

American Merchant Capital Group, LLC

11 Broadway, 3rd Floor, New York, NY 10004

MERCHANT AGREEMENT

Contract ID: _____

Sales Partner: _____

Agreement dated _____ between American Merchant Capital Group, LLC (“**AMC Group**”) and the merchant listed below (“**The Merchant**”).

MERCHANT INFORMATION

D/B/A: _____ **Merchant’s Legal Name:** _____

Physical Address: _____ **Type of entity:** _____

Mailing Address: _____ **Phone Number:** _____

PURCHASE AND SALE OF FUTURE RECEIVABLES

Merchant hereby sells, assigns and transfers to AMC Group (making AMC Group the absolute owner) in consideration of the funds provided (“Purchase Price”) specified below, all of Merchant’s future accounts, contract rights and other obligations arising from or relating to the payment of monies from Merchant’s customers’ and/or other third party payers (the “Receipts” defined as all payments made by cash, check, electronic transfer or other form of monetary payment in the ordinary course of the merchant’s business), for the payment of Merchant’s sale of goods or services until the amount specified below (the “Purchased Amount”) has been delivered by Merchant to AMC Group.

The Purchased Amount shall be paid to AMC Group by Merchant’s irrevocably authorizing only one depositing account acceptable to AMC Group (the “Account”) to remit the percentage specified below (the “Specified Percentage”) of the Merchant’s settlement amounts due from each transaction, until such time as AMC Group receives payment in full of the Purchased Amount. Merchant hereby authorizes AMC Group to ACH Debit the specified remittances from the merchant’s bank account on a daily basis and will provide AMC Group with all required access codes, and monthly bank statements. Merchant understands that it is responsible for ensuring that the Specified Percentage to be debited by AMC Group remains in the account and will be held responsible for any fees incurred by AMC Group resulting from a rejected ACH attempt or an event of default. (See Appendix A) AMC Group is not responsible for any overdrafts or rejected transactions that may result from AMC Group’s ACH debiting the specified amounts under the terms of this Agreement. AMC Group will debit the specific daily amount each business day and upon receipt of the Merchant’s monthly bank statements on or about the eighteenth day of each month reconcile the Merchant’s account by either crediting or debiting the difference from or back to the Merchant’s bank account so that the amount debited per month equals the Specified Percentage. AMC Group may, upon Merchant’s request, adjust the amount of any payment due under this Agreement at AMC Group’s sole discretion and as it deems appropriate. Notwithstanding anything to the contrary in this Agreement or any other agreement between AMC Group and Merchant, upon the violation of any provision contained in Section 1.11 of the MERCHANT AGREEMENT TERMS AND CONDITIONS or the occurrence of an Event of Default under Section 3 of the MERCHANT AGREEMENT TERMS AND CONDITIONS, the Specified Percentage shall equal 100%. A list of all fees applicable under this agreement is contained in Appendix A.

Purchase Price: _____ Specified %: _____ Specified Daily Amount: _____ Receipts Purchased Amount: _____

THE TERMS, DEFINITIONS, CONDITIONS AND INFORMATION SET FORTH ON PAGE 2, THE “MERCHANT SECURITY AGREEMENT” AND “ADMINISTRATIVE FORM HEREOF ARE HEREBY INCORPORATED IN AND MADE A PART OF THIS MERCHANT AGREEMENT.

MERCHANT (#1)

(Print Name and Title)



(Signature)

MERCHANT (#2)

(Print Name and Title)

(Signature)

OWNER (#1)

(Print Name and Title)



(Signature)

OWNER (#2)

(Print Name and Title)

(Signature)

**AMERICAN MERCHANT
CAPITAL GROUP, LLC**

(Print Name and Title)

(Signature)

To the extent set forth herein, each of the parties is obligated upon his, her or its execution of the Agreement to all terms of the Agreement, including the Additional Terms set forth below. Each of above-signed Merchant and Owner(s) represents that he or she is authorized to sign this Agreement for Merchant, legally binding said Merchant to repay this obligation and that the information provided herein and in all of AMC Group documents, forms and recorded interviews is true, accurate and complete in all respects. If any such information is false or misleading, Merchant shall be deemed in material breach of all agreements between Merchant and AMC Group and AMC Group shall be entitled to all remedies available under law. AMC Group may produce a monthly statement reflecting the delivery of the Specified Percentage of Receipts from Merchant via Processor and/or Operator to AMC Group. An investigative or consumer report may be made in connection with the Agreement. Merchant and each of the above-signed Owners authorizes AMC Group, its agents and representatives and any credit reporting agency engaged by AMC

Group, to (i) investigate any references given or any other statements or data obtained from or about Merchant or any of its Owners for the purpose of this Agreement, and (ii) pull credit report at any time now or for so long as Merchant and/or Owners(s) continue to have any obligation owed to AMC Group as a consequence of this Agreement or for AMC Group's ability to determine Merchant's eligibility to enter into any future agreement with AMC Group. ANY MISREPRESENTATION MADE BY MERCHANT OR OWNER IN CONNECTION WITH THIS AGREEMENT MAY CONSTITUTE A SEPARATE CAUSE OF ACTION FOR FRAUD OR INTENTIONAL MISREPRESENTATION. ALL REFERENCES TO AMERICAN MERCHANT CAPITAL GROUP, LLC SHALL ALSO BE DEEMED TO INCLUDE ANY OF ITS AFFILIATES, REPRESENTATIVES, AGENTS AND OTHER THIRD PARTIES WORKING ON ITS BEHALF.

The Merchant Terms and conditions are incorporated into this Merchant Agreement and made a part hereof. All terms set forth in the Merchant Terms and Conditions but not defined shall have the meanings set forth in the Merchant Agreement or the Security Agreement and Guaranty.

MERCHANT AGREEMENT TERMS AND CONDITIONS

I. TERMS OF ENROLLMENT IN PROGRAM

1.1 Merchant Deposit Agreement. Merchant shall execute an agreement (the "Merchant Deposit Agreement") acceptable to AMC GROUP LLC ("AMC Group"), with a Bank acceptable to AMC Group, to obtain electronic fund transfer services. Merchant shall provide AMC Group and/or its authorized agent with all of the information, authorizations and passwords necessary for verifying Merchant's receivables, receipts and deposits into the account. Merchant shall authorize AMC Group and/or its agent to deduct the amounts owed to AMC Group for the Receipts as specified herein from settlement amounts which would otherwise be due to Merchant from electronic check transactions and to pay such amounts to AMC Group by permitting AMC Group to withdraw the specified percentages by ACH debiting of the account. The authorization shall be irrevocable without the written consent of AMC Group.

1.2 Term of Agreement. This Agreement shall have a term of one year. Upon the expiration of the term, this Agreement shall automatically renew for successive one-year terms, provided, however, that during the renewal term(s) Merchant may terminate this Agreement upon ninety days' prior written notice (effective upon receipt) to AMC Group. The termination of this Agreement shall not affect Merchant's responsibility to satisfy all outstanding obligations to AMC Group at the time of termination.

1.3 Future Purchases. AMC Group reserves the right to rescind the offer to make any purchase payments hereunder, in its sole discretion.

1.4 Financial Condition. Merchant and Guarantor(s) authorize AMC Group and its agents to investigate their financial responsibility and history, and will provide to AMC Group any bank or financial statements, tax returns, etc., as AMC Group deems necessary prior to or at any time after execution of this Agreement. A photocopy of this authorization will be deemed as acceptable for release of financial information. AMC Group is authorized to update such information and financial profiles from time to time as it deems appropriate.

1.5 Transactional History. Merchant authorizes its bank to provide AMC Group with Merchant's banking or processing history to determine qualification or continuation in this program.

1.6 Indemnification. Merchant and Guarantor(s) jointly and severally indemnify and hold harmless Processor, its officers, directors and shareholders against all losses, damages, claims, liabilities and expenses (including reasonable attorney's fees) incurred by Processor resulting from (a) claims asserted by AMC Group for monies owed to AMC Group from Merchant and (b) actions taken by Processor in reliance upon information or instructions provided by AMC Group.

1.7 No Liability. In no event will AMC Group be liable for any claims asserted by Merchant under any legal theory for lost profits, lost revenues, lost business opportunities, exemplary, punitive, special, incidental, indirect or consequential damages, each of which is waived by Merchant and Guarantor(s).

1.8 Reliance on Terms. The terms of this Agreement are agreed to for the benefit of Merchant, AMC Group and Processor, and notwithstanding the fact that Processor is not a party to this Agreement, Processor may rely upon their terms and raise them as a defense in any action.

1.9 Sale of Receipts. Merchant and AMC Group agree that the Purchase Price under this Agreement is in exchange for the Receipts Purchased Amount and that such Purchase Price is not intended to be, nor shall it be construed as a loan from AMC Group to Merchant. Merchant agrees that the Purchase Price is in exchange for the Receipts pursuant to this Agreement equals the fair market value of such Receipts. AMC Group has purchased and shall own all the Receipts described in this Agreement up to the full Purchased Amount as the Receipts are created. Payments made to AMC Group in respect to the full amount of the Receipts shall be conditioned upon Merchant's sale of products and services and the payment therefore by Merchant's customers in the manner provided in Section 1.1. In no event shall the aggregate of all amounts be deemed as interest hereunder and charged or collected hereunder exceed the highest rate permissible at law. In the event that a court or other governmental agency or legislative body determines that AMC Group has charged or received interest hereunder in excess of the highest applicable rate, the rate in effect hereunder shall automatically be reduced to the maximum rate permitted by applicable law and AMC Group shall promptly refund to Merchant any interest received by AMC Group in excess of the maximum lawful rate, it being intended that Merchant not pay or contract to pay, and that AMC Group not receive or contract to receive, directly or indirectly in any manner whatsoever, interest in excess of that which may be paid by Merchant under applicable law.

1.10 Power of Attorney Merchant irrevocably appoints AMC Group as its agent and attorney-in-fact with full authority to take any action or execute any instrument or document to settle all obligations due to AMC Group from Processor, or in the case of a violation by Merchant of Section 1.11 or the occurrence of an Event of Default under Section 3 hereof, from Merchant, under this Agreement, including without limitation (i) to obtain and adjust insurance; (ii) to collect monies due or to become due under or in respect of any of the Receipts and/or Collateral; (iii) to receive, endorse and collect any checks, notes, drafts, instruments, documents or chattel paper in connection with clause (i) or clause (ii) above; (iv) to sign Merchant's name on any invoice, bill of lading, or assignment directing customers or account debtors to make payment directly to AMC Group; and (v) to file any claims or take any action or institute any proceeding which AMC Group may deem necessary for the collection of any of the unpaid Receipts Purchased Amount from the Receipts and/or Collateral, or otherwise to enforce its rights with respect to payment of the Purchased Amount.

1.11 Protections Against Default. The following Protections may be invoked by AMC Group, immediately and without notice to Merchant in the event: (a) Merchant takes any action to discourage the use of electronic check processing that are settled through Processor, or permits any event to occur that could have an adverse effect on the use, acceptance, or authorization of checks for the purchase of Merchant's services and products including but not limited to direct deposit of any checks into a bank account without scanning into the AMC Group electronic check processor; (b) Merchant changes its arrangements with Processor in any way that is adverse to AMC Group; (c) Merchant changes the electronic check processor through which the Receipts are settled from Processor to another

electronic check processor, or permits any event to occur that could cause diversion of any of Merchant's check transactions to another processor; (d) Merchant interrupts the operation of this business (other than adverse weather, natural disasters or acts of God) transfers, moves, sells, disposes, transfers or otherwise conveys its business or assets without (i) the express prior written consent of AMC Group, and (ii) the written agreement of any purchaser or transferee to the assumption of all of Merchant's obligations under this Agreement pursuant to documentation satisfactory to AMC Group; or (e) Merchant takes any action, fails to take any action, or offers any incentive—economic or otherwise—the result of which will be to induce any customer or customers to pay for Merchant's services with any means other than checks that are settled through Processor. These protections are in addition to any other remedies available to AMC Group at law, in equity or otherwise pursuant to this Agreement.

Protection 1. The full uncollected Receipts Purchase Amount plus all fees due under this Agreement and the attached Security Agreement become due and payable in full immediately.

Protection 2. AMC Group may enforce the provisions of the Personal Guarantee of Performance against the Guarantor.

Protection 3. Merchant shall, upon execution of this Agreement, deliver to AMC Group an executed confession of judgment in favor of AMC Group the amount of the Purchase Amount stated in the Agreement.

Upon breach of any provision in this Section 1.11, AMC Group may enter that confession of judgment as a judgment creditor when a petition of bankruptcy is brought or pending against Merchant. Merchant further warrants that it does not anticipate filing any such bankruptcy petition and it does not anticipate that an involuntary petition will be filed against it. In the event that the Merchant files for bankruptcy protection or is placed under an involuntary filing Protections 2 and 3 are immediately invoked.

II. Merchant Representations

2.1 Working Capital Funding. Merchant shall not enter into any arrangement, agreement or commitment that relates to or involves the Receipts, whether in the form of a purchase of, a loan against, collateral against or the sale or purchase of credits against, Receipts or future check sales with any party other than AMC Group.

2.2 Unencumbered Receipts. Merchant has good, complete and marketable title to all Receipts, free and clear of any and all liabilities, liens, claims, changes, restrictions, conditions, options, rights, mortgages, security interests, equities, pledges and encumbrances of any kind or nature whatsoever or any other rights or interests that may be inconsistent with the transactions contemplated with, or adverse to the interests of AMC Group.

2.3 Business Purpose. Merchant is a valid business in good standing under the laws of the jurisdictions in which it is organized and/or operates, and Merchants entering into this Agreement for business purposes and not as a consumer for personal, family or household purposes.

2.4 Default Under Other Contracts. Merchant's execution of and/or performance under this Agreement will not cause or create an event of default by Merchant under any contract with another person or entity.

III. EVENTS OF DEFAULT AND REMEDIES

3.1 Events of Default. The occurrence of any of the following events shall constitute an "Event of Default" hereunder: (a) Merchant shall violate any term or covenant in this Agreement; (b) Any representation or warranty by Merchant in this Agreement shall prove to have been incorrect, false or misleading in any material respect when made; (c) Merchant shall admit in writing its inability to pay its debts, or shall make a general assignment for the benefit of creditors; or any proceeding shall be instituted by or against Merchant seeking to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, or composition of it or its debts; (d) the sending of notice of termination by Guarantor; (e) Merchant shall transport, move, interrupt, suspend, dissolve or terminate its business; (f) Merchant shall transfer or sell all or substantially all of its assets; (h) Merchant shall make or send notice of any intended bulk sale or transfer by Merchant; (i) Merchant shall use multiple depository accounts without the prior written consent of AMC Group; (j) Merchant shall change its depositing account without the prior written consent of AMC Group; (k) Merchant shall perform any act that reduces the value of any Collateral/Receipts granted under this Agreement; or (l) Merchant shall default under any of the terms, covenants and conditions of any other agreement with AMC Group.

3.2 Remedies. In case any Event of Default occurs and is not waived, AMC Group may proceed to protect and enforce its rights or remedies by suit in equity or by action at law, or both, whether for the specific performance of any covenant, agreement or other provision contained herein, or to enforce the discharge of Merchant's obligations hereunder (including the Personal Guarantee) or any other legal or equitable right or remedy. All rights, powers and remedies of AMC Group in connection with this Agreement may be exercised at any time by AMC Group after the occurrence of an Event of Default, are cumulative and not exclusive, and shall be in addition to any other rights, powers or remedies provided by law or equity.

3.3 Costs. Merchant shall pay to AMC Group all reasonable costs associated with (a) a breach by Merchant of the Covenants in this Agreement and the enforcement thereof, and (b) the enforcement of AMC Group's remedies set forth in Section 3.2 above, including but not limited to court costs and attorneys' fees.

3.4 Required Notifications. Merchant is required to give AMC Group written notice within 24 hours of any filing under Title 11 of the United States Code. Merchant is required to give AMC Group seven days' written notice prior to the closing of any sale of all or substantially all of the Merchant's assets or stock.

IV. MISCELLANEOUS

4.1 Modifications; Agreements. No modification, amendment, waiver or consent of any provision of this Agreement shall be effective unless the same shall be in writing and signed by AMC Group.

4.2 Assignment. AMC Group may assign, transfer or sell its rights to receive the Purchased Amount or delegate or assign its duties hereunder, either in whole or in part.

4.3 Notices. All notices, requests, consent, demands and other communications hereunder shall be delivered by certified mail, return receipt requested, to the respective parties to this Agreement at the addresses set forth in this

Agreement and shall become effective only upon receipt.

4.4 Waiver Remedies. No failure on the part of AMC Group to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right under this Agreement preclude any other or further exercise thereof or the exercise of any other right. The remedies provided hereunder are cumulative and not exclusive of any remedies provided by law or equity.

4.5 Binding Effect; Governing Law, Venue and Jurisdiction. This Agreement shall be binding upon and inure to the benefit of Merchant, AMC Group and their respective successors and assigns, except that Merchant shall not have the right to assign its rights hereunder or any interest herein without the prior written consent of AMC Group which consent may be withheld in AMC Group's sole discretion. AMC Group reserves the rights to assign this Agreement with or without prior written notice to Merchant. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regards to any applicable principals of conflicts of law. Any suit, action or proceeding arising hereunder, or the interpretation, performance or breach hereof, shall, if AMC Group so elects, be instituted in any court sitting in New York, (the "Acceptable Forums"). Merchant agrees that the Acceptable Forums are convenient to it, and submits to the jurisdiction of the Acceptable Forums and waives any and all objections to jurisdiction or venue. Should such proceeding be initiated in any other forum, Merchant waives any right to oppose any motion or application made by AMC Group to transfer such proceeding to an Acceptable Forum.

4.6 Survival of Representation, etc. All representations, warranties and covenants herein shall survive the execution and delivery of this Agreement and shall continue in full force until all obligations under this Agreement shall have been satisfied in full and this Agreement shall have terminated.

4.7 Severability. In case any of the provisions in this Agreement is found to be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of any other provision contained herein shall not in any way be affected or impaired.

4.8 Entire Agreement. Any provision hereof prohibited by law shall be ineffective only to the extent of such prohibition without invalidating the remaining provisions hereof. This Agreement and Security Agreement hereto embody the entire agreement between Merchant and AMC Group and supersede all prior agreements and understandings relating to the subject matter hereof.

4.9 JURY TRIAL WAIVER. THE PARTIES HERETO WAIVE TRIAL BY JURY IN ANY COURT IN ANY SUIT, ACTION OR PROCEEDING ON ANY MATTER ARISING IN CONNECTION WITH OR IN ANY WAY RELATED TO THE TRANSACTIONS OF WHICH THIS AGREEMENT IS A PART OR THE ENFORCEMENT HEREOF. THE PARTIES HERETO ACKNOWLEDGE THAT EACH MAKES THIS WAIVER KNOWINGLY, WILLINGLY AND VOLUNTARILY AND WITHOUT DURESS, AND ONLY AFTER EXTENSIVE CONSIDERATION OF THE RAMIFICATIONS OF THIS WAIVER WITH THEIR ATTORNEYS.

4.10 CLASS ACTION WAIVER. THE PARTIES HERETO WAIVE ANYRIGHT TO ASSERT ANY CLAIMS AGAINST THE OTHER PARTY AS A REPRESENTATIVE OR MEMBER IN ANY CLASS OR REPRESENTATIVE ACTION, EXCEPT WHERE SUCH WAIVER IS PROHIBITED BY LAW AGAINST PUBLIC POLICY. TO THE EXTENT EITHER PARTY IS PERMITTED BY LAW OR COURT OF LAW TO PROCEED WITH A CLASS OR REPRESENTATIVE ACTION AGAINST THE OTHER, THE PARTIES HEREBY AGREE THAT: (1) THE PREVAILING PARTY SHALL NOT BE ENTITLED TO RECOVER ATTORNEYS' FEES OR COSTS ASSOCIATED WITH PURSUING THE CLASS OR REPRESENTATIVE ACTION (NOT WITHSTANDING ANY OTHER PROVISION IN THIS AGREEMENT); AND (2) THE PARTY WHO INITIATES OR PARTICIPATES AS A MEMBER OF THE CLASS WILL NOT SUBMIT A CLAIM OR OTHERWISE PARTICIPATE IN ANY RECOVERY SECURED THROUGH THE CLASS OR REPRESENTATIVE ACTION.

4.11 Facsimile/Electronic Acceptance. Facsimile or electronic signatures shall be deemed acceptable for all purposes

Initials: _____



AMERICAN MERCHANT CAPITAL GROUP, LLC - SECURITY AGREEMENT AND GUARANTY

D/B/A: _____ Type of entity: _____
Merchant's Legal Name: _____ Phone Number: _____
Physical Address: _____
Mailing Address: _____

SECURITY AGREEMENT

Security Interest. To secure Merchant's payment and performance obligations to AMC GROUP under the Merchant Agreement (the "Merchant Agreement"), Merchant hereby grants to AMC GROUP a security interest in (a) all accounts, chattel paper, documents, equipment, general intangibles, instruments, and inventory, as those terms are defined in Article 9 of the Uniform Commercial Code (the "UCC"), now or hereafter owned or acquired by Merchant; and (b) all proceeds, as that term is defined in Article 9 of the UCC (a and b collectively, the "Collateral").

Cross-Collateral. To secure Guarantor's payment and performance obligations to AMC GROUP under this Security Agreement and Guaranty (the "Agreement"), Guarantor hereby grants AMC GROUP a security interest in all of Guarantor's various accounts (standing in the name of Merchant and Guarantor alone or in a joint account, including any affiliated companies of Merchant and Guarantor, whether established or maintained pursuant to this Agreement or not) and any Collateral now or hereafter owned or acquired by Guarantor in connection with the business of the Merchant or any affiliated or related entity or business (the "Additional Collateral"). Guarantor understands that AMC GROUP will have a security interest in the aforesaid Additional Collateral upon execution of this Agreement.

Merchant and Guarantor each acknowledge and agree that any security interest granted to AMC GROUP under any other agreement between Merchant or Guarantor and AMC GROUP (the "Cross-Collateral") will secure the obligations hereunder and under the Merchant Agreement.

Merchant and Guarantor each agrees to execute any documents or take any action in connection with this Agreement as AMC GROUP deems necessary to perfect or maintain AMC GROUP's first priority security interest in the Collateral, the Additional Collateral and the Cross-Collateral, including the execution of any account control agreements. Merchant and Guarantor each hereby authorizes AMC GROUP to file any financing statements deemed necessary by AMC GROUP to perfect or maintain AMC GROUP's security interest, which financing statement may contain notification that Merchant and Guarantor have granted a negative pledge to AMC GROUP with respect to the Collateral, the Additional Collateral and the Cross-Collateral, and that any subsequent lien may be tortuously interfering with AMC GROUP's rights. Merchant and Guarantor shall be liable for and AMC GROUP may charge and collect all costs and expenses, including but not limited to attorney's fees, which may be incurred by AMC GROUP in protecting, preserving and enforcing AMC GROUP's security interest and rights.

Negative Pledge. Merchant and Guarantor each agrees not to create, incur, assume, or permit to exist, directly or indirectly, any lien on or with respect to any of the Collateral, the Additional Collateral or the Cross-Collateral, as applicable.

Consent to Enter Premises and Assign Lease. Merchant agrees that AMC GROUP may enter into an agreement with Merchant's landlord giving AMC GROUP the right: (a) to enter Merchant's premises and to take possession of the fixtures and equipment therein for the purpose of protecting and preserving same; and (b) to assign Merchant's lease to another qualified Merchant capable of operating a business comparable to Merchant's at such premises.

Remedies. Upon any Event of Default, AMC GROUP may pursue any remedy available at law (including those available under the provisions of the UCC), or in equity to collect, enforce, or satisfy any obligations then owing, whether by acceleration or otherwise.

GUARANTY

Personal Guaranty of Performance. The undersigned Guarantor(s) hereby guarantees to AMC GROUP, Merchant's performance of all of the representations, warranties, covenants made by Merchant in this Agreement and the Merchant Agreement, as each agreement may be renewed, amended, extended or otherwise modified (the "Guaranteed Obligations"). Guarantor's obligations are due (i) at the time of any breach by Merchant of any representation, warranty, or covenant made by Merchant in this Agreement and the Merchant Agreement, and (ii) at the time Merchant admits its inability to pay its debts, or makes a general assignment for the benefit of creditors, or any proceeding shall be instituted by or against Merchant seeking to adjudicate it bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, or composition of it or its debts.

Guarantor Waivers. In the event that Merchant fails to make a payment or perform any obligation when due under the Merchant Agreement, AMC GROUP may enforce its rights under this Agreement without first seeking to obtain payment from Merchant, any other guarantor, or any Collateral, Additional Collateral or Cross-Collateral AMC GROUP may hold pursuant to this Agreement or any other guaranty.

AMC GROUP does not have to notify Guarantor of any of the following events and Guarantor will not be released from its obligations under this Agreement if it is not notified of: (i) Merchant's failure to pay timely any amount owed under the Merchant Agreement; (ii) any adverse change in Merchant's financial condition or business; (iii) any sale or other disposition of any collateral securing the Guaranteed Obligations or any other guarantee of the Guaranteed Obligations; (iv) AMC GROUP's acceptance of this Agreement; and (v) any renewal, extension or other modification of the Merchant Agreement or Merchant's other obligations to AMC GROUP. In addition, AMC GROUP may take any of the following actions without releasing Guarantor from any of its obligations under this Agreement: (i) renew, extend or otherwise modify the Merchant Agreement or Merchant's other obligations to AMC GROUP; (ii) release Merchant from its obligations to AMC GROUP; (iii) sell, release, impair, waive or otherwise fail to realize upon any collateral securing the Guaranteed Obligations or any other guarantee of the Guaranteed Obligations; and (iv) foreclose on any collateral securing the Guaranteed Obligations or any other guarantee of the Guaranteed Obligations in a manner that impairs or precludes the right of Guarantor to obtain reimbursement for payment under this Agreement. Until the Receipts Purchased Amount plus any accrued but unpaid interest and Merchant's other obligations to AMC GROUP under the Merchant Agreement and this Agreement are paid in full, Guarantor shall not seek reimbursement from Merchant or any other guarantor for any amounts paid by it under this Agreement. Guarantor permanently waives and shall not seek to exercise any of the following rights that it may have against Merchant, any other guarantor, or any collateral provided by Merchant or any other guarantor, for any amounts paid by it, or acts performed by it, under this Agreement: (i) subrogation; (ii) reimbursement; (iii) performance; (iv) indemnification; or (v) contribution. In the event that AMC GROUP must return any amount paid by Merchant or any other guarantor of the Guaranteed Obligations because that person has become subject to a proceeding under the United States Bankruptcy Code or any similar law, Guarantor's obligations under this Agreement shall include that amount.


Guarantor Acknowledgement. Guarantor acknowledges that: (i) He/She understands the seriousness of the provisions of this Agreement; (ii) He/She has had a full opportunity to consult with counsel of his/her choice; and (iii) He/She has consulted with counsel of its choice or has decided not to avail himself/herself of that opportunity.

Joint and Several Liability. The obligations hereunder of the persons or entities constituting Guarantor under this Agreement are joint and several.

THE TERMS, DEFINITIONS, CONDITIONS AND INFORMATION SET FORTH IN THE "MERCHANT AGREEMENT", INCLUDING THE "MERCHANT TERMS AND CONDITIONS", ARE HEREBY INCORPORATED IN AND MADE A PART OF THIS SECURITY AGREEMENT AND GUARANTY. CAPITALIZED TERMS NOT DEFINED IN THIS SECURITY AGREEMENT AND GUARANTY, SHALL HAVE THE MEANING SET FORTH IN THE MERCHANT AGREEMENT, INCLUDING THE TERMS AND CONDITIONS.

ALL REFERENCES TO AMERICAN MERCHANT CAPITAL GROUP, LLC SHALL ALSO BE DEEMED TO INCLUDE ANY OF ITS AFFILIATES, REPRESENTATIVES, AGENTS AND OTHER THIRD PARTIES WORKING ON ITS BEHALF.


MERCHANT (#1)

_____		_____
(Print Name and Title)		(Signature)
_____		_____
(Social Security Number)		(Driver's License Number)

MERCHANT (#2)

_____		_____
(Print Name and Title)		(Signature)
_____		_____
(Social Security Number)		(Driver's License Number)

OWNER/GUARANTOR (#1)

_____		_____
(Print Name and Title)		(Signature)
_____		_____
(Social Security Number)		(Driver's License Number)

OWNER/GUARANTOR (#2)

_____		_____
(Print Name and Title)		(Signature)
_____		_____
(Social Security Number)		(Driver's License Number)

APPENDIX A: THE FEE STRUCTURE

Origination Fee – 2% of Amount Funded to cover Underwriting and related expenses.

ACH Program fee - ACH's are labor intensive and are not an automated process, requiring us to charge this fee to cover costs dependent upon the amount being funded:

- Less than **\$5,000 = \$299**
- From **\$5,001 to \$10,000 = \$485**
- Greater than **\$10,001 = \$685**

NSF Fee (Standard) - \$35.00 (each) up to FOUR TIMES ONLY before a default is declared.

Rejected ACH - \$100.00 when Merchant directs the bank to reject our Debit ACH.

Bank Change Fee - \$50.00 when Merchant requires a change of Bank Account to be debited requiring us to adjust our system.

Blocked Account - \$2,500.00 when Merchant blocks Bank Account from our Debit ACH which places them in default (per contract).

Default Fee- \$2,500.00 ---- when Merchant changes Bank Account cutting us off from our collections.

Miscellaneous Service Fees - Merchant shall pay certain fees for services related to the origination and maintenance of Accounts. Each Merchant shall receive their funding electronically to their designated bank account and will be charged \$30.00 for a Fed Wire or \$0.00 for a bank ACH. All above referenced fees will be paid from the funded amount. Merchant will be charged \$25.00 for every additional change of their operating Bank Account once they are active with AMERICAN MERCHANT CAPITAL GROUP, LLC . Additional copies of prior monthly statement will incur a fee of \$10.00 each.

MERCHANT (#1)

(Print Name and Title)



(Signature)

MERCHANT (#2)

(Print Name and Title)

(Signature)

AUTHORIZATION AGREEMENT FOR ELECTRONIC CHECK PAYMENTS

This authorization is entered into in connection that certain Merchant Agreement (the "Merchant Agreement") and related documents dated _____ by and between American Merchant Capital Group, LLC ("AMC Group") and the Merchant named below. Terms used but not defined herein shall have the meanings set forth to such terms in the Merchant Agreement.

The undersigned Merchant hereby authorizes AMC Group to initiate recurring (debit or credit) entries to the deposit account at the banking institution named below. Merchant acknowledges that the origination of ACH or Electronic Check transactions to its account must comply with the provisions of applicable law.

Furthermore if any such ACH or Electronic Check transactions should be returned for insufficient funds (NSF), Merchant authorizes AMC Group to reattempt to collect such amounts by ACH or Electronic Check, and if AMC Group is not able to do so, Merchant authorizes AMC Group to collect such amounts by electronic debit and, in any such case, collect a fee of \$25.00 per returned item by electronic debit from Merchants account identified below.

AMC Group will debit __% of each future account and contract right arising from, or relating to, payment of gross amounts of monies by customers of the Seller, insurance payers or other third payers (the "Future Receivables") until AMC Group has received the amount specified in the Merchant Agreement. Merchant specifically authorizes all authorized parties ("Authorized Parties") to specifically provide AMC Group with (1) any and all information and data relating to Merchant's account and transactions processed by any of its merchant credit card processors, including, but not limited to, all information relating to such accounts and transactions that any of its merchant credit card processors, including, but not limited to, all information relating to such accounts and transactions that any of its merchant credit card processors make available to Merchant; (2) access to all internet/ web information, reporting and bank account information, including, but not limited to, all transactions and all such other information that would be available to Merchant as may be requested by AMC Group; (3) all information relating to Merchant and its operations, including, but not limited to, its ownership, control, change and reduction or expansion of its business or credit card processing activities; and (4) Merchant agrees that it will not change the account name, password or other access information for its accounts with _____(banking institution) and Authorized Party without giving AMC Group at least ten business days prior written notice of such change.

This authorization shall remain in effect until the sooner of (a) such time that AMC Group has received a total of _____under the Merchant Agreement, or (b) AMC Group has delivered to the Authorized Party written revocation of this authorization. The individual signing this authorization on behalf of Merchant certifies to AMC Group that he or she is a duly authorized check signer on the banking or financial institution account identified below, that he or she is authorized to enter into this authorization on behalf of the Merchant, and that the Merchant will be bound by all of the terms of this authorization. Merchant further agrees that a breach of this authorization will constitute a "Breach" of the Merchant Agreement. Merchant shall indemnify AMC Group and hold it harmless from damage, loss or claim resulting from all authorized actions hereunder.

Routing Number _____ Account Number _____

Account Name _____ Bank Name _____

Type of Account (please check): _____ Checking _____ Savings

Merchants Legal Name: _____

Merchants Identification Number of Merchant Credit Card Processor: _____



(Print Name and Title)

(Signature)

View-Only Access to Online Bank:

Login: _____ Password: _____ Date: _____



(Print Name and Title)

(Signature)