

ACH SERVICES FINANCIAL INSTITUTION OUTSOURCING AGREEMENT

This ACH SERVICES FINANCIAL INSTITUTION OUTSOURCING AGREEMENT (“Agreement”) is dated as of _____, 20____ (“Effective Date”), by and between _____ (“Bank”) and PRIORITY PAYMENT SYSTEMS, LLC (“Processor”).

RECITALS

WHEREAS, Bank desires to retain the services of Processor for the purpose of initiating credit and debit Entries on Behalf of Bank’s customers (each a “Customer”) by means of Automated Clearing House Network pursuant to the items of this agreement and the Rules of the National Automated Clearing House Association, the Electronic Funds Transfer Act 15 U.S.C section 1693 et. Seq. and FRB Regulation E: 12 CFR 205 (the “Rules”); and

WHEREAS, the Bank is willing to act as ODFI (Originating Depository Financial Institution) and is willing to enable Processor to transmit such Entries as an Authorized Sending Point of the Bank with respect to such Entries; and

WHEREAS, Processor is willing to act as a Third-Party Service Provider; and

WHEREAS, the parties desire to set forth their respective rights and obligations with Respect to Entries and the underlying transactions contemplated by this Agreement;

NOWTHEREFORE, in consideration of the premises and mutual covenants set forth herein, the receipt and legal sufficiency of which are hereby acknowledged, the parties hereto agrees as follows:

DEFINITIONS

Unless otherwise defined herein, capitalized terms shall have the meanings provided in the Rules.

“**Entry**” or “**Entries**” shall have the meaning provided in the Rules and shall also mean the data received from the Customer hereunder from which the Processor initiates each Entry.

“**Emergency**” shall mean an occurrence when there is a service outage or when Entries cannot be processed due to an unforeseeable occurrence.

“**Force Majeure**” shall mean any of the following: hostilities, restraint of rules or peoples, revolution, civil commotion or riots, strike or lockout, epidemic, accident, fire, flood, earthquake, windstorm, explosion, lack or failure of transportation facilities, lack of or failure of power facilities, regulation or ordinance, demand or requirements of or denial of approval by any government or government agency having or claiming to have jurisdiction over the subject matter or of this Agreement or the parties, or any act of God or any act of government, or any cause, whether of the same or different nature existing or future, which is beyond the control or without the fault or negligence of the parties.

“Material Event” shall mean Bank bankruptcy, liquidation, insolvency, merger and or acquisition or any sale or transfer of all substantially all assets or capital lock, merger, consolidation or other business combinations.

“On-Us Entries” shall mean Entries designed to debit or credit account holders or receivers whose accounts reside at the Bank with whom this Agreement is signed.

“Proprietary Information” shall mean Processor Marketing Materials; Processor Services, Processor Processes, Processor Methodologies and the devices and software and technology used to operate these services.

“Services” shall mean the hosting and maintenance of the payments system and or processing of Entries via the ACH Network and any ancillary services related thereto.

FEES

Fee Schedule : For any Customers originally solicited or originated by the Bank, the Bank and Processor agree to the Fee Schedule provided in Exhibit A to this Agreement. For any customers that are originally solicited or referred by Processor, the Bank and Processor will agree, sign and attach an addendum to this contract providing a Fee Schedule for that specific Customer.

Payment: Bank and Processor mutually agree that all fees shall be paid to Processor by Bank on a monthly basis. Bank authorizes Processor to debit the Bank's Fees Account for the fees set forth in Exhibit A to this Agreement. Processor will supply Bank with a detailed invoice of fees no later than the 5th business day of the month. Unless the Bank gives notice to Processor that it disputes the invoice, the Bank's Fees Account will be debited by the Processor on the 10th Business day of the month.

Fee Changes : The fees listed in Exhibit A are effective as of the Effective Date of the Agreement. Thereafter, all fees and services are subject to change upon ninety (90) calendar day's prior written notice from Processor to Bank. In such event, Bank may terminate this Agreement at the end of the notice period, without any early termination buy-out penalty or expense, by delivery of written notice of such intention to Processor. The Bank shall be responsible for payment of any sales, use, excise, value added, or other similar taxes relating to such services.

OBLIGATIONS OF BANK

Authorizations; Transmission of Entries: Receipt of notice from Bank that a Customer has been approved by Bank constitutes authorization to the Processor to initiate and transmit Entries solely on behalf of the Customer via the ACH Network as an authorized Sending Point of the Bank in accordance with the terms and conditions of this Agreement. Upon receipt of all information reasonably necessary to perform the Services for such Customer from Bank, Processor shall process and transmit all properly formatted Entries by authorized Customer.

Approval: Bank shall be responsible for assessing the credit worthiness of each Customer and also be responsible for approving any and all potential and actual Customers, along with all Entries initiated on behalf of such Customer. Bank warrants to Processor that Customer has the required authorization and contracts necessary to process ACH entries pursuant to the Rules.

Disclosure: Bank shall notify the Processor of any known Material Event with respect to the Customer.

Contracts with Customer: It is the responsibility of the Bank to obtain all necessary and appropriate contracts with the Customer and ensure the contracts comply with the rules. Agreements must contain language to ensure Customer is in compliance with the Rules, as well as all applicable federal, state, and local laws and regulations, including GLB. Bank agrees that it is solely responsible for ensuring that all Entries submitted to Processor by Customer are compliance with the Rules.

Security: As part of the contract between the Bank and the Customer, the Bank must require the Customer be responsible for protecting the security of passwords and ID's for access to the Processor's systems. The Processor will have no liability if there is a breach in security by the Bank or the Customers unless such breach is caused by Processor.

WARANTIES & REPRESENTATIONS BANK WARRANTS TO PROCESSOR

On information and believe, the Bank warrants (i) each Customer is in compliance with the rules and directives of the United States Treasury Department, Federal Trade Commission and the Office of Foreign Assets Control ("OFAC") as they apply to ACH Transactions, (ii) Bank and the Customers it is sponsoring for processing services with the Processor have substantially complied with the applicable laws for operation of a business entity, (iii) there have been no actions, suits, proceedings, hearings, investigations, changes, complaints, claims, demands, or notices filed or commenced against the Bank or the Customers alleging any failure to materially comply; (iv) Bank is duly organized, validly existing entity and is in good standing under the laws of the jurisdiction of its organization; (v) Bank has full power to execute and deliver this Agreement and to perform its obligations hereunder; (vi) the Agreement constitutes valid and legally binding obligations of Bank and is enforceable against the Bank in accordance with its terms and conditions; and (vii) the execution and/or delivery of this Agreement by the Bank will not violate any statute, regulation, rule, injunction, judgment, order, decree, ruling, charge, or other restriction of any government, government agency, or court to which Bank is subject.

Service & Support

Security : Processor shall host the payments system in a secured facility with restricted monitored access and management of network elements, redundant Internet connectivity, generator back-up, and dual power sources in addition to UPS. Processor will provide services to the Bank for the purposes of supporting the payments system and/or processing Entries. Standard support hours are 8:00 am to 8:30 pm EST M-F. After hours support for specific requests is available based on fees listed on Exhibit A.

Customer and User Setup and Changes: Processor shall make all set-up, change and user forms available online via a secure sign-on within the payments system. The Bank will provide the Processor the appropriate forms for changes and setups within the web-site to be completed.

If set-up form is completed and sent to the Processor for entry into the payments system, the Processor will complete the set-up within two (2) banking days of receipt of completed form from Bank. If a change form is completed by the business or Bank and sent to the Processor for entry into the payments system, the Processor will complete requested change(s) within (2) banking days of receipt of completed Bank authorized form.

Processor shall accept request for customer development and/or product enhancement, with such request being made in writing by the Bank. Fees and deliverables for such customer development and/or product enhancements will be mutually agreed upon by Bank and Processor. If customer development and/or product enhancements are involved the Processor's setup time requirement is waived. The Bank must submit a test file to Processor on behalf of the Customer prior to set-up being completed.

Cut off time: Each Customer will be given a cut-off time for item/file submission. Any item(s)/file(s) received after the cut-off time will be processed the following business day. Exceptions must be agreed upon by Processor and Customer and a late file fee will be assessed. (See Exhibit A) Customer will be notified of Rejected Entries by system upon upload. Rejected entries will need to be corrected and resubmitted by the Customer to be processed.

Confirmation: Processor will make available confirmation of receipt of entries to Customer or Bank upon receipt unless all entries or files are rejected.

Over-Limit Files: Bank must set at least one processing limit for each Customer set-up for processing. Processor must notify Bank of any over-limit files sent by Customer. This over-limit alert will also be displayed in the information center within the payments system. Processor will not submit any over-limit files without Bank approval. If approval is not obtained by Bank before final Release file is set to be sent, the items will be held by Processor until approval is obtained.

Approval Levels: Certain Companies are set-up with approval levels creating the necessity of approval by either a Parent Customer or Bank Administrator prior to the file being processed. Any files waiting for approval will display in the approval area of the payments system. If approval is not obtained prior to the Customer's cut-off time the file will be held in the warehouse area and will be processed once the necessary approval is obtained.

On-Us Entries: Bank can request Entries when applicable and Processor shall provide these On-Us Entries daily if requested by Bank.

Returns: Processor will post the information no later than 10:00 am daily. Bank and/or Customer can then access the information and export Return Reports from within the payments system following the posting of the return items.

Corrections: Processor shall not initiate corrections of files or Entries already transmitted to the ACH Operator, unless Bank first approves such changes, including to entry file totals.

Reports: Processor shall forward delivery to the Bank and/or Customer. All return reports and data will be available no later than 10:00 am EST M-F.

Processor will make available a Bank Balancing Report and a Bank Return Report to Bank by 10:00 am EST.

Processor shall provide, on a monthly basis, an invoice of all processed activity by Customer no later than the 5th Banking day of each month.

OFAC: Processor will check all entries sent by Customer against the OFAC database. If a hit is found, Processor will provide all OFAC entries, via reporting to Bank for their decision on how to proceed with the OFAC matches.

Inquiries : Processor will, in like kind manner, acknowledge receipt of telephone or email inquiry from Customer or Bank within four (4) business hours of receipt of such inquiry. If solution to inquiry is not known at the time of acknowledgement, Processor will provide solution to Customer or Bank within two (2) business hours of acknowledgement. If resolution cannot be provided within two (2) business hours of acknowledgement, Processor will promptly provide an estimated time for solution.

Processor will make every effort to respond within one (1) Banking hour of receipt of notice of emergency inquiries relating to outages or Entries not processed. The person giving notice of the issue must state that it is an emergency when talking with Processor in order for the Processor to expedite the research and resolution. If resolution is not provided within (1) Banking hour, Processor will promptly provide an estimated time for solution.

Right of Escalation: Bank or Customer has the right to contact the Customer Care Manager in the event that the above lines for acknowledgement, resolution, and/or estimated time of extended resolution are not met.

Point of Contact : There will be an assigned representative from Processor and from Bank to act as Point of Contact for all issues concerning the Bank and Customers.

On-Site Training : Processor will provide on-site training for products and services including, but not limited to, the payments system, risk management, report creation and use, and audit preparation. These services will be billed to the bank based on fees displayed on Exhibit A. Reasonable travel expenses will be billed separately.

Processing Services: Processor shall provide ACH processing services to include collection of data from the payments system and/or data from Originators in ACH Format as specified by the Rules (or other formats when pre-approved) for forward processing to the ACH Operator for final settlement with the ACH Network.

RELIANCE: LIMITATION OF LIABILITY

Audit Reports : Processor warrants that it will conduct annual audits as required by the Rules and shall provide Bank with copies of reports of such audits promptly after they become available.

Reliance : The Processor shall not be responsible for the accuracy or completeness of information provided by customers approved by the Bank. Instead, the Processor shall be entitled to rely on the information, presentation and warranties provided by such Customer. The processor shall be responsible only for performing these services. Processor shall not be responsible for Bank's or any Customer's acts or omissions. Processor also shall not be responsible for acts or omissions by any Federal Reserve Bank, Automated Clearing House Operator or transmission or communications facility, and Receiver or RDFI, and no such person other than Processor's officers and employees shall be deemed the Processor's agent.

Subject to the limitations set forth in this Agreement, Bank agrees to indemnify and hold harmless the Processor, its affiliates, successors or assigns and their respective officers, directors, employees and agents from and against any and all expenses (including reasonable attorney's fees and costs), liabilities or damages, net of any recoveries from third parties, which Processor may actually and reasonably incur arising out of a negligent act or willful misconduct of the Bank provided such expenses, liabilities or damages do not exceed the sum of \$1,000,000.00 in the aggregate.

Limitation of Liability : In the event either party has breached this Agreement, such party shall be liable only for actual damages. Each party shall be excused from failing to act or delay in acting if such failure or delay is solely caused by Force Majeure.

INDEMNIFICATION AND INSURANCE

Indemnification by the Processor : Processor shall indemnify and hold harmless Bank, its affiliates, successors and assigns and their respective officers, directors, employees and agents from and against any and all expenses (including reasonable attorneys' fees and costs) or liabilities which they may actually and reasonably incur, arising out of the negligence or willful misconduct of Processor.

Cooperation in Loss Recovery Efforts: In the event of any damages for which the Bank or Processor may be liable to each other or to a third party pursuant to the Services provided under this Agreement, the Bank and Processor will undertake reasonable efforts to cooperate with each other, as permitted by applicable law, in performing loss recovery and in connection with any actions that the relevant party may be obligated to defend or elects to pursue against a third party.

TERM AND TERMINATION

Term : Unless earlier terminated pursuant to the provisions of this Agreement, this Agreement will remain in effect for an initial term of three (3) years from the Effective Date, and shall renew automatically for an additional (3) year renewal term unless either party gives written notice of its intent not to renew at least ninety (90) days prior to the three-year anniversary of the Effective Date.

Termination: Either party may terminate this Agreement upon thirty (30) days' notice to the other party if:

1. The other party breaches any of the provisions of this Agreement
2. The other party (i) becomes insolvent, (ii) fails to pay its debts; or perform its obligations in the ordinary course of business, or (iii) becomes the subject of any voluntary or involuntary proceeding in Bank bankruptcy, liquidation, dissolution, receivership, attachment or composition for the benefit of creditors which is not dismissed within sixty (60) days after the commencement of such proceeding.

Early Termination Buy-out : In the event of early termination by Bank for any reason other than the above referenced conditions, Bank will incur a Buy-Out penalty. The Buy-Out penalty will be determined by averaging Bank's previous three (3) months' invoices and then multiplying the calculated average amount by the number of months remaining in the remaining term of the Agreement (maximum twelve (12) months).

Effect of Termination: In the event of any termination, the parties' respective obligations to indemnify each other as provided herein shall survive the termination.

CONFIDENTIALITY COMMITMENT

Confidentiality Commitment: "Trade Secret" means information, without regard to form, including, but not limited to, technical, non-technical or financial data, a formula, algorithm, pattern, compilation, program, device, method, technique, process, or plan that: (A) Derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by other persons who can obtain economic value from its disclosure or use; and (B) Is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. References to "confidential information" shall mean any information which is not publicly available but which does not rise to the level of a trade secret.

Recipient's Obligations: The recipient of such confidential or trade secret information shall take reasonable steps to protect the confidential nature of discloser's confidential or trade secret information. Reasonable steps mean at least those steps which recipient uses to protect its own confidential information, but in no event shall a party exercise less than a reasonable standard of care. Recipient shall not disclose its interest in the objective to third parties without the other party's prior written approval.

Recipient shall limit the disclosure of the other's confidential information and trade secrets to its employees, officer, and directors, and its affiliate's employees, officers and directors, who have a need to know related to the objective (such persons hereinafter collectively "Employees"). Recipient shall instruct its Employees that the other party's confidential information and trade secrets are proprietary and to be held in confidence by said Employees. Recipient shall ensure that all Employees to whom the other's confidential or trade secret information is disclosed take reasonable precautions to confidential status of the other's trade secrets.

Exceptions: The provisions in regard to disclosure of information shall not apply to information which: (i) recipient can demonstrate was rightfully in its possession prior to the date of disclosure to it by the other, (ii) at the time of disclosure or later, is published or becomes part of the public domain through no act or failure to act on the part of recipient of the trade secrets; or (iii) recipient can demonstrate came into its possession from a third party who had a bona fide right to make such information available.

The commitment to confidentiality shall not be deemed to prohibit disclosures on a need to know basis if: (i) required by applicable law, regulation, court order or subpoena; (ii) to auditors, Bank examiners or other government regulator; (iii) such disclosures are necessary for the performance of such party's duties under the Agreement (iv) to the professional advisors of either party, provided that such advisors are obligated to maintain the confidentiality of the information they receive. The Confidentiality Commitment will survive the termination or expiration of the Agreement and shall continue for a period of three (3) years following such termination; provided, however, that insofar as the provisions of this section relate to any information which may be a trade secret, this section shall continue indefinitely as to such information, but only for so long as such information retains its status as a trade secret. Breach of the Confidentiality Commitment shall constitute a breach of the Agreement and shall give rise to irreparable injury.

Return of Materials: When and as directed by a party, within ten (10) days after receiving a written request, the recipient shall promptly return to the other party any confidential or trade secret information previously hereunder provided.

Compliance : Processor and Bank shall comply with applicable banking privacy laws, including, but not limited to GLB, HIPPA and any and all applicable state and federal laws. Without limiting the generality of the foregoing, Processor agrees to implement and maintain measures that are appropriately designed to meet the objectives of the Interagency Guidelines Establishing Information Security Standards, published by the Federal Bank Regulators, a copy of which can be obtained via the Federal Deposit Insurance Corporation's web site (www.fdic.gov). Those objectives require an information that security program that is designed to: (i) ensure the security and confidentiality of Bank's customer information; (ii) protect against anticipated threats or hazards to the security or integrity of such information; (ii) protect against unauthorized access to or use of such information that could result in substantial harm or inconvenience to any of Bank's customers; and (iv) ensure the proper disposal of Bank's customers' information.

Processor agrees to promptly disclose to Bank any breach in security resulting in unauthorized access to Bank's customer's Information. In so doing, Processor agrees to report when the unauthorized access occurred, the effect of the unauthorized access on Bank and its customers and any corrective action taken to respond to the unauthorized access. Processor agrees to undertake such measures as may be reasonably requested by Bank in order to help Bank eliminate or reduce any damages that might result from the unauthorized access, including any harm or inconvenience to Bank's customers.

MISCELLANEOUS

Assignment : Neither party may assign this Agreement without written consent of the other party.

Binding Agreement Benefit : This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors, and assigns. This Agreement is not for the benefit of any other person, and no other person shall have any right against the Bank or Processor hereunder.

Severability : In the event that any provision of this Agreement shall be determined invalid, illegal or unenforceable to the fullest extent permitted by law.

Governing Law: Jurisdiction and Venue: This Agreement will be governed by the laws of the State of Georgia, without regard to its conflicts of laws principles. In the event that either party commences legal action seeking monetary, declaratory, or injunctive relief with respect to enforcement, interpretation, or violation of this Agreement or any other agreement between Processor and the Company, the parties (i) agree that any such action may be commenced only in a court of competent subject-matter jurisdiction in Fulton County, State of Georgia, (ii) consent to venue and personal jurisdiction in such a court, and (iii) waive any defense of lack of venue or personal jurisdiction in any such suit, action or proceeding.

Any written notice or other written communication required or permitted to be given under this Agreement shall be delivered or sent by United States registered or certified mail, postage prepaid, or by express carrier.

TO BANK – ADDRESSED TO:

BANK _____
STREET ADDRESS _____
CITY _____ **STATE** _____ **ZIP** _____
PHONE _____ **FAX** _____
CONTACT NAME _____ **TITLE** _____
EMAIL ADDRESS _____

TO PROCESSOR – ADDRESSED TO:

**PRIORITY PAYMENT SYSTEMS 2001
WESTSIDE PARKWAY SUITE 155
ALPHARETTA, GA 30004
ATTENTION: BRUCE MATTOX, CFO**

Notice shall be deemed given upon the third business day following transmittal if sent via U.S. Mail First Class, or upon first Banking day following transmittal if scheduled to be delivered the following day by a nationally recognized overnight courier service.

Records : All magnetic tapes, Entries, security procedures and related records used by Processor for transactions contemplated by this Agreement shall be and remain Bank’s property, but shall be held by Processor as required by the Rules. Processor will make available such information upon Bank’s written request. Processor may require a preparation and delivery fee for such request for information.

Amendments: Any modification or waiver to this Agreement must be in writing and signed by the parties in order to be deemed effective.

Entire Agreement : The Agreement (including the exhibits attached hereto), is the complete Agreement between the parties with respect to the subject matter contained within the Agreement. This Agreement shall supersede any prior agreement between the parties in regard to such subject matter. In the event that performance of the Services described in this Agreement or the transactions contemplated in this Agreement should result in a violation of any present or future statute, regulation or government policy to which Bank is subject, this Agreement shall be amended to the extent necessary to comply with such statute, regulation or policy. The Bank shall not incur any liability to Processor as a result of such violation or amendment.

CONTACT & USER ROLES

CONTACT	EMAIL	OFFICE PHONE	CELL PHONE	USER PERMISSION

BANK ADMINISTRATOR Has the ability to read and perform all customer level functions in the system (create payments is not default and must be requested)

BANK OPERATOR Has the ability to read all customer level functions in the system and can perform all functions except Create Users, Edit Users and Payment Approval

BANK READ ONLY Only has the ability to read all customer level functions in the system

BILLING INFORMATION

ACCOUNT	ROUTING
ACCOUNT TYPE <input type="checkbox"/> CHECKING <input type="checkbox"/> SAVINGS <input type="checkbox"/> GL	

BILLING CONTACT (FOR INVOICING)

NAME
EMAIL
OFFICE

COMPANY AUTHORIZATION

As a duly authorized representative for the Company, the undersigned certifies the accuracy of all of the foregoing information and authorizes PPS or other investigative entities employed by PPS, or its agents, to investigate the references and information given to PPS. The undersigned further agrees to notify PPS or its processor(s) of any and all changes that may occur from time-to-time in the information and statements contained herein above. The undersigned agrees that PPS will debit the account, specified by attached voided check copy or bank letter, for all setup fees, including the ACH License fee, as an ACH item, upon receipt of the completed application, and all subsequent related monthly service and transaction fee, via an ACH transaction. Corporate resolution verifying signature must be included if signed by someone other than the President or CEO.

In Witness Whereof the Parties hereto cause this Agreement to be executed by their duly authorized officers.

PRINTED NAME

POSITION/ TITLE

SIGNATURE (BANK)

DATE

PRINTED NAME

POSITION/ TITLE

SIGNATURE (PRIORITY PAYMENT SYSTEMS)

DATE