

For fastest financing approval, always complete the information in this box and use this as a cover page with your initial application and any additional taxes.

AGENT/ISO Name: _____ **ISO Group:** _____

Agent Email Address: _____ **Phone Number** _____

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

Thank you for applying to Reach Financial. Please fax or email us the following information, which allows us to process your application as quickly as possible.

➤ **Please note incomplete applications will not be processed until all paperwork is received**

Information Checklist:

___ Application/Purchase Agreement (attached)

___ Payment Instructions Letter (attached)

___ Copy of voided check from current business bank checking account

___ Most recent 6 months Visa/MasterCard processing statements
*(credit card summary pages)

___ Most recent 2 months business bank checking account statements
*(online printouts are not accepted)

___ Copy of last month's utility bill
*(cover page reflecting name, address and balance only)

___ Copy of last month's phone bill
*(cover page reflecting name, address and balance only)

___ Copy of driver's license

___ Copy of lease for business premises
*(address page, terms and signature page only)

We will confirm our receipt of your information and will have an approval for you shortly!

Fax all materials to 203-549-0440 or Email to applications@reachfinancial.com

APPLICATION SHEET

INITIAL REQUESTED FUNDING AMOUNT: \$ _____

MERCHANT

Business Legal Name: _____ D/B/A: _____

Other names used by Business during last 5 years: _____

State of Incorporation/Organization: _____ Date of Incorporation/Organization: (mm/dd/yy): _____

Type of Entity (check one): ___ corporation ___ limited liability company ___ partnership
 ___ limited partnership ___ limited liability partnership ___ sole proprietorship

Tax ID/EIN Number: _____

If Sole Proprietorship, Full Legal Name of Owner: _____

Business Physical Address: _____
 Street Suite City State Zip

Business Mailing Address: _____
 Street/PO Box Suite City State Zip

Check One: Leased ___ Owned: ___ If Leased: Name of Landlord: _____

Monthly Rent: _____ Address of Landlord: _____
 Street City State Zip

Telephone Number of Landlord: _____

Date Business Started (mm/yy): _____ Federal EIN or SSN: _____

Contact Name: _____ Position: _____

Phone: _____ Fax: _____ Website: _____

Bank Name: _____ Address: _____
 Street City State Zip

Bank Contact Person and Telephone Number: _____

Account No(s): _____; _____

OWNERS

Full Legal Name: _____ Percentage Ownership: ___% DOB(mm/dd/yy): _____

SSN: _____ Position: _____ Driver's License State & #: _____

Phone: _____ (Home) _____ (Cell) Residence Address: _____
 Street Apt. City State Zip

Length at Current Residence: _____ Prior Address: _____

*Email address: _____

Signature _____ **Date** _____

Full Legal Name: _____ Percentage Ownership: ___% DOB(mm/dd/yy): _____

SSN: _____ Position: _____ Driver's License State & #: _____

Phone: _____ (Home) _____ (Cell) Residence Address: _____
 Street Apt. City State Zip

Length at Current Residence: _____ Prior Address: _____

*Email address: _____

Signature _____ **Date** _____

REACH FINANCIAL, LLC

PURCHASE AGREEMENT NO. _____

This Purchase Agreement (collectively with the attached terms and conditions and the Purchase Agreement Rider(s) described below, the "Agreement") is made and entered into as of the _____ day of _____, 200__ by and among Reach Financial, LLC, a Delaware limited liability company (the "Company"), the undersigned merchant (the "Merchant") and the owners of Merchant (whether shareholders, partners, members, sole proprietor or other equity holders) ("Owners").

PURCHASE AND SALE OF FUTURE RECEIVABLES

The Company purchases from the Merchant, and the Merchant hereby sells, assigns and transfers to the Company, effective upon payment by the Company to the Merchant of the purchase price specified in the Purchase Agreement Rider(s) executed concurrently with or from time to time after the date of this Agreement (each a "Purchase Agreement Rider") (the "Purchase Price"), all of Merchant's interest in each of its future credit card receivables (the "Future Receivables") due to Merchant from its credit card processor (together with any successor, the "Processor"), until the collection amount specified in the applicable Purchase Agreement Rider (the "Collection Amount") of Future Receivables has been received by the Company. This Purchase Agreement shall pertain to each Purchase Agreement Rider subsequently executed by Merchant and the Company which makes reference to this Purchase Agreement. Merchant (i) agrees to enter into an agreement with Processor acceptable to the Company to obtain credit and processing services (the "Processor Agreement") and (ii) hereby authorizes Processor, through the execution of Irrevocable Reporting and Payment Instructions, to pay from the Merchant's bank account to the Company the cash attributable to the payment percentage specified in the applicable Purchase Agreement Rider (the "Payment Percentage") in each of Merchant's Future Receivables concurrently with the payment of the remaining percentage (net of any fees due to the Processor or any other third parties) to the Merchant, until the Company receives cash payments equal to the Collection Amount; provided, however, that the Company is also authorized to initiate one or more ACH transactions against the Merchant's bank accounts to collect the Payment Percentage directly in lieu of payments initiated by the Processor; and provided further, that if the Company, in its reasonable judgment, deems that it is insecure at any time in the timely payment of the Collection Amount on the basis of the then current Payment Percentage, regardless of whether an Event of Default has occurred, Merchant agrees that the Company may increase the Payment Percentage from time to time to assure timely payment of the Collection Amount by instructing the Processor and the Merchant as to such increase. Merchant represents that it has good and marketable title to the Future Receivables, free and clear of all liens and encumbrances, other than any security interest granted to the Processor and any financial institution ("Bank") pursuant to the Processor Agreement. Merchant shall be responsible to Processor and the Bank for all credit card transactions returned to Processor and Bank for any reason, and the Company shall not be obligated to return all or any portion of the Collection Amount received by the Company to any person or entity, including, without limitation, Processor or Bank.

PERSONAL GUARANTY

The Owners hereby unconditionally guarantee Merchant's due, faithful and timely performance of all of the covenants of Merchant in this Agreement. This guaranty shall also extend to the due, faithful and timely performance of all covenants of any other affiliate of Owner which enters into a Purchase Agreement with Company, such that Owners shall be deemed to guarantee such affiliates' performance thereunder as if this guaranty were embodied in such other Purchase Agreement. Upon a breach of default by Merchant of this Agreement (or by an affiliate of Owner under another similar Purchase Agreement), the Company shall be entitled, among other remedies, to proceed directly against the Owners. Each Owner further hereby represents and warrants to the Company as follows: (a) all of the information provided by Merchant or any Owner pursuant to this Agreement and otherwise is true, correct and complete in all respects; (b) the undersigned Owners represent all of the persons and entities owning a 10% or greater equity interest in Merchant; (c) such Owner has full power and authority to enter into this Agreement and perform the transactions contemplated hereby; (d) this Agreement does not violate any law applicable to such Owner or any document, agreement or instrument to which such Owner is a party or by which such Owner is bound; and (e) this Agreement is the legal and valid obligation of such Owner, enforceable against Owner in accordance with its terms.

The parties hereby agree to the additional terms set forth on the reverse side hereof, including, but not limited to, covenants to operate the Merchant's business in the ordinary course and prohibiting changes in credit card processors or arrangements and diversions of the Merchant's credit card transactions to another processor or to another credit card network or association.

The undersigned, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, have executed this Agreement as of the latest date set forth below, intending to be legally bound.

REACH FINANCIAL, LLC

By: _____
Name:
Title:

_____(SEAL)
Print Name:

Name of Merchant

By: _____
Name
Title:

OWNERS:

_____(SEAL)
SIGNATURE

1. Representations and Warranties of Merchant and Owners. Merchant and each Owner represents and warrants to the Company, as of the date hereof and as of the date of each Purchase Agreement Rider which refers to this Agreement, as follows: (a) all of the information provided by the Merchant and Owners to the Company pursuant to this Agreement and otherwise is true, correct and complete in all respects; (b) Merchant has full power and authority to enter into this Agreement and to perform the transactions contemplated hereby; (c) if an entity, (i) Merchant is duly incorporated/formed/organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation/formation/organization, and (ii) Merchant has full corporate/partnership/limited liability company power and authority to enter into this Agreement and perform the transactions contemplated hereby; (d) Merchant is duly qualified to do business in each jurisdiction in which it conducts its business; (e) this Agreement is the legal and valid obligation of Merchant and each Owner, enforceable against Merchant and each Owner in accordance with its terms; (f) Merchant and each Owner is solvent, has not made an assignment for the benefit of creditors or filed in any court, pursuant to any statute of the United States or any state, a petition for bankruptcy or insolvency, or filed for reorganization or for the appointment of a receiver or trustee of all or a material portion of its property, and neither Merchant nor any Owner has reason to believe any involuntary bankruptcy action or order will be filed with respect to Merchant or any Owner; (g) all amounts are due with respect to all Future Receivables are due in United States Dollars; (h) any taxes or fees relating to the Future Receivables or goods or services sold by Merchant are solely Merchant's responsibility; and (i) none of the historical credit card receivable data provided by Merchant to Company represents sales to a subsidiary, affiliate or parent company.

2. Covenants of Merchant and Owners. Merchant hereby covenants and agrees: (a) to conduct its business and use the Purchase Price in the ordinary course of business consistent with past practice; (b) to exclusively use the Processor to process all of its credit card transactions; (c) not to take any action to discourage the use of credit cards or to permit any event to occur which could have an adverse effect on the use, acceptance or authorization of credit cards for the purchase of Merchant's services and products; (d) not to change its arrangements with Processor without the prior written consent of the Company; (e) not to permit any event to occur that could cause a diversion of any of Merchant's credit card transactions to another credit card processor or to another credit card network or association; (f) to comply with all of the terms and conditions imposed by the Processor and/or Bank, including, without limitation, pursuant to the Processor Agreement; (g) to provide the Company with at least 10 days' prior written notice of any event which would cause any of the information provided by Merchant to the Company in this Agreement, in the Merchant Information Sheet or otherwise to be untrue, incorrect or incomplete in any respect; (h) not to grant any lien on or security interest in, or sell, assign transfer, pledge or otherwise dispose of, any Future Receivables; (i) to comply with all laws, rules and regulations applicable to Merchant; and (j) not to sell, assign, transfer, pledge or otherwise dispose of all or a substantial portion of its business or assets. In addition, Merchant covenants and agrees that each Future Receivable will (i) be based upon a bona fide sale and delivery of inventory or rendition of services made by Merchant in the ordinary course of business and (ii) represent a payment obligation for goods or services accepted by Merchant's customer of which such customer is obligated to pay the full amount without dispute, claim, offset, defense, deduction, rejection, recoupment, counterclaim or contra account. Each Owner covenants and agrees that it will not sell, assign, transfer, pledge or otherwise encumber or dispose of its interest in Merchant.

3. Credit Investigation. Merchant and each Owner hereby authorize the Company and its agents and employees to investigate any references or any other statements of data provided by the Merchant or any Owner or obtained from or about the Merchant or any Owner for purposes of this Agreement.

4. Security Interests. Merchant hereby grants to the Company a lien on and security interest in all of Merchant's Future Receivables, whether now existing or hereafter arising, to secure Merchant's obligation to pay the Collection Amount, and this Agreement shall constitute a security agreement under the Uniform Commercial Code. Merchant hereby authorizes the Company to file such financing statements as the Company deems necessary to perfect the security interest granted by Merchant herein. Each Owner hereby grants to the Company a lien on and security interest in all of Owner's personal property and real property, together with all proceeds and substitutions of the foregoing, and whether now existing or hereafter arising, to secure Owner's guaranty of Merchant's obligations hereunder. Each Owner hereby authorizes the Company to file such financing statements as the Company deems necessary to perfect the security interest granted by Owner herein. h

5. Termination. This Agreement shall terminate upon the indefeasible payment in full of the Collection Amount by the Merchant to the Company.

6. Events of Default. The occurrence of any of the following actions shall constitute an "Event of Default" hereunder: (a) Merchant or any Owner makes any assignment for the benefit of creditors, or a proceeding is commenced by or against Merchant or any Owner under any bankruptcy, insolvency or similar law seeking an order to adjudicate Merchant or such Owner bankrupt or insolvent or other relief with respect to Merchant's or such Owner's debts or seeking

appointment of a receiver or similar official for Merchant or any Owner or any substantial part of Merchant's or any Owner's assets; (b) Merchant or any Owner becomes insolvent or admits in writing its inability to pay its debts as they become due; (c) Merchant or any Owner breaches any covenant and/or agreement set forth herein; or (d) any representation or warranty of Merchant or any Owner shall have been false or misleading when made or at any time during term of this Agreement.

7. Remedies. Upon the occurrence of an Event of Default, the Company shall be entitled to exercise all rights available to it at law or in equity. In addition, upon the occurrence of an Event of Default, or if the Company believes itself insecure for any reason, including without limitation, the Future Receivables are less than Merchant's historical credit card receivables, the Company shall have the right, upon written notice to Merchant and the Processor, to unilaterally increase the Payment Percentage. Merchant hereby expressly authorizes the Processor to pay any increased Payment Percentage of Future Receivables to the Company upon receipt of such written notice, and further authorizes the Company to initiate one or more ACH debit transactions against Merchant's bank accounts for the unpaid Collection Amount, together with all fees, charges, costs and expenses (including reasonable attorneys' fees). Furthermore, after the occurrence of an Event of Default which is not waived by the Company, the Company shall have all of the rights and remedies of a secured party under Article 9 of the Uniform Commercial Code with respect to any other property or collateral in which the Company has a security interest. If notice of intended disposition of any such property or collateral is required by law, it is agreed that five days notice constitutes reasonable notice. The net cash proceeds resulting from the exercise of any of the foregoing rights, after deducting all charges, costs and expenses (including reasonable attorneys' fees) will be applied by the Company to the payment of the unpaid Collection Amount and any other fees or amounts due from Merchant or any Owner to the Company, in such order as the Company may elect. Merchant, and Owners pursuant to the Personal Guaranty set forth herein, remain liable to the Company for any deficiencies.

8. Indemnification. Merchant and each Owner hereby agree to jointly and severally indemnify, defend and hold harmless the Company and its members, managers, officers, employees and agents from and against any damage, claim, liability, costs and expenses (including, without limitation, reasonable attorneys' fees incurred in connection with this Agreement. This Section 8 shall survive the termination of this Agreement.

9. Miscellaneous.

(a) This Agreement, and all attendant documentation (including, but not limited to, each Purchase Agreement Rider which refers to this Agreement), as the same may be amended from time to time, constitutes the entire agreement among the parties with regard to the subject matter hereof, and supersedes any prior agreements or understandings. This Agreement can be changed only by a writing signed by all parties. The failure or delay of the Company in exercising any right hereunder will not constitute a waiver thereof or bar the Company from exercising any of its rights at any time. In the event of any inconsistency between this Agreement and any Purchase Agreement Rider which refers to this Agreement, the applicable Purchase Agreement Rider will control.

(b) This Agreement shall be governed and construed in accordance with the laws of the State of Delaware, without regard to conflict of law provisions. The parties agree to submit to the jurisdiction of the Delaware state courts or any federal court sitting in the state of Delaware in the event of any dispute hereunder. **To the extent permitted by applicable law, each party hereby waives any right to a trial by jury in any action or proceeding arising directly or indirectly out of this Agreement or any other agreement or transaction among the parties.**

(c) This Agreement binds and benefits each party and their respective successors, heirs and assigns, provided, however, that neither Merchant nor any Owner may assign this Agreement or any rights hereunder without the prior written consent of the Company.

(d) If any provision of this Agreement is contrary to, prohibited by, or deemed invalid under applicable laws or regulations, such provision will be inapplicable and deemed omitted to such extent, but the remainder will not be invalidated thereby and will be given effect so far as possible. Section headings are for convenience only and are not controlling.

(e) Any notice or other communication hereunder shall be made in writing and deemed given (a) three days after being deposited in the U.S. mail, first class, postage prepaid, or (b) when delivered by a nationally recognized overnight courier which provides confirmation of delivery, addressed to the Company at 2 Soundview Drive, Greenwich, CT, 06830, or to Merchant or any Owner at the address set forth in the Merchant Information Sheet. Any party may change its address to which notice is sent hereunder by providing written notice to the other parties in accordance herewith.

(f) The Company may examine the books and records of Merchant relating to the Future Receivables at any time during the term of this Agreement.

(g) This Agreement may be executed in any number of counterparts (whether facsimile or original), each of which shall be deemed an original as to the party whose signature appears thereon and all of which together shall constitute one and the same instrument.

Please initial here

IRREVOCABLE PAYMENT AND REPORTING INSTRUCTIONS

PROCESSOR

Re: _____ (the "Company")

Gentlemen:

_____ and any successor credit card processor ("Processor") has entered into arrangements pursuant to which Processor acts as credit card processing service provider with respect to certain credit card and debit card sales by the Company and makes payments to the Company in respect of such sales as set forth in the **Merchant Processing Application and Agreement** by and between Processor and Company (and together with any successor or replacement agreement thereto, referred to herein as the "Card Processing Agreement"). Company hereby instructs all successor Processors to comply with all instructions from Reach related to Company's payments and banking information.

Please be advised that the Company has entered or is about to enter into arrangements with **Reach Financial, LLC** ("Reach") pursuant to which Reach may from time to time purchase credit card transaction receivables of the Company, including the Company's right, title and interest in amounts representing those receivables at any time payable by or through Processor to the Company pursuant to the Card Processing Agreement or otherwise. Reach may also enter into similar arrangements with affiliates of Company which are under common control with Company to purchase credit card transaction receivables of those affiliates which are also payable by or through Processor to such affiliate pursuant to credit card processing agreements between Processor and such affiliates (collectively, "Affiliate Transactions").

Notwithstanding anything to the contrary contained in the Card Processing Agreement or any prior instructions to Processor, unless and until Processor receives written instructions from Reach to the contrary, effective as of the day after the date of Processor's written acknowledgment below, such percentage as set forth in the Purchase Agreement Rider signed by the Company which you are provided (the "Specified Percentage") of the proceeds from each credit card transaction payment payable by Processor to the Company pursuant to the Card Processing Agreement or otherwise shall be sent by federal funds wire transfer or electronic depository transfer to such account of Reach as Reach may from time to time designate to Processor.

In the event Processor at any time receives any other instructions from Reach with respect to the disposition of amounts payable by or through Processor to the Company pursuant to the Card Processing Agreement or otherwise, including, but not limited to instructions to increase or decrease the Specified Percentage, or instructions that payments payable by the Processor on account of Affiliate Transactions be paid to Reach on account of the purchase by Reach of credit card transaction receivables of the Company or of other affiliates of the Company which have entered into agreements with Reach, Processor is hereby irrevocably authorized and directed to follow such instructions immediately, without inquiry as to Reach's right or authority to give such instructions. The Company and Reach acknowledge that (a) any instructions from Reach to Processor, including instructions to change the account to which funds are to be transferred or to increase or decrease the Specified Percentage, must be sent by a vice president or other officer of Reach to Processor; and (b) any such instructions with respect to changing deposit accounts shall only provide for funds to be sent to a single deposit account of Reach, in a manner with respect to the nature of the funds transfer and at times consistent with the payment practices of Processor as then in effect, unless otherwise agreed by Processor.

The Company also acknowledges that Reach is entitled to any and all information related to the credit card transaction receivables of the Company and any affiliates (with the exception of any cardholder data, including but not limited to cardholder names, credit card numbers, and expiration dates), pursuant to the Card Processing Agreement, Affiliate Transactions and otherwise, including, but not limited to, bank account and routing information, deposits, balances, and DDA and ABA account information, and the Company hereby authorizes Processor to provide Reach with such information as Reach may reasonably request from time to time to ensure compliance by Merchant with its agreements with Reach and to enable Reach to exercise all of its rights thereunder. The Company agrees to hold harmless Processor for any action taken by Processor in accordance with the terms of this Assignment and the Card Processing Agreement; and Reach shall complete such account change forms as Processor may require. The Company hereby acknowledges that the account set forth above is owned by Reach. Reach and the Company hereby confirm and agree as follows: (i) the Card Processing Agreement is in full force and effect, (ii) this Assignment does not prohibit or limit any rights Processor possesses under the Card Processing Agreement, including but not limited to Processor's right to debit, offset or charge back any amounts owing to Processor under the Card Processing Agreement or any replacement or renewal thereof, against funds sent to or to be sent to the above referenced bank account, and (iii) any instructions from Reach to apply payments from Affiliate Transactions shall be limited to those affiliates of Company which have entered into agreements with Reach by which Reach is entitled to payments from Processor on account of purchased credit card transaction receivables of such affiliate.

Please initial here

IRREVOCABLE PAYMENT INSTRUCTIONS (continued)

This Irrevocable Payment Instructions cannot be changed, modified, or terminated, except by written agreement signed by Reach, the Company, and Processor. Processor agrees to use its best faith efforts to ensure payment instructions are followed. Please acknowledge your receipt of, and agreement to, the foregoing by signing in the space provided below.

Very truly yours,

(Company)

By: _____

Name: _____

(Duly Authorized)

Title: _____

Date: _____

ACKNOWLEDGED AND AGREED:

REACH FINANCIAL, LLC

By: _____

PROCESSOR:

By: _____

Name: _____

Title: _____

Date: _____

REACH FINANCIAL, LLC

PURCHASE AGREEMENT RIDER

THIS PURCHASE AGREEMENT RIDER is dated this ___ day of _____, 200__ by and between REACH FINANCIAL, LLC, a Delaware limited liability company (the "Company"), _____ (the "Merchant") and the Owners of Merchant. This is the Purchase Agreement Rider to which reference is made in Purchase Agreement No. ___ dated _____, 200__ among the Company, Merchant and the Owners (the "Purchase Agreement"). Capitalized terms used in this Purchase Agreement Rider shall have the meanings given such terms in the Purchase Agreement.

Until superseded by a subsequent Purchase Agreement Rider executed by the Company, Merchant and the Owners, the following shall apply:

Purchase Price: \$ _____

Collection Amount: \$ _____

Payment Percentage: _____ %

In the event of any inconsistency between this Purchase Agreement Rider and the Purchase Agreement, this Purchase Agreement Rider shall control. This Purchase Agreement Rider shall be deemed a part of, and shall be incorporated by reference in, the Purchase Agreement.

IN WITNESS WHEREOF, this Purchase Agreement Rider has been executed as of the date first written above by the parties below.

REACH FINANCIAL, LLC

MERCHANT

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

OWNER

By: _____

Name: _____

Date: _____

OWNER

By: _____

Name: _____

Date: _____