

ATM Processing & Management Agreement

THIS ATM PROCESSING & MANAGEMENT AGREEMENT (Agreement) is made and entered into on this ____ day of _____, 20__ between ATM Online Inc., located at 18333 PRESTON RD. SUITE 435, DALLAS TX 75252, hereinafter referred to as "Company", its Successors and Assigns, and (company and/or owner) _____ located at (address): _____ (city,st,zip) _____ hereinafter referred to as "Customer", its Successors and Assigns, and both parties hereby agree to the following terms and conditions:

WHEREAS, Company is in the business of buying, selling and placing Automated Teller Machines (ATMs), providing third party Electronic Funds Transfer (EFT) processing services, providing ATM service and maintenance work and providing ATM cash management services, and;

WHEREAS, Customer owns and operates ATM(s) in various locations and wishes to engage the services of Company to either sell and/or manage such ATM(s); and NOW THEREFORE, the parties hereto agree to the following terms and conditions per ATM:

1. ATM "ACH" LOCATION & Information: Customer agrees to provide the Company with the ATM "ACH AUTHORIZATION RELEASE" form, and any other pertinent information which Company may need in order to complete its services hereunder, which is attached hereto this Agreement and made a part hereof. Each subsequent ACH AUTHORIZATION RELEASE form that is completed by Customer and accepted by Company shall become a part of this Agreement unless changed in writing thereto or by an amendment or other written document thereof.

2. Billing, Payment and Notice Terms: Customer shall remit payment within three (3) days of receipt of an invoice, if applicable, or shall be in default of this Agreement. ANY PAYMENTS and/or ATM statements to Customer from Company shall sent on or about the 20th of the month for the prior month's business. Company has the right and option to offset any applicable expenses on each such month statement and/or invoice. Any notice given under this Agreement shall be sent by regular U.S. mail, addressed to the party at the address stated herein, or such other address as shall be communicated to one party by the other, in writing on or before the date of such date to be exercised, provided, however, notices for termination by either party must be sent by Certified Mail. Any notices to be sent to either party shall be sent as follows:

CUSTOMER:

COMPANY: ATM Online, Inc.

ATTN:

ATTN: RON THOMPSON

Address (if different from above):

18333 PRESTON RD. SUITE 435

City/St/Zip(if different from above):

DALLAS, TX

Ph:

Fax:

Cell #(s):

972-713-7333 FAX 972-733-4292

In the event of a change of mailing address of either of the parties, notice of the new address shall be sent forthwith as indicated above. Customer shall inform Company in writing of all of the subsequent owners of the property at the above address.

3. Term: The term of this Agreement shall begin on the calendar date of the first monetary debit transaction ("Commencement Date") and shall continue for five (5) years after the Commencement Date; provided that on each Anniversary date of this Agreement, the Term shall be automatically extended for one (1) additional year, unless written notice of Termination is received by Company on or before one-hundred eighty (180) days of any Anniversary Date, in which event, the Term will not be automatically extended for one (1) additional Year on the Anniversary Date. [By way of example (A): Commencement Date = 3/27/97, Notice of Termination = 7/3/01, Termination Date = 3/37/06. By way of example (B): Commencement Date = 3/27/97, Notice of Termination = 10/3/01, Termination Date = 3/27/07. Company also has the option of matching any bona-fide offer that Customer receives from any other ATM provider. This bona-fide offer must be in writing, must be faxed and/or sent by mail to Company and must include their agreement in its entirety from such other ATM provider (that, as one consideration, has been in the ATM financial processing business for at least two (2) years prior to the time of said notice), for similar services hereunder. In addition to the above, at the end of the term of this Agreement, or any extended term thereafter, Company continues to have the option of matching any bona-fide offer that Customer may receive, which must be in writing, including their entire agreement, from another ATM Provider, under the same conditions as provided hereinabove. Company shall notify Customer by fax or writing within five (5) days of receiving the bona-fide offer of Company's decision to either match or not match such offer. If Company does not match such offer or fails to notify Customer within said five (5) business days as aforesaid, then this Agreement shall terminate at the end of that successive five (5) year term. In the event Company terminates this Agreement, Customer may contract with any other provider for similar services without extending a right of matching to Company. Furthermore, Company has the option to terminate this Agreement by written notice to Customer at least ten (10) days prior to the date in which Company discontinues its services hereunder if in the opinion of Company (a) vandalism, theft, or attempted theft at the Customer premises becomes excessive so as to seriously affect Company's ability to perform under this Agreement, or (b) for any reason which may affect the successful operation of managing the ATM(s).

4. ATM Make/Model, Expenses & Banking Responsibilities: Customer acknowledges that it owns the ATM equipment or has authority to provide the cash inventory for such equipment as described on the ACH Authorization Form, attached hereto and made a part hereof this Agreement. The following expenses are part of this Agreement and shall be included, if applicable, with Companys' statement each month to Customer as mentioned above: A. The Customer shall pay the lease or finance payment (if applicable) each month directly to the lease/finance company when such amount is due. Electrical and Telephone installation along with monthly costs of each shall be paid by the Customer. All taxes after the ATM is delivered and operational, including, but not limited to, property, state, local and other related taxes shall be paid by Customer.

B. CASH INVENTORY: Customer shall provide its own cash inventory and replenishment for the ATM(s). C.MAINTENANCE, REPAIRS, CUSTOMER SUPPORT, TELEPHONE HOTLINE, PARTS AND LABOR RATES: Company is under no obligation to provide any parts, repair, ATM upgrades, ATM Equipment or any other like or similar part or service to the ATM unless Customer requests such and Company agrees to such in writing only. Customer shall not be charged for any telephone support only, including, but not limited to, technical or operational questions, when requested by Customer during normal "Customer Care Hours", defined as Monday through Friday, from 8:00 a.m. till 8:00 p.m., under the terms and conditions of this Agreement during the term hereof. The cost for repairs and/or maintenance, if available, outside any warranty work or outside the Customer Care Hours for the aforementioned shall be billed at least 100.00 per hour for labor only per service call, and is subject to change without notice. ATM supplies (paper, ribbon, disks, et. Al) and Parts outside the warranty period shall be invoiced at industry standard pricing or other respective Manufacturer's Suggested List Price plus a fair and reasonable mark-up as determined solely by Company. D. NETWORK/SPONSORSHIP/PROCESSING/LONG DISTANCE RATES: Customer acknowledges and agrees that Company has Electronic Funds Transfer (EFT) Agreement(s) with one or more third party contractors for the purpose of electronically debiting and crediting various accounts in order to transact business hereunder along with having the sponsorship necessary to conduct business within the EFT arena, therefore, Customer wishes to engage Company to perform various data processing and settlement functions for Customer. Customer further understands and agrees that any and all definitions, PASSTHROUGH and/or monthly bank sponsor fees of at least \$15.00 per month and any other terms and conditions of Company's EFT agreements with third party contractors (except for rates or fees of contractors) are hereby incorporated herein this Agreement.

I. BANK CLEARING ACCOUNT AND MINIMUM BALANCE: Customer hereby agrees to open and maintain a settlement account in a bank of Customer's choice and agrees to provide Company with a "Voided" check for the purposes of establishing Customer's account herein this Agreement. Customer hereby agrees to maintain a minimum balance of good funds to ensure the continuing operation of the ATM at any time during the term of this Agreement and agrees to replenish the account in any amount in which to maintain the minimum balance set forth herein. **IMPORTANT: A "Voided" printed check MUST BE ATTACHED with this Agreement for EFT Processing purposes.**

II. SURCHARGE INCOME & SETTLEMENT RATE: The following fees will be charged for each transaction not subject to offset by third party cost, including but not limited to, fees and expenses of third parties affiliated with providing services in connection with the EFT. Any changes to the Surcharge by Customer will be by written notice to Company no less than one (1) day prior to the effective date of such change and must be acknowledged and signed by Company. **The “Total Settlement Rate per EFT debit monetary transaction to be deposited to Customer’s account” shall be deposited in Customer’s account as described above on a DAILY basis, provided, however, if such amount is less than the Surcharge, then the settlement shall be monthly,** pursuant to Company’s third party EFT contractor’s arrangements and procedures, unless other arrangements are entered into in writing between the parties hereto. There are no fees to provide reports to Customers, however, Company’s sponsoring bank and/or EFT sponsors may pass through monthly fees, which may be passed on to Customer and shall be reported to Customer from time to time. **The Surcharge per valid EFT debit monetary transaction shall be: \$ _____ The “Total Settlement Rate” per valid EFT debit monetary transaction to be deposited to Customer’s account” shall be \$ _____** and shall be deposited on a DAILY basis, provided, however, if such amount is less than the Surcharge, then the settlement shall be monthly, pursuant to Company’s third party EFT contractor’s arrangements and procedures, unless other arrangements are entered into in writing between the parties hereto. The Surcharge can be changed at any time by Customer with written notice to Company. Any other reports and/or activity requested by Customer to Company shall in writing to Company and Company’s may provide such request in it’s sole discretion along with any expenses associated therewith and billed to Customer.

III. CASH INVENTORY: The cash inventory shall be deposited in Customer’s account as described above on a **daily basis** pursuant to Company’s third party EFT contractor’s arrangements and procedures.

IV. NETWORK FEES: The network fees for each such debit transaction shall be consistent with the Pulse EFT Association, Inc. and all other such fees charged by reciprocating networks associated with each such debit transaction and in accordance with the rules and regulations of such networks.

5. Force Majeure: Neither Customer nor Company shall be required to perform any term, condition, of covenant in this Agreement so long as such performance is delayed or prevented by force majeure, which shall mean acts of God, strikes, lockouts, material or labor restrictions by any governmental authority, civil riot, flood, third party EFT processing, theft, vandalism, and any other cause not reasonably within the control of Customer or Company and which by the exercise of due diligence Customer or Company is unable, wholly or in part, to prevent or overcome.

6. CONTINUANCE, DEFAULT.& REMEDIES: Customer agrees that this Agreement shall inure to and become part of any sale, transfer, assignment or any other similar act of any of the premises hereunder and that the purchaser, new Customer, and/or owner shall be part of this Agreement. Customer shall have the obligation to notify any new purchaser, new Customer and/or owner of this Agreement and shall require as a condition of sale that the same assume the remaining term and conditions of this Agreement and in the event that the aforementioned does not take place, then Company has the option of requiring Customer to pay Company the liquidated damages to Company within the time specified as described herein this paragraph. Notwithstanding anything to the contrary contained in this Agreement, if Customer terminates this Agreement for any other reason, except as stated herein this Agreement prior to the end of the term hereof, including but not limited to economic consideration, without the express written consent of Company, then Customer agrees that it represents a material breach of this Agreement and Company shall be entitled to collect, but not be limited to, liquidated damages. The liquidated damages shall be the greater of (i) \$10,000.00 or (ii) the sum of the remaining number of months left in the term hereof multiplied by an amount equal to the Interchange fee revenue over the highest six (6) month average term herein this Agreement. Customer agrees that Company can ACH Customers’ bank account for such damages or if Customer is invoiced by Company it shall pay the amount to Company within fifteen (15) days of receipt of an invoice for liquidated damages unless the parties agree to other terms and conditions hereof and if Customer does not pay, then Company may debit Customer’s bank account and/or pursue any and all action to collect such amount due and Customer shall pay liquidated damages plus the Company’s attorney’s fees, costs, and expenses. It is hereby further agreed that Company may enforce their rights under this Agreement by injunction or restraining order and Customer hereby waives the requirement of a bond or other form of security for such injunction or restraining order.

7. Attorney Fees/Venue: In the event any action is instituted to enforce any provision of this Agreement, the prevailing party shall be entitled to reasonable attorney fees, court costs and expense. It is the intention of the parties that the laws of the State of Texas shall govern the validity of this Agreement, the construction of its terms, and the interpretation of the rights and duties of the parties. In the event any suit is filed, venue shall be in Collin County, Texas. Furthermore, any litigation and/or legal proceedings by either party of this Agreement shall be filed, settled and/or held in Collin County, Texas.

8. Severability: If any provision of this Agreement shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Agreement is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

9. Entire Contract and Assignability: The Parties hereby agree to the terms and conditions herein stated and no other verbal, oral or other conditions shall change, alter or supersede the terms and conditions herein stipulated unless the Parties mutually agree to such alteration, change or other conditions in writing one Party to the other. This Agreement supersedes any prior written or oral agreements between the parties. Furthermore, this Agreement cannot be assigned by Customer to another party without the express written consent of the Company, which shall not be unreasonable withheld.

10.. Counterparts and Facsimile: This Agreement may be executed by any number of counterparts, each of which will be deemed to be an original, the same effect as if the signatures thereto and hereto were upon the same instrument. A facsimile of the signature of a Party will be binding on the signing party and delivery of this Agreement by facsimile will constitute delivery, however, payments may be withheld, at Company’s sole discretion, IF an original has not been executed and/or returned to Company before the term begins.

11. PATRIOT ACT COMPLIANCE: Customer acknowledges that he/she is an authorized signer of this Agreement, that the information contained herein this Agreement is true and correct as it relates to Customer, and Customer authorizes Company or its designee to contact references, obtain credit or other relevant reports as may be required to comply with the Patriot Act and assumes all responsibility for incorrect or false information and will cover any and all penalties assessed by the IRS or any company or entity for false information provided herein.

COMPANY: ATM ONLINE, INC.

CUSTOMER: _____
Print Customer Name Above (Customer)

Ψ _____
Ron Thompson, President

Ψ _____
Signature of Legal Representative (Customer)

Ψ _____
(Print name and Title above)

