

DIRECT DEPOSIT SERVICES AGREEMENT

THIS DIRECT DEPOSIT SERVICES AGREEMENT (this “**Agreement**”) is hereby entered this _____ day of _____ (“**Effective Date**”), by and between **PAYDAY, INC.** (“**Payday**”) a New Mexico Corporation, whose principal office is located at: 5011 Indian School Rd., N.E., Albuquerque, New Mexico 87110 and _____ (“**Client**”) whose principal office is located at: _____

SECTION ONE

DIRECT DEPOSIT SERVICES

- A. **AUTHORIZATION/NATURE OF SERVICE:** Client hereby engages and authorizes Payday to implement, on Client’s behalf, direct deposit payroll which will enable Client’s participants’/volunteers’ (hereinafter known as “Participant”) pay to be automatically deposited in the Participant’s designated bank account, or credited to a Payday payroll debit card, without Client having to sign or distribute a physical check and without the Participant having to go to the bank to deposit the check. Payday will process Client’s direct deposit information provided exclusively by Client and exclusively with funds that Client shall provide to Payday. Client authorizes Payday to run a routine credit check and, in some cases in Payday’s sole discretion, to obtain bank references, at Payday’s expense prior to initiation of direct deposit services. Client acknowledges that Payday has no responsibility for any services prior to the Effective Date of this Agreement.
- B. **CORRECTION OF ERRORS:** Client authorizes Payday to correct errors, subject to NACHA Rules, and the requirements and time limits of Payday’s EFT processor and the ACH system. In the event of an error, Client shall notify Payday by telephone within two (2) days of the date on which the banking information was provided to Payday, and confirm this notice by written e- mail or by prepaid First Class Mail within 24 hours thereafter. After receipt of such timely notice, Payday shall re-transmit the corrected direct deposit information. Client acknowledges and agrees that Client is responsible for its own and its Participants’ banking information, and that Payday, as Client’s ACH service provider, is acting in accordance with the Client’s instructions.

CLIENT’S RESPONSIBILITY FOR DIRECT DEPOSIT

- A. **FORMS RETENTION:** Client shall retain the original or a copy of each authorization received from each Participant for electronic direct deposit for two (2) years after termination or revocation of such authorization. This Agreement and the performance by Payday of its services hereunder shall not relieve the Client of any obligation imposed by law or contract regarding the maintenance of records or other matters or from employing adequate credit accounting and review practices customarily followed by similar businesses.
- B. **DIRECT DEPOSIT AUTHORIZATION:** Client shall obtain and deliver to Payday a signed copy of a Participant direct deposit authorization form to be provided by Payday for both debit and credit transactions with respect to each Participant that has requested direct deposit into his account. Client shall be solely responsible for ensuring that all account information for such Participant remains current and correct and, in the event Participant changes banks or accounts, Client or Participant shall deliver an updated authorization form for such Participant to Payday. The direct deposit authorization form will be retained for a period of not less than six years as of the effective date. Payday will originate only transactions for debits and/or credits to the Client’s account or its Participant accounts as provided in the signed direct deposit authorization form. All funds received or dispersed will be in US dollars drawn on a domestic US financial institution.

- C. **TELEPHONIC INSTRUCTIONS:** Payday may accept direct deposit or bank account changes via telephone. All requests must be submitted by an authorized payroll contact. Payday may, upon mutual agreement with Client, refuse to accept or act upon any instructions if Payday has reason to believe the confidentiality of the payroll contact code word has been compromised.

**SECTION TWO
REPRESENTATIONS AND WARRANTIES OF CLIENT**

Client represents and warrants to, and for the benefit of, Payday as follows:

- A. **AUTHORIZATIONS:** Client has full power and authority to execute and deliver this Agreement and to perform its obligations under this Agreement. This Agreement and the obligations contemplated hereby have been duly and validly authorized by all necessary action on the part of Client, and constitute a legal, valid, and binding obligation of Client, enforceable in accordance with its terms.
- B. **COMPLIANCE WITH NACHA RULES.** Client shall comply will NACHA Rules and Guidelines that apply to Client as ACH Originator.

**SECTION THREE
MISCELLANEOUS**

- A. **BANKING RULES.** Client acknowledges that banking services are provided in accordance with current regional and federal banking rules and regulations, which may change from time to time. The Client agrees to be bound by such rules and regulations and to make any necessary accommodation to comply with these rules and regulations.
- B. **ODFI RIGHTS:** Client acknowledges that the ODFI (originating depository financial institution) has the right to terminate or suspend its agreement with Payday for breach of the NACHA Operating Rules & Guidelines by Payday or Client. Client further acknowledges and agrees that Payday and ODFI shall have the right to audit Client’s compliance with the NACHA Operating Rules and Guidelines and Payday may terminate this Agreement if Client fails to comply with the NACHA Operating Rules & Guidelines.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their respective, duly authorized representative under hand and seal, effective the date and year first above written.

CLIENT

PAYDAY, INC.

By: _____

By: _____

Printed Name:

Printed Name:

Title:

Title:

Date: _____

Date: _____