



eBanking Experts

Electronic Check Recovery Merchant Agreement for RGB Member

Entered into this _____ day of _____ 20____ between Check Recovery Solutions (CRS) with an address of 835 E. Lamar Blvd. #118, Arlington, TX 76011 and _____ (Merchant) with an address of _____ for the purposes of electronically re-presenting items returned by bank to merchant as NSF, Non-Sufficient Funds or Uncollected Funds.

1. Merchant and CRS hereby agree to act in accordance with applicable Rules and Regulations set forth by the U. S. Federal Reserve and the National Automated Clearing House Association (NACHA).
2. CRS represents, warrants and agrees that any information regarding Merchant shall be maintained as confidential and will not be divulged to another party except as required by law or court order.
3. Merchant may sign and deliver a Letter of Authorization to Merchant bank(s). This Letter of Authorization directs Merchants' bank not to re-deposit returned items and authorizes CRS to process said items. In addition to, or in lieu of, the Letter of Authorization, Merchants conducting RCK transactions will authorize CRS to process each transaction as it is entered into the System.
4. Merchant has the option to post a sign at point of sale that meets applicable NACHA regulations, obtain written authorization at point of sale by means of approved NACHA stamp or have printed on invoices or sales orders with written permission by customer. Internet orders must have NACHA approved notification posted on site. Notify your customers of your **RETURNED CHECK POLICY**.
5. CRS agrees to follow guidelines outlined in the "Fair Debt Collections Practices Act".
6. Merchant agrees that CRS reserves the right to charge a fee to the issuer at the maximum rate set by the issuers' State law unless no State law exists at the operating location which originally accepted the paper instrument from the issuer. If the operating location is not in a State that regulates or defines the fee for returned items, then the fee will be as set by the State of Texas. Internet transactions will be set at the rate set by the State of Texas.
7. CRS agrees to electronically re-present returned items two (2) times as allowed by law. Items returned after two times will be submitted for collections and Merchant will receive a percentage as outlined under Traditional Check Collection of face value or merchant can halt collections and have items returned to Merchant.
8. Merchant agrees to have collected funds received via electronic deposit.
9. CRS agrees to transfer settlements to Merchant on a weekly basis (Monday) on collected funds
10. Merchant agrees and understands that this agreement pertains to those items that returned as NSF, Non-Sufficient or Uncollected Funds. All other items will be placed in traditional collections or returned to Merchant.
11. Merchant will receive 100% of face value of item. CRS will retain remainder of all processing and NSF fees received from the issuer of the returned item(s).
12. Any disputes between Merchant and issuer are to be settled between Merchant and issuer.
13. Any disputes between Merchant and CRS shall be settled by binding arbitration.
14. This agreement shall remain in effect until cancelled in writing by either party.
15. In the event that customer advises bank that fee is not authorized, CRS shall retain twenty five percent (25%) of collected funds for the service fee.
16. Merchant Responsibilities. Merchants have the following responsibilities under this Agreement.
 17. Guidelines. All checks will be processed in accordance with guidelines set out by NACHA rules regarding RCK entries.
 18. Authorization. Merchants agree that for all checks submitted to CRS for electronic processing, Merchant will:
 - (i) Obtain authorization from issuer for electronic representation of dishonored checks.
 - (ii) Inform customers of policy to redeposit returned checks electronically through ACH system under NACHA rules.
19. Reports. CRS will provide merchants with a report of new checks received and items collected every Monday.
20. CRS will be responsible for our performance in accordance with the terms of this Agreement, and the Rules and Regulations. We cannot, however, accept for errors, acts or failures to act by others, including, and among other entities, banks, communications carriers or clearing houses through which Entries may be originated or we receive or transmit information, and no such entity will be deemed our agent. We, of course, also cannot be responsible for any loss, liability or delay caused by fires, earthquakes, wars, civil disturbances, power surges or failures, acts of governments, labor disputes, failures in communications networks, legal constraints or other events beyond our control.
21. Representments. CRS will automatically represent for Merchant twice, all return items and attempt ACH debits of service fees provided Merchant retains written receipts acknowledging customer acceptance of return items fees.
22. Confidentiality. Each party represents, warrants and mutually agrees that all information concerning the other party which comes into its possession during the term of the Agreement shall be maintained as confidential and shall not be used or divulged to any other party except as to permit the activities contemplated under this Agreement or as required by law. We may advise potential users of the services that we have a relationship with You.
23. Governing Law. This Agreement is governed by and be construed under the laws of the State of TEXAS without regard for the principles and conflicts of law.
24. Disputes. Any disputes between Merchant and CRS shall be settled by binding arbitration. Merchant and CRS agree to conciliation before arbitration without lawyers present. Arbitration shall be under the rules of AAA. Neither party will be compensated for legal fees arising from arbitration.
25. Damage Waiver/Indemnity. Merchant shall indemnify and hold harmless CRS for any losses, liabilities, cost or expenses we suffer or incur as a result of any breach of these representations and warranties. Merchant will cease submitting items immediately upon receiving notice that such items have been revoked by authority. Merchant shall be liable to CRS for any damages incurred by CRS from Merchant through any actions or inactions of the Merchant.

Check Recovery Solutions

_____ Date: _____

Merchant

_____ Date: _____

Sales Representative

_____ Date: _____ Agent ID # _____, A6149A