

**TELPAY
BILLER SERVICE AGREEMENT**

THIS AGREEMENT made between:

TELPAY INCORPORATED ("TelPay"),

- and -

_____ (the "Biller")

1. TelPay hereby agrees to promptly forward payments and payment details to the Biller's bank account and the biller respectively when instructed to do so by users of TelPay's bill payment systems (the "Customer") and when the Customer has met TelPay's funding requirements.
2. Notwithstanding the foregoing, the Biller has the option of requesting payment to be made on a weekly basis. In this case, TelPay will forward funds and a report providing details of payment once a week, provisionally on Wednesdays, but the day is subject to change. The Biller can revert to daily remittances at any time by providing TelPay with two weeks written notice.
3. TelPay will advise the Biller of the details provided by the Customer of the payments made by TelPay on behalf of its Customers in a manner mutually agreed upon by the parties.
4. When TelPay provides the Biller with the value date (the date the Customer's bank account is debited), the Biller will use this date as the payment date for calculation of interest or late payment charges.
5. In consideration of TelPay promptly crediting funds to the Biller's bank account or mailing a cheque to the Biller, the Biller agrees to hold harmless and indemnify TelPay against any and all losses, claims, costs or otherwise arising out of or in connection with the processing of the debit to the Customer's account. If such debit is charged back to TelPay for whatever reason (the "Chargeback"), TelPay will notify the Biller and the Biller hereby agrees that the amount of such debit to the Customer's account shall then be immediately returned to TelPay by one of the following methods:
 - a) If the funds were originally forwarded electronically to the Biller, the Biller agrees that TelPay may debit the Biller's Bank account for the amount of the original payment; or
 - b) If the funds were forwarded by cheque, the Biller agrees to send TelPay a cheque for the amount of the original payment.
6. Should a customer request a refund from the Biller of any payment that has been processed by TelPay, and should the Biller agree to refund this payment, all funds so requested will be returned via TelPay, who will then return the funds to the account from which they were originally debited.
7. TelPay will make available at no charge to the Biller, the following aids to encourage payment of bills using TelPay Services:
 - (a) A Pay By TelPay logo to include on paper bills and invoices;
 - (b) A Pay By TelPay logo and associated HTML code to link electronic bills and invoices to a TelPay Payment Service, specifications for which will be supplied by TelPay; and
 - (c) Use of the TelPay Name as a payment method on the billers website and publications.

Use of these aids is at the discretion of the Biller while this Agreement is in force. Their use will be terminated promptly on request by TelPay.

Specifications for such aids will be provided on TelPay's website and are subject to change from time to time.

8. All funds held by TelPay for payment to the Biller under this Agreement which are awaiting clearance of funds or clearance of any payment made by cheque will be held by TelPay in a Trust Account of a Canada Deposit Insurance Corporation insured or Provincially guaranteed financial institution for the sole benefit of the Biller. TelPay will pay all the costs of, and is entitled to retain for its own purposes any interest earned on the moneys held in the Trust Account and is not accountable to the Biller for such costs or interest.

9. TelPay shall not be liable for any indirect, consequential or incidental damages whatsoever arising out of or in any way connected with this Agreement, including where TelPay has been advised of the possibility of such damage.

10. The Biller shall fully and accurately complete the information required in the attached Schedules (namely Schedules "A" through "D"). The Biller will advise TelPay in writing when any of the information set out in the Schedules or Biller Information Form needs amending or correcting.

11. The Biller agrees that, in addition to any Chargeback, the Biller shall pay service fees and otherwise as more particularly set out in Schedule "B" hereto. TelPay agrees to provide 30 days notice to the Biller of any changes to the service fees.

12. This Agreement may be terminated by TelPay (in its sole and absolute discretion) by providing the Biller with one month's written notice, such notice to be provided to the Biller at the address set forth in the Biller Information Form.

13. This Agreement, together with all the Schedules attached hereto, constitutes the entire agreement between the parties. Other than set forth in this Agreement, there are no other representations or warranties.

14. Each of the parties has full power and authority to enter into this Agreement and this Agreement shall enure to the benefit of and be binding upon the parties and their respective heirs, successors and assigns.

15. This Agreement shall be governed and construed in accordance with the laws of the Province of Manitoba and Canada and the parties irrevocably attorn to the jurisdiction of the Courts of Manitoba with respect to any dispute relating hereto.

Signed this ____ day of _____, 20____.

FOR THE BILLER

Signature(s) Authorized Signing Officer

Name

Title

Signature(s) Authorized Signing Officer

Name

Title

FOR TELPAY INCORPORATED

Signature(s) Authorized Signing Officer

John Loewen
Name

President
Title

Signature(s) Authorized Signing Officer

Donna Frame
Name

Controller
Title

SCHEDULE A - BILLER INFORMATION FORM

YES! We would like to have payments from our customers credited directly to our bank account.

COMPANY INFORMATION			
Company Legal Name:		Company Name as it Appears on your Invoice or Bills:	
Mailing Address Street / P.O. Box:		City:	Province: Postal Code:
Main Business Phone: ()	Main Business Fax: ()	Business Email:	
Business Number (BIN) (15 digit number assigned by CRA)	Business Website www. _____	Preferred Language: <input type="checkbox"/> English <input type="checkbox"/> French	
How did you hear about TelPay?		Accounting System Used:	
Customer Base Location: <input type="checkbox"/> National <input type="checkbox"/> Provinces of _____		Customer Base Size: <input type="checkbox"/> Individuals _____ and/or <input type="checkbox"/> Businesses _____	

CONTACT INFORMATION		
Contact Name:		Contact Title:
Phone Number: () ext:	Fax Number: ()	Email Address:

PAYMENT INFORMATION	
Payments from customers to be made: <input type="checkbox"/> Daily <input type="checkbox"/> Weekly	Report Language: <input type="checkbox"/> English <input type="checkbox"/> French
Method of delivering payment details report: <input type="checkbox"/> Email <input type="checkbox"/> Fax () <input type="checkbox"/> Electronic File (TelPay will contact you for details)	
Bank Account to be Credited: <i>PLEASE ATTACH VOID CHEQUE</i>	

AUTHORIZATION TO CREDIT ACCOUNT	
The company warrants that the banking information provided relates to bank account information of the company and that said information has been provided by individuals of the company that are authorized to provide banking information.	
Name of Authorized Officer	Name of Authorized Officer
Signature and Title of Authorized Officer	Signature and Title of Authorized Officer
Date	Date

** TelPay Incorporated warrants that it will maintain the Company's information confidential and will use it exclusively for fulfilling the payment instructions of our customers. **
 ** Upon receipt of a duly executed Biller Service Agreement, the Biller Information Form shall be referred to as Schedule A within the agreement. **

Please forward form to: TelPay Incorporated / Attention: Biller Services
 298 Garry Street, Winnipeg, MB R3C 1H3
 Phone: (204) 947-9300 Fax: (204) 947-2591 Email: billers@telpay.ca

Telpay Use Only (Sch A)
Entered _____
Verified _____

SCHEDULE "B"

Get Paid Faster program:

- Yes, Biller will participate in this program and agrees to pay:
 - \$0.50/transaction for any payments coming through the Get Paid Faster program
 - \$0.50/transaction for Business to Business payments made through the TelPay for Business software
 - Returned item charges for dishonoured customer payments

Biller will use the following methods to promote this program:

- Promotional Inserts (to be provided by TelPay)
 - Button on Website (to be provided by TelPay)
 - Button on Invoice (to be provided by TelPay)
-

We would like to receive a report of all payments (at No Charge)

- Online at TelPay Biller Central (TelPay will provide login information)
- As an Emailed Report sent to: _____@_____

Please have the details provided:

- Within Body of Email (no attachment)
 - Text Attachment (not password protected)
 - Zipped and Password Protected attachment
- Faxed Report sent to: _____

We would prefer to receive a file for importing into my Accounts Receivable (TelPay will contact you for details)

- \$0.02/transaction (minimum \$4.00/month)

File Formats:

- TelPay standard file formats, including CSV format (*Comma Separated Value*)
(Our layout specifications will be sent to you upon request)

 - Biller's own "in-house" file format – provide us with your specifications and we will provide you with a quote on creating a customized format for you
-

Returned Item Charges:

NSF Charges	Charged direct to Customer
Other returned item service charges	Per costs charged to TelPay by TelPay's Financial Institution

PST & PST extra where applicable.

Schedule "C"
Pre-Authorized Debit Form

I/we hereby request and authorize TelPay Incorporated to debit Chargebacks (as such term is defined in the Biller Service Agreement (the "Agreement") between the parties) and other service charges, including in accordance with Schedule "B" of the Agreement, from the chequing account specified below. The authorization of TelPay Incorporated to debit our account is subject to the terms of the TelPay Bill Payment Service Biller Agreement. Our Company is identified as "Biller" in this agreement. It is warranted by the Biller that all persons whose signatures are required to sign on the account below have signed this Authorization. We agree that our bank account can be debited for ongoing monthly and transaction fees, if any.

Fees are to be debited to the following account:

Financial Institution Name:		
Financial Institution Address:		City:
Phone: ()	Province:	Postal Code:
Bank ID Transit No:	Bank Account No:	

**The Biller will notify TelPay Incorporated promptly in writing if
there is any change in the above account information.**

Authorized Signature(s) of Account Holder(s)	Print name	Date
---	-------------------	-------------

Authorized Signature(s) of Account Holder(s)	Print name	Date
---	-------------------	-------------

SCHEDULE "D"

Customer Account Number / Invoice / Statement Information

In order to help us ensure the accuracy of the information entered by your customer, please provide the following information and a sample of a completed customer bill and indicate the account number to be used to credit the customer's account.

1. Do you assign account numbers to identify your customers? Yes No

If yes, how many characters are there in your account number? _____

2. Are all account numbers the same length? Yes No

If no, please explain. _____

3. Are there any letters (alpha) or special characters (such as dashes or periods) in the account number(s)? Yes No

If yes, please explain. _____

4. Is there a check digit included in your account number? Yes No

(a) if so, in what position in the account number would we find the check digit? _____

(b) what calculation method is used to determine the check digit?

- Luhn's mod 10 other _____ (Please attach details)

Please provide some valid customer account numbers for testing purposes.

5. Are there any other distinguishing characteristics of your account numbers; (i.e., a common number in any position)?

6. Do you bill your customers by:

- Monthly or Quarterly statement
 Invoice only
 Both

- 6(a). If invoices are sent to customers, do you require invoice details (i.e. invoice numbers) to credit your customer's account? Yes No

7. We send our statements and invoices by:

- Mail
 Email
 Presentment on a website
(Check all that apply)