Cards, shall be limited to informing the public that Bank Cards will be accepted at your place(s) of business. You agree to abide by such directions for the use of promotional materials as may be provided by NCMIC from time to time. Any other use of such promotional materials, or use of any trade name, trademark, service mark, or logotype associated with Bank Cards is prohibited unless expressly authorized in writing by NCMIC.

18.2.You shall continue to use any such promotional materials provided to you so long as this Agreement is in effect. Upon termination of this Agreement, you shall immediately discontinue and shall no longer use any promotional materials provided by NCMIC, or any trade name, trademark, service mark, or logotype associated with Bank Cards. All unused promotional materials or any other materials furnished by NCMIC shall be returned promptly upon termination of this Agreement.

18.3.You shall not use any promotional materials or any trade name, trademark, service mark, or logotype associated with Bank Cards in any way that suggests or implies that the Interchange System endorses any goods or services other than Bank Card services. You shall refer to the Interchange System in describing eligibility for your goods, services, or membership. You shall not use any trade name, trademark, service mark, or logotype associated with Bank Cards on any terminal that dispenses scrip.

Mail and Telephone Orders

19.1.You shall not engage in the systematic solicitation of mail and telephone orders without the prior written authorization of NCMIC. NCMIC may require that a Reserve Account be established before or during commencement of any such processing, or at any time thereafter, subject to terms and conditions to be established by NCMIC.

19.2.If and when NCMIC authorizes you to engage in the systematic solicitation of mail and telephone orders, NCMIC shall establish a maximum monthly sales volume for the Merchant processing account. Sales Transactions that exceed the monthly cap are subject to holds by NCMIC for a period of 90 days. In the event retrieval requests or Chargebacks exceed one percent of your monthly Sales Transaction volume, NCMIC may impose a lower cap or require increased reserves without prior notice.

19.3.NCMIC's security review procedures may result in any Bank Card Transactions for mail and telephone orders being held for verification purposes at any time.

19.4.Merchant acknowledges that all mail and telephone order charges are difficult to defend against Chargeback requests, so Merchant shall take reasonable precautions to protect against Chargebacks, including:

- (a) Delivering merchandise only to the Cardholder's billing address where the Issuer sends the Interchange System billing;
- (b) Using a delivery service that maintains shipping logs and requires signature by the person receiving merchandise; and
- (c) Using an address verification service and not processing sales unless all information matches information from the address verification service.

19.5.Notwithstanding any other provisions in this Agreement, you shall not solicit or accept Cardholder computer-generated orders for any Bank Card Transaction without the prior, written consent of NCMIC and on such terms and conditions as NCMIC, in its sole discretion, may require.

Operational Rules; Additional Terms

20.1.This Agreement is made subject to the Operating Rules. As part of your participation in the Program, you agree to be bound by and to fully comply with the Operating Rules and by all amendments or additions that may be made from time to time. You agree to indemnify and hold harmless NCMIC, the Interchange System, and their respective members for any failure by you to comply with the Operating Rules. The Operating Rules shall control to the extent of any inconsistency with this Agreement. This Agreement shall be automatically amended to reflect any change in any applicable Operational Rule.

20.2.You represent and warrant to NCMIC that all information set forth in this Agreement, including all of the information provided to NCMIC as part of your Merchant Bank Card Application and Agreement, is true and complete. You covenant and warrant that all additional materials that you may submit to NCMIC in the future with respect to the Program shall be true and complete. You acknowledge that NCMIC, as part of the approval and retention process, has relied and will rely on information and materials submitted by you, including for the purpose of credit analysis, because your credit standing is an integral part of the economic basis for this Agreement. You agree to promptly notify NCMIC in writing of any changes that may occur from time to time regarding any such information and materials.

Records and Business Practices

21.1.Inspection of Books and Records. Representatives of NCMIC and the Interchange System may, during normal business hours, inspect, audit, and make copies of your books, accounts, records, and files pertaining to any Bank Card Transaction or the Program. The Interchange System requires you to retain either the original or a microfilm copy original of all records of each Bank Card Transaction, including any refunds or credits, for a minimum period of three years from the processing date. You may be required to retain such records for a longer period under federal law or state law, or both. You shall retain all original or microfilm copies of the original Sales Drafts and Credit Vouchers in chronological order based on the Bank Card Transaction date.

21.2.Disclosure of Information. You shall not, under any circumstances, disclose any Cardholder's name, Cardholder's account information, or other personal information in the form of imprinted Sales Drafts and Credit Vouchers, copies of imprinted Sales Drafts and Credit Vouchers, mailing lists, tapes, or other media obtained in connection with any Bank Card Transaction to any person or Entity other than NCMIC, except as specifically required by law or the express terms of this Agreement. You shall store all media containing Cardholder names, Cardholder account information, and other personal information, as well as Bank Card imprints (such as Sales Drafts and Credit Vouchers, auto rental agreements, and carbon(s)) in an area limited to selected personnel and, prior to discarding any such information, destroy it in a manner that renders the data unreadable.

21.3.Obligations to Cardholders. You shall fulfill completely all of your obligations to each Cardholder under the terms of any Bank Card Transaction. By presenting a Sales Draft to NCMIC, you warrant and covenant that the goods or services sold have been or will be delivered or performed in accord with these Additional Terms and Conditions.

21.4.Other Charges and Conditions. In connection with any Sales Transaction, you shall not, directly or indirectly, require any Cardholder to pay a surcharge, or to pay any part of any Discount or charge imposed upon you by this Agreement, through any increase in price or otherwise. You shall not, directly or indirectly, require any Cardholder to pay any contemporaneous finance charge or any special charge not also required from a person paying cash. You shall not extract any special agreement or security from any Cardholder. This Section 21.4 shall not, however, be construed as prohibiting Discounts to customers for payments in cash or for charges (such as bona fide commissions, fees for special handling or expedited services, postage and handling, and similar charges) that are charged to the Cardholder regardless of the form of payment.

MERCHANT AGREEMENT

ADDITIONAL TERMS AND CONDITIONS

21.5. Cash Payments and Taxes. You shall not receive any payment from a Cardholder with respect to charges for merchandise or services that are included on any Sales Draft. The amount of any applicable federal, state, or local tax shall be shown separately on the Sales Draft and shall not be separately collected.

21.6. No Laundering. You shall deposit Sales Drafts that represent bona fide sales of merchandise or services by you in the ordinary course of your business only. You shall not deposit any Sales Draft arising from (a) sale of merchandise or services other than the merchandise or services specified in the Merchant Bank Card Application and Agreement; or (b) sale of merchandise or services, either directly or indirectly, by any other source or in connection with any other business.

21.7. Refinancing of Previously Existing Obligations. You shall not deposit any Sales Draft that represents the refinancing of an existing obligation of a Cardholder "that has previously been deemed to be uncollectible", including any obligation (a) previously owed to you; (b) arising from the dishonor of the Cardholder's personal check; or (c) representing the collection of any other preexisting obligation.

21.8. Redepositing of Bank Card Transactions. You shall not redeposit any Sales Draft that has been previously charged back and has not been re-presented. This subsection applies to Bank Card Transactions processed with or without the Cardholder's permission.

21.9. Fraudulent Transactions. You shall not present any records of Bank Card Transactions that you know or should know to be fraudulent or not authorized by the Cardholder. For purposes of this Section 21.9 and any other part of this Agreement, you shall be responsible and liable for the actions of your employees.

21.10. Magnetic Stripe EDC Terminal. If you are using an EDC Terminal that reads the magnetic stripe on a Bank Card, you shall not print or display more information than that which is normally embossed on the front of the Bank Card.

21.11. Discriminatory Practices. You shall not engage in acceptance practices or procedures that discriminate against, or discourage use of, any Bank Card in favor of any other competing brand that you also accept.

21.12. Scrip. You shall not deposit any Sales Draft that arises from acceptance of a Bank Card at terminals that dispense scrip.

21.13. Traveler Cheques. You shall not effect a Sales Transaction representing the sale of traveler cheques if the sole purpose of the sale is to allow the Cardholder to make a cash purchase of merchandise or services from you.

Indemnification; Additional Costs

22.1. You shall indemnify and hold NCMIC, the Interchange System, and their respective officers, directors, agents, successors, and assigns harmless from and against all liability, loss, damage, claim, action, and expenses (including reasonable attorney fees) based upon or arising out of (a) any breach by you of any representation, warranty, or covenant set forth in this Agreement; or (b) any failure by you to fully comply with the terms and conditions of this Agreement and the Operating Rules.

22.2. You shall be liable for and shall reimburse NCMIC for any and all costs, expenses, and charges, including, without limitation, reasonable attorney fees and administrative costs and fines incurred by NCMIC in the (a) collection of any amount owed by you under this Agreement; (b) enforcement of any term of this Agreement; or (c) processing of Chargebacks.

Limitation of Liability

23.1. IN NO EVENT SHALL NCMIC BE LIABLE UNDER ANY THEORY FOR ANY LOST PROFITS; EXEMPLARY, PUNITIVE, SPECIAL, INCIDENTAL, INDIRECT, OR CONSEQUENTIAL DAMAGES, WHETHER BASED ON CONTRACT, TORT, OR ANY OTHER LEGAL OR EQUITABLE THEORY.

Disclaimer of Warranties

24.1. NCMIC SPECIFICALLY DISCLAIMS ALL WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY. THIS AGREEMENT IS A SERVICE AGREEMENT, AND THE PROVISIONS OF THE UNIFORM COMMERCIAL CODE SHALL NOT APPLY TO IT.

Renewal and Termination of Agreement

25.1. The Initial Term of this Agreement shall be two years commencing on the date of acceptance of this Agreement by a duly authorized representative of NCMIC at its Wisconsin offices. Thereafter, this Agreement shall be automatically renewed for successive two-year terms unless sooner terminated pursuant to the terms and conditions of this Section 25.1. This Agreement may be terminated by any party for any cause or reason or for no reason whatsoever by written notice to the other party, and such termination shall become effective on the later of either 15 days from the date of delivery of the notice or the termination date specified in the notice. In addition, if you default in any material respect in the performance of any of your obligations under this Agreement or take any action that NCMIC considers to be injurious to Cardholders, or in the event the Interchange System notifies NCMIC that you are prohibited from participating in the Interchange System, NCMIC may terminate that Agreement immediately by giving oral or written notice to you, and termination shall become effective immediately. The rights of NCMIC to terminate under this Section 25.1 are cumulative, and the existence of a right under one provision is not exclusive of a right under any other provision.

25.2. In addition to specific obligations otherwise noted in this Agreement, each of the following obligations shall continue after the effective date of termination:

- your obligation to maintain sufficient funds in the Settlement Account as required by Section 3 of these Additional Terms and Conditions.
- your obligation to deposit all Sales Drafts and Credit Vouchers within the time periods specified in this Agreement for Bank Card Transactions made prior to the effective date of termination;
- your obligation with respect to Sales Drafts and Credit Vouchers accepted by NCMIC as set forth in this Agreement prior to the effective date of termination;
- your obligation not to use any promotional materials, trademarks, service marks, and logotypes associated with Bank Cards after the effective date of termination of this Agreement;
- your obligation to return all unused promotional materials as set forth in this Agreement;
- your obligation to make your books and records pertaining to Bank Card Transactions available for inspection for at least three years from the date of the Bank Card Transaction;
- your obligation not to disclose information pertaining to a Cardholder's account; and
- your obligation to fulfill completely all of your obligations to Cardholders.

~~25.2.4. If you terminate this agreement prior to the original term of the agreement which obligates you to a two year term, you will immediately pay NCMIC the liquidated damages, an early termination fee equal to 300% of the early termination fee set forth in the original agreement, but not less than the amount in lieu of the financial harm caused by your early termination.~~

Assignment; Third Party Agents

26.1. Merchant shall not assign, subcontract, license, franchise, or in any manner attempt to extend to any third party any right or obligation under this Agreement. NCMIC may assign this Agreement at any time without notice.

26.2. You may designate a third party, which does not have a direct agreement with NCMIC, as your agent for the purpose of delivering data-captured Bank Card Transactions at the point of sale by such agent. If you elect to use a third party as your agent for direct delivery of data-captured Bank Card Transactions to the Interchange System for clearing and settlement, you shall:

- provide written notice to NCMIC of your election and obtain the prior, written consent of NCMIC;
- understand and agree that the obligation of NCMIC to pay you for a Sales Draft is limited to the amount (less the applicable Discount and any adjustment) delivered by the agent to the Interchange System; and
- be solely responsible for any failure by the agent to comply with any term of this agreement or any Operating Rule, including, but not limited to, any violation that results in a revocation of a prior receipt of a Sales Draft.

Entire Agreement; Binding Effect

27.1. This Agreement sets forth the entire understanding and agreement between the parties with respect to the Program and the subject matter hereof and replaces any Bank Card or similar agreement entered into between the parties.

27.2. This Agreement shall be binding upon and inure to the benefit of the parties hereto, their respective successors, and assigns to the extent allowed by this Agreement. Nothing in this Agreement, express or implied, is intended to confer or shall be deemed to confer upon any persons or Entities not parties to this Agreement any rights or remedies by reason of this Agreement, as a third-party beneficiary or otherwise.

Amendments; Waiver

28.1. Except as otherwise specifically provided in this Agreement, no provision of this Agreement may be amended, modified, or waived except by a written agreement signed by NCMIC or a written notice sent by NCMIC. This Agreement may be amended by NCMIC from time to time upon written notice of the change(s) in terms or conditions. Any amendment to this Agreement shall be effective when expressly agreed or the later of the effective date contained in the notice or 15 days after the notice is mailed.

Severability

29.1. The invalidity of any section, paragraph, sentence, or part of this Agreement shall not affect the validity of any other section, paragraph, sentence, or part of this Agreement.

Notices

30.1. All notices and other communications required or permitted under this Agreement shall be in writing and shall be deemed delivered when given by personal delivery, teletax (confirmed by a mailed copy), or first-class mail, postage prepaid, addressed as follows:

- If to NCMIC:
NCMIC Finance Corporation
744 N. 4th Street
Milwaukee, WI 53203
Attn: General Manager
Telephone: (414) 831-3920
Fax: (414) 831-3921
- If to you, at the address written on the Merchant Information page of this Agreement; or
- To such other address as any party from time to time may by written notice designate to each other party.

Contact Person

31.1. You should contact the following person regarding any questions you may have regarding this Agreement:

Customer Service Representative
NCMIC Finance Corporation
744 N. 4th Street
Milwaukee, WI 53203
Telephone: (800) 277-6980
Fax: (414) 831-3921

Governing Law; Exclusive Jurisdiction and Venue

32.1. This Agreement is a contract made under, and shall be governed by and construed in accordance with, the laws of the State of Iowa applicable to contracts made and to be performed entirely within such State and without giving effect to choice of law principles of such State. Each party agrees that any legal action or proceeding with respect to this Agreement or the transactions contemplated hereby shall be brought in any court of the State of Iowa sitting in Polk County, Iowa, or in any court of the United States of America sitting in Polk County, Iowa, and each party hereby submits to and accepts generally and unconditionally the jurisdiction of such courts with respect to its person and property and irrevocably consents to the service of process in connection with any such action or proceeding by personal delivery to such party or by registered or certified mail, postage prepaid, to such party at the address set forth in Section 30.1 of these Additional Terms and Conditions. Each party hereby irrevocably waives any objection to venue of any such lawsuit or proceeding in the above described courts.

Counterparts

33.1. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, and such counterparts shall together constitute one and the same instrument.

Newtek

Merchant Solutions

A Registered Service Provider of NCMIC Finance Corporation

SPECIAL TERMS PROCESSING ADDENDUM

Mail Order Phone Order Other

Merchant Name: Baldwin County Commission
Address: 1 Court Square Bay Minette, AL 35607

• Detailed description of product sold: (submit samples of product brochures; price list; promotional materials...)
online tag renewals

• How and where will product be advertised or promoted?
online

• How does the customer order the product?
online

• Where is the product/service stored/shipped from?
N/A

• List name(s) and address(es) of vendors from which the product is purchased. If manufactured by merchant, list major suppliers of parts and materials.
N/A

• List name(s) and address(es) of third party or fulfillment organizations, or parties aside from your staff who will assist or participate with the sales, marketing, processing of orders or shipping or merchandise.
IMS ENTERPRISES, Inc. 3115 NORTHINGTON CT. FLORENCE, AL 35630

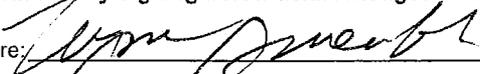
• List Carrier service(s) that will deliver product.
USPS

• List the state or general market area in which the product/service will be marketed and sold.
Baldwin County, AL

• MC/Visa sales are processed on: Date of Sale* Date of Shipment
(*attached customer release form)

• What is your return policy?

Merchant, except in Mail Order / Telephone Orders or other nontraditional orders, may be approved subject to certain sales volume restrictions and/or cash reserve requirements. If you alter any aspect of your business from the description on the Addendum above, without prior approval by Bank, Merchant will be subject to immediate termination. Merchant accepts and agrees to abide by all additional terms and conditions as disclosed on the back of this form and by signing below acknowledges that you have read and agree to them.

Merchant's Signature:  Date: 7-25-07

Please Print Name: Wayne Gruenloh

Title: County Commission Chairman

ADDITIONAL TERMS & CONDITIONS

Mail Order / Telephone Order (MOTO) security measures require that we deliver a maximum monthly sales volume for your merchant processing here at Bank. This amount was derived utilizing information you supplied during your application process. All VISA and MasterCard transactions processed by you in excess of this volume cap are susceptible to holdbacks by Bank Security Department for a period of time until we are comfortable that the transactions are valid.

Bank may also require that a Chargeback Reserve account be established prior to or at the time processing begins or anytime thereafter. Bank security personnel may periodically review specific transactions which may result in funds being held related to these specific transactions until such time as our confirmation process is completed.

The following terms and conditions are specifically added to the merchant processing agreement signed by you and are to be followed when accepting VISA and MasterCard transactions in a mail/telephone order environment:

1. You, the merchant, must use equipment running on an Address Verification Service (AVS).
2. You are required to obtain the VALID DATE (if indicated on the card) and the EXPIRATION DATE of each card used for a sale.
3. You, the merchant, acknowledge that approval to submit bankcard transactions is based on the product(s) or service(s) sold as noted in the Merchant Processing Application. You may not submit bankcard transactions for any product not approved by bank. You agree to notify Bank of any addition(s) or changes to product or service line and apply for approval for the addition(s) or changes.
4. In the event retrieval requests or chargebacks become excessive, Bank reserves the right to require increased reserves or impose a lower sales volume cap without prior notice.
5. You agree to maintain shipping documents indicating the address the goods were shipped to and to obtain signatures of the individual receiving the product whenever possible. You agree to supply all supporting documents when requesting Bank.
6. MOTO sales are processed without the bankcard present and are without the cardholder signature, making all MOTO charges difficult to defend against chargeback. You can best protect against chargebacks by:
 - a. Delivering merchandise only to the cardholder's billing address - the address to which the issuing bank sends the VISA or MasterCard billing statements.
 - b. Using a delivery service which maintains shipping logs and requires a signature by the person receiving the merchandise.
 - c. Using Address Verification Service and not processing sales unless all information matches.
7. *No sales shall be submitted for processing with Bank prior to shipping of the product purchased by Cardholder unless disclosed on the reverse side of the addendum, agreed to by Bank, and Cardholder has agreed to delay delivery of goods or services that was properly disclosed to the customer at the time of the transaction.*

MERCHANT AGREEMENT ADDENDUM

This Merchant Agreement Addendum (this "Agreement") by and among the Baldwin County Commission _____, a ALABAMA ("Municipality") having an administrative office at 1 Courthouse Square Bay Minette, AL 36507, IMS Enterprises, Inc. _____, a ALABAMA corporation ("Processor") having an office located at 3115 NORTHINGTON CT, FLORENCE, AL35630, and NCMIC Finance Corporation, an Iowa Banking Corporation ("NCMIC") having an office located at 744 N 4th Street, Suite 500, Milwaukee, WI 53203,

WITNESSETH:

WHEREAS, Processor provides services to Municipality in connection with Municipality's receipt of payments in connection with its municipal activities; and

WHEREAS, Municipality desires to offer to its payors the convenience of making payments to Municipality through the use of credit cards, so long as Municipality receives the full amount of each payment made by use of a credit card, without diminution in respect of processing or interchange fees or charges; and

WHEREAS, Processor is prepared to offer gross payment service on credit card payment transactions by payors to Municipality upon receipt of a convenience fee from the payor on each such transaction; and

WHEREAS, each of Processor and Municipality has hitherto entered into a Merchant Bank Card Application and Agreement and Additional Terms and Conditions (a "Merchant Agreement") with NCMIC,

NOW, THEREFORE, in consideration of the premises and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties to this Agreement agree as follows:

ARTICLE I - DEFINITIONS

1.1 "Business Day" shall mean any day other than a Saturday, Sunday, or legal holiday in the State of Iowa or the State of Wisconsin on which NCMIC is open for the transaction of substantially all its credit card merchant banking functions.

1.2 "Effective Date" shall mean the later of (i) the date of execution of this Agreement by NCMIC, or (ii) a Business Day specified by NCMIC in a writing sent to each of the other parties to this Agreement, as the date on which this Agreement enters into force.

1.3 "Notice of Termination" shall mean a written notice, referencing this Agreement, delivered or sent in accordance with the terms of this Agreement by one party to the other parties to this Agreement pursuant to Section 3.3.

1.4 "Section" shall mean one of the sections or subsections of this Agreement, unless the context clearly indicates otherwise.

1.5 "Term" shall have the meaning set forth in Article II of this Agreement.

1.6 "Termination Effective Date" shall mean the Business Day which is five (5) Business Days after the Business Day on which NCMIC receives from Processor or Municipality, or on which NCMIC sends to Processor and Municipality, a Notice of Termination.

1.7 Capitalized terms used in this Agreement and not otherwise defined herein are used with the respective meanings ascribed thereto in the Merchant Agreement.

ARTICLE II – MODIFICATIONS OF MERCHANT AGREEMENTS

From the Effective Date of this Agreement until the Termination Effective Date (such period of time being referred to as the "Term"), the respective Merchant Agreements between NCMIC and Municipality and NCMIC and Processor shall be modified to the extent set forth in this Article II.

2.1 Municipality Sales Drafts. During the Term, notwithstanding Section 8.1 of the Municipality's Merchant Agreement, NCMIC agrees to credit Municipality's Settlement Account for each Sales Draft which is properly presented by or for Municipality in accordance with the terms of its Merchant Agreement, without deduction for Discount or interchange fees. Municipality acknowledges and agrees that nothing in this Agreement modifies or diminishes Municipality's obligation under its Merchant Agreement or the Operating Rules for adjustments, Chargebacks, Credit Transactions, or fines arising from or relating to any Sales Draft so presented by or for Municipality.

2.2 Processor Payments. During the Term, notwithstanding any provision of Processor's Merchant Agreement to the contrary, Processor agrees to pay, and authorizes NCMIC to deduct from any amounts received or held in respect of, or owing to, Processor, an amount equal to the Discount and interchange fees in respect of each Sales Draft presented by or for Municipality under Municipality's Merchant Agreement to which NCMIC would have been entitled under the terms of Municipality's Merchant Agreement, determined without regard to the effect of Section 2.1 of this Agreement. Processor acknowledges and agrees that, although Processor intends to impose a convenience fee on each payor whose Sales Draft is submitted by or for Municipality to NCMIC, the payment obligation of Processor to NCMIC under this Section 2.2 is absolute, subject to no condition precedent or subsequent, and shall be due and payable to NCMIC whether or not Processor is able to impose on, or collect from, any one or more such payors, any such fee.

ARTICLE III – MISCELLANEOUS

3.1 References. During the Term, references in the Merchant Agreement of either the Municipality or the Processor to the Merchant Agreement shall be deemed to be references to the relevant document as modified hereby.

3.2 Modifications. Except to the extent expressly modified hereby, each of the parties acknowledges and agrees that the respective Merchant Agreements of the Municipality and the Processor are ratified and confirmed and shall remain in full force and effect. This Agreement may be modified or amended only by a written document signed by each of the parties hereto.

3.3 Termination. Any party may terminate this Agreement at any time by delivering a Notice of Termination to each of the other parties hereto. Such Notice of Termination must be in writing, must reference this Agreement, and must state that such party is terminating this Agreement. A Notice of Termination must be sent by the originating party to each of the other parties by first-class mail, postage prepaid, to the other parties at their respective addresses as set forth on the signature pages hereof, or to any other address previously notified in writing by any party to the other parties hereto as being the address at which such party would thereafter receive mail. This Agreement shall terminate on the Termination Effective Date. Upon termination of this Agreement, each party's respective Merchant Agreement shall continue in full force and effect as if this Agreement had never been executed. Termination of this Agreement shall have no effect on the rights and obligations of the parties with respect to Sales Drafts presented by or for Municipality to NCMIC on or prior to the Termination Effective Date.

3.4 Entire Agreement; Severability; Successors and Assigns. This Agreement is the entire agreement, and supersedes any prior agreements and contemporaneous oral agreements, of the parties concerning its subject matter. To the extent a provision of this Agreement is unenforceable, this Agreement will be construed as if the unenforceable provision were omitted. A successor to or assignee of NCMIC' rights and obligations under the respective Merchant Agreement between NCMIC and each of the other parties will succeed to NCMIC' rights and obligations under this Agreement.

3.5 Governing Law. This Agreement shall be governed by, and construed in accordance with, the law of the State of Iowa, without giving effect to the conflict of laws principles thereof.

3.6 Section Headings. Section headings are for convenience of reference only and shall not affect the interpretation of this agreement.

3.7 Counterparts. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one agreement, and any of the parties hereto may execute this Agreement by signing any such counterpart. This Agreement shall be effective on the Effective Date.

3.8 Exclusive Jurisdiction and Venue. Each party agrees that any legal action or proceeding with respect to this Agreement or the transactions contemplated hereby shall be brought in any court of the State of Iowa in Polk County, Iowa, or in any court of the United States of America sitting in Polk County, Iowa, and each party hereby submits to and accepts generally and unconditionally the jurisdiction of such courts with respect to its person and property and irrevocably consents to the service of process in connection with any such action or proceeding by personal delivery to such party or by registered or certified mail, postage prepaid, to such party at the address set forth for it on the signature page hereof. Each party hereby irrevocably waives any objection to venue of any such lawsuit or proceeding in the above described courts.

3.9 Waiver of Jury Trial. Each of the parties to this Agreement knowingly and voluntarily waives any right it may have to a trial by jury in any proceeding (whether sounding in contract or tort) which is in any way connected with this Agreement, or the relationship established under it. This provision may only be modified in a written instrument executed by each of the parties hereto.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date set out below their respective signatures.

Address for notices:

1 Courthouse Square Bay Minette, AL 36507

Address for notices:

3115 NORTHINGTON CT, FLORENCE, AL35630

Address for notices:

744 N 4th Street, Suite 500
Milwaukee, WI 53203

Municipality

Baldwin County Commission

By: [Signature]

Its: ADMINISTRATOR

Date: 7-25-07

Processor

IMS Enterprises, Inc.

By: _____

Its: OWNER

Date: _____

NCMIC Finance Corporation

By: _____

Its: _____

Date: _____

VeriCheck, Inc.

Member Application and Service Agreement

Thank you for your business!

This **Member Application and Service Agreement** form may be filled out using your computer. In order to use the fillable features, please note the following:

- ✓ Use your TAB key, not the RETURN key, to jump forward through the form while filling out the text boxes. To begin, click on the line you want to fill in, or check the box in your browser window labeled "show fields" to see where information can be entered into the form.
- ✓ You cannot submit the application on the Internet or via e-mail. Rather, these fillable forms enable you to fill out the form, then *print it out* - all on your local computer.
- ✓ If you close the document before printing, all entries will be erased and you'll need to start over.
- ✓ The forms available for downloading (printing) from this Web site are the approved versions.
- ✓ You will not be able to save this file on your own computer. We recommend that you fill out a page of the form, then print it prior to quitting Acrobat Reader.
- ✓ In order to make use of all of the features of our fillable forms, you should use at least version 5 of the free Adobe Acrobat Reader, a free download at <http://www.adobe.com/>
- ✓ Remember, your agreement needs to be signed and dated in ink.



Member Application and Service Agreement

"The Leader in Check Verification Services"

Check all that apply: -Check Verification Services -Check Conversion Services -Check Guarantee Services -ACH Services -Internet ACH

Shaded Areas for Internal Use Only

ISO/Sales ID:	Print Name:	Merchant Number:
Agent ID:	Sign Name:	
Chain #:		

COMPANY INFO	BUSINESS DATA
Legal Name: <u>Baldwin County Commission</u>	Business Start Date: <u>Dec. 21, 1809</u> # of Employees _____
DBA: <u>Baldwin County Commission</u>	TAX ID: Federal _____
Contact Person: <u>Wayne Gruenloh</u>	Average Ticket: <u>\$100</u>
Business Address: <u>1 Courthouse Square</u>	Annual Check Volume: <u>\$10,000.00</u>
<u>Bay Minette, AL 36507</u>	Total Sales Volume: _____
Phone Number: <u>(251) 937-0264</u>	Business Type: <input type="checkbox"/> Internet <input type="checkbox"/> Lodging <input type="checkbox"/> MO/TO <input type="checkbox"/> Retail <input type="checkbox"/> Restaurant <input type="checkbox"/> Business to Business
Fax Number: _____	Corporate Structure: <input type="checkbox"/> Non-Profit <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Private Corp <input type="checkbox"/> Public Corp <input type="checkbox"/> Partnership
	Website URL: <u>http://www.renewyourtag.com</u>
	E-Mail Address: <u>rjkaldi@imsenterprises.com</u>

OWNER/SIGNER INFORMATION	BUSINESS BANKING RELATIONSHIP
Full Name: <u>Wayne Gruenloh</u>	Bank Name: _____
Home Address: <u>220 Court Square</u>	Contact Name, Title: _____
<u>Bay Minette, AL 36507</u>	Bank Address: _____
Title: <u>Commission Chairman</u> SSN: _____	Phone Number: _____
Phone Number: <u>(251) 937-0264</u>	Routing Number: _____
Fax Number: _____	Acct Number: _____
Driver's Lic#: _____ State: <u>AL</u>	

SUPPLIER REFERENCES

REFERENCE 1 Name: _____	Contact Name: _____
Phone Number: _____ State: _____	Account Number: _____
REFERENCE 2 Name: _____	Contact Name: _____
Phone Number: _____ State: _____	Account Number: _____
REFERENCE 3 Name: _____	Contact Name: _____
Phone Number: _____ State: _____	Account Number: _____

EQUIPMENT	PRICING
Equipment Type: _____	Discount Rate: _____
Software Type: _____	Per Transaction Fee: _____
Pin Pad Type: _____	Statement Fee: _____
Gateway: _____	Gateway Fee: _____
Local Sales Tax %: _____	Application Fee: _____
State: _____	Chargeback Fee: \$25.00
Equipment Price: _____	Voice Auth. Fee: \$0.94
Rent / Lease / Purchase / Own	
Total Due: _____	

[Service Agreement and Signature Page follows]

This agreement is entered into by and between VeriCheck, a Georgia Corporation, and the undersigned, herein known as "CUSTOMER", this _____ day of _____, 20_____.

AUTHORIZATION: CUSTOMER CERTIFIES THAT CUSTOMER HAS READ, UNDERSTANDS AND AGREES TO BE BOUND BY ALL OF THE TERMS, CONDITIONS AND DISCLOSURES INDICATED IN THIS AGREEMENT AND AS SET FORTH ON THE PREVIOUS PAGES OR SCREENS. CUSTOMER UNDERSTANDS AND AGREES THAT BY CUSTOMER'S SUBMISSION OF TRANSACTIONS FOR PROCESSING, CUSTOMER IS AGREEING TO ALL OF THE TERMS AND CONDITIONS CONTAINED HEREIN. CUSTOMER UNDERSTANDS AND AGREES THAT THE TERMS ARE SUBJECT TO CHANGE AS PROVIDED IN THIS AGREEMENT. CUSTOMER FURTHER CERTIFIES THAT CUSTOMER IS AT LEAST 18 YEARS OF AGE, AND THAT CUSTOMER HAS FULL RIGHT, POWER AND AUTHORITY TO ENTER INTO THIS AGREEMENT AND TO BIND CUSTOMER TO THE TERMS AND CONDITIONS HEREOF AND TO THE PERFORMANCE OF THIS AGREEMENT IN ACCORDANCE WITH ITS RESPECTIVE TERMS.

CUSTOMER acknowledges that he/she has read and understands the Terms and Conditions of this Agreement contained herein and agrees to be bound by the terms and conditions herein.

By *Wayne A. Gadenkh*
Customer Signature
Wayne A. Gadenkh
Printed Customer Name
Baldwin County Commission
Business Name
7-25-07
Date

Authorized VeriCheck Signature

Printed VeriCheck Name

Date

Banking Information

Financial Institution												Branch											
City												Phone Number											
Please Print Your Name												Date											
Routing (ABA) Number						(DDA) Account Number at Financial Institution						Account Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings											

Please be sure to attach a voided business check to this authorization.