



# Preferred Processing Solutions LLC

Voice: (254) 230-4700

FAX: (800) 208-3079

## PERC/PERT Processing Agreement 2007 – 2008

This agreement is between Preferred Processing Solutions LLC (PPS LLC), a Texas corporation located at 5006 Lakeland Circle Suite 204, Waco, TX 76710, and

**Firm's Legal Name** \_\_\_\_\_ EFIN (current year) \_\_\_\_\_

EFIN Holder's Name \_\_\_\_\_ Social \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

Mailing Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_ - \_\_\_\_\_

Shipping Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_ - \_\_\_\_\_

Contact Name \_\_\_\_\_ Phone \_\_\_\_\_ Fax \_\_\_\_\_

Email \_\_\_\_\_ Previous Year's EFIN \_\_\_\_\_  
(if different than this year)

### After Season Contact Information

Season Ending Date \_\_\_\_\_

Shipping Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_ - \_\_\_\_\_

Contact Name \_\_\_\_\_ Phone \_\_\_\_\_

### EFIN Holder Certification

I certify that I am the Holder of the current EFIN, which is listed on this application, and I authorize the Firm on this application to use this EFIN for the purpose of filing returns electronically to the IRS.

\_\_\_\_\_  
EFIN Holder Name (print)

X \_\_\_\_\_  
EFIN Holder Signature

\_\_\_\_\_  
Date

**PPS LLC will act as a service bureau for the processing of Preferred Electronic Refund Check (PERC) / Preferred Electronic Refund Transfer (PERT) payments.** PPS LLC will be responsible for electronically accepting properly formatted identifiable electronic tax refunds from the IRS and/or other taxing entities into special use account, separating fees as structured in the PPS LLC customer agreement, providing online access for Firm to print checks and/or effecting Electronic Fund Transfer to facilitate distribution of net funds to taxpayers and net Firm fees (Firm Fees - PPS LLC fees) to Firm.

Subject to the terms and conditions of this Agreement, **PPS LLC grants to the Firm the a nonexclusive license to use the PPS LLC online interface** to communicate as intended with the PPS Server Software solely for the purposes of processing PERCs/PERTs through PPS LLC, properly distributing resultant funds, and accessing corresponding records for Firm and their clients.

**Firm agrees to file tax returns for clients desiring PPS LLC PERC/PERT using PPS LLC specified RTN and Account Format.** Firm agrees to **comply with all IRS and other applicable regulations** regarding PERCs/PERTs, including Federal, State, and Local laws regarding business registration and reporting requirements (if required), handling of PERCs and PERTs, and contract and posting disclosure requirements (if any). Firm agrees to charge the same PERC/PERT fee for each taxpayer choosing a PERC/PERT through PPS LLC as required by law. *Other fees i.e. tax preparation, etc. may vary.*

**Firm agrees to obtain a completed PPS LLC agreement signed by the taxpayer** (authorizing our handling of taxpayer funds) prior to filing the taxpayer's tax return directing client electronic fund transfer into special use account as per PERC/PERT processing requirements. Firm agrees to provide PPS LLC with said contract by end of year and to retain a copy of said contract for the the greater of 2 years or the period required by law. Firm agrees to provide any/all of these contracts to PPS LLC's business location in a timely manner if/when requested by PPS LLC.

Firm agrees to **verify taxpayer identity** when dispensing checks. Firm agrees to **prevent unauthorized use of blank check stock** distributed to Firm to allow PERC check printing. Firm agrees to **void duplicated checks** whenever possible to prevent them from being cashed when printing subsequent checks on the same funds (for any reason i.e. stale check dates on old checks, misprints, etc.). Firm agrees to **guard its logons and passwords** to prevent them from being used for unauthorized access to PPS LLC software and servers.

**Registration requires SIGNED CONTRACT and PAYMENT  
for Shipping and Handling of Check Stock**

PPS LLC Software Purchase NOT required to process through PPS LLC! (see PERC/PERT fee schedule next page)	<b>Total Shipping &amp; Handling</b>  <b>\$9.95</b>
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<b>Method of Payment:</b>	
<i>for shipping and handling of check stock to location</i>	
<input type="checkbox"/> Check (standard method)	Account Number: _____
OR	Bank RTN: _____
<input type="checkbox"/> Electronic Fund Transfer	Type of Account: <input type="checkbox"/> Checking <input type="checkbox"/> Savings

**Firm agrees to PPS LLC pricing as outlined below and authorizes PPS LLC fees to be deducted. These are net prices to the Firm. PPS LLC does not dictate the fee that Firm charges taxpayers.**

**PERC/PERT - Net Prices to Firm** as the result of Instant Rebates and Year-end Rebates.

<b>Number of Socials Obtaining PPS LLC PERCs/PERTs</b>	<b>Net Price</b>
1-100	\$17.00
101-300	\$15.00
301-500	\$14.00
501-600	\$13.50
601-1000	\$13.00
1001-2000	\$12.00

Additional PERCs/PERTs on the same social will have an additional fee of \$8.00. Fees for additional PERCs/PERTs on the same social will be applied to taxpayer checks or EFTs (not to Firm fees.)

PPS LLC agrees to apply an instantaneous rebate based on Firm's previous year's volume to produce an instantaneous price of \$17.00 or lower based on our experience with the Firm (unless Firm desires a higher price or holdout). If Firm reaches a lower pricing level based on the volume pricing table on the left, then PPS LLC will provide a year-end rebate which results in a price for the total year's volume corresponding with that shown in the table (left). And, if desired by Firm, PPS LLC will apply an instantaneous rebate in the following year so that the starting price for the new year corresponds to the net price for the previous year-end (including rebates).

*example: Our rate including all rebates for a volume of 520 is \$13.50. (That corresponds to a rebate of \$16.50 applied to a \$30.00 price.)*

There is a \$25 stop payment fee for any PPS LLC check that must be re-printed if the original check is lost stolen, or destroyed and cannot be recovered for disposal. This fee will be applied to taxpayer distributions or Firm fees as appropriate. Stop payment fees are not charged when merely reprinting misprinted checks. There will be a fee of up to \$20 for rush (i.e. overnight) shipments if requested by the Firm.

Firm has \_\_\_\_\_ additional branch offices. A list with the branch's EFIN number, office address, phone number, and contact person is attached to this agreement. Each branch is subject to the same terms and conditions of this agreement. In lieu of any commissions on branch offices, PPS LLC agrees to **consolidate volume for Firm's branch offices** when calculating rebates to achieve net price based on volume. The parties agree to the following:

This agreement including attached schedules ("additional terms and conditions" and "branch efins") constitutes the only agreement between the parties and all prior negotiations, agreements, and understandings, whether oral or written are therefore superseded. Any other processing agreements between PPS LLC and Firm shall not affect the terms of this agreement. No modification or amendment of this agreement shall be effective unless in writing and signed by all parties.

I certify that I am a principal or partner in Firm indicated above and that I am authorized to sign this Agreement on its behalf.

**IN WITNESS WHEREAS, PPS LLC AND FIRM have caused this Agreement to be duly executed.**

_____	X	_____	_____
Name/title (print)		Name/title (print)	Date
_____	X	_____	_____
Name/title (print)		Name/title (print)	Date

<b>Accepted by:</b>	X	_____	(PPS LLC)	_____
<b>PPS LLC</b>		Name/title		Date

## ***Additional Terms and Conditions***

**Authority:** Each party of the agreement hereby represents and warrants to the others that it has the full right, power, and authority to enter into and to perform this agreement in accordance with all of the terms, provisions, covenants and conditions hereof, and that the execution and delivery of this agreement has been duly authorized by proper corporate or company action.

**Assignment:** In the event any of the parties to this agreement shall cease to conduct business, becomes insolvent, makes a general assignment for the benefit of creditors, suffers or permits the appointment of a receiver for its business or assets; or shall avail itself of, or become subject to, any proceeding under the Federal Bankruptcy Laws of any statute of any state relating to insolvency or the protection of the rights of creditors, then (at the option of the other party hereto), this agreement shall terminate and be of no further force and effect, and any property or rights of such other parties, tangible or intangible, shall forthwith be returned to them.

**Force Majeure:** Each party hereto will be excused from performance hereunder when and to the extent that it is prevented from performance by, but not limited to, the following: computer, utility or communications breakdown; inability to operate or obtain service for its equipment; fire; an act of God; or any act of a third party beyond its control provided that it takes all steps reasonably practical and necessary to effect prompt resumption of its respective responsibilities set forth hereunder in full or in part.

**Benefit:** This agreement shall be binding upon and shall inure to the benefit of the parties hereunder and their representatives and successors and assigns.

**Attorney's Fees:** Firm shall be liable for and shall indemnify and reimburse PPS LLC for any and all attorney's fees and other costs and expenses paid or incurred by PPS LLC in the enforcement hereof, or in collecting any amounts due from Firm to PPS LLC hereunder or resulting from any breach by Firm of any of the terms or conditions of this Agreement.

**Governing Law:** This Agreement shall be governed by and construed in accordance with the laws of the state of Texas. Should litigation be required in connection with this Agreement, such litigation shall be commenced and maintained in the District Court for the State of Texas, located in McLennan County, Texas.

**Severability:** If any part of this Agreement is found by an arbitrator or court of competent jurisdiction to be overbroad, void or unenforceable, the parties stipulate that the arbitrator or court making such declaration shall not, for that reason invalidate this Agreement or the provision in question, but shall, instead, be authorized, empowered, and requested by all parties to adjudge this Agreement and the provision in question to be valid and enforceable to the maximum extent permissible under applicable law.

**Term:** This agreement together with attached schedules is entered into as of the date accepted by PPS LLC and shall remain in full and effect until the earlier of the end of the year in which the tax refund processing under this agreement begins or until the agreement is terminated by either party by giving the other party a 10-day written notice. Termination refers specifically to the submission of new accounts and does not preclude a choice by PPS LLC's choice to continue supporting Firm for "in process" taxpayers (those whose tax returns have been already submitted with an account number intended to cause PPS LLC processing). Termination similarly does not preclude PPS LLC's right to continue support "in process" taxpayers or their representatives.

**Confidentiality:** Firm, its employees and agents shall treat as confidential all information that comes to its attention in the performance of its duties under this agreement and shall utilize such information only for the duties and obligations contained herein, for the purpose of improving processing, or as required by law or industry regulation.

**Consumer Relationship:** PPS LLC has the exclusive right to refuse to process transactions for any customer of Firm if in PPS LLC's sole judgment, processing such transactions creates regulatory risk to PPS LLC, its credibility and adherence to NACHA Operating Guidelines, Federal Reserve Regulations, UCC Rules and Regulations, the Department of Homeland Security, or other regulatory agencies. PPS LLC reserves the right to investigate the history and credibility of any of Firm's customers for whom Firm intends to process transactions under this Agreement. PPS LLC operates in strict accordance with Federal Regulations pertaining to consumer rights. PPS LLC has a desire to help both the Firm and customer should a dispute arise but has no responsibility for adjudicating the efficacy of a dispute between Firm and a customer. Requests for information or transaction reversals by a bank or a Federal Regulator will be promptly responded to by PPS LLC. It is the Firm's responsibility to address the merits of any reversal request with their customer.

**Indemnification:** Each party shall indemnify, defend, and hold harmless the other party from and against any and all losses, damages, costs, and expenses including reasonable attorney's fees and costs resulting from, or rising out of, or in connection with indemnifying the party's failure to comply with the terms of the agreement.

**Advertising:** Firm shall use its best efforts to advertise the services provided by PPS LLC.

**Remedies:** PPS LLC reserves the right to suspend its performance or terminate this agreement including its obligation to provide online access to previously transmitted tax refund records if Firm has violated this agreement or IRS regulations. PPS LLC shall have the right to offset amounts due the Firm with any amounts due PPS LLC. PPS LLC's continuation of performance, thereafter shall not constitute a waiver of any of PPS LLC's rights under this agreement and the rights contained in this paragraph shall be in addition to any other remedies at law or equity.

**Notices:** As except as otherwise provided in this agreement, any notice required or given under this agreement shall be in writing and shall be deemed valid within 48-hours after deposit in First Class United States mail, postage prepaid, or if other means of notification upon actual receipt of delivery. All notices shall be addressed and delivered to the appropriate party at the addresses appearing in this agreement, or as the same may be changed in writing by either party in accordance with this paragraph.

**Lost Profits:** Under no circumstances shall PPS LLC be liable for lost profits consequential or exemplary damages.

**No Waiver:** PPS LLC's failure to enforce or failure to insist upon strict compliance of any terms of this agreement shall not be construed, as a continuing waiver of other breaches of the same or other terms of this Agreement.

**Primary EFIN \_\_\_\_\_**

**Branch EFINs**

EFIN \_\_\_\_\_ *Assigned number (if required) to replace EFIN* \_\_\_\_\_

Contact Name \_\_\_\_\_ Phone \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_ - \_\_\_\_\_

EFIN \_\_\_\_\_ *Assigned number (if required) to replace EFIN* \_\_\_\_\_

Contact Name \_\_\_\_\_ Phone \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_ - \_\_\_\_\_

EFIN \_\_\_\_\_ *Assigned number (if required) to replace EFIN* \_\_\_\_\_

Contact Name \_\_\_\_\_ Phone \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_ - \_\_\_\_\_

EFIN \_\_\_\_\_ *Assigned number (if required) to replace EFIN* \_\_\_\_\_

Contact Name \_\_\_\_\_ Phone \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_ - \_\_\_\_\_