

# Direct Deposit Funds Transfer Agreement



THIS DIRECT DEPOSIT FUNDS TRANSFER AGREEMENT (the "Agreement") is made as of \_\_\_\_\_, 200\_\_ by and between \_\_\_\_\_, a corporation/ limited liability company, ("Agent") with offices at \_\_\_\_\_ and **Priority Health**, a Michigan non-profit community based health plan with offices at 1231 East Beltline NE, Grand Rapids, MI 49546 (collectively, the "parties").

## RECITALS

Priority Health and Agent are or may become parties to one or more contracts and Priority Health may, from time to time, become obligated to make commission payments to Agent; and the parties desire to establish terms and conditions upon which Priority Health shall make such payment in electronic form;

THEREFORE, the parties hereby agree as follows:

### **Section 1. Terms Defined in This Agreement:**

- 1.1 **Agent Contract** means any and all contractual relationships between the parties giving rise to a specific obligation of Priority Health to pay Agent, which obligation may be satisfied by means of an electronic funds transfer, also known as a direct deposit.
- 1.1 **Payment Obligation** means the specific obligation of Priority Health to pay money to Agent under its Agent Contract.
- 1.2 **Agent Bank** means the financial institution designated by the Agent for receiving electronic payment from Priority Health. Such financial institution is designated in Exhibit A attached to this Agreement.

### **Section 2. Agreement and Authorization:**

- 2.1 **Credits.** Priority Health agrees and Agent authorizes Priority Health to satisfy its Payment Obligation by initiating electronic funds transfers that result in payment to Agent's checking account. Priority Health will post Remittance Advice to its website in PDF format readable by using ADOBE ACROBAT READER.
- 2.2 **Agent Information.** The parties agree that Priority Health and its agents may reasonably rely upon the information given to them by Agent with respect to Agent's Bank. The parties further agree that the burden is on Agent to supply accurate information and changes to that information.

## **Section 3. Payment and Remittance Information:**

- 3.1 **Payment.** Priority Health shall instruct its financial institution(s) to process fund transfers hereunder using a fund transfer system that may include the use of a National Automated Clearing House.
- 3.2 **Manual Checks.** From time to time, Priority Health may have to issue a MANUAL CHECK to satisfy the Payment Obligation, in which case Agent will not receive payment by Direct Deposit/EFT.

## **Section 4. Discharge of Payment Obligations:**

- 4.1 **Discharge.** Upon completion of a fund transfer, the corresponding payment obligation of Priority Health shall be discharged to the same extent as if such payment had been received in cash.
- 4.2 **Objection to Credits Taken.** Priority Health will pay according to the terms of any Agent Contract. Priority Health may take such offsets as may be permitted by an Agent Contract. If Agent objects to any discounts, allowances, adjustments or other credits against a Payment Obligation taken by Priority Health in connection with the fund transfer, Agent shall promptly notify Priority Health of its objection.

**Section 5. Security Procedures.** Agent shall be assigned a PIN Number that will be used to authenticate the identity of the Agent. Using the secure Priority Health *myservices* web site, Agent can view and/or download any information regarding payment.

## **Section 6. Liability:**

- 6.1 **Scope of Agreement.** This Agreement neither enlarges nor diminishes the respective rights and obligations of the parties under any Agent Contract.
- 6.2 **Conduct of Third Parties.** Each party shall be liable to the other for the acts or omissions of its respective employees, subcontractors, financial institutions, and /or other agents in connection with this Agreement. Neither party shall be liable for the acts or omissions of any third party not under its control.
- 6.3 **Costs.** Each party shall bear the respective fees and other charges assessed by its designated financial institutions.

## Section 7. Changes, Suspension and Termination:

- 7.1 **Change of Designations.** Either party may change its designation of an account, financial institution, or other subcontractor by written notice to the other party. Any change shall be effective no less than fourteen (14) days after notice of such change is received.
- 7.2 **Suspension of Operations.** Either party may suspend operations upon reasonable and timely notice to the party in the event that the party has a good faith belief that there has been a breach of security; or in the event that a Party's performance is delayed or prevented by an act of God, natural disaster, computer or communication failure or other cause beyond the affected Party's reasonable control. Suspension of operations under this Agreement shall not relieve either party of its obligation to the other Party under the Agent Contract.
- 7.3 **Termination.** Either Party may terminate this Agreement upon thirty (30) days notice to the other.

## Section 8. Miscellaneous:

- 8.1 **Term.** This Agreement shall be effective as of the date first set forth above and shall remain in effect until terminated by either party.
- 8.2 **Governing Law.** The laws of the state of Michigan shall interpret this Agreement.
- 8.3 **System Operations.** Each party, at its own expense, shall provide and maintain the equipment, software, services and testing necessary to transmit data to, and receive data, from the parties' respective computers. Agent shall, at a minimum, maintain a modern Personal Computer with email capability and have general access to the Internet and a printer. Agent must have a current version of ADOBE ACROBAT READER loaded on its system.
- 8.4 **Exclusion of Certain Damages.** Neither party shall be liable to the other for any special, incidental, exemplary or consequential damages arising from or as a result of any delay, omission or error in the electronic transmission or receipt of any data.
- 8.5 **Validity.** Any document properly transmitted pursuant to this Agreement shall be considered to be a "writing" or "in writing"; and to constitute an "original" when printed from electronic files or records established and maintained in the normal course of business.

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8.6 **Notices.** All notices required or permitted to be given with respect to this Agreement shall be given by mailing the same postage prepaid, or given by fax or by courier to the addresses below.

If to Priority Health:

1231 East Beltline SE  
Grand Rapids, MI 49546  
(616) 942-0954

Fax: \_\_\_\_\_

If to Agent:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Fax: \_\_\_\_\_

Email: \_\_\_\_\_

**PRIORITY HEALTH:**

\_\_\_\_\_  
Signed

\_\_\_\_\_  
Printed

\_\_\_\_\_  
Date

**AGENT:**

\_\_\_\_\_  
Signed

\_\_\_\_\_  
Printed

\_\_\_\_\_  
Date

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## Exhibit A

### Agent Commission Direct Deposit Payment Information Form

NOTES:

- 1) This Form must be completed in FULL.
- 2) Priority Health will transfer funds to Checking or Savings Accounts, include an original VOIDED Check for the account designated above, or a letter from your financial institution stating your account information.
- 3) Complete One Form for each Agent Number .
- 4) Mail this Completed Form to: Priority Health-EFT Payment, 1231 East Beltline, NE, Grand Rapids, MI 49525-4501
- 5) As necessary, please write-in additional Agent Contact Web Services LOGIN IDs that will receive notification.

Agent Name: \_\_\_\_\_

Agent No: \_\_\_\_\_

Agent Tax ID No: \_\_\_\_\_ (must be same as W-9 currently on-file with PH)

Agent Bank Information:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

Administrative Contact: \_\_\_\_\_

Telephone (Area+No): \_\_\_\_\_

Account No (include leading Zeros): \_\_\_\_\_

American Bankers Association (ABA) No (9-digits): \_\_\_\_\_

Agent Primary Contact: \_\_\_\_\_

Agent Primary Contact Email Address: \_\_\_\_\_

Agent Primary Contact Web Services LOGIN ID: \_\_\_\_\_

Agent Primary Contact Telephone No (Area+No): \_\_\_\_\_

Agent Secondary Contact: \_\_\_\_\_

Agent Secondary Contact Email Address: \_\_\_\_\_

Agent Secondary Contact Web Services LOGIN ID: \_\_\_\_\_

Agent Secondary Contact Telephone No (Area+No): \_\_\_\_\_

Agent Authorized Signature: \_\_\_\_\_