

PAYARGO ELECTRONIC LOCKBOX AGREEMENT

This Electronic Lockbox Agreement (the "Agreement") is entered into as of _____, 2016 ("Effective Date") between Payargo, Inc., ("Payargo"), a North Carolina corporation, and _____ (the "Client").

1. Services.

1. Payargo provides electronic bill payment concentration services to businesses who utilize Payargo to perform such services. At its Client's instruction, Payargo will aggregate payments originating from online bill payment services ("Payments"), primarily offered by financial institutions, and deliver the payment details to Client in a mutually agreed upon format which would allow Client to automate the posting of their receivables. If applicable and upon Client's instruction, Payargo will combine funding from originating payment processors and deliver to Client's designated account(s) via ACH credit(s). Payargo does not have access or control over the Client's funds. Payargo has developed payment services to maximize the electronic delivery of online and walk-in payments, and to minimize or eliminate the use of paper drafts and checks (the "Service").

2. Payargo Obligations. All Payments transmitted to Client by Payargo shall be processed in the following manner:

2.1 The data files of payment detail will be made available to Client daily by Payargo in a mutually agreed upon format by 11:00 a.m. Eastern Time each Business Day. A "Business Day" is defined as each day, Monday through Friday that is not a Federal Reserve holiday. The data files will conform to specifications mutually agreed upon by Payargo and Client. Payargo will notify Client upon discovery of any occurrence that may delay transmission of the data files.

2.2 The Payments' data will be 100% in balance with the expected amount of funds every day. Funds will be delivered via ACH credit, originated by Payargo or directly from the payment processors from which payment detail is aggregated, into a checking or savings account designated by Client.

2.3 Payargo will maintain records of the data files and all related payment information for two (2) years from each transaction date. All payment detail will remain available online and available for research using Payargo's secure web portal.

2.4 Payargo personnel will work with Client in support of the implementation and electronic delivery of Payments. Using the mutually agreed upon procedures, Payargo will use commercially reasonable efforts to respond to Client-initiated research requests involving Payments within three (3) Business Days provided that sufficient information is provided by Client to perform research. Payargo agrees to aid Client in the correction of invalid account numbers as a means of reducing future unidentified or paper transactions.

2.5 In the event that Payargo receives from any Payment Processor, a reversing entry or any other demand or notice to return any Electronic Payments for any reason, Payargo will notify Client of such Debit Entry, reversal or return (collectively, "Reversal") and will transmit to Client notice of the Reversal via email. If applicable, upon receipt of any Reversal, Payargo may set off the amount of such Reversal against funds due Client on the next business day.

3. Client Obligations. All Payments received by Client shall be processed in accordance with the following specifications:

3.1 Client will post Payments within twenty-four (24) hours after Payargo transmits the account posting data to Client, and Client will process Same-Day Payments and make the relevant data available to Client for posting on the same day Payargo transmits the funds and/or account posting data to Client. If Client is unable to post any

payment due to incomplete or inaccurate information received, Client will return payment within 36 hours of receipt.

3.2 Reversals will be allowed, irrespective of the reason for the return, pursuant to the instructions provided by Client during implementation.

3.3 Client will designate specific personnel to work with Payargo in support of the electronic delivery of Payments. Using the mutually agreed upon procedures, Client will use commercially reasonable efforts to respond to Payargo research requests within three (3) Business Days provided that sufficient information is provided by Payargo to perform research. Client agrees to aid Payargo in the correction of invalid account numbers as a means of reducing future unidentified or paper transactions.

3.4 Client agrees to notify and provide Payargo with new banking and contact information relative to the Service to ensure Payargo's records remain current. If Client does not notify and provide updated information in a timely manner, Client shall be responsible for any errors, pass through fees assessed by processors, delays or disruptions to the Service.

4. Rejected Payments. No Payment transmitted hereunder may be rejected by Client unless the account data for such Payment is incorrect or incomplete or the account is blocked or closed. If any Payment is rejected and Client is unable to determine the correct posting information, Client shall return to Payargo the Payment data and allow Payargo to debit funds from Client's designated account.

5. Exceptions. Client acknowledges that Payments will not be transmitted electronically in the following circumstances:

- (a) Where the consumer's account number is incomplete, incorrect or otherwise fails the account number edit procedures established by Payargo and Client; or
- (b) For a Payment in excess of the single electronic payment limit, offered by one or more payment processors.

6. Fees, Billing, and Payment.

6.1 Fees for the Service performed by Payargo under this Agreement ("Fees") shall be calculated and collected in accordance with Exhibit A attached hereto. Payargo reserves the right to change Fees with sixty (60) days advance written notification. Where Client does not agree to any such change, then Client may, within thirty (30) days of notification of such change, provide Payargo with a thirty (30) day termination notice.

6.2 Invoices are due and payable upon Client's receipt of such invoice. If any invoiced amounts remain unpaid 60 days after Client's receipt of invoice, Client shall pay a monthly late charge based on the unpaid amounts equal to the lesser of 1.5% or the highest amount allowed by law until such invoice amount is paid in full. Payargo reserves the right to and may at its discretion suspend its Service and obligations to Client during any period in which Client's account is more than sixty (60) days delinquent.

7. Confidential Information.

Each party represents, warrants and mutually agrees that all information concerning the other party that comes into its possession as a result of this Agreement and that all communications and transactions contemplated hereby shall be maintained as confidential and shall not be used or divulged to any other party except as necessary to permit the

activities contemplated under this Agreement. Payargo may advise potential users of the Service that Client has a relationship with Payargo.

8. Warranties and Limitations of Liability.

8.1 Client represents and warrants, so long as Client uses the Service, that it is neither bankrupt nor insolvent, that it has not made an assignment for the benefit of creditors or sought the protection of any bankruptcy, insolvency or similar statute governing creditors' rights generally and does not have a present intent to do so, and that no governmental authority having jurisdiction over it has served a notice of intent to suspend or revoke its operations. Client further continually represents and warrants that (a) it is duly qualified, authorized and licensed to do business and to carry out the obligations under this Agreement, and (b) this Agreement does not violate any law, regulation or agreement to which Client is a party. Client must immediately notify Payargo if at any time these representations and warranties are no longer true or will, subject to the passage of time, become untrue.

Client shall indemnify Payargo, their officers, directors, employees, attorneys, agents and representatives (each an "Indemnified Person") and hold each of them harmless from and against any and all claims, demands, losses, liabilities, damages, judgments, disputes, charges or expenses (including litigation expenses, costs of investigations and reasonable attorneys' fees and costs) (each a "Claim") resulting directly or indirectly from Payargo's entering into or performance under this Agreement, unless the exclusive cause of any such Claim is Payargo's failure to perform under this Agreement in accordance with the standards set forth herein. Client will, at its own expense, defend any action or proceeding brought against Payargo or any other Indemnified Person in connection with any such Claim.

8.2 Payargo shall be liable only for loss due to its failure to properly maintain the Service and its failure to comply with Client's instructions regarding the Service. Payargo shall not be liable for loss due to inaccurate or untimely information provided by Client, Payment Processors, or Consumers. If Payargo causes funds to be transferred other than in accordance with the correct instruction from Client, Payargo shall be responsible for redirecting the misdirected funds to the Client's proper settlement account(s).

8.3 The parties agree that Payargo's aggregate liability hereunder for any and all claims or obligations relating to this Agreement shall be limited to twenty-five thousand dollars (\$25,000); provided however, that such limitation shall not apply to Payargo's obligation pursuant to this Agreement to deliver the dollar amounts equivalent to the Client's Payments collected in connection with the Service. The provisions of this paragraph 8.3 apply even though the loss or damage, irrespective of cause or origin, results, directly or indirectly, from either performance or nonperformance of obligations imposed by this Agreement.

8.4 PAYARGO MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT WILL PAYARGO BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL, SPECIAL OR EXEMPLARY DAMAGES RESULTING FROM THE PERFORMANCE OR NONPERFORMANCE OF ANY OF PAYARGO'S DUTIES HEREUNDER, WHETHER IN CONTRACT, TORT, OR OTHERWISE, OR FOR ANY LOSS OR DAMAGE TO CLIENT, DIRECT OR CONSEQUENTIAL, ARISING OUT OF OR IN ANY WAY RELATED TO ACTS OR OMISSIONS OF THIRD PARTIES.

9. Delays and Excuse from Performance. Neither party shall be liable for any delay or other failure of performance caused by factors beyond the reasonable control of the applicable party, such as, but not limited to: strikes, insurrection, war, fire, lack of energy, acts of God, mechanical or electrical breakdown, governmental acts or regulations, computer malfunction or acts or omissions of third parties. Each party shall be responsible for notifying the other within a reasonable time if it is unable to perform.

10. Term and Termination Provisions.

The term of this Agreement shall be from month-to-month, commencing as of the Effective Date and shall renew automatically each

month unless either party provides at least thirty (30) days written notice prior to the end of the then-current term. Either party may terminate this Agreement, with or without cause, at any time, effective thirty (30) days after sending written notice to the other party. Notwithstanding the foregoing, either party may terminate this Agreement immediately upon written notice to the other party in the event of (i) a material breach of this Agreement by the non-terminating party; or (ii) the non-terminating party's inability to meet its debts as they come due, receivership or voluntary or involuntary bankruptcy. The obligations and liabilities of the parties incurred prior to the termination date shall survive the termination of this Agreement for whatever reason.

11. Assignment. Client shall not assign this Agreement or any rights or duties hereunder to any third party without Payargo's prior written consent.

12. Governing Law; Good Faith Negotiation, Mediation, Arbitration.

The rights and obligations of the parties hereunder shall be construed and governed by the laws of the State of New Jersey.

The parties desire to avoid and settle without litigation any future disputes which may arise between them under this Agreement. Accordingly, the parties hereby agree to engage in good faith negotiations to resolve any such dispute. In the event that they are unable to resolve any such dispute by good faith negotiation, then any dispute may at the option of either party be submitted for mediation and the other party shall be required to participate in good-faith, in such mediation, with the costs thereof (other than each party's attorney's fees) to be split equally between the parties.

In the event that they are unable to resolve any such dispute after good faith negotiations and good faith mediation, then any dispute arising out of or in connection with this Agreement or the breach thereof shall, at the option of any party thereto, be decided by arbitration. Any such arbitration proceeding shall be conducted in Essex County, New Jersey by a single arbitrator in accordance with the then prevailing commercial arbitration rules of the American Arbitration Association, and judgment thereof may be entered in any court having jurisdiction thereof; provided, however, that discovery and sanctions under the New Jersey Rules of Civil Procedure and the New Jersey Rules of Evidence, shall apply in all arbitration proceedings and be administered by the arbitrator.

Nothing contained herein shall preclude the parties from pursuing all equitable remedies available to them, including preliminary injunctive relief against the other in the event warranted by applicable legal principles. In the event such relief is denied, or granted during the time an arbitration proceeding is pending, ensuing proceedings shall be by arbitration as set forth herein.

13. Entire Agreement. This Agreement, including the attached fee schedules, contains the entire understanding of the parties with respect to the subject matter hereof and may not be changed or waived orally and supersedes any other understanding or agreement with respect to the Service.

IN WITNESS WHEREOF, the parties, each acting under due and proper authority, have entered into this Agreement as of the Effective Date.

CLIENT _____

By: _____
Print: ROBERT D. PARISI
Title: MAYOR
Date: _____

PAYARGO, INC.

By: _____
Print: STEVE MATULONIS
Title: PRESIDENT
Date: 8-31-16

Exhibit A
Fee Schedule

One time implementation fee.....	\$995.00
Monthly maintenance.....	\$0.00
Per transaction.....	\$0.15
Per swap entered.....	\$0.00
Per reversal/return submitted.....	\$0.15
Mastercard fees for failed settlement (if applicable)....	\$250.00