

TERMS AND CONDITIONS

1. Term, Termination, and Amendment

This Agreement is effective upon its acceptance by SPS in San Diego, California, and shall remain in effect for an initial period of 1 year and thereafter shall automatically renew for successive 12 month terms upon the same terms and conditions unless terminated as provided for herein. Either party may terminate this Agreement as of the end of the then-current period by giving written notice at least 90 days prior to the end of that period. These terms and conditions, plus any addenda, including transaction fees and card fees, may be amended by SPS by providing Subscriber written notice. Such amendments shall be effective 30 days from mailing. Subscriber may terminate this Agreement as of the effective date of any change in rates or fees upon written notice to SPS. Except as specifically provided for herein, this Agreement may not be modified or amended except by written mutual agreement of the parties.

2. Fees & Payment

Subscriber agrees ACH transfer fees, if any, shall only include fees due for transferring monies between Subscriber's checking accounts in the event Subscriber requests SPS to do so. Subscriber agrees that all fees are due and payable upon receipt of invoice and that SPS is authorized to collect the fees set forth on the face of this Agreement as they may be amended from time to time, plus all applicable taxes, by electronic funds transfer or paper draft at the sole discretion of SPS. A late fee of 1 1/2% per month or the highest amount permitted by law, whichever is lower, shall be added to the outstanding unpaid balance shown on the following month's invoice. Without prejudice to its rights in paragraph 1, SPS reserves the right to suspend its performance to Subscriber during any period in which Subscriber's account is delinquent. Continuation of service during any period of delinquency shall not constitute a waiver of SPS' rights of suspension and termination. Any delinquent fees or other amounts not paid when due may be debited against amounts owed Subscriber by SPS under this or any other agreement between Subscriber and SPS. Subscriber agrees to pay SPS a \$25 processing fee for any check or electronic debit due SPS by Subscriber that is not paid by Subscriber's financial institution. Should Subscriber pay a monthly franchise risk premium then SPS agrees to fund redemptions drawn on card activations of franchisee locations where such franchisee is no longer in business. Subscriber agrees to an annual subscription fee of \$29.95 per location upon each anniversary of this Agreement.

3. Equipment

Title to SPS rental equipment is retained by SPS. Upon termination, Subscriber shall at its expense return all SPS equipment to SPS in good repair, except for ordinary wear and tear resulting from proper use. It is Subscriber's responsibility to return defective equipment to SPS within 5 business days or Subscriber will be deemed to have purchased the replacement and be billed for such. A replacement fee of \$49.50 will be charged on replacement equipment that is provided by SPS. A repair fee of \$75.00 will be charged for Subscriber abuse of equipment beyond normal wear and tear. Subscriber shall only allow authorized SPS representatives to adjust, program, or repair equipment provided by SPS. Subscriber shall bear the entire risk of loss, theft, or damage of or to SPS equipment.

4. Legal Responsibilities

Each party, in recognition of the consideration each has received, shall indemnify, defend, and hold harmless the other party from and against any and all losses, claims, actions, damages, and costs, including reasonable attorneys' fees, asserted by a third party arising out of the indemnifying party's failure to comply with the terms herein. In the event of legal action concerning a transaction or event arising hereunder, Subscriber agrees to promptly notify SPS of such, cooperate in the making of any claims or defenses, and provide assistance in the resolution of said claim by making available at least one employee or representative who can testify regarding said claims or defenses. Except as expressly set forth herein, SPS makes no warranty, express or implied, and it is agreed that no implied at law warranty shall arise from this Agreement or from performance hereunder. Notwithstanding anything to the contrary herein, in no event shall SPS's liability under this Agreement exceed the total amount of fees paid to SPS by Subscriber pursuant to this Agreement during the preceding 12 month period. Subscriber shall treat all information that comes to its attention in connection with the performance of this Agreement as strictly confidential and certifies that it shall utilize such information only for the purposes as defined herein.

5. Duties of SPS

SPS agrees to provide agreed-upon gift / loyalty card stock to Subscriber's centralized corporate location or to each retail site, if so agreed, and to provide, where applicable, a point of sale and internet-based authorization system for activating gift cards and authorizing subsequent gift card transactions. SPS shall electronically reduce the cardholder's account balance upon each use, as well as process electronic balance inquiries, balance

increases, balance transfers from one gift card to another, and over limit declines. SPS shall print receipts displaying gift / loyalty card transaction amounts and resultant balances.

6. Duties of Subscriber

Subscriber agrees to make gift cards available to all consumers of Subscriber's retail facilities during normal business hours. Subscriber agrees that a consumer need not make a retail purchase in order to obtain a gift card and a consumer may tender any such amount up to the Subscriber's maximum gift card limit by any form of payment acceptable to Subscriber. Such gift card may be repeatedly used by either the purchaser or any such beneficiary of the gift card for a purchase of any amount less than or equal to the then current gift card balance. Subscriber agrees to electronically activate each gift card upon its purchase and to authorize each subsequent transaction when the gift card is presented as the form of payment. Unless covered by separate agreement, Subscriber agrees that neither SPS nor its suppliers are responsible for the non-clearing payment of a consumer gift card purchase nor for any subsequent unauthorized purchases or transactions, even if by voice authorization, and that Subscriber is solely liable for these events. Subscriber, and not SPS, shall be responsible for activating a new card to replace a damaged card. As it relates to state and/or federal law regarding expiration dates and or dormant account service fees, Subscriber shall be solely liable for ensuring that SPS is made aware of the appropriate legal requirements and in compliance within the states Subscriber conducts its business. Subscriber agrees that SPS bears no responsibility or obligation to replace or reissue a card reported lost or stolen. Subscriber agrees that SPS may prominently display its logo on the reverse side of the gift card.

7. Duties Subsequent to Termination

(i) Subscriber agrees and acknowledges that subsequent to termination Subscriber (and not SPS nor its suppliers, if any) is solely liable to the Cardholders for any and all unused Cardholder account balances.

(ii) Subscriber agrees and acknowledges that subsequent to termination the SPS gift card processing system will be turned off with respect to use of Subscriber's gift card authorization equipment.

(iii) Subscriber agrees and acknowledges that subsequent to termination Subscriber must either (a) immediately refund unused Cardholder account balances to Cardholders upon request or (b) transfer unused Cardholder account balances to a different, non-SPS provided gift card & program providing Cardholders with reasonable access to unused account balances or (c) reach mutual agreement with SPS to provide continuation of services.

(iv) Subscriber agrees to pay SPS a termination fee equal to the greater of (a) \$250.00 or (b) \$1.00 per gift card account, loyalty card account, or combination gift/loyalty card account. In consideration of such, SPS agrees to provide Subscriber with a report, effective as of the termination date, listing each Cardholder balance and respective account and reference numbers.

8. Miscellaneous

(i) Subscriber may only assign this Agreement with the prior written consent of SPS. SPS may freely assign this Agreement, its rights, benefits or duties hereunder. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of SPS and the heirs, executors, administrators, successors, and assigns of Subscriber.

(ii) Neither party shall be liable for loss or damage due to causes beyond its control, including earthquake, war, fire, flood, power failure, phone outage, or acts of God.

(iii) If Subscriber is or becomes the subject of any insolvency, bankruptcy, receivership, dissolution, or reorganization, Subscriber consents to the immediate and absolute lifting of any stay as to the enforcement of remedies under this Agreement.

(iv) Each party, and each person signing on behalf of a party, represents and warrants that they have the full legal capacity and authority to enter into and perform the obligations of this Agreement without any further approval. If there is a conflict between a part of this Agreement and any present or future law or regulation, the part of this Agreement that is affected shall be curtailed only to the extent necessary to bring it within compliance of the law or regulation. In order to monitor service levels, Subscriber agrees that conversations may be monitored and / or recorded without further notice

(v) This Agreement constitutes the entire understanding of the parties and shall be governed and interpreted under the laws of the State of Nevada. All prior agreements and understandings are canceled in their entirety. All representations and warranties made herein shall survive termination of this Agreement and shall remain enforceable after termination. All claims made hereunder shall be resolved by arbitration in Clark County, Las Vegas, Nevada pursuant to the rules of the American Arbitration Association.

(vi) Notices shall be delivered to the appropriate party at its address set forth herein and deemed received 72 hours after deposit in the first class United States mail, postage prepaid, or if given by other means, upon actual receipt.