

February 3, 2010

To Our Valued Customers,

The Kaleel Bros. Inc. Electronic Funds Transfer program (EFT) is a Pre-Authorized Payment Service that will authorize Kaleel Bros. Inc. to electronically transfer funds from your checking account to our account for the payment of amounts owed by your company to Kaleel Bros. Inc.

Attached is the service agreement, which explains the program in detail. Some of the advantages of this program are:

- 1) Save the cost of labor to process the checks.
- 2) Save the cost of the checks.
- 3) Save the cost of the envelopes.
- 4) Save the cost of the postage.
- 5) This program is a totally free service.

The EFT Program works the following way:

- 1) Approximately 5 days from the draft date we will email (or fax if email not available) you a spreadsheet detailing the invoice number, invoice date and total due.
- 2) We initiate the transfer to the bank 2 business days prior to the transfer.(once the transfer request is transmitted to the bank it can not be rescinded)
- 3) The funds will be debited from your account and credited to our account 7 days from the invoice date.
- 4) If you will not have the funds available for the draft we must be informed via fax or E-mail by 5:00PM three days prior to the draft to avoid a \$32.00 non-sufficient funds fee or as charged by the bank.
- 5) If your account has insufficient funds to cover the EFT request then your account will be placed on credit hold. The funds must be wire transferred in order to be released from credit hold. NSF could jeopardize your credit status with our company and therefore we recommend you procure overdraft protection from your bank.
- 6) The parties agree that if the customer has insufficient funds to cover the electronic fund transfers at the time of presentation to the customer's bank, then said payments will be prosecutable under the same standards and with the same liabilities as if payments were made by check. That Kaleel Bros., Inc. will be entitled to collect against consumer for all actual attorney fees and costs incurred in the prosecution and collection of deficient EFT payments.

If you have questions concerning the EFT program please call our office at (800)929-3663 and speak to Sue Frazzini at ext.207 or email Sue at sfrazzini@kaleelbrothers.com

Sincerely,

Ron Kaleel
President
Kaleel Bros. Inc.

PRE AUTHORIZED PAYMENT SERVICE AGREEMENT
PARTICIPATION AND AUTHORIZATION

To: Kaleel Bros, Inc.

Date: _____

I would like to participate in and use the Pre-Authorized Service (EFT) offered by Kaleel Bros. Inc, for the payment of amounts owed by my company to Kaleel Bros. Inc. for the purchases and/or services. Accordingly, I agree to provide Kaleel Bros. Inc. a copy of a blank check marked void for purpose of establishing the necessary bank information.

I understand that either an Electronic Funds Transfer or a Pre Authorized Check (both known as "Transfer") drawn on or charged to my regular checking account and payable to Kaleel Bros Inc. will be prepared and deposited by Huntington Bank in accordance with the instructions furnished by Kaleel Bros. Inc.

I agree to instruct my bank to honor all such Transfers upon their presentation for collection. Any changes or alternations made to my existing bank information must be provided to Kaleel Bros. Inc. ten (10) business days prior to the requested change.

I agree to notify Kaleel Bros. Inc via e-mail or fax within 24 hours of receipt of a transfer notice from Kaleel in the event that the **funds won't be** available for transfer on the specified date.

I agree that in the event a Transfer is returned to Kaleel Bros. Inc., dishonored and uncollected, the amount indicated on the Transfer plus non-sufficient funds fee will be immediately due and payable, and further participation in this EFT may be terminated at the option of Kaleel Bros Inc. In this event, I understand that future purchases will then be limited to payment terms as approved by Kaleel Bros. Inc. Credit Department.

I agree that if the EFT transfer is dishonored, cancelled, uncollected or refused because of insufficient funds at the time of presentation to the customer's bank, then said payments will be prosecutable under the same standards and with the same liabilities as if payments were made by check. That Kaleel Bros., Inc. will be entitled to collect against consumer for all actual attorney fees and costs incurred in the prosecution and collection of deficient EFT payments.

I further understand that Kaleel Bros Inc. reserves the right to cancel this EFT Program at any time upon written notice.

I further understand and agree that this agreement supersedes and cancels any prior agreement(s) relating to Electronic Funds Transfer or Pre-Authorized Check Services between my company and Kaleel Bros Inc.

Company Name _____
Company Address _____
Customer # _____
Customer Address _____
Authorized Signature (s) _____
Contact Person (Please Print) _____
Telephone Number _____
Fax Number _____
Email Address _____
Bank _____
ABA No. _____
Checking Account No. _____