

Robert Johnson / RTG Parts
9601 W. Keyser Dr.
Peoria, Arizona 85383
623-628-3459
RobertRTG@earthlink.net

Attention: Kit

Thank you for your time. Here is the info about my case. I tried to keep the story short but this was the best I could do. I did put bullet points at the end and included all contracts involved.

In short I was duped by a good conman. I entered into a contract with good faith and I was deceived, misled and lied to. I could not understand or read most of the contract so I asked the NPMG Representative Sean Mecham many questions. I trusted that his answers were true. I later found out he blatantly deceived me so I would sign the contract. I now am held accountable for what I signed. Which instead of saving me money will cost me at least \$6500. I have been scammed.

I own a small mail order company called RTG Parts. In late June we received a phone call from a woman claiming to work for Chase Manhattan Bank. We were told we could save money if we switched to there credit card Merchant service. I agreed to meet with a representative and discuss this.

On July 7th I met with a man named Sean Mecham and his trainee from 'NPMG Registered ISP/MSP of JP Morgan Chase'. Sean told me about his program and I asked many questions. Several times I asked Sean what this would cost me and he always answered 2.2% of my credit card sales. Sean said there were no other fees. The 2.2% was good for any transaction and it was guaranteed for 60 months.

This was a good deal so I agreed to sign the contract. While signing I was confused by many items. The text on much of the contract was not readable. The small print was so small I could not see it. It looked like I was supposed to pay for equipment. I specifically asked him about this and I told him I would not pay for equipment. Sean assured me that the charge for this equipment would come out of the 2.2%. And that his company pays for that leased equipment out of the 2.2% commission. I asked about this at least three times and each time I was assured me there was no charge to me other than the 2.2%. I signed the contract believing what Sean told me.

After the meeting I drove home and read over the contract, this time with the help of a magnifying glass so I could read the small print. Everything I read was the exact opposite of what Sean told me just minutes earlier. There were many hidden charges. The rate was not guaranteed. I called Sean within 30 minutes of our meeting; I wanted to cancel the contract. Sean did not answer the phone. We called at least ten more times over the following week and I never got a reply.

A week went by and we received a processing machine in the mail. Later that week we were called by a service tech to install the machine. We then received new customer service phone numbers and we called to complain about the contract. In short they told me to get lost. They said I had to pay for the contract or pay \$6500 to cancel it.

Instead of signing a simple service contract as promised I instead signed a lease for equipment owned by 'CIT Financial USA, Inc. d/b/a Lease Finance Group'. I have contracted this company but I believe they are organized with the fraud. I can not talk to a real person and the recording says I owe more than \$5500 just to cancel the lease (this is a \$350 piece of equipment as advertised online). Then to cancel the draconian service contract I would have to pay another \$1000 cancellation fee to MPMG.

This contract was misrepresented to me in a bait-and-switch. I was promised one thing and got the exact opposite. There was no mistake; this was intentional deception on behalf of Sean Macham and his company NPMG Registered ISO/MSP of JP Morgan Chase.

If you have any questions you can call me on my cell at 623-628-3459

Thank you

Robert Johnson

- I thought I was dealing with Chase Manhattan bank.
 - I was not. I was dealing with NPMG and their corrupt partner CIT
- I thought I was signing only a service contract.
 - I ended up signing a lease for equipment and a service contract that was not as advertised by phone or in person.
- Sean made many errors on the first contract. He signed at the bottom of page 1 that he inspected my business sight. He never did that. Also he misrepresented my companies Credit Card sales. Most of our business is with Check. We only average 15K in CC sales each month. Sean looked over and wrote on my previous three months statements. He knew I only did 15K each month, yet he wrote 33K in two places. Also I never swipe cards, we are 100% mail order. Yet he wrote that we swipe 15% of our orders. I told him we swipe 0%.
- I was mislead and lied to during the entire meeting and contract signing session. I was never informed of the truth and I would not have signed anything if they did not lie to me
- I thought I was signing a contract with one company. These pages were not presented as two separate contracts or two separate companies
- I was told several times that I was only going to pay 2.2% of my total credit card sales. I asked many times and was repeatedly assured by the Sean that there were no other fees. And that all cards would be processed at the 2.2%.

- This was not correct. Fine print says they charge up to double for different card types. And there are tons of other fee's
- I was told that the \$99 a month for the machine would be paid by NPMG. That it would come out of my 2.2% and I would never have to pay anything above 2.2%.
 - This was a blatant lie. I asked about this three times and was told the same lie every time.
- I was told the last thing I signed (which I could not read due to bad print) was guarantee that they would hold there rates for 60 months without an increase
 - This turned out to be 100% the opposite. It's built to lock me into the company for 60 months. They still have the right to raise my rates
- Though contact was easy prior to signing the contract. Once the contract was signed they would not take my phone calls. Before the signing both I and my Mother (who is my accountant) spoke with MPMG and they made the same bogus lies over the phone to both of us.

To cancel the lease I have to pay over \$5500. To cancel the other contract I have to pay \$1000. I believe if I don't pay or fight they will take me to court in Illinois and harm my credit...My credit is around 800 and I can't let that happen.

Due to gross deceptive practices by NPMG and Sean Mecham I was tricked into signing this contract. I believe the first contract should be voided. Also the second contract has no purpose without the first. If they can't or won't void it then they should pay for the lease cancellation.

I feel like quite the fool. I got nailed big time....hard to believe I could be so foolish.

Let me know what you think.

Thank you
Robert Johnson

**Contact info for Sean Macham and NPMG is on the following page.
Contact info for CIT is page 15.**

PS. There IS only a computer AT The CIT #
NOT POSSIBLE TO SPEAK WITH A PERSON



NPMG

A registered ISO/MSP JP MORGAN CHASE BANK

Sean Mecham
Senior Account Executive

10mpson@npmg.com>

877-407-2621
866-407-2620 Fax

2398 E. Camelback Rd., Suite 850
Phoenix, Arizona 85016

i@11am



NPMG

A registered ISO/MSP of JP Morgan Chase

July 15, 2005

Dear Robert and Barbara,

Thank you for taking the time to speak with our account analyst on July 7, 2005.

We look forward to meeting with you at your **91st Ave & Pinnacle Peak at Campbell Mercantile** location to qualify you for the National Wholesale level on your credit card processing.

Please take a moment to note the following date and time for your meeting with our senior account executive: 7/20/2005 at 11 AM.

Important Notes

- It is important that you have your last three merchant statements available for the meeting, as without them we will not be able to qualify you for this level of processing.
- We will only need 30 uninterrupted minutes of your time. However, we do schedule two hours of travel and preparation time for our senior account executive. Please personally notify us at least 48 hours in advance if you need to change your scheduled appointment.

Again, we look forward to meeting you on 7/20/2005 at 11 AM.

Sincerely,
Nick Thompson
1-877-407-2621
Ext: 8862

2398 E. Camelback Rd., Suite 850 Phoenix, Arizona 85016
1-877-407-2621 FAX 1-866-407-2620

7/15/2005 2

PLEASE CHECK ONE ONLY

VISA/MASTERCARD RETAIL RATES, LEVEL I RETAIL

	Discount Rate:	_____ %
	Discount Rate:	_____ %
	Discount Rate:	_____ %
	Discount Rate:	2.95 %

MAIL/TELEPHONE/INTERNET RATES, LEVEL II RETAIL

	Discount Rate:	2.1 %
	Discount Rate:	_____ %
	Discount Rate:	_____ %
	Discount Rate:	2.95 %

FEES

VS/MC Transaction Fee:	_____	Per Item
Non-Bankcard Transaction Fee:	20	Per Item
Bank Service Fee:	_____	Monthly
Monthly Minimum:	_____	Monthly
Annual Fee:	_____	Per Year
Debit Transaction Fee:	_____	Per Item
<small>(Plus Network Association Fees)</small>		
EBT Transaction Fee:	_____	Per Item
EBT Service Fee:	\$5.00	Monthly
Merchant Club:	_____	Monthly
Scan:	_____	Per Item
<input type="checkbox"/> Supply/Replacement Program (Optional)	\$9.50	Monthly
Other:	_____	_____

VS/MC Transaction Fee:	.25	Per Item
Non-Bankcard Transaction Fee:	.80	Per Item
Bank Service Fee:	\$12.00	Monthly
Monthly Minimum:	\$25.00	Monthly
Annual Fee:	\$69.00	Per Year
Mail/Telephone Order Surcharge:	.05	Per Item
AVS Surcharge:	.05	Per Item
Debit Transaction Fee:	_____	Monthly
<small>(Plus Network Association Fees)</small>		
Merchant Club:	_____	Monthly
Scan:	_____	Per Item
<input checked="" type="checkbox"/> Supply/Replacement Program (Optional)	\$9.50	Monthly
Other:	_____	_____

1) I/We understand and agree to the following: that my/our discount rate as stated above will be charged on all electronically authorized and swiped bankcard transactions that are in batches closed daily (qualified rate); 2) and that all bankcard transactions that do not meet the requirements stated in number 1 above may be charged up to 2.5% + .10¢ higher than my/our discount rate. Visa/Mastercard business transactions may be charged up to 2.5% + .10¢ above swiped rate. 3) Mail/telephone order and electronic commerce transactions may be charged up to 2.5% + .10¢ higher than my/our discount rate. Visa/Mastercard business transactions may be charged up to 2.5% + .10¢ above swiped rate.

AMERICAN EXPRESS

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 American Express Card Acceptance (Terms and Conditions) will be sent to the business entity indicated above along with the welcome letter upon arrival of such business entity to accept the American Express Card® by American Express Travel Related Service Company, Inc. By accepting the American Express Card for the purchase of goods and/or services, you agree to be bound by the Terms and Conditions.

DEBIT/CREDIT AUTHORIZATION

DEBIT/CREDIT AUTHORIZATION	Merchant authorizes NPMG or Bank to present Automated Clearing House credits, Automated Clearing House debits, wire transfers, or depository transfer checks to and from the following account to and from any account for which NPMG or Bank are authorized to perform such functions under the Merchant Processing Agreement, for the purposes set forth in the Merchant Processing Agreement. This authorization extends to such entries in said account concerning lease, rental or purchase agreements for POS terminals and/or accompanying equipment and/or check guarantee fees and amounts due for supplies and materials.
	INVESTIGATIVE CONSUMER REPORT: An investigative or consumer report may be made in connection with application. MERCHANT authorizes Bank or any of its agents to investigate the references provided or any other statements or data obtained from MERCHANT, from any of the undersigned individual credit or financial responsibility. You have a right, upon written request, to a complete and accurate disclosure of the nature and scope of the investigation requested.

AVERAGE TICKET SIZE: 12.00 AVERAGE MONTHLY VOLUME: 33000

Each person certifies that the average ticket size and sales volume indicated is accurate and acknowledges any variance to this information could result in delayed and/or withheld settlement of funds. Also, see paragraphs 4c and 13b of the MERCHANT Processing Agreement regarding suspension and termination of MERCHANT.

IMPORTANT NOTICE: All information contained in this application was completed or supplied by all contracting parties. NPMG shall not be responsible for any change in printed terms unless specifically agreed to in writing by an officer of NPMG and Chase Manhattan Bank. By signing below, you are agreeing to the provisions stated within this merchant application, on the reverse side (the Merchant Agreement) and acknowledge receipt of the merchant terms and conditions and that both documents represent the entire agreement. Those provisions must be read before signing. By signing below you agree to all terms and conditions and swear under penalty of perjury that the information provided by you is true and correct.

FOR ALL CORPORATIONS CORP. RESOLUTION

The indicated officer(s) identified in numbers 1 and/or 2 below have the authorization to execute the MERCHANT Processing Agreement on behalf of the herewithin named corporation. MERCHANT UNDERSTANDS THAT THIS AGREEMENT SHALL NOT TAKE EFFECT UNTIL MERCHANT HAS BEEN APPROVED BY BANK AND A MERCHANT NUMBER IS ISSUED.

INDIVIDUAL GUARANTY (NO TITLES)

As a primary inducement to NPMG and Bank to enter into this Agreement, the undersigned Guarantor(s), by signing this Agreement, jointly and severally, unconditionally and irrevocably, personally guarantees the continuing full and faithful performance and payment by Merchant of each of its duties and obligations to NPMG and Bank under this Agreement or any other agreement currently in effect or in the future entered into between Merchant or its principals and NPMG or Bank, as such agreements now exist or are amended from time to time, with or without notice. Guarantor(s) understand further that NPMG or Bank may proceed directly against Guarantor(s) without first exhausting their remedies against any other person or entity responsible to it or any security held by NPMG and Bank or Merchant. This guarantee will not be discharged or affected by the death of the undersigned, will bind all heirs, administrators, representatives and assigns and may be enforced by or for the benefit of any successor of NPMG and Bank. Guarantor(s) understand that the inducement to NPMG and Bank to enter into this agreement is consideration for the guaranty, and that this guaranty remains in full force and effect even if the Guarantor(s) receive no additional benefit from the guaranty.

AGREED & ACCEPTED

_____ #1 From Application - Signature Date 7/20/05

_____ #2 From Application - Signature Date _____

PRINT LEGAL NAME OF MERCHANT BUSINESS

RTG Darts

X _____ #1 From Application - Signature Date 7/20/05

X _____ #2 From Application - Signature Date _____

2 1/2 Pages of Fine Print I Did Not See. IT WAS Folded Into The Contract OUT OF SIGHT

D. Transactions. All transactions are cashless. No transaction involves the use of a Card for any purpose other than the purchase of goods or services from you nor does it involve a Cardholder obtaining cash from you unless allowed by the Rules and agreed in writing with NPMG and Bank.

E. Rule compliance. You will comply with the Laws and Rules.

12. Third Parties

A. Services. You may be using special services or software provided by a third party to assist you in processing transactions, including authorizations and settlements, or accounting functions. You are responsible for ensuring compliance with the requirements of any third party in using their products. This includes making sure you have and comply with any software updates. NPMG and Bank have no responsibility for any transaction until that point in time NPMG or Bank receive data about the transaction.

B. Use of Terminal Provided by Others. You will notify NPMG and Bank immediately if you decide to use electronic authorization or data capture terminals or software provided by any entity other than NPMG and Bank or an authorization designee ("Third Party Terminals") to process transactions. If you elect to use Third Party Terminals you agree (i) the third party providing the terminals will be your agent in the delivery of Card transactions to NPMG and Bank and (ii) to assume full responsibility and liability for any failure of that third party to comply with the Rules of this Agreement. Neither NPMG nor Bank will be responsible for any losses or additional fees incurred by you as a result of any error by a third party agent or a malfunction in a Third Party Terminal.

13. Term and Termination

A. Term. This Agreement will become more effective on the date Bank executes this Agreement ("Effective Date"). This Agreement will remain in effect for a period of 4 years ("Initial Term") unless terminated as set forth below.

B. Termination. The Agreement may be terminated by any party to be effective at the end of the initial Term or any Renewal Term by giving written notice of an intention not to renew at least 90 calendar days before the end of the current term. Further, this Agreement may be terminated at any time with or without notice and with or without cause by NPMG and Bank.

C. Assignment Termination

1. Terminated Merchant File. You acknowledge that Bank is required to report your business name and the name of Merchant's principal to Visa and MasterCard when Merchant is terminated due to the reasons listed in the Rules.

2. Designated Account. All your obligations regarding escrowed Sales Drafts will survive termination. You must maintain in the Designated Account and the Reserve Account enough funds to cover all chargebacks, deposit charges, refunds and fees incurred by you for a reasonable time, but in any event not less than the time specified in this agreement. You authorize NPMG and Bank to charge those accounts, or any other account maintained under this Agreement, for all such amounts. If the amount in the Designated Account or Reserve Account is not adequate, you will pay NPMG and Bank the amount you owe it upon demand, together with all costs and expenses incurred to collect that amount, including reasonable attorneys' fees.

3. Equipment. Within 14 business days of the date of termination, you must return all equipment owned by NPMG and immediately pay NPMG and Bank any amounts you owe them for equipment costs.

4. Early Termination. If you terminate this Agreement before the end of the initial Term, you immediately pay NPMG, as liquidated damages, an early termination fee equal to the amount of \$499. You agree that the early termination fee is not penalty, but is a reasonable fee in light of the financial harm caused by your early termination.

14. Compliance With Laws And Rules. You agree to comply with all rules and operating regulations issued from time to time by MasterCard and Visa and any policies and procedures provided by NPMG or Bank, including those set forth in the Merchant Operating Manual ("Rules"). The Rules are incorporated into this Agreement by reference as if they were fully set forth in this Agreement. You further agree to comply with all applicable state, federal and local laws, rules and regulations ("Laws") as amended from time to time. You will assist NPMG and Bank in complying with all Laws and Rules now or hereafter applicable to any Card transaction or this Agreement. You will execute and deliver to NPMG and Bank all instruments a may from time to time reasonably deem necessary.

15. Use of Trademarks and Confidentiality

A. Use of Trademarks. Your use of Visa and MasterCard trademarks must fully comply with the Rules. Your use of Visa, MasterCard or other cards' promotional material will not indicate directly or indirectly that Visa or MasterCard endorsed any goods or services other than their own and you may not refer to Visa or MasterCard in stating liability for your products or services.

B. Confidentiality

1. Cardholder Information. You will not disclose to any third party Cardholders' account information or other personal information except to an agent of yours assisting in completing a Card transaction, or as required by law. You must destroy all material containing Cardholders' account numbers, Card numbers, Sales Drafts, Credit Vouchers and Receipts for Sales Drafts maintained in accordance with this Agreement, Laws and the Rules. Further, you must take all steps reasonably necessary to ensure Cardholder information is not disclosed or otherwise misused.

2. Promotions. You may not use for your own purposes, will not disclose to any third party, and will retain in strictest confidence all information and data belonging to or relating to the business of NPMG and Bank (including without limitation the terms of this Agreement), and will safeguard such information and data by using the same degree of care that you use to protect your own confidential information.

3. Disclosure. You authorize NPMG and Bank to disclose your name and address to any third party who requests such information or otherwise has a reason to know such information.

C. Return to Bank. All promotional material, advertising displays, banners, Sales Drafts, credit memoranda and other items supplied to you upon and not purchased by you or consumed in use will remain the property of NPMG and Bank and will be immediately returned to NPMG upon termination of this Agreement. You will be fully liable for all loss, cost, and expense suffered or incurred by NPMG and Bank arising out of the failure to return or destroy such materials following termination.

16. General Provisions

A. Entire Agreement. This Agreement as amended from time to time, including the Rules, the Merchant Operating Manual, and the complete Merchant Application, all of which are incorporated into this Agreement, constitute the entire agreement between the parties, and all prior or other agreements or representations, written or oral, are superseded. This Agreement may be signed in one or more counterparts, all of which, taken together, will constitute one agreement.

B. Governing Law. The laws of the State of New York will govern this agreement. Proper venue for any disputes arising from this agreement shall be in any state or federal court of competent jurisdiction in Nassau County, New York. Merchant and Guarantor(s) agree to submit to the personal jurisdiction of courts located in Nassau County, New York.

C. Exclusivity. During the initial and any renewal term of this Agreement, you will not enter into an agreement with any other entity that provides credit card or debit card processing services similar to those provided by NPMG and Bank as contemplated by this Agreement without NPMG and Bank's written consent.

D. Construction. The heading used in this Agreement is inserted for convenience only and will not affect the interpretation of any provision. The language used will be deemed to be the language chosen by the parties to express their mutual intent, and no rule of strict construction will be applied against any party. Any alteration or strikeover in the text of this pre-printed Agreement will have no binding effect, and will not be deemed to amend this Agreement.

E. Assignability. This Agreement may be assigned by NPMG, but may not be assigned by Merchant directly or by operation of law, without prior written consent of NPMG. If Merchant nevertheless assigns this Agreement without the consent of NPMG, the Agreement shall be ending upon the assignee. Bank will be informed of any such assignment.

F. Notices. Any written notice under this Agreement will be deemed received upon the earlier of: (i) actual receipt or (ii) five calendar days after being deposited in the United States mail, and addressed to the last address shown on the records of the sender.

G. Bankruptcy. You will immediately notify NPMG and Bank of any bankruptcy, receivership, insolvency or similar action or proceeding initiated by or against Merchant or any of its principals. You will include NPMG and Bank on the list and matrix of creditors as filed with the Bankruptcy Court, whether or not a claim may exist at the time of filing, and failure to do so will be cause for immediate termination or any other action available to NPMG and Bank under applicable Rules or Law.

H. Attorney's Fees. Merchant will be liable for and will indemnify and reimburse NPMG and Bank for all attorneys' fee and other costs and expenses paid or incurred by NPMG and Bank or their agents in the enforcement of this Agreement, or in collecting any amounts due from Merchant or resulting from any breach by Merchant of this Agreement.

I. Amendments. Bank and NPMG may propose amendments or additions to this Agreement. Bank or NPMG will inform you of proposed changes in a detailed statement or other written notice. You will be deemed to have agreed to the change if you continue to present transactions to NPMG and Bank to 7 business days following the mailing of the notice. Notwithstanding the previous sentence, changes to fees authorized by this Agreement will be effective upon notice to you, unless a later effective date is provided.

J. Severability and Waiver. If any provision of this Agreement is illegal, the invalidity of that provision will not affect any of the remaining provisions and this Agreement will be construed as if the illegal provision is not contained in the Agreement. Neither the failure nor delay by NPMG or Bank to exercise, or pursue enforcement of, any right under this Agreement will operate as a waiver or estoppel of such right nor shall it amend this Agreement. The waiving party must sign all waivers.

K. Independent Contractors. NPMG, Bank, and Merchant will be deemed independent contractors and will not be considered agent, joint venturer or partner of the other, except as provided in 6.C and 7.A (B).

L. Employee Actions. You are responsible for your employees' actions while in your employment.

M. Survival. Sections 4.A, 4.B, 5, 7, 8, 9, 13.C, 15, 16.B, and 16.H will survive termination of this agreement.

Merchant Processing Agreement

This Merchant Processing Agreement ("Agreement") is entered into on the Effective Date defined below, between the business indicated on the Merchant Application ("Merchant" or "You") National Processing Management Group, Inc (NPMG) and Chase Manhattan Bank, Hicksville, NY ("Bank").

Recitals

Merchant desires to accept credit cards ("Cards") validly issued by members of Visa U.S.A., Inc. ("Visa") and MasterCard International, Incorporated ("MasterCard"). Bank and NPMG desire to provide credit card processing services to Merchant. Therefore, Merchant, NPMG and Bank agree as follows:

Terms and Conditions

1. Honoring Cards.

A. **Without Discrimination.** You will honor, without discrimination, any Card properly tendered by a Cardholder. "Cardholder" means a person processing a Card and purporting to be the person on whose name the Card is issued. You will not establish a minimum or maximum transaction amount as a condition for honoring a Card.

B. **Cardholder Identification.** You will identify the Cardholder and check the expiration date and signature on each Card. You will not honor any Card if: (i) the Card has expired, (ii) the signature on the sales draft does not correspond with the signature on the Card, (iii) the account number embossed on the Card does not match the account number on the Card's magnetic strip (as printed in electronic form) or the account number listed on the current Electronic Warning Bulletin (as you may not require the Cardholder to provide personal information, such as a name or business telephone number, a home or business address, or a driving license number as a condition for honoring the Card unless permitted under then Laws and Rules (defined in Section 14, below).

C. **Card Security.** You will use your reasonable, best efforts to recover the Card: (i) on Visa Cards if the printed four digits above the embossed account number do not match the first four digits of the embossed account number, (ii) if you are advised by NPMG or Bank for a designated issuer of the Card or the designated voice authorization center to retain it, (iii) if you have reasonable grounds to believe the Card is counterfeit, fraudulent or stolen, or not authorized by the Cardholder, or (iv) for MasterCard Cards, the embossed account number, indent printed account number and or embossed account number do not agree or the card does not have a MasterCard hologram on the lower right corner of the Card face.

D. **Discounts.** You will not add any amount to the listed price of goods or services you offer as a condition of paying with a Card, except as permitted by the Rules. This paragraph does not prohibit you from offering a discount from the standard price to induce a person to pay by cash, check, or similar means rather than by using a Card.

E. **Return Policy.** You will properly disclose to the Cardholder, at the time of the Card transaction and in accordance with the Rules, any limitation you have on accepting returned merchandise.

F. **No Claim Against Cardholder.** You will not have any claim against or right to receive payment from a Cardholder unless NPMG and Bank refuse to accept the Sales Draft (as defined in Section 3) or revoke a prior acceptance of the Sales Draft after receipt or a chargeback or otherwise. You will not accept any payment from a Cardholder relating to previous charges for merchandise or services included in a Sales Draft, and if you receive any such payments you properly will remit them to NPMG and Bank.

G. **Liability With Cardholders.** All disputes between you and any Cardholder relating to any Card transaction will be settled between you and the Cardholder. Neither NPMG or Bank bear any responsibility for such transactions.

2. Authorization.

A. **Required on all Transactions.** You will obtain a prior authorization for the total amount of a transaction via electronic terminal or device before completing any transactions that has not been authorized. You will follow any instructions received during the authorization process. Upon receipt of authorization you may consummate only the transaction authorized and must note on the Sales Draft the authorization number. Where authorization is obtained, you will be deemed to warrant the true identity of the customer as the Cardholder.

B. **Effect.** Authorizations are not a guarantee of acceptance or payment of the Sales Draft. Authorizations do not waive any provisions of this Agreement or otherwise validate a fraudulent transaction or transactions involving the use of an expired card.

C. **Unavailable Magnetic Stripes.** When you present Cards transactions for authorization electronically and if your terminal is unable to read the magnetic stripe on the card, you will obtain an imprint of the card and the Cardholder's signature on the printed draft before presenting the Sales Draft to NPMG and Bank for processing. Failure to do so may result in the assessment of a transaction surcharge on non-qualifying transactions.

3. Presentation of Sales Draft.

A. **Form.** You will use a Sales Draft ("Sales Draft") or other form approved by NPMG and Bank to document each card transaction. Each Sales Draft will be legibly imprinted with: (i) merchant's name, location and account number; (ii) the information embossed on the Card presented by the Cardholder (either electronically or manually); (iii) the date of the last transaction; (iv) a brief description of the goods or services involved; (v) the transaction authorization number; (vi) the total amount of the sales including any applicable taxes, or credit transactions; and (vii) adjacent to the signature line, a notation that all sales are final, if applicable.

B. **Signatures.** Sales Draft, must be signed by the Cardholder unless the cardholder is a valid magnetic stripe card transaction that fully complies with the requirements set forth in this Agreement. You may not require the Cardholder to sign the Sales Draft before you enter the final transaction amount in Sales Draft.

C. **Reproduction of Information.** If the following information embossed on the Card and the Merchant's name is not legibly imprinted on the Sales Draft, you will legibly reproduce on the Sales Draft before submitting it to NPMG and Bank: (i) the Cardholder's name; (ii) account number and expiration date and (iii) the Merchant's name and place of business. Additionally, for MasterCard transactions you will legibly reproduce the name of the Bank issuing the Card as it appears on the face of the Card.

D. **Delivery and Retention of Sales Draft.** You will deliver a complete copy of the Sales Draft or credit voucher to the Cardholder at the time of the transaction. You will retain the "merchant copy" of the Sales Draft or credit memorandum for at least 3 years following the date of completion of the Card transaction (or such longer period as the Rules require).

E. **Electronic Transmission.** In using electronic authorization and/or data services, you will enter the data related to a sale or credit transaction into a computer terminal or a magnetic card reading terminal no later than the close of business on the date the transaction is completed (unless otherwise permitted by the Rules). Failure to do so may result in the assessment of a transaction surcharge on non-qualifying transactions. If you provide your own terminal or such device, such terminals must meet NPMG and Bank's requirements for processing transactions, and must be Year 2000 compliant. Information regarding a sales or credit transaction transmitted with a computer or magnetic stripe reading terminal will be transmitted by you to NPMG and Bank or their agent in the form NPMG and Bank from time to time specified or as required under the Rules. If NPMG or Bank requests a copy of a Sales Draft, credit voucher or other transaction evidence, you will provide it within 24 hours following the request.

4. Deposit of Sales Drafts and Funds Due Merchant.

A. Deposit of Funds.

A. **Deposits.** You agree that this Agreement is a contract of financial accommodation within the meaning of the Bankruptcy Code, 11 U.S.C. 365 as amended from time to time. Subject to this Section, Bank will deposit to the Designated Account (defined in section 6 below) funds evidenced by Sales Drafts (whether evidenced in writing or electronic means) complying with the terms of this Agreement and the Rules and will provide you provisional credit for such funds (less recoupment of any credits, adjustments, fines, chargebacks, or fees). You acknowledge that your obligation to NPMG and Bank for all amounts coming under this Agreement arose out of the same transaction as NPMG and Bank's obligation to deposit funds to the Designated Account.

B. **Finalization of Funds.** Notwithstanding the previous sentences, under no circumstances will NPMG or Bank be responsible for processing credit or adjustments related to Sales Drafts not originally processed by NPMG and Bank. All Sales Drafts and deposits are subject to audit and final check by NPMG and Bank and may be audited for inaccuracies. You acknowledge that all credits provided to you are provisional and subject to chargeback and adjustment; (i) in accordance with the Rules; (ii) for any of your violation to NPMG and Bank; (iii) in any other situation constituting suspected fraud or a breach of this agreement, whether or not a transaction is charged back by the Card issuer. NPMG and Bank may elect to grant conditional credit for individual or groups of any funds evidenced by Sales Draft. Final credit for those conditional funds will be granted within NPMG and Bank's sole discretion.

C. **Imposing Liens.** NPMG and Bank may impose a lien on the volume and exact amount of Sales Drafts that they will process for you, as indicated to you by NPMG and Bank. This lien may be changed by NPMG or Bank upon written notice to you.

B. **Chargebacks.** You are fully liable for all transactions returned for whatever reason, otherwise known as "chargebacks". You will pay on demand the value of all chargebacks. Authorization is granted to offset from incoming transactions and to debit the Designated Account, the Reserve Account (defined in Section 7, below) or any other account held at Bank or at any other financial institution the amount of all chargebacks. You will fully cooperate in complying with the Rules regarding chargebacks.

C. **Excessive Activity.** Your presentation to NPMG and Bank of excessive activity will be a breach of this contract and cause for immediate termination of this agreement. "Excessive Activity" means, during any monthly period: (i) the dollar amount of chargebacks and/or returns in excess of 1% of the monthly dollar amount of your Card transactions; (ii) sales activity that exceeds by 20% of the dollar volume indicated on the Application; or (iii) the dollar amount of returns equal 20% of the average monthly dollar amount of your card transactions. You authorize, upon the occurrence of Excessive Activity, NPMG and Bank to take any action they deem necessary including but not limited to suspension of processing privileges or creation or maintenance of a Reserve Account in accordance with this Agreement.

D. Credit

A. **Credit Memoranda.** You will issue a credit memorandum in any approved form, instead of making a cash advance, a disbursement or a refund on any Card transaction. Bank will debit the Designated Account for the total face amount of each credit memorandum submitted to Bank. You will not submit a credit (relating to any Sales Draft not originally submitted to Bank, nor will you submit a credit that exceeds the amount of the original Sales Draft. You will within the time period specified by the Rules, provide a credit memorandum or credit statement for every return of goods for imperfections of good of services, which were the subject of Card transactions.

B. **Reservation of Credit.** NPMG or Bank may refuse to accept any Sales Draft, and NPMG and Bank may revoke prior acceptance of a Sales Draft in the following circumstances: (a) the transaction giving rise to the Sales Draft was not made in compliance with the Agreement, the Law or the Rules; (b) the Cardholder disputes his liability to NPMG and Bank for any reason, including but not limited to a contention that the Cardholder did not receive the goods or service, that the goods or services provided were not as ordered, or that chargeback rights enumerated in the Rules; or (c) the transaction giving rise to the Sales Draft was not directly between you and the Cardholder. You will pay NPMG and Bank any amount previously credited to you for a Sales Draft not accepted by NPMG and Bank or where accepted, is revoked by NPMG and Bank.

E. **Reprocessing.** Notwithstanding any authorization or receipt from a Cardholder, you will not re-enter or reprocess any transaction, which has been charged back.

F. **Miscellaneous.** You will not present for processing or credit, directly or indirectly, any transaction not originated as a result between you and a Cardholder or any transaction you know or should know to be fraudulent or not authorized by the Cardholder. You will not sell or disclose to third parties Card account information other than in the course of performing your obligations under this Agreement.

5. Other Types of Transactions

A. **Multi-Telephone Order.** NPMG and Bank caution against mail orders or telephone orders or any transaction in which the Cardholder and Card are not present ("multi-telephone orders") due to the high incidence of customer disputes. You will obtain the explicit name of the Card for a multi-telephone order and submit the expiration date and submit the expiration date what obtaining authorization of the Card transaction. For multi-telephone order transactions, you will type or print legibly on the signature line the following as applicable: telephone order or "TO" or mail order or "MO". You must properly notify NPMG and Bank if your residential correspondence order the change from the percentages represented to NPMG and Bank in the Merchant Application. NPMG and Bank may cease accepting, multi-telephone order transaction, or limit its acceptance of such transaction, or limit its acceptance of such transactions, or increase their fees if this mix changes.

B. **Recurring Transactions.** For recurring transactions, you must obtain a written request from the Cardholder for goods and services to be charged to the Cardholder account, the frequency of the recurring charge, and the duration of the billing which such charges may be made. You will not complete any recurring transaction after receiving: (i) a cancellation notice from the Cardholder; (ii) notice from NPMG and Bank; or (iii) a suspension that the Card is not to be honored. You must print legibly on the Sales Draft the words "Recurring Transaction".

C. **Multiple Sales Drafts.** You will include a description and total amount of goods and services purchased in a single Sales Draft or transaction record, unless (i) partial payment is entered on the Sales Draft or transaction record and the balance of the transaction amount to paid or by check at the time of transaction, or (ii) a Sales Draft represents an advance deposit in a Card transaction completed in accordance with the Agreement and the Rules.

6. Partial Completion

A. **Partial Completion.** You will not accept for payment by Card any amount representing a deposit or partial for goods or services to be delivered in the future without the prior written consent of NPMG or Bank. Such consent will be subject to Bank's final approval. The acceptance of a Card for payment or partial payment of goods or services to be delivered on the future without prior consent will be deemed a breach of this Agreement and cause for immediate termination, in addition to any other remedies available under the Law or Rules.

B. **Acceptance.** If you have obtained prior written consent, then you will complete such Card transactions in accordance with the terms set forth in this Agreement, the Rules, and the Law. Cardholders must execute one Sales Draft when making a deposit with a Card and a second Sales Draft when paying the balance. You will upon the Sales Draft the words "deposit" or "balance" as appropriate. You will not deposit the Sales Draft labeled "balance" until the goods have been delivered to Cardholder or you have fully performed the services.

C. **Future Delivery.** You will not present any Sales Draft or other memorandum to Bank for processing "whether by electronic means" which relates to the sale of goods or services for future delivery without NPMG or Bank's prior written authorization. Such consent will be subject to Bank's final approval. If NPMG or Bank has given such consent, you represent and warrant to NPMG and Bank that you will not rely on any proceeds or credit resulting from such transactions to purchase or furnish goods or services. You will maintain sufficient working capital to provide for the delivery of goods or services at the agreed upon future dates, independent of any credit or proceeds resulting from sales drafts or credit memoranda later in connection with future delivery transactions.

F. Electronic Commerce Transactions. You must get NPMG or Bank's consent to process electronic commerce transactions, and you may process such transactions only if the transactions have been authorized by a third party vendor accessible to NPMG and Bank. Such consent will be subject to Bank's final approval. You understand that electronic commerce transactions are high risk and subject to higher incidence of chargeback. All commerce orders related to such transactions will be your responsibility. You understand NPMG and Bank will not manage the telecommunications link and that it is your responsibility to manage that link. You also understand that NPMG and Bank does not have 7 days per week/24 hrs per day live operations. All electronic commerce transactions will be settled by Bank into a depository institution of the United States in U.S. currency. You may be required to establish a Reserve Account if you process electronic commerce transactions.

G. American Express, Discover, JCB and Others Club Transactions. Upon your request, NPMG and Bank will provide authorization (under no data capture service) for Discover, JCB, Others Club, and American Express transactions. By signing this Merchant Agreement, Merchant agrees to abide by the terms and conditions of Discover Club, American Express, and Discover. I understand that the Others Club Agreement will be sent to the business email indicated on this application. Accepting the Others Club Card for goods and/or services, I agree to be bound by the terms and conditions of this Agreement. NPMG and Bank are not responsible for funding such transactions. Initial setup fees may apply.

H. Cash Advances. You will not deposit any transaction for purpose of obtaining or providing a cash advance. You agree that any such deposit shall be grounds for immediate termination.

I. Prohibited Transactions. You will not accept or deposit any fraudulent transaction and you may not, under any circumstances, present for deposit directly, a transaction which originated with any other merchant or any other source. You will not, under any circumstances, deposit telemerch transactions unless you obtain Bank or NPMG's prior written consent. Such consent will be subject to Bank's final approval. If you process any such transactions, you may be required to terminate and Bank may hold funds and/or require you to establish a Reserve Account. Further, you may be subject to Visa and MasterCard reporting requirements.

J. Designated Account.
A. Establishment and Authority. Merchant will establish and maintain an account at an ACH receiving depository institution approved by Bank ("Designated Account"). Merchant will maintain sufficient funds in the Designated Account to cover all obligations, including fees, contemplated by this Agreement. Merchant irrevocably authorizes Bank to debit the Designated Account for chargebacks, fees and any other Penalties or amounts owed under this Agreement, and also to debit the Merchant Account for any fees due such vendor or agent under this Agreement. This authority will remain in effect for at least 2 years after termination of this Agreement whether or not you have notified NPMG or Bank of a change to the Designated Account. Merchant must obtain prior written consent from Bank or NPMG to change the Designated Account. If Merchant does not get the consent, NPMG or Bank may immediately terminate the Agreement and may take other action necessary, as determined by them within their sole discretion.

B. Cutoffs. Bank will deposit all Sales Drafts into the Designated Account subject to Section 4 of this Agreement. The funds represented by Sales Drafts will be deposited 3 business days following NPMG's receipt of the Sales Draft, except in case of non-payment order and electronic commerce transactions, which will be deposited 6 business days following receipt of the Sales Draft. "Business Day" means Monday through Friday, excluding holidays observed by the Federal Reserve Bank of New York. Merchant authorizes Bank or NPMG to initiate reversal or adjustment entries and initiate or suspend such entries as may be necessary to grant Merchant conditional credit for any entry. You authorize and account Bank and its agent to collect Cash transaction amounts from the Card issuing bank. As the collection agent, Bank, in its sole discretion, may grant you provisional credit for transaction amounts in the process of collection, subject to receipt that payment by Bank and subject to all chargebacks.

C. Assessed Errors. You must properly examine all statements relating to the Designated Account, and immediately notify NPMG and Bank in writing of any errors. Your written notice must include: (i) Merchant name and account number, (ii) the dollar amount of the assessed error, (iii) a description of the assessed error, and (iv) an explanation of why you believe an error exists and the cause of it, if known. That written notice must be received by NPMG and Bank within 30 calendar days after you receive the periodic statement containing the assessed error. You may not make any claim against NPMG or Bank for any loss or expense relating to any assessed error for 60 calendar days immediately following our receipt of your written notice. During that 60-day period, NPMG and Bank will be entitled to investigate the asserted error.

D. Indemnity. You will indemnify and hold NPMG and Bank harmless for any action they take against the Designated Account, the Reserve Account, or any other account pursuant to this Agreement.

E. ACH Authorization. You authorize NPMG and Bank to initiate debited entries to the Designated Account, the Reserve Account, or any other account maintained by you at any institution, all in accordance with this Agreement and the ACH Authorization on the attached Exhibit B, Merchant Authorizations. The ACH Authorization will remain in effect beyond termination of this Agreement. In the event you change the Designated Account, you will execute a new ACH Authorization.

7. Security Interests, Reserve Accounts, Recoupment, Set-Off.
A. Security Interests.

I. Security Agreement. This agreement is a security agreement under the Uniform Commercial Code. You grant to NPMG and Bank a security interest in and lien upon: (i) all funds at any time in the Designated Account, regardless of the source of such funds; (ii) all funds at any time in the Reserve Account, regardless of the source of such funds; (iii) present and future Sales Drafts; and (iv) any and all amounts which may be due to you under this Agreement including, without limitation, all rights to receive any payments or credits under this Agreement (collectively, the "Secured Assets"). You agree to provide other collateral or security to NPMG and Bank to secure your obligation under this Agreement upon NPMG or Bank request. These security interests and liens will secure all of your obligations under this Agreement and any other agreements now existing or later entered into between you and NPMG or Bank. The security interest may be exercised by NPMG or Bank without notice or demand of any kind by making an immediate withdrawal or freezing the secured assets.

II. Protection. Upon request of NPMG or Bank, you will execute one or more financing statements or other documents to evidence this security interest. You represent and warrant that no other person or entity has a security interest in the Secured Assets. Further, with respect to such security interests and liens, NPMG and Bank will have all rights afforded under the Uniform Commercial Code, any other applicable law and in equity. You will obtain from NPMG and Bank written consent prior to granting a security interest of any kind in the Secured Assets to a third party. You agree that this is a contract of recoupment and Bank are not required to file a motion for relief from bankruptcy unless automatic stay for NPMG or Bank to realize on any of its collateral including any Reserve Account. Nevertheless you agree not to consent or object to any motion for relief from the automatic stay filed by NPMG and Bank. You authorize NPMG or Bank and their agent to sign your name to any financing statement used for the perfection of any security interest or lien granted hereunder.

B. Reserve Account.
I. Establishment. You will establish and maintain a non-interest bearing deposit account ("Reserve Account") at Bank in full or at any time in the future as requested by NPMG or Bank, with funds sufficient to satisfy your current and future obligations as determined by NPMG or Bank. You authorize Bank to debit the Designated Account or any other account you have at Bank or any other financial institution to establish or maintain funds in the Reserve Account. Bank may deposit into the Reserve Account funds it would otherwise be obligated to pay you, for the purpose of establishing, maintaining or increasing the Reserve Account in accordance with this Section, if it determines such action is reasonable necessary to protect its interests.

II. Authorizations. Bank may, without notice to you, apply deposits in the Reserve Account against any delinquent amounts you owe under this Agreement or any other agreement between you and NPMG or Bank. Also, NPMG and Bank may exercise their rights under this Agreement against the Reserve Account to collect any amount due to NPMG or Bank including, without limitation, rights of set-off and recoupment.

III. Funds. Funds in the Reserve Account will remain in the Reserve Account until 270 calendar days following the later of termination of this Agreement or your last remittance on sales draft to NPMG or Bank, provided however, that you will remain liable to NPMG and Bank, for all liabilities occurring beyond such 270-day period. After the expiration of such 270-day period, you must provide NPMG with written notification indicating you desire a release of any funds remaining in the Reserve Account in order to receive such funds, starting at the expiration of such 150-day period, a \$200 per month administrative fee will be assessed against any funds remaining in the Reserve Account. You agree that you will not use funds in the Reserve Account for any purpose, including but not limited to paying chargebacks, fees, fines or other amounts you owe NPMG and Bank under this Agreement. Bank (and not merchant) shall have sole control of the Reserve Account.

IV. Assurance. In the event of a bankruptcy proceeding and the determination by the court that this Agreement is assumable under Bankruptcy Code §365, we warrant that you will establish or maintain a Reserve Account.

D. Recoupment and Set-Off. NPMG and Bank have the right of recoupment set-off. This includes that they may offset or recoup any outstanding/uncontracted amounts owed by you from (i) any amounts they would otherwise be obligated to deposit into the Designated Account; (ii) any other amounts Bank or NPMG may owe you under this Agreement or any other agreement; and (iii) any funds in the Designated Account of Reserve Account. You acknowledge that in the event of bankruptcy proceedings, in order for you to provide adequate protection under Bankruptcy Code §362 to NPMG and Bank, you must create or maintain the Reserve Account as required by NPMG and Bank, and NPMG and Bank must have the right to offset against the Reserve Account for any and all obligations which you may owe to NPMG and Bank, without regard to whether the obligations relate to Sales Drafts initiated or created before or after the filing of the bankruptcy petition.

5. Remedies Cumulative. The rights and remedies conferred upon NPMG and Bank in this Agreement, at law or in equity, are not intended to be exclusive of each other. Rather, each and every right of NPMG and Bank under this Agreement at law or in equity, will be cumulative and concurrent and in addition to every other right.

8. Fees and Other Amounts Owed Bank.
A. Fees and Taxes. You will pay NPMG and Bank fees for services, forms and equipment in accordance with the rates set forth on the Application and the following: up to \$35 per batch; \$10 per retrieval; \$25 per chargeback; \$1.00 per void authorization; \$25 per ACH refund; and \$25 per deposit correction. Such fees will be calculated and debited from the Designated Account once each business day or month's activity. You will be liable to pay all the taxes due you attributed to Sales Draft presented to NPMG and Bank. NPMG and Bank reserve the right to adjust the fees set forth on the Application and in this Section, in accordance with Section 16.1, below. You are also obligated to pay all fines, and other charges imposed by any government authority on the services provided under this Agreement.

B. Other Amounts Owed Bank. You will immediately pay NPMG and Bank any amount incurred by NPMG and Bank attributable to this Agreement including but not limited to chargebacks, fees imposed by Visa or MasterCard, non-sufficient fund fees, and ACH entries that overdraw the Designated Account, Reserve Account or otherwise dishonored. You authorize Bank to debit the Designated Account, Merchant Account, or any other account you have at Bank, or at an other financial institution for any amount you owe NPMG or Bank under this agreement or under any other contract, note, guaranty, instrument, or dealing of any kind now existing or later between you and NPMG or Bank, whether your obligation is direct, indirect, primary, secondary, fixed, contingent, joint, or several. In the event NPMG or Bank demand sums due or such ACH does not fully reimburse NPMG and Bank for the amount owed, you will immediately pay NPMG and Bank such amount.

C. Merchant Supplies. Merchant is responsible for purchasing all supplies required to properly process credit card transactions (sales slips, printer rolls, etc.). If merchant elects to participate in NPMG's Supply/Replacement Program, merchant understands that they are entitled to a maximum of two (2) printer rolls per month. Quantity of supplies provided is at the discretion of NPMG. Enrollment in NPMG's Supply/Replacement Program also entitles merchant to the refurbished replacement equipment after NPMG has collected 3 monthly payments from the merchant (merchant is responsible for all shipping costs). A separate program is required for each terminal merchant may have. If merchant's terminal type is unavailable, at NPMG's discretion, a substitute may be provided. NPMG may choose to cancel the merchant's Supply/Replacement Program at any time without notice. This program is non-transferable without written consent.

9. Application, Indemnification, Limitation of Liability.
A. Accuracy. You represent and warrant to NPMG and Bank that all information in the Application is correct and complete. You must notify NPMG in writing of any changes to the information in the Application, including but not limited to: any additional location or new business, the identity of principals and/or owners, the form of business organization (i.e., sole, proprietorship, partnership, etc.), type of goods and service provided and how sales are completed (i.e., by telephone, mail or in person at your place of business). The notice must be received by NPMG within 10 business days of the change. You will provide updated information to NPMG within a reasonable time upon request. You are liable to NPMG for all costs and expenses incurred by NPMG arising out of your failure to report changes to it. Bank and NPMG may immediately terminate this Agreement upon notification by you of a change to the information in the Application.

B. Indemnification. You will hold harmless and indemnify NPMG and Bank, their employees and agents (i) against all claims by third parties arising out of this Agreement, and (ii) for all attorneys' fees and other costs and expenses paid for incurred by NPMG or Bank in the enforcement of this Agreement, including but not limited to those resulting from any breach by you of this Agreement and those related to any bankruptcy proceeding.

C. Limitation of Liability. Any liability of NPMG and Bank under this Agreement, whether to you or any other party, whatever the basis of the liability, shall not exceed in the aggregate the difference between (i) the amount of fees paid by you to NPMG and Bank during the month in which the transaction out of which the liability arose occurred, and (ii) assessments, chargebacks, and offsets against such fees which arose during such month. In the event more than one month is involved, the aggregate amount of NPMG's and Bank's liability shall not exceed the lowest amount determined in accord with the preceding subsection for any one-month involved. Neither NPMG, Bank nor their agents, officers, directors, employees shall be liable for indirect, special, or consequential damages.

D. Warranties. NPMG and Bank will perform all services in accordance with this Agreement. NPMG and Bank make no warranty, express or implied, regarding the services, and nothing contained in the Agreement will constitute such warranty. NPMG and Bank disclaim all implied warranties, including those of merchantability and fitness for a particular purpose. No party will be liable to the other for any failure or delay in its performance of this Agreement if such failure or delay arises out of causes beyond the control and without the fault or negligence of such party. Neither NPMG nor Bank shall be liable for the acts or omissions of any third party.

10. Audit and Financial Information.
A. Audit. You authorize NPMG or Bank to audit your records to confirm compliance with this Agreement, as amended from time to time. You will obtain, and will submit a copy of, an audit of your business when requested by NPMG or Bank.

B. Financial Information.
I. Authorization. You authorize NPMG or Bank to make any business or personal credit inquiries they consider necessary to review the acceptance and continuation of this Agreement. You also authorize any person or credit-reporting agency to disclose information to answer those credit inquiries and to furnish that information to NPMG and Bank.

II. Documentation. You will provide NPMG or Bank personal and business financial statements and other financial information as requested from time to time. If requested, you will furnish within 120 calendar days after the end of each fiscal year to NPMG and Bank a financial statement of profit and loss for the fiscal year and a balance sheet as of the end of the fiscal year.

11. Representations and Warranties. You represent and warrant to NPMG and Bank at the time of execution and during the term of this Agreement the following:

A. Information. You are a corporation, limited liability company, partnership or sole proprietorship validly existing and organized in the United States. All information contained on this Application or any other document submitted to NPMG or Bank is true and complete and properly reflects the business, financial condition, and principal partners, owners, or officers of Merchant. You are not engaged or affiliated with any business, products or methods of doing other than those set forth on the Application, unless you obtain the prior written consent of NPMG and Bank.

B. Entire Power. Merchant and the person signing this Agreement have the power to execute and perform this Agreement. This Agreement will not violate any law, or conflict with any other agreement to which you are subject.

C. No Limitation on Remedies. There is no action, suit or proceeding pending or to your knowledge threatened which if decided adversely would impair your ability to carry on your business substantially as now conducted or which would adversely affect your financial condition or operations. You have never entered into an agreement with a third party to perform in whole or in part a contract or debt card process, which has been terminated, by that third party.



NON-CANCELLABLE LEASE

CIT FINANCIAL USA, Inc. d/b/a Lease Finance Group
267 N. Michigan Ave., Suite 1300
Chicago, IL 60611-2512 • (312) 560-5600 • Fax (312) 560-0769

<input type="checkbox"/> CORPORATION <input type="checkbox"/> PROPRIETORSHIP <input type="checkbox"/> PARTNERSHIP TYPE OF BUSINESS		REF. CODE	OFFICE NUMBER	LEASE NUMBER
LEGAL NAME OF LESSEE ("LESSEE")		VENDOR		
BIZ/NO. ADDRESS		ADDRESS		
CITY	STATE	ZIP	CITY	STATE
LESSEE PHONE NO.	COUNTY	YEARS IN BUSINESS	PHONE NO.	MERCHANT NUMBER
EQUIPMENT MANUFACTURER		MODEL	SERIAL NUMBER	
LOCATION OF Equipment Address (no. & street, city, state, zip) if different from above				

The equipment ("Equipment") and the software ("Software") described above shall be referred to collectively as the "Property"

SCHEDULE OF PAYMENTS		PAYABLE AT SIGNING OF THE LEASE	
TERM IN MONTHS	BASE MONTHLY PAYMENT OF	FIRST AND LAST MONTHLY PAYMENT	\$
PER MONTH	PER MONTH	FIRST MONTHLY PAYMENT	\$
PLUS TAXES AND OTHER FEES AS DESCRIBED IN THE TERMS AND CONDITIONS BELOW		OR OTHER	\$
		TOTAL	\$

TERMS AND CONDITIONS (See other side for additional Terms and Conditions)

1. NOTWITHSTANDING ANY AMOUNTS WHICH MAY BE PAID BY LESSOR TO VENDOR OR ANY AGENT OF VENDOR, LESSEE UNDERSTANDS AND AGREES THAT NEITHER VENDOR NOR ANY AGENT OF VENDOR IS AN AGENT OF LESSOR OR IS AUTHORIZED TO WAIVE OR ALTER ANY TERM OR CONDITION OF THIS LEASE. THEIR REPRESENTATIONS SHALL IN NO WAY AFFECT LESSEE OR LESSOR'S RIGHTS AND OBLIGATIONS AS HEREIN SET FORTH.

2. NON-CANCELLABLE LEASE. THIS LEASE CANNOT BE CANCELLED BY LESSEE DURING THE TERM HEREOF.

3. DISCLOSURE OF INFORMATION. Lessee and Guarantor(s) expressly authorize Lessor or its agents or assigns continuing authority to conduct credit checks and background investigations concerning Lessee and Guarantor(s) and has the right to report late payments and defaults to credit agencies as deemed appropriate by Lessor. Disputes or inaccuracies regarding information sent to credit agencies should be sent to CIT FINANCIAL USA, Inc. d/b/a Lease Finance Group at the address on the top of this lease.

4. AUTHORIZATION AGREEMENT FOR AUTOMATIC WITHDRAWAL OF PAYMENTS. I, the undersigned Lessee in the capacity set forth below, hereby authorize CIT FINANCIAL USA, Inc. d/b/a Lease Finance Group or its designee, successor or assign (hereinafter "Lessor") to automatically withdraw my monthly rental payment and any amounts, including any and all taxes or other charges now due or hereinafter imposed, owed in conjunction with the above referenced Non-Cancellable Lease (hereinafter "Lease") by initiating debit entries to my account at the financial institution (hereinafter "Bank") evidenced on the check copy provided, or such other Bank that may be from time to time. As set forth in paragraph 14, in the event of default of my obligations hereunder, I authorize the Lessor to debit my account for the full amount due under the Lease. A rental payment (whether paid by debit or other means) that is not honored by my bank for any reason will be subject to a \$10.00 service fee imposed by Lessor, the amount of which may be debited from my account. Further, I authorize my Bank to accept and to charge any debit entries initiated by Lessor to my account. This authorization is to remain in full force and effect until Lessor has received written notice from me of its termination in such time and in such manner as to afford Lessor a reasonable opportunity to act.

BANK Wells Fargo ROUTING NO. ACCOUNT NO.

CERTIFICATE OF ACKNOWLEDGMENT AND ACCEPTANCE OF LEASED PROPERTY

I HAVE READ AND AGREE TO THE TERMS WHICH APPEAR ON BOTH SIDES OF THIS LEASE DOCUMENT. Lessee represents that this Property is being leased for business and/or professional purposes and agree that under no circumstances shall this Lease be construed as a consumer contract. Lessee acknowledges receipt of a copy of this Lease Agreement, with all lease terms filled in, and acknowledge and agree that Lessee shall be deemed to have unconditionally accepted the Property. Lessor has leased Lessee under the Lease Agreement, particulars of which are given above. Lessee's signature herein authorizes Lessor to verbally verify by telephone with representative of Lessee on a verification certificate the date and time of such verification; the terms and conditions of the Lease; the type and make of the Property under the Lease; that all necessary installation has been completed and the Property is in good operating order and in all respects satisfactory to Lessee; and that the monthly rental payment will be automatically debited from the Lessee's verified account number and designated account.

ACCEPTED BY LESSOR:	ACCEPTED BY LESSEE:
CIT FINANCIAL USA, Inc. d/b/a Lease Finance Group	LESSEE #1
Authorized Signature	X Signature
Title	Print Name
Date	Date
	Witness Signature X

PERSONAL GUARANTEE

To induce Lessor to enter into this Lease, the undersigned unconditionally guarantees to Lessor the prompt payment when due of all of Lessee's obligations to Lessor under the Lease. Lessor shall not be required to proceed against Lessee or the Property of Lessee or any other remedy before proceeding against the undersigned. The undersigned agrees to pay all attorney's fees and other expenses incurred by Lessor by reason of default by the Lessee or the undersigned consents to any extensions or modifications granted to Lessee and the Lessor and/or confirmation of any obligation of Lessee or any other obligors and guarantors without in any way releasing the undersigned from its obligations hereunder. This is a continuing Guaranty and shall not be discharged or affected by death of the undersigned, shall bind the heirs, assigns, representatives, successors and assigns, and may be enforced by or for the benefit of any assignee or successor of Lessor. The undersigned agrees and consents the Court of the State of Illinois having jurisdiction in Cook County or any Federal District Court having jurisdiction in said county shall have jurisdiction and shall be the proper venue for the determination of all controversies and disputes arising hereunder. The undersigned agrees and consents that the service of process by registered or certified mail will be sufficient to obtain jurisdiction.

Guarantor Signature	Guarantor Signature #2
X	Individual X
Home Address	Home Address
City	City
State	State
Zip	Zip
Home Phone#	Home Phone#
S.S.#	S.S.#

We have written this Lease in plain language because we want you to fully understand its terms. Please read your copy of this Lease carefully and feel free to ask us any questions you may have about it. We use the words you and you to mean the Lessee indicated above. The words we, us, and our refer to the Lessor indicated above and any assignee thereof.

5. **NO WARRANTIES.** The Property is subject to any warranty made by the manufacturer of the Equipment or licensor of the Software ("Licensor") and any limitation thereof. The Property is leased "AS IS" and LESSOR IS NOT LIABLE FOR THE PERFORMANCE OF THE EQUIPMENT, THE SOFTWARE, THE LICENSOR OR ANY OTHER PARTY'S FAILURE TO PROVIDE SERVICE. YOU ACKNOWLEDGE THAT WE DID NOT MANUFACTURE OR LICENSE THE PROPERTY NOR DID WE SELECT IT. WE DID NOT REPRESENT THE MANUFACTURER OR THE LICENSOR AND YOU SELECTED THE PROPERTY BASED UPON YOUR OWN JUDGEMENT. WE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. YOU AGREE THAT, REGARDLESS OF CAUSE, WE ARE NOT RESPONSIBLE FOR, AND YOU WILL NOT MAKE ANY CLAIM AGAINST US FOR, ANY DAMAGES, WHETHER LOST PROFITS, LOST DATA, CONSEQUENTIAL, DIRECT, SPECIAL, PUNITIVE OR INDIRECT, RELATING TO THE PROPERTY. YOU AGREE THAT IN THE EVENT OF A BREACH OR DEFAULT UNDER THE LICENSE AGREEMENT, LESSEE'S SOLE REMEDY SHALL BE AGAINST THE LICENSOR. We hereby notify you that you may have rights under the supply contracts or the License Agreement, and that you may contact the supplier or the Licensor for a description of those rights or any warranties.

6. **TERM AND RENT.** The Lease term shall commence as of the date that the Lessee is accepted by us, ("the Commencement Date"), and shall continue until your obligations under the Lease shall have been fully performed. Each installment of rent shall be payable monthly in advance, the first such payment being due on the date you sign this Lease, or at such later time as agreed to by us, and the second payment shall be due the following month on the day of the month we designate in writing (hereinafter "Payment Day"), and subsequent payments will be due on the Payment Day of each successive month until the balance of the rent and any additional rent or fees chargeable to you under this Lease have been paid in full. All payments of rent shall be made to us at the address set forth herein or such other address that we may designate in writing. YOUR OBLIGATION TO PAY SUCH RENTALS SHALL BE ABSOLUTE AND UNCONDITIONAL AND IS NOT SUBJECT TO ANY ABATEMENT, SET-OFF, DEFENSE OR COUNTERCLAIM FOR ANY REASON WHATSOEVER, INCLUDING ANY ACTION BY LICENSOR OR ANY OTHER THIRD PARTY. You hereby authorize us to insert the serial numbers and other identification data of the Property when determined by us and dates or other omitted factual matters. If a security deposit is indicated above, the same shall be held by us to secure the faithful performance of the terms of the Lease and returned or applied in accordance with Paragraph 18 hereof.

7. **ASSIGNMENT.** (a) WE MAY ASSIGN OR TRANSFER THIS LEASE OR OUR INTEREST IN THE PROPERTY WITHOUT NOTICE TO YOU. Any assignee of ours shall have all of the rights, but none of the obligations, of ours under this Lease and you agree that you will not assert against any assignee of ours any defense, counterclaim or offset that you may have against us. (b) YOU SHALL NOT ASSIGN OR IN ANY WAY DISPOSE OF ALL OR ANY PART OF YOUR RIGHTS OR OBLIGATIONS UNDER THIS LEASE OR ENTER INTO ANY SUBLEASE OF ALL OR ANY PART OF THE PROPERTY WITHOUT OUR PRIOR WRITTEN CONSENT.

8. **TITLE, QUIET ENJOYMENT.** We shall at all times retain title to the Property. All documents of title and evidence of delivery shall be delivered to us. You hereby authorize us, at your expense, to cause this Lease, or any statement or other instrument in respect to this Lease showing our interest in the Property, including Uniform Commercial Code Financing Statements, to be filed or recorded and refiled and re-recorded, and grant us the right to execute your name thereto. You agree to execute and deliver any statement or instrument requested by us for such purpose, and agree to pay or reimburse us for any filing, recording or stamp fees or taxes arising from the filing or recording of any such instrument or statement. So long as you are not in default under any of the terms in this Lease, we agree that we shall not interfere with your quiet use and enjoyment of the Property.

9. **CARE, USE AND LOCATION.** You shall maintain the Equipment in good operating condition, repair and appearance, and protect the same from deterioration other than normal wear and tear; shall use the Property in the regular course of your business; shall not make any modification, alteration or addition to the Property without our written consent, which shall not be unreasonably withheld; shall not so affix the Equipment to realty as to change its nature to real property; and shall not remove the Property from the location shown herein without our written consent, which shall not be unreasonably withheld.

10. **NET LEASE TAXES.** You intend the rental payments hereunder to be net to us, and you agree to pay all sales, use, excise, personal property, stamp, documentary and ad valorem taxes, license and registration fees, assessments, fines, penalties and similar charges imposed on the ownership, possession or use of the Property during the term of this Lease (except our Federal or State net income taxes) imposed on you or us with respect to the rental payments hereunder or the ownership of the Property and shall reimburse us upon demand for any taxes paid by or advanced by us. Your monthly payments to us shall include, in addition to the base monthly payment for rental of the Property, an amount attributable to such taxes and fees. Such amount shall include, if applicable, an estimate of the property tax owing with respect to each period plus a processing fee to reimburse us for preparing, reviewing and filing tax returns. Unless otherwise agreed to in writing, we shall file the personal property tax returns with respect to the Property.

11. **INDEMNITY.** You shall and do hereby agree to indemnify and save us, our agents, servants, successors, and assigns harmless from any and all liability, damage or loss, including reasonable attorney's fees, arising out of the ownership, selection, possession, leasing, operation, control, use, condition (including but not limited to latent and other defects, whether or not discoverable by you), maintenance, delivery and return of the Property. The indemnity shall continue in full force and effect notwithstanding the termination of the Lease.

12. **INSURANCE.** You shall keep the Property insured against all risks of loss or damage from any cause whatsoever for not less than the full replacement value thereof. You shall carry public liability insurance, both personal injury and property damage, covering the Property. All such insurance shall be in form and with companies satisfactory to us and shall name us and our assigns as loss payee as our interest may appear with respect to property damage coverage and as additional insured with respect to public liability coverage. You shall pay the premiums for such insurance and deliver to us satisfactory evidence of insurance coverage required hereunder. The proceeds of such insurance payable as a result of loss or damage to any item of Property shall be applied to satisfy your obligation as set forth in Paragraph 13 below. You hereby irrevocably appoint us as your attorney-in-fact to make a claim for, receive payment of and execute and endorse all documents, checks or drafts received in payment for loss or damage under any such insurance policy.

13. **RISK OF LOSS.** You shall bear all risks of loss of and damage to the Property from any cause and the occurrence of such loss or damage shall not relieve you of any obligation hereunder.

14. **INSURANCE NON-COMPLIANCE.** In the event you fail to comply with your obligations under Paragraph 12 of this agreement to deliver to us evidence of insurance naming us as loss payee, or upon the cancellation or non-renewal of the required insurance, then you shall be subject to an Insurance Non-Compliance Charge in the amount of \$2.50 per month, per item of Equipment, said amount to be paid with the next monthly rental payment and all subsequent payments due during the remaining term of the Lease, or until such time as satisfactory evidence of insurance coverage has been provided. The imposition of the Insurance Non-Compliance Charge shall not relieve you of any obligation under Paragraph 13 of this agreement.

15. **EVENT OF DEFAULT.** If any one of the following events (each a "Default") shall occur, then to the extent permitted by applicable law, we shall have the right to exercise any one or more remedies set forth in Paragraph 16 below, (a) you fail to pay any rental or any other payment hereunder when due; or (b) you fail to perform any of the terms, covenants, or conditions of this Lease other than as provided above after ten (10) days written notice.

16. **REMEDIES.** If a Default occurs, we may do any or all of the following: (a) terminate this Lease; (b) declare all unpaid Lease payments until the end of the term of this Lease and other amounts under this Lease immediately due and payable; (c) repossess or render unusable, any Property wherever located without demand or notice, without any court order or other process of law and without liability to you for any damages occasioned by such action; (d) require you to deliver the Property to a location designate by us; (e) proceed by court action to enforce performance by you of the Lease and/or recover all damages and expenses incurred by us by reason of any Default; or (f) exercise any other right or remedy available at law or in equity, including those of a secured creditor. You shall pay us all costs and expense (including attorney's fees and costs) incurred by us in enforcing any of the terms of this Lease or any of our rights against you. Upon repossession or surrender of any Property we may lease, sell or otherwise dispose of the Property, and apply the net proceeds thereof to the amounts owed to us hereunder, provided that you shall remain liable to us for any deficiency. You agree that it is commercially reasonable for repossessed Property to be sold at public or private sales (in any state or county selected by us) to dealers or others in lots or pieces (with or without the Property being physically present) at used Property prices. Notwithstanding the foregoing, to the extent the Software is nontransferable or its transfer restricted, Lessee agrees that the Lessor and/or Licensor of the Software shall have no duty to remarket such Software or otherwise mitigate any damages relating to such Software. All rights and remedies are cumulative and may be enforced concurrently. Any delay or failure to enforce our rights hereunder does not prevent us from enforcing any rights at a later time. Notwithstanding the foregoing, any attorney's fees, costs or expenses, or costs or expense of repossession and storage, shall be limited to the highest amount chargeable under applicable law.

17. **CHANGE OF NAME, BILLING ADDRESS, BANK ACCOUNT.** You will inform us, within ten (10) days, of any change in your name, address, billing address, telephone numbers, location of Property, or the bank checking account used for ACH debit. We are authorized to correct any typographic or spelling errors made on the front of this Lease Agreement regarding your address, telephone numbers, bank checking account or the Property leased.

18. **END OF LEASE TERM.** At the expiration or earlier termination of this Lease Term, you have the following options: (a) You shall disconnect and return the Equipment and/or Software, freight prepaid, to us in good repair, condition and working order, in a manner and to a location we designate and a Lessee's right to use the Software shall terminate. (b) Lessor extends an option to purchase the Equipment at the end of the term for fair market value, which is estimated to be 10% of the Lease Term times monthly Lease payment (including taxes) and return the Software in accordance with option a. (c) You can extend upon all the terms and conditions as stated herein for a period of one month from its expiration date without the necessity of the execution of any further instrument or document. At the end of the additional month, options a, b, and c are again available to you. Unless you notify us in writing 30 days prior to the expiration of the Lease Term, or monthly renewal period, you shall have been deemed to have chosen option c (Automatic Renewal for one month).

19. **LATE PAYMENTS AND COLLECTION COSTS.** If you do not make a payment within 10 days of its due date, you must pay, in addition to the payment, a late charge of \$10.00 for each late payment. Each month the past due payment remains unpaid, an additional late fee of \$10.00 will be assessed. You will pay our collection costs, and reasonable Attorney's fee. Such collection costs include, but are not limited to charges for collection letters and collection calls and to charges of collection agencies, courts, sheriff's, etc. There will be a processing charge of \$10.00 for any rejected credit card charge, Western Union Phone Pay or other payment method used by us. Payments are applied to late fees and to processing charges first and then to Lease obligations.

20. **MISCELLANEOUS.** In the event you fail to comply with any provision of the Lease, we shall have the right, but not be obligated, to effect such compliance on your behalf. All monies expended by us in effecting such compliance shall be deemed to be additional rent, and shall be paid by you to us at the time of the next monthly payment or rent. All notices under this Lease shall be sufficient if given personally or mailed to the party intended at the respective address set forth herein, or at such other address as said party may provide in writing from time to time. We intend and you intend this Lease to be a valid and subsisting legal instrument, and agree that any provision of this Lease which may be deemed unenforceable shall be modified to the extent necessary to render it enforceable and shall in no way invalidate any other provision or provisions of this Lease, all of which shall remain in full force and effect. This Lease shall be binding when accepted in writing by us and shall be governed by the laws of the State of Illinois, without regard to the conflict of law rules or principles thereof. Unless otherwise prohibited by law you agree and consent that the Court of the State of Illinois having jurisdiction in Cook County or any Federal District Court having jurisdiction in Cook County shall have the jurisdiction and shall be the proper venue for the determination of all controversies and disputes arising hereunder. You agree and consent that service of process by registered or certified mail will be sufficient to obtain jurisdiction. Nothing contained herein is intended to preclude us from commencing any action hereunder in any court having jurisdiction thereof. YOU WAIVE, INsofar AS PERMITTED BY LAW, TRIAL BY JURY IN ANY ACTION BETWEEN THE PARTIES.

21. **CHOICE OF LAW; ARBITRATION.** Any unsettled claim or controversy, including any contract or tort claim, between or among us, you or any Guarantor related to this Lease, shall be determined by binding arbitration under the Commercial Arbitration Rules of the American Arbitration Association or if you choose, the Rules of Arbitration (Binding) of the Better Business Bureau. All statutes otherwise applicable shall apply. Judgment upon the arbitration award may be entered in any court having jurisdiction. In event you or Guarantor Defaults, these provisions regarding arbitration shall not apply to our right to repossess the Equipment. This Lease is made in interstate commerce. Any arbitration shall take place in Chicago, Illinois.

22. **LIMITATION ON ACTION:** You shall commence any action based in contract, tort or otherwise arising from, or related to, this Lease, or the subject matter thereof, within one year of the accrual of that cause of action and no such action may be maintained which is not commenced within that period.

23. **ENTIRE AGREEMENT; CHANGES.** This Lease contains the entire agreement between the parties and may not be altered, amended, modified, terminated or otherwise changed except in writing and signed by one of our executive officers.



NPMG

A registered ISO/MSP of JP MORGAN Chase Bank

I WAS TOLD THIS WAS A

GUARANTEE. I COULD

NOT READ THIS. THE CONCEALED ITS TRUE

Premium Price Guarantee

This agreement dated 7-20-05 is hereby entered between National Processing Management Group, Inc., Inc dba NPMG herein after referred to as DATE Company and RIG PARTS hereinafter referred to as Merchant.

In order that Company may provide pricing as shown in the Merchant Processing Agreement, Merchant agrees to process its credit and/or debit card transactions exclusively with Company for a term of 48 months.

In consideration for the extended term of the Merchant Processing Agreement, Company warrants that it will not increase our discount rates reflected in the Merchant Processing Agreement except to pass through increases, if any, from card associations and debit networks during the initial 60 month term of this agreement.

Merchant further acknowledges that no other agreements or stipulations have been made either verbal or otherwise and that these agreements represent the entire agreement. Merchant acknowledges and agrees that Company and or its affiliates have the right to debit directly from Merchant's accounts any and all fees due in connection with and as stipulated to in the Merchant Processing Agreement and its addendums.

Additionally, in consideration for the extended term, Company agrees to waive fees noted on the Merchant Receipt Form. These fees are considered earned on date of signing. Merchant acknowledges that these fees represent costs to Company, in the event that Merchant terminates this agreement prior to the contractual time limit of 48 months, all waived fees will become immediately due and payable to the Company. Upon termination, Merchant authorizes the Company to immediately debit all amounts owed Company from merchant's DDA account. Merchant further acknowledges that Company is not a representative of, or affiliated in any way with their current retail bank. Any lease agreements entered into by Merchant as a result of this or any other agreement Merchant has entered into with Company will continue regardless of the processing status of the Merchant with Company.

Merchant equipment is hereby conditionally guaranteed for the life of the contract. (See equipment guarantee) In exchange for this guarantee, Company will debit Merchant's DDA account \$29 two times a year as a maintenance fee. However, exercising opt out option will terminate any further obligation of the Company to guarantee the equipment. Additionally, Merchant understands that the equipment uses specialized paper to process transactions. As a result Merchant agrees to utilize Company exclusively to provide paper for the equipment at Company's current pricing as established from time to time by Company.

In the event any dispute or controversy arises between the parties to this Agreement, relating to this Agreement, the lease confirmation and delivery/acceptance form, the equipment status form, the merchant processing application, the merchant receipt form or the non cancellable commercial lease agreement, whether directly or indirectly, said dispute or controversy shall be determined by final and binding arbitration. Each party shall name an arbitrator within twenty (20) days after one party gives written notice to the other party of such a dispute or controversy. The two arbitrators shall select a third arbitrator within fifteen (15) days of their appointment. If any party fails to select an arbitrator within twenty (20) days after receiving notice of a dispute or controversy, or if the two arbitrators fail to select a third arbitrator within fifteen (15) days after they have been appointed, the then presiding Judge of the Superior Court of Maricopa County, Arizona shall appoint such other arbitrator or arbitrators.

The arbitrators shall render a decision within sixty (60) days after their appointment and shall conduct all proceedings pursuant to Arizona Revised Statutes Sections 12-1501, et seq., and the Rules of the American Arbitration Association governing commercial transactions then existing, to the extent that such rules are not inconsistent with said statutes and this Agreement. Judgment upon the award rendered under arbitration may be entered in any court having jurisdiction. Each party shall pay its arbitrator's fees and one-half of the fees of the third arbitrator. Any other costs of arbitration including attorney's fees shall be paid by the party incurring said costs or fees. The parties agree that the arbitration procedure provided herein shall be the sole and exclusive remedy to resolve any controversy or dispute arising hereunder, and that the proper venue for such arbitration proceedings shall be in the City of Phoenix, County of Maricopa, State of Arizona. The parties specifically waive their right to seek remedies in court, and specifically waive their right to a jury trial. Under no circumstances shall the arbitrator award consequential or exemplary damages. This arbitration provision shall survive the termination of this Agreement and the termination of the transaction.

In the event either party to this Agreement is joined in a lawsuit by other party to this Agreement, the party to the lawsuit joining the other party to this Agreement shall hold the joined party harmless against any and all claims, losses, costs, expenses (including reasonable attorney's fees) damages or liabilities paid or asserted against the joined party.

Merchant

Robert Johnson
Printed Name and Title

[Signature]
Signature

7-20-05
Date

Accepted

Stan Heikman
Printed Name and Title

[Signature]
Signature

7-20-05
Date



NPMG

A registered ISO/MSP of JP Morgan Chase

COPIES OF YOUR CONTRACT

2/14/04
2/14/04

2398 E. Camelback Road, Suite 850, Phoenix, AZ 85016
(602) 224-8822 (602) 224-8844



NPMG

A registered ISO/MSP of JP MORGAN CHASE

2398 E. Camelback Road, Suite 850

Phoenix, Arizona 85016

602.224.8822 • 602.224.8844

Merchant Receipt Form

Corporate Business Name / D.B.A. Name RTG Parts

Location 9601 W Keyser Dr.

City/State/Zip Phoenix AZ 85383 Contact Barbara Johnson

Phone 623-362-3459 Fax 623-362-3459

<u>33000.00</u> Monthly Volume	<u>115.65</u> Average Ticket
Please make checks payable to NPMG	
NOT THE NUMBERS I GAVE TO THEM	
<div style="border: 1px solid black; border-radius: 50%; width: 60px; height: 60px; display: flex; align-items: center; justify-content: center;"> <p>2.1/-25 Processing</p> </div>	<p>Application Fee \$125.00</p> <p>Actual Setup Fees \$11.00</p> <p>Programming Fee \$295.00</p> <p>Starter Kit \$12.50</p> <p>ACH Fees <input type="checkbox"/></p> <p>Waive Fees <input checked="" type="checkbox"/></p>
<div style="border: 1px solid black; border-radius: 50%; width: 60px; height: 60px; display: flex; align-items: center; justify-content: center;"> <p>Omni 3758 Equipment</p> </div>	<p><u>48</u> Months @ <u>99</u> (Monthly TSR x 2) = \$</p>
<p><input type="checkbox"/> Received voided check from account where funds are ACH'ed. \$</p> <p><input type="checkbox"/> Received check for first & last months Terminal Share Rate. \$</p> <p><input type="checkbox"/> Received separate check for processing hard costs. \$</p>	
Total Savings \$	

Representative Approval

Date

7.20.05

Merchant Approval

Date

7.20.05

Analyst

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CIT Financial USA, Inc. d/b/a Lease Finance Group

CIT Financial USA, Inc. d/b/a Lease Finance Group
233 North Michigan Avenue, Suite 1800
Chicago, IL 60601-5519

July 29, 2005

Personal & Confidential

ADDRESS SERVICE REQUESTED

#001-0670421-000#10

RTG PARTS

Attn: ROBERT JOHNSON
9601 W KEYSER DR
PEORIA AZ 85383-2917

209



Re: Lease No. 001-0670421-000

Dear Merchant:

Thank you for choosing CIT Financial USA, Inc. d/b/a Lease Finance Group as your leasing company.

As a reminder, per your authorization on the lease contract, we will be debiting your bank account the 28th day of each month for your lease payment in the amount of \$99.00 plus state and local taxes and other applicable fees as described in the terms and conditions of the lease for 48 months. Please be sure to have sufficient funds in your account to cover the amount shown above, thereby avoiding any delinquency or late fees assessed and charged to you.

Lease Finance Group extends an option to purchase the equipment at the end of the lease term on a "as is where is" basis for the fair market value, which is estimated to be 10% of the lease term times the monthly lease payment (including taxes). In order to exercise this option, you must give Lease Finance Group or its assigns written notice at least 30 days prior to the expiration of the original lease term. If you choose not to exercise the purchase option refer to the "END OF LEASE TERM" section of your contract.

Please be aware that under the terms of your lease agreement, the equipment is the property of Lease Finance Group. Do not surrender this equipment to anyone, including any sales person, without receiving prior written consent from authorized personnel of Lease Finance Group. If you have any questions regarding the equipment, please contact Customer Service at (888) 321-2307.

In the event that any unsettled claim or controversy arises from your contract with Lease Finance Group, that claim will be determined by binding arbitration under the Commercial Arbitration Rules of the American Arbitration Association or, if you choose, the Rules of Arbitration (Binding) of the Better Business Bureau.

We appreciate your business and look forward to servicing your financial needs. Should you have any further questions regarding the terms and conditions of your lease, your lease documents, or insurance compliance, please contact Customer Service at (888) 321-2307.

Sincerely,

CIT Financial USA, Inc.
d/b/a Lease Finance Group

LETTER I RECEIVED
AND 2

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