



Credit Card Servicing Agreement

This Servicing Agreement ("Agreement") dated as of the ____ day of _____, 200__ is entered into by and between Blum Investment Group, Inc. d.b.a. Professional Solutions ("Professional Solutions") with offices located at 3581 Excel Drive, Medford, Oregon, 97504 and the party identified below as "Center".

WHEREAS, Professional Solution's Software package is commonly known as "ProCare Software".

WHEREAS The credit card processing Service feature incorporated within ProCare Software and used to facilitate credit card transactions is commonly known as "Tuition Express".

WHEREAS, Professional Solutions is engaged in the business of, among other business operations, facilitation of financial transactions which is exclusively limited to the "pass through" of data required to complete a credit card transaction by and between cardholder and Center which represent purchases of goods and/or services made with bankcards. Professional Solutions provides these accounts with necessary service and support systems.

WHEREAS, Professional Solutions has entered into an agreement to be a Master Merchant with Electronic Clearing House, Inc. located at 730 Paseo Camarillo, Camarillo, CA. 93010 and is commonly known as ECHO Inc.

WHEREAS, Professional Solutions provides certain services to its clients who pay a monthly account maintenance fee for the benefit of such services.

Definitions:

Association-An entity formed to administer and promote Cards, including without limitation MasterCard International, Incorporated, VISA U.S.A. Inc. and VISA International.

Cardholder-Means the individual whose name is embossed on the card and any authorized user of such card.

Center-Means the entity whether it's an individual, sole proprietorship, corporation, LLC or other form of business that is engaged in business operations incorporating the care of children.

Chargebacks-The procedure by which a Sales Draft or other indicia of a card transaction (or disputed portion thereof) is returned to bank or the issuing bank, for failing to comply with Association Rules, the liability of which is between the Center and Cardholder.

Discount Rate-An amount charged a merchant for processing its daily credit card transactions.

Domain-Sphere of influence, Range of control, Realm.

Facilitation-To make easy, to lessen the difficulty of.

Full Sensitive Information- Cardholder information including but not limited to account number, expiration date, CVC/CVC2 number billing address.

Good Faith-That state of mind denoting honesty of purpose, freedom from intention to defraud, and in general, means being faithful to one's duty or obligation.

Indemnify-To restore the victim of a loss, in whole or in part, by payment, repair, or replacement. To save harmless; to secure against loss or damage. To make good, to compensate.

Perfect-Complete, Finish, Executed, enforceable, without defect. Brought to the state of perfection.

Processor-The entity identified on this agreement which provides certain services under this agreement.

Professional Solutions and Center hereby agree to the following terms and conditions:

Terms and Conditions

Center agrees to conform to all terms and conditions set forth in this agreement and the terms and conditions set forth in the Transfirst ePayment Services Account Application along with any other agreements related to credit card processing and transactions. Center agrees to conform to all rules set forth by the card Associations (VISA, MasterCard, American Express and Discover) and to indemnify and hold harmless Professional Solutions from any violations of said rules and regulations.

Center agrees to perfect a Credit Card Authorization Form for each cardholder by and between the cardholder and Center as a condition of processing recurring credit card transactions utilizing ProCare Software and the Tuition Express services offered therein. Center agrees to maintain said agreement within Centers records for a period not less than 18 months from the date of termination of said agreement between cardholder and Center. Center agrees to provide to Professional Solutions the original agreement or a similar legible copy thereof immediately upon request. In no event shall the Center exceed 5 business days to submit said originals or legible copies. Any omissions of the information required on the Credit Card Authorization Form may constitute an invalid agreement between Center and cardholder. In such an event the center assumes all legal obligations arising out of said omissions. Professional Solutions shall be indemnified by the Center, and held harmless in such an event.

Center agrees to utilize all reasonable means to protect the cardholders "Full Sensitive Information". Center further agrees to destroy the CVC/CCV2 number located on the bottom portion of the Credit Card Authorization Form after said information is entered into ProCare. Center understands that it is the centers exclusive obligation to protect said cardholders data within its domain with the exception of data that has been successfully transmitted to Professional Solutions. Professional Solutions will properly manage and secure all cardholder data utilizing accepted security protocols.

Center agrees that cardholders will only be charged when payments are **Due and Payable**. Due and Payable is defined based on the agreements in place by and between center and cardholder. Professional Solutions has no claim as to the establishment or legal validity of said agreement. Center understands that Professional Solutions will transact all requests that are transmitted with the assumption that all items submitted are deemed due and payable under said agreement. In the event that center has transmitted payment request(s) to Professional Solutions that are contested by cardholder in any form or substance, center assumes all responsibility, including but not limited to chargebacks, reversals and re-submittals.

Professional Solutions will negotiate in good faith for the best possible "discount rate" on a regular basis. Center understands and agrees that the Discount Rate offered is that Discount Rate Professional Solutions has negotiated with bank in its entirety.

FEES, PAYMENT AND TERM OF SERVICE. As consideration for the services Center has signed up for with Professional Solutions, Center agrees to pay Professional Solutions the applicable service(s) fees set forth in the fee schedule. Per item fees shall be aggregated monthly and paid to Professional Solutions on or about the first of each month for the previous month's activity, except as otherwise expressly noted. Fee will be collected by means of an ACH debit from centers designated bank account. Center agrees to maintain an open transaction bank account while this agreement is in effect. Set up fees, if any, will become payable on the date Professional Solutions services are established. In the event that center exclusively collects payments via credit card the monthly maintenance fee for maintaining a Tuition Express account still apply. Professional Solutions reserves the right to update or change the fee schedule and structure given a thirty (30) day notice has been submitted to center. Notice of changes may be given by e-mail notification or by U.S. Postal Service. All payments of fees for Professional Solutions services shall be made in U.S. dollars. All sums due and payable that remain unpaid after any applicable cure period herein will accrue interest as a late charge of 1.5% per month or the maximum amount allowed by law, whichever is greater.

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REFUND POLICY. All credit card refunds shall be at the discretion of Professional Solutions. To facilitate credit card refunds the following must apply; (a) the refund must be for a cardholder that has been charged through Professional Solutions Tuition Express service, (b) The amount of the refund must be for the exact dollar amount of a previous transaction, (c) under no circumstances will Professional Solutions perfect a credit card refund for previous cash, check or any other non credit card transactions. Professional Solutions assumes no responsibility for verifying any credits or refunds. **CLIENT IS RESPONSIBLE TO SECURE PROCARE MANAGEMENT SYSTEM AND TO INSTITUTE APPROPRIATE CONTROLS TO PREVENT EMPLOYEES OR OTHERS FROM SUBMITTING REFUNDS THAT DO NOT REFLECT BONA FIDE RETURNS OR REIMBURSEMENTS OF PRIOR TRANSACTIONS.**

SOFTWARE REVISIONS AND UPDATE. Center agrees that it is centers responsibility to update their working version of ProCare Software in a timely manner in order to not disrupt Centers ability to transact credit card processing. That Center will review from time to time, Professional Solution's web site located at www.procaresoftware.com for updates. Professional Solutions will make all reasonable attempts to notify Center of updates in an attempt to avoid any disruption in service.

MODIFICATIONS TO AGREEMENT. Except as otherwise provided in this Agreement, Center agrees, during the term of this Agreement, that Professional Solutions may: (1) revise the Terms and Conditions of this Agreement; and/or (2) change any part of the services provided under this Agreement at any time. Any such revision or change will be binding and effective 30 days after posting of the revised Agreement or change to the service(s) on Professional Solutions' web site (www.procaresoftware.com), or upon notification to Center by e-mail or United States Postal Service. You agree to periodically review our Web site, including the current version of this Agreement available on our Web site, to remain informed of any such revisions. If you do not agree with revisions to the Agreement, you may terminate this Agreement at any time by providing Professional Solutions with written notice. Notice of your termination will be effective upon receipt and processing of said request by Professional Solutions. Any fees paid by Center are nonrefundable. By Center maintaining continuity of services after said revisions are deemed to be "in effect", Center agrees to said revisions, shall abide by and be bound by any such revisions or changes in services.

TERM. Any Professional Solutions Agreement document signed by the parties relating to these Terms and Conditions will remain in effect until it terminates or expires in accordance with its terms. Expiration. Due to the regularity and recurring nature of the services provided by Professional Solutions to Center, an expiration of said Agreement is not practical. Therefore no expiration of this agreement will be incorporated herein.

TERMINATION. Either party may terminate the Agreement by written notice if the other party materially breaches a term thereof and fails to cure said breach within thirty (30) days following written notice. Furthermore, either party may terminate said agreement without cause provided thirty (30) days notice is given.

RIGHTS AND DUTIES UPON TERMINATION. Termination of Agreement will not limit either party from pursuing any other remedies available to it, including but not limited to injunctive relief, nor will such termination relieve Centers obligation to pay all fees that accrued prior to such termination. Upon termination of Agreement; Center will (a) fully comply with all terms and conditions in the Agreement regarding termination; (b) cease any and all use of Professional Solutions Tuition Express services, and all Confidential Information (as defined herein) of Professional Solutions; and (c) by this Agreement certify to Professional Solutions, within thirty (30) days that Center has ceased all uses of Tuition Express and use of Confidential Information of Professional Solutions.

FORCE MAJEURE. Neither party shall be deemed in default hereunder, nor shall it hold the other party responsible for, any cessation, interruption or delay in the performance of its obligations hereunder due to earthquake, flood, fire, storm, natural disaster, act of God, war, terrorism, armed conflict, labor strike, or any form of disruption in electrical transmission or technology related disruptions of any kind that are out of the direct control of the parties. Both parties agree to notify the other of said disruptions in a manner and timeframe that is reasonable. In the event a force majeure event described in this Section extends for a period in excess of thirty (30) days in the aggregate, Professional Solutions may immediately terminate this Agreement.

Center agrees that the responsibilities of Professional Solutions is only that which is required to manage and pass through data received from Center to Processor for transacting the collection of payments due to the Center from the cardholder. That Professional Solutions will manage and maintain said data in a manner as to fully protect said data including but not limited to encryption. Professional Solutions shall be required to conform to all rules and regulations governing its participation in the arrangement of processing data on behalf or cardholders and centers, including but not limited to the rules and regulations set forth by Associations and Processors.

IN NO EVENT SHALL PROFESSIONAL SOLUTIONS BE LIABLE FOR SPECIAL, INCIDENTAL, INDIRECT, CONSEQUENTIAL OR EXEMPLARY DAMAGES OR FOR ANY INTERRUPTION OR LOSS OF USE, DATA, BUSINESS OR PROFITS, WHETHER OR NOT SUCH LOSS OR DAMAGES WERE FORESEEABLE OR EITHER PARTY WAS ADVISED OF THE POSSIBILITY THEREOF AND REGARDLESS OF WHETHER ANY LIMITED REMEDY HEREIN FAILS OF ITS ESSENTIAL PURPOSE. PROFESSIONAL SOLUTIONS WARRANTS THAT IT WILL EXERCISE REASONABLE CARE IN THE PERFORMANCE OF ITS OBLIGATIONS UNDER THIS AGREEMENT. EXCEPT AS STATED IN THIS AGREEMENT, PROFESSIONAL SOLUTIONS SPECIFICALLY DISCLAIMS ALL WARRANTIES OF ANY KIND, EXPRESSED OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE ARISING OUT OF OR RELATED TO THIS AGREEMENT. THIS AGREEMENT IS A SERVICE AGREEMENT AND THE UNIFORM COMMERCIAL CODE SHALL NOT APPLY TO IT. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, PROFESSIONAL SOLUTIONS DOES NOT GUARANTEE OR WARRANT THAT THE SERVICES WILL BE UNINTERRUPTED OR ERROR-FREE.

RELATIONSHIP OF PARTIES: Nothing contained in this Agreement shall be deemed or construed by the Parties hereto, or by any third party, to create the relationship of principal and agent or of partnership or joint venture between the Parties hereto, it being understood and agreed that any other provision contained in this Agreement, nor any acts of the Parties hereto shall be deemed to create any relationship between the Parties hereto other than the relationship of independent contractors contracting for services. Neither Party to this Agreement has, and shall not hold itself out as having any authority to enter into any contract or create any obligation or liability on behalf of, in the name of, or binding upon the other Party to this Agreement.

Professional Solutions shall have no responsibility and shall not be liable for any obligations of Center pursuant to any other contractual arrangement or as to cardholders, including, without limitation losses related to Paper transactions, chargebacks, credits or returns.

Except as otherwise provided in this Agreement, notices required to be given pursuant to this Agreement shall be effective when received, and shall be sufficient if given in writing, hand delivered or deposited in United States mail, postage prepaid, addressed to the appropriate party at the address set forth below:

Professional Solutions, 3581 Excel Drive, Medford, OR. 97504

I, the undersigned, being an authorized signatory on behalf of Center, hereby agree to the Terms and Conditions set forth in this agreement. I understand that this agreement pertains exclusively to the facilitation of credit card processing and excludes any Terms and Conditions associated with the processing of electronic payments conducted under NACHA regulations.

Center Information (required)

Center Name _____

Center Address _____

City/State/Zip _____

Authorized Signature Date

**Initial Page 1, sign Page 2, then fax to Professional Solutions
before Credit Card Processing can be initiated. FAX # 541-858-7008**