



## Processor Service Agreement

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**For NatPay Use Only**

**Rep:** \_\_\_\_\_ **Type:** \_\_\_ Reg \_\_\_ PPP \_\_\_ EE \_\_\_ Lead \_\_\_ Multi  
**Promo:** \_\_\_\_\_ **Fee:** \_\_\_ One Time \_\_\_ Per EE  
**Special Instructions:** \_\_\_ Yes \_\_\_ No **Referral #:** \_\_\_\_\_  
**Sic Code:** \_\_\_\_\_ **Lead Source:** \_\_\_\_\_

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### Introduction

Please read through this entire electronic Direct Deposit Plus Service Agreement, complete all applicable sections, initial each page, sign, and return it by email to your sales representative. For assistance in completing this Service Agreement please call your sales representative, or NatPay's customer service department at 800-284-0113, option 2.

To fill out this agreement and sign it electronically, you will need the latest version of Adobe's free Acrobat Reader software installed on your computer before you can fill out this Agreement and sign it electronically. Visit <http://get.adobe.com/reader/> to obtain this software.

Once you have the Adobe Acrobat Reader software installed on your computer, open this PDF Agreement in it, and click on each field to begin typing in your information. Once complete, save the PDF, and email your completed Service Agreement PDF and all other applicable documents described herein to your sales representative.

For more information please visit our Processor / Client Online Guide at <http://natpay.com/support/ppp-qsg> where you will find a wealth of knowledge covering ACH guidelines and restrictions, setup steps for client integration, plus document downloads.

This Service Agreement sets forth the terms and conditions of National Payment Corporation's payroll direct deposit service. You the Professional Payroll Processor (PPP) provide payroll processing services to your clients, who are referred to in this Service Agreement as "PPP Clients" and are sometimes also referred to as "EEs." For this purpose, you will initiate credit entries to the bank accounts of those persons designated as payees by your PPP Clients (the "Payees"), by transmitting data to National Payment Corporation electronically on behalf of PPP Clients. You may also initiate related debit and credit entries to and from the designated accounts of PPP Clients and Payees. National Payment Corporation will process this data and transmit it to and from the originating and receiving banks by means of the Automated Clearing House (ACH) system. National Payment Corporation will solely transmit data received from you and strictly in accordance with your instructions. This payroll direct deposit service is governed by the Operating Rules of the National Automated Clearing House Association (the "NACHA Rules"). You accept the responsibilities of a Third-Party Service Provider and an Originator, on behalf of your client. National Payment Corporation accepts the responsibilities of a Third-Party Sender. Terms used but not defined in this Service Agreement have the meanings provided in the NACHA Rules.



## Processor Service Agreement

### 1 – Processor Business Information

Please include proof of your Taxpayer Identification Number (TIN) or (EIN). For example: Tax Return or 941 form [must be signed by preparer]; quarterly payroll form; IRS TIN [SS-4 form] or 501(c)3 letter.)

Legal Business Name

Trade Name

Type of Business / NAICS Code

Taxpayer Identification Number (TIN) or (EIN)

Address

City

State

Zip Code

Phone Number

Fax Number

Website Address

Total number of clients that you process payroll for?

### 2 – Processor Contact Information

Please list the names and numbers for contacts should NatPay need to call.

Management Contact Name

Management Contact Title

Management Contact Phone Number

Management Contact Email Address

Supervisor Contact Name

Supervisor Contact Title

Supervisor Contact Phone Number

Supervisor Contact Email Address

Software Operator Contact Name

Software Operator Contact Title

Software Operator Contact Phone Number

Software Operator Contact Email Address



## Processor Service Agreement

Owner / Principal Name #1

Title

Percentage

Owner / Principal Name #2

Title

Percentage

Owner / Principal Name #3

Title

Percentage

### 3 – Schedule of Fees

One-time Setup Fee

Per Item Fee

Per Client One-time Setup Fee

NSF Fee

Daily or Monthly Transmission Fee

Wire Fee

Occasionally, Correction Fees may be applicable to your account. Please note that these fees ARE NOT typical for an account on a regular basis. They are only charged when a corrective procedure is necessary to ensure that a received payroll file will be processed for the requested pay date. Most of the fees can be avoided with a regular review of your Transmission Verification Reports.

Section 13-f contains additional provisions regarding fees. Section 13-g contains additional provisions regarding settlement and warranties. **You will be charged for amounts which cannot be debited from PPP Client Accounts, including amounts to cover all debit entries, returns, fees, fines and penalties. You are responsible for the funding items you send to NatPay for all of your PPP Clients.**

### 4 – Transmission Report Recipients

Please list up to four email addresses of the recipients that should receive all Transmission Reports.

Email Address #1

Email Address #2

Email Address #3

Email Address #4

Transmission Report Type:  HTML  PDF  Encrypted PDF / Password: \_\_\_\_\_



## Processor Service Agreement

### 5 – Password

Select a password that you will use to transmit your files to NatPay. The password can be up to 10 letters or numbers, but no spaces, symbols, or punctuation. Please use Ø for the number zero.

Password: \_\_\_\_\_

### 6 – Funding and Timing Options

### 7 – Bill / Invoice Recipient (if applicable)

Please list the email address of the recipient that should receive bills / invoices from NatPay if you are not choosing to use the direct-debit option for fees per section 9.

\_\_\_\_\_  
Email Address

### 8 – Authorized Account for ACH Transactions

Please attach a VOIDED blank check from this account.

\_\_\_\_\_  
Bank Name

\_\_\_\_\_  
Contact Name

\_\_\_\_\_  
Address

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
Zip Code

\_\_\_\_\_  
Phone Number

\_\_\_\_\_  
Fax Number

Account Type: \_\_\_\_\_ Checking \_\_\_\_\_ Savings

\_\_\_\_\_  
Routing/Transit Number

\_\_\_\_\_  
Account Number



## Processor Service Agreement

### 9 – Authorized Account for ACH Fees

Please select one of the two options to indicate whether or not a separate account is to be used for ACH fees.

\_\_\_\_\_ **Option One: Authorized Account for ACH Transactions** (The account indicated in section 8.)

\_\_\_\_\_ **Option Two: Authorized Account for ACH Fees** (Attach a VOIDED blank check for account below.)

\_\_\_\_\_  
**Bank Name**

\_\_\_\_\_  
**Contact Name**

\_\_\_\_\_  
**Address**

\_\_\_\_\_  
**City**

\_\_\_\_\_  
**State**

\_\_\_\_\_  
**Zip Code**

\_\_\_\_\_  
**Phone Number**

\_\_\_\_\_  
**Fax Number**

**Account Type:** \_\_\_\_\_ Checking \_\_\_\_\_ Savings

\_\_\_\_\_  
**Routing/Transit Number**

\_\_\_\_\_  
**Account Number**

### 10 – Authorized Account for Tax Payment Transactions (if applicable)

Please select one of the three options to indicate whether or not a separate account is to be used for tax payment transactions.

\_\_\_\_\_ **Option One: Authorized Account for ACH Transactions** (The account indicated in section 8.)

\_\_\_\_\_ **Option Two: Authorized Account for ACH Fees** (The account indicated in section 9.)

\_\_\_\_\_ **Option Three: Authorized Account for Tax Payment Transactions** (Attach a VOIDED blank check for account below.)

\_\_\_\_\_  
**Bank Name**

\_\_\_\_\_  
**Contact Name**

\_\_\_\_\_  
**Address**

\_\_\_\_\_  
**City**

\_\_\_\_\_  
**State**

\_\_\_\_\_  
**Zip Code**

\_\_\_\_\_  
**Phone Number**

\_\_\_\_\_  
**Fax Number**

**Account Type:** \_\_\_\_\_ Checking \_\_\_\_\_ Savings

\_\_\_\_\_  
**Routing/Transit Number**

\_\_\_\_\_  
**Account Number**



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## Processor Service Agreement

### 11 – Timing of Data Transmission

You agree to transmit each payroll file to National Payment Corporation sufficiently in advance of the scheduled pay date for that file to allow National Payment Corporation to meet the timely submission requirements of the NACHA Rules. Standard timing requires transmission three full days before the designated pay date and time. For example, if funds are to be available in employees' accounts on Friday morning, you will transmit the payroll file to National Payment Corporation before 9:45 p.m. ET on the preceding Monday. If a calendar pay date could fall on a Saturday, Sunday, or bank holiday, you must indicate whether the actual pay date is the Friday or Business Day before, or the Monday or Business Day following the otherwise scheduled calendar pay date.

You may inquire about other timing alternatives by contacting National Payment Corporation; additional fees may apply. Please note that you may be required to sign an additional Funding Guaranty Agreement depending upon the timing and funding options that you select.

### 12 – PPP Client Contract / Obligations as Originator

You agree to meet each potential PPP Client in person to assess its suitability for payroll direct deposit services and will not accept any PPP Client based solely on an on-line or "web" application. If certain circumstances exist where you are unable to meet the PPP Client in person, it must be indicated on the PPP Client application. National Payment Corporation will then determine if the application will be accepted or not after additional underwriting has been performed. For each PPP Client, you will:

- a.** Provide to National Payment Corporation:
  - i.** the legal business name, trade name, type of business and NACIS code, type of entity (corporation, partnership, sole proprietorship, etc.), full street address (no post office box), phone number, website address, Taxpayer Identification Number and proof thereof (see section 1 above for acceptable forms of proof), and total number of employees;
  - ii.** the name, title, phone number and email address for the chief executive officer, and the payroll supervisor or manager;
  - iii.** identifying information for at least one bank account from which debits and credits will be made (the "PPP Client Account(s)"), including the bank name, address, phone number, fax number, name of the bank contact person, bank routing/transit number, account number, account type and, if there is more than one account, the purpose for the account (e.g. payroll, tax payments, etc.);
  - iv.** any other information requested by National Payment Corporation.
- b.** Perform an initial background check in a commercially reasonable manner, check the name of the PPP Client initially and annually thereafter, against the prohibited list published by OFAC to ensure no match is found, and provide a summary of the results of these checks to National Payment Corporation upon request; and
- c.** Enter into and maintain in effect a written, signed and enforceable contract including all provisions reasonably necessary to ensure the PPP Client's compliance with its obligations as an Originator and to permit you to comply with the provisions of this Service Agreement and specifically containing provisions in which the PPP Client:



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## Processor Service Agreement

- i.** authorizes you to originate debit and credit entries of payroll and related payments to and from the PPP Client Accounts and the Payees' accounts;
- ii.** agrees to (A) obtain signed authorization from each of its Payees for the PPP Client to make automatic book entries to and from the Payee's account designated in the authorization, in the form of National Payment Corporation's Employee Direct Deposit Authorization Form (found in the Help Center under the Support section of natpay.com) or any other form that complies with the NACHA Rules and state and federal laws and regulations applicable to automatic book entries (the "Authorization Form"), (B) retain each Authorization Form for two years following the termination of its agreement with you, and (C) provide you with copies of all Authorization Forms immediately upon request.
- iii.** acknowledges that it is an Originator under the NACHA Rules and agrees to be bound by the NACHA Rules;
- iv.** agrees not to originate credit or debit entries that violate the laws of the United States;
- v.** grants you and/or National Payment Corporation the right to audit its compliance with the NACHA Rules and your agreement with the PPP Client.
- vi.** agrees to indemnify, hold harmless and defend you and National Payment Corporation from and against any and all claims, lawsuits, demands, damages, liabilities, costs, or other expenses, including attorney fees, resulting directly or indirectly from or in any way related to (A) PPP Client's breach of any warranty, representation or provision contained in the agreement between you and the PPP Client, (B) PPP Client's failure to maintain sufficient funds in its PPP Client Accounts to cover the settlement of any Entry or returns processed by National Payment Corporation on behalf of that PPP Client, (C) PPP Client's failure to pay any related fees, fines, penalties or charges, (D) any act or omission of PPP Client or its employees or agents, including fraudulent or incorrect transmission of data, use or alleged misuse by of the ACH system, or unauthorized or inappropriate access to data files; (E) any failure to comply with the NACHA Rules or any applicable law or regulation; or (F) any incorrect distribution of or failure to distribute funds to or from a Payee, except to the extent caused by the negligence of Processor or National Payment Corporation.
- vii.** acknowledges that it is responsible for verifying that all Entries are credited to the intended payee or recipient. National Payment Corporation has no duty to determine that any receiving bank, payroll processor, payee or other third party distributes funds as expected.
- viii.** agrees specifically that it is responsible for verifying that tax payments are deposited to the proper account with the IRS and credited to it, and agrees to indemnify, hold harmless and defend National Payment Corporation from and against any and all claims, lawsuits, demands, damages, liabilities, costs or other expenses, including attorney fees, resulting directly or indirectly from or in any way related to any failure by any party to deposit tax payments with the IRS on its behalf.

You agree to provide National Payment Corporation with a copy of the signed agreement between you and each or any PPP Client, upon request.

National Payment Corporation may refuse to accept any PPP Client for any reason, including any concern that the PPP Client may be involved in a business that could be considered suspicious activity under federal laws and regulations. You agree not to transmit any data files relating to a PPP Client until National Payment Corporation has accepted that client for direct deposit services. Acceptance of a PPP Client for direct deposit services under this Service Agreement does not release you from your obligation to know your client in person and perform appropriate and on-going due diligence.



## Processor Service Agreement

### 13 – Additional Terms and Conditions

**a. Direct Deposit Authorization.** Company (hereinafter " Processor ") authorizes National Payment Corporation to originate Entries through the ACH system on behalf of PPP Clients in order to make (i) payroll direct deposits to the designated accounts of Payees (the "Payees' Accounts"), (ii) tax payments, if any, to accounts designated by Customer, and (iii) any related payments, corrections and adjustments.

**b. Electronic Transfers.** National Payment Corporation agrees that it will submit Payment Data (defined in section 13-d) through the ACH system, in the form required for (i) the electronic debiting of payments from the PPP Client Accounts, (ii) the crediting of payments to the Payees' Accounts and the accounts designated by the PPP Client for tax payments, if any (the "Tax Payment Accounts"), and (iii) related debit and credit entries to and from the PPP Client Accounts, Payees' Accounts and Tax Payment Accounts. National Payment Corporation will transmit Entries to the ACH Operator, through a processing financial institution, by the deadline of the ACH Operator for such Entry to be settled on the pay date specified by Processor, provided that accurate and sufficient data for such Entries are received from Processor by National Payment Corporation's related cut-off time set out in section 11 above and sufficient funds are available in the PPP Client Accounts to settle such Entries.

**c. Payee Authorization.** Processor will require each PPP Client to obtain and retain authorization from each of its Payees to make automatic book entries to and from the Payee's account, in compliance with the NACHA Rules and state and federal laws and regulations applicable to automatic book entries. Processor will monitor PPP Clients' compliance with this requirement and will obtain sample copies of the employee authorization form from each PPP Client. Processor will provide National Payment Corporation with copies of signed and completed Authorization Forms within five days of request.

**d. Payment Data Files and Warranties.** Processor will provide National Payment Corporation with all data necessary for the desired electronic transfers ("Payment Data") using Standard Entry Class Codes and will assure that the Payment Data is current and accurate at all times. Processor will promptly review documents and reports provided by National Payment Corporation and immediately notify National Payment Corporation of any error, omission or discrepancy. Processor will utilize prudent controls to verify data submission. Processor will transmit, and will assure that each PPP Client transmits, all data via a secured electronic network, a secure session, or in an encrypted format. For assistance in establishing internal controls using Transmission Reports from National Payment Corporation, see [natpay.com/support](http://natpay.com/support). Processor accepts sole responsibility for the adequacy of the systems and software utilized by Processor to accurately process Payment Data. National Payment Corporation assumes no responsibility or liability for the accuracy of Payment Data or delays in service caused by incorrect Payment Data. National Payment Corporation has no responsibility to review Payment Data in any manner, including for accuracy, consistency and conformity to prior Payment Data.

Processor warrants to National Payment Corporation with respect to each Entry that all Payment Data delivered to National Payment Corporation (i) is complete and in the proper format acceptable to National Payment Corporation, (ii) contains true and accurate information, (iii) complies with the NACHA Rules, and (iv) is timely under the terms and provisions of this Service Agreement. Processor further warrants, as of each date Payment Data is transmitted to National Payment Corporation and each pay date, that (i) its agreement with the originating PPP Client has not been revoked, (ii) each entry is properly authorized by the originating PPP Client, (iii) the PPP Client has a valid Authorization Form on file from each Payee and that authorization has not been revoked, and (iv) it has not initiated any transaction in violation of the laws of the United States.





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## Processor Service Agreement

**e. Returns and Erroneous Entries.** National Payment Corporation will notify Processor by electronic transmission of the receipt of a returned Entry. Unless the Entry is resubmitted by Processor, National Payment Corporation has no obligation to retransmit a returned Entry if National Payment Corporation complied with the terms of this Service Agreement with respect to the original transmission of the Entry. National Payment Corporation at its sole discretion can suspend the processing of any Payment Data and electronic submission of Entries if Processor or a PPP Client has a return rate that exceeds the threshold established by the NACHA Rules (currently 1% of all entries originated in the preceding 60 days.) If an offsetting debit is returned unpaid, this return will be considered as notification by the Processor to National Payment Corporation that the associated credits were erroneous, and specifically grants permission for them to be reversed, at the Processor's expense should the file be repaired or adjusted for processing. Processor acknowledges that each Entry is provisional until receipt by the Payee's receiving financial institution of final monetary settlement for such Entry.

National Payment Corporation will use reasonable efforts to act on a request by Processor to cancel or change a file prior to transmitting such file to the ACH Operator, but will have no liability if such request is not affected. If Processor discovers that any Entry it has initiated is an Erroneous Entry, it must notify National Payment Corporation of the error immediately. In such a case, National Payment Corporation will initiate an adjusting Entry if possible. If National Payment Corporation is unable to stop the transmission of the Entry or it is too late to withdraw the item from the ACH Operator, Processor may initiate a Reversing Entry to correct the Entry, as provided for and in accordance with the NACHA Rules.

**f. Fees.** Processor will pay all applicable fees as set out in section 3 above. Standard fees may be changed by National Payment Corporation upon thirty (30) days prior written notice to Processor, by e-mail, US mail or delivery. In addition, Processor will pay any applicable banking fees that may include but are not limited to Invalid Account Fees (\$100 per incident), and any Federal Reserve fees and any fees, fines and penalties assessed under the NACHA Rules. Processor authorizes National Payment Corporation to automatically debit the Authorized Fee Account for all fees and other charges owed to National Payment Corporation. Processor agrees to pay National Payment Corporation upon demand all amounts due under this Service Agreement which for any reason, in part or in whole, cannot be debited from the Authorized Fee Account. Processor may arrange to have fees invoiced for payment by contacting a customer service representative.

**g. Settlement, Reserve, and Warranties.** Processor warrants that each PPP Client has authorized National Payment Corporation (i) to debit its PPP Client Accounts in an amount sufficient to cover the settlement of any Entry processed by National Payment Corporation through Processor on behalf of that PPP Client and (ii) to debit or credit PPP Client Accounts in the amount of any returned or corrected Entry, chargeback, fees, fines and penalties. Processor warrants that each PPP Client will maintain at all times a sufficient balance in its PPP Client Accounts to cover all debit entries, returns, fees, fines, penalties and any other amount due to National Payment Corporation under this Service Agreement.

Processor agrees to pay National Payment Corporation upon demand all amounts due under this Service Agreement which for any reason, in part or in whole, cannot be debited from the PPP Client Accounts, including amounts to cover debit entries, returns, fees, fines and penalties. Processor agrees to make payment upon demand directly to any Originating Depository Financial Institution that transmits Entries on behalf of National Payment Corporation for any credit Entries or Returns of Entries originated by Processor to the extent that such institution has not received payment from National Payment Corporation. Processor may also be required to sign a Funding Guaranty Agreement as part of this Service Agreement.

**h. Compliance with laws and NACHA Rules.** Processor assumes the responsibilities of an Originator under the NACHA Rules, and agrees to follow and to require each PPP Client to follow the NACHA Rules as amended from time to time. The terms and conditions in this Service Agreement do not limit the requirement of complying with the NACHA Rules in any way. Processor agrees to pay any fines or liabilities imposed against National Payment Corporation or any of its processing financial institutions caused by an action or inaction of Processor or any PPP Client. Processor agrees that this Service Agreement automatically will be deemed amended without notice to incorporate or conform to any changes in the NACHA Rules. Processor agrees and warrants to National Payment Corporation that it has access to the NACHA Rules and is responsible for staying current with any changes to the NACHA Rules.



## Processor Service Agreement

Processor agrees to comply with, and to require each PPP Client to comply with, all federal, state and local laws and regulations applicable to automatic and electronic transfers of funds, including those governing authorizations by Payees, disclosures, and required notices, waivers and releases. National Payment Corporation makes no representation or warranty that any form provided by it is sufficient or otherwise in compliance with the NACHA Rules or with federal, state, or local laws or regulations.

**i. Indemnification.** Processor will indemnify, hold harmless and defend National Payment Corporation and National Payment Corporation's employees, agents and processing financial institution(s) from any and against all claims, lawsuits, demands, liabilities, damages, costs, or other expenses, including attorney fees, resulting directly or indirectly from or in any way related to (i) Processor's breach of any warranty, representation or provision contained in this Service Agreement; (ii) breach by a PPP Client of any warranty, representation or provision contained in its agreement with Processor; (iii) failure of any PPP Client to maintain a sufficient balance in its PPP Client Accounts to cover any Entry, returns, fees, fines and penalties; (iv) any act or omission of Processor or any PPP Clients or their employees or agents, including fraudulent or incorrect transmission of Payment Data, use or alleged misuse of the ACH system, or unauthorized or inappropriate access to National Payment Corporation's data files; (v) Processor's or PPP Clients' failure to comply with the NACHA Rules or any applicable law or regulation; or (vi) any incorrect distribution of or failure to distribute funds to or from a Payee or to the IRS, except to the extent caused by National Payment Corporation's negligence.

**j. Warranties and Limitations of Liability.** National Payment Corporation makes no warranties, express or implied, including without limitation any warranty with respect to the ACH system. Because of the difficulty of fixing actual damages, the parties agree that National Payment Corporation's liability hereunder, if any, will be limited to liquidated damages equal to the fees paid by Processor in the calendar month immediately preceding the occurrence of the event which gave rise to the damages, regardless of the cause or origin of such loss or damage and whether it results directly or indirectly from performance or non-performance of National Payment Corporation's obligations under this Service Agreement. In no event will National Payment Corporation be responsible for (i) any incidental damages or consequential losses resulting from the performance or non-performance of National Payment Corporations duties, or (ii) for any loss or damage to Processor or PPP Clients, direct or consequential, arising out of or in any way related to acts, omissions delays of Processor, PPP Clients or Payees, ACH Operators, banks which process electronic transfers or receive Entries on behalf of National Payment Corporation, or any other third parties, including, but not limited to, the Federal Reserve Bank, PPP Clients' banks, or the employees and agents of such ACH Operators, banks or other third parties.

**k. Confidentiality.** National Payment Corporation and Processor agree to maintain appropriate policies, procedures and systems to protect the confidentiality and security of Protected Information transmitted to it and by it. National Payment Corporation provides personal information to third parties only when (i) the information is provided to complete a Processor initiated transaction, (ii) the Processor requires it, (iii) the disclosure is required by or allowed by law, or (iv) it is necessary to process transactions and provide services. In the event of a suspected or actual data security breach, Processor agrees to notify National Payment Corporation immediately, and National Payment Corporation will notify NACHA and all other applicable parties about the breach in accordance with the NACHA Rules and NACHA Interim Policy on ACH Data Breach Notification Requirements.

**l. Delays and Excuse From Performance.** National Payment Corporation is not be liable for any delay or other failure of performance caused by strikes, insurrection, war, fire, lack of energy, acts of God, mechanical or electrical breakdown, governmental acts or regulations, computer malfunction, quality of data from the Processor's software, acts of third parties, or other factors beyond the reasonable control of National Payment Corporation.

**m. Use of National Payment Corporation Marks.** Processor agrees that it will not use and will not permit its PPP Clients to use the National Payment Corporation name or any service mark, symbol, or logo associated with National Payment Corporation ("National Payment Corporation Marks") in any manner or form without the prior written approval of National Payment Corporation, including in the identification of any bank account of Processor or its clients and any marketing material. All title to and interest in the National Payment Corporation Marks remain with National Payment Corporation. Upon termination of this Service Agreement for any reason, Processor will have no further right to use any National Payment Corporation Marks.



## Processor Service Agreement

**n. Audit and Background Checks.** Processor agrees that it will permit National Payment Corporation to audit Processor's and PPP Clients' compliance with this Service Agreement and the NACHA Rules, as permitted or required by the NACHA Rules, upon the request of National Payment Corporation, and will cooperate with such review. Prior to accepting the Processor and/or PPP Client as a customer, National Payment Corporation will conduct a background check on the Processor and/or PPP Client, and may do so periodically during the term of this agreement, for credit purposes and in order to comply with federal laws and regulations, including any applicable "know your customer" regulations under the Currency and Foreign Transactions Reporting Act of 1970, as amended by the USA Patriot Act. The Processor and/or PPP Client acknowledges and consents to the background check and authorizes National Payment Corporation to obtain any credit reports on the Processor and/or PPP Client and on any signatory to this Agreement or beneficial owner of the Company. The Processor and/or PPP Client agrees to provide National Payment Corporation with specific authorization to obtain consumer credit reports for any beneficial owner of the Processor and/or PPP Client, upon request.

**o. Term and Termination.** The term of this Service Agreement is for one year and will automatically renew each year thereafter unless terminated as follows. Either party may terminate this Service Agreement at any time upon 30 day's written notice to the other party. National Payment Corporation may terminate or suspend its services under this Service Agreement immediately if (i) Processor is in violation of any provision of this Service Agreement, (ii) any PPP Client is in violation of any provision of the agreement between Processor and PPP Client, or (iii) Processor or any PPP Client is in breach of the NACHA Rules. Upon termination, all rights and obligations hereunder will cease except the obligations of Processor and PPP Clients under sections 3 and 13-f, g. and i. of this Service Agreement regarding payment of fees and amounts due and indemnification, including payment of settlement amounts and fees for any items returned subsequent to the effective date of termination. National Payment Corporation may but is not obligated to process any Payment Data received prior to the date of termination for an Entry that would settle after the date of termination.

**p. Disclaimer of Third Party Rights.** The rights and obligations created by this Service Agreement apply solely to Processor and National Payment Corporation and, with respect to the indemnity provisions, to National Payment Corporation's processing financial institution(s). Neither National Payment Corporation nor Processor intends that any other third party, including PPP Clients and its employees will (i) be, or be entitled to the rights of, a third party beneficiary under this Service Agreement, or (ii) acquire any cause of action or other claim against National Payment Corporation relating to this Service Agreement.

**q. Entire Agreement; Assignment.** This Service Agreement including any schedules, addendums, or other requested documents constitutes the entire agreement between the parties relating to the specific subject matter hereof. This Service Agreement may not be modified except in writing and signed by an authorized representative of Processor and National Payment Corporation. This Service Agreement may not be assigned by either party without the prior written consent of the other party.

**r. Notices.** Any notice required or allowed to be given under this Service Agreement will be addressed to Processor at the address set forth in Section 1 above, to National Payment Corporation at 3415 Cypress Street, Tampa, FL 33607 or [csr@natpay.com](mailto:csr@natpay.com), or to such other address as either party may instruct the other party in writing.

**s. Applicable Laws.** The NACHA Rules and the rights and obligations of a party with regard to a credit entry subject to Article 4A of the Uniform Commercial Code are to be construed in accordance with the laws of the State of New York. All other provisions of this Service Agreement are to be construed in accordance with the laws of the State of Florida. The parties expressly consent and agree to the exclusive jurisdiction and venue of any state or federal court located within Hillsborough County, Florida, in connection with any suit between the parties arising out of or relating to this Service Agreement.



## Processor Service Agreement

### 13 – Authorized Signatures

By signing this Direct Deposit Plus Service Agreement Processor and National Payment Corporation acknowledge, understand, and accept the terms of this Service Agreement.

\_\_\_\_\_  
**Company Name**

\_\_\_\_\_  
**Company Manager Name** *(Please print.)*

\_\_\_\_\_  
**Company Manager Title**

\_\_\_\_\_  
**Company Manager Signature**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**NatPay Manager Name** *(Please print.)*

\_\_\_\_\_  
**NatPay Manager Title**

\_\_\_\_\_  
**NatPay Manager Signature**

\_\_\_\_\_  
**Date**