EXHIBIT 8.1.1  
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 STORED VALUE CARD  
 DISTRIBUTION AGREEMENT  
  
  
 THIS AGREEMENT is entered into this March day of 4th, 2005, by and between  
Xxxxxx Xxxxxxxxx, Inc. ("MBI"), 0000 Xxxxxxxxx Xxxxx, Xxxxx 000, Xxxxxxxx,  
Xxxxxxx 00000, and, CGS FINANCIAL TECHNOLOGIES INC ("Distributor"), 000  
Xxxxxxxxx Xxxx, XxxxXxxx0. Xxxxxxx Xxxxxxx X0X 0X0 Xxxxxx.  
  
 ARTICLE 1  
 DISTRIBUTORS  
  
 1.1 "Product": MBI Non-Hologram Stored Value Card-ATM Card upgradeable by  
the end user to a Hologram Stored Value Card-ATM Card.  
  
 1.2 "Product Unit": 1 or 2 card "J Hook" package containing PIN based  
non-hologram stored value cards to which cash can be added at retail locations.  
  
 1.3 "Stored Value Card System": A tool allowing retail locations to sell,  
activate and perform Patriot Act compliance for issuers of the Product and to  
load value on the Product.  
  
 1.4 "Manufacturer's Suggested Retail Price" ("MSRP"): The price of the  
Product Units in United States Dollars, as set forth herein. MBI may change the  
MSRP of any Product Unit from time to time. Any change to the MSRP of any  
Product Unit will take effect upon 30 days prior written notice to Distributor.  
  
 1.5 "Distributor's Retail Network": Retailers of Product Units bound by a  
distribution agreement with Distributor and selling to the end user of the  
Product.  
  
 ARTICLE 2  
 GRANT OF DISTRIBUTORSHIP  
  
 2.1 MBI hereby grants Distributor and Distributor accepts for a term of xxx  
year from the date hereof ("Term"), the non-exclusive right to distribute  
Products in the United States of America, subject to the terms and conditions of  
this Agreement.  
  
 2.2 Distributor shall use its best efforts to achieve maximum sales of  
products and appears to establish an adequate retail network, consistent with  
good business ethics and in a manner that will reflect favorably on MBI and on  
the goodwill and reputation of MBI.  
  
 2.3 Distributor will maintain sufficient Product inventory to allow  
fulfillment of any reasonable order from a retailer in Distributor's Retail  
Network within 24 hours of receipt of the order.  
  
 ARTICLE 3  
 DISTRIBUTOR REQUIREMENTS  
  
 3.1 Distributor Foresees a Launch no less than 500 point of sale retail  
locations.  
  
 3.2 Distributor Foresees a Purchase at least 5,000 Product Units within 30  
days of the date hereof and an additional 10,000 Product Units annually  
throughout the Term.  
  
  
  
  
  
 3.3 Provide retailers with information regarding the Stored Value Card  
System and with set up, training and implementation of the Stored Value Card  
System at Distributor's cost.  
  
 3.4 Shall provide to retailers a purchase or lease program for the hardware  
necessary to implement the Stored Value Card System for retailers not having  
hardware compatible with the Stored Value Card System.  
  
 3.5 Provide reasonable assistance to MBI in the implementation of the  
necessary products and services to support the Product.  
  
 3.6 Provide advertising materials to the Distributor's Retail Network  
promoting the Product.  
  
 3.7 Establish specifications for a launch plan for distribution of the  
Product and inform MBI of the identity of Distributor's team leader responsible  
for the launch of the distribution plan and the implementation of the Stored  
Value Card System throughout Distributor's Retail Network.  
  
 3.8 Distributor acknowledges that implementation of the Stored Value Card  
System throughout Distributor's Retail Network will require significant  
involvement by Distributor's technical personnel. To implement the Stored Value  
Card System Distributor shall:  
  
 (a) Define and implement a plan for the trial testing and loading of  
the Product, including a timeline and anticipated dates of implementation.  
  
 (b) Provide appropriate information to all Distributors sales agents  
and independent representatives sufficient for the sales agents and independent  
representatives to market the Product.  
  
  
 ARTICLE 4  
 MBI REQUIREMENTS  
  
 4.1 Deliver Product Units to Distributor as required by Distributor and as  
provided herein.  
  
 4.2 Provide basic telephone support and customer service to end-users of  
the Product. Distributor may request that MBI provide additional technical  
support to retailers, with pricing of such additional support to be determined  
by MBI based upon the specific nature and time intensity of the support  
requested.  
  
 4.3 Provide Distributor necessary software tools to load the Stored Value  
Card System on compatible hardware owned or leased by the retailer.  
  
 4.4 Direct customers of Distributor's Retail Network to local participating  
retailers in Distributor's Retail Network.  
  
 4.5 Provide Distributor with up to five days of training for Distributor's  
sales staff on set up and implementation of the Stored Value Card System.  
Training will consist of:  
  
 (a) Providing 5 Product Units to Distributor for training and testing  
purposes.  
  
 (b) Work with Distributor's staff during the Product launch and Stored  
Value Card System implementation to assist Distributor's staff in gaining an  
adequate understanding of the Product and the Stored Value Card System.  
  
  
  
  
  
 (c) Provide training in the areas of transaction, reporting and other  
operating procedures.  
  
 4.6 Upon the completion of training, MBI shall test the Product as  
purchased through a Distributor's Retail Network retailer to ensure proper  
functioning of the Stored Value Card System as implemented in Distributor's  
Retail Network.  
  
  
  
 ARTICLE 5  
 ORDERS AND PRICING:  
  
 5.1 The Price per Product Unit is:  
 REFER TO EXHIBIT A AND B FOR VOLUME DISCOUNTS  
  
  
 The above pricing is based on a minimum order of 5,000 units. Orders  
of less than 5,000 units will be priced per MBI's standard small order pricing,  
as adjusted by MBI from time to time. In the event the product is a private  
label program, the distributor shall be responsible to pre-pay xx%  
(non-refundable) of the total order for the printing of private label cards.  
Set-up fee for a private label program is $x,xxx.xx-$x,xxx.xx depending on the  
program and specification.  
  
  
 5.2 The Manufacturer's Suggested Retail Price (MSRP) of the 1 Card Product  
Unit is $xx.xx. The MSRP for the 2 Card Product Units is $xx.xx.  
  
 5.3 MBI will use its best efforts to fill Product orders as quickly as  
possible following receipt by MBI of the written order (fax or e-mail shall  
constitute a written order).  
  
 5.4 All shipments of Product will by F.O.B. Xxxxxx Beaumont, and shall be  
invoiced upon shipment to include all shipping cost. Each Invoice shall be due  
and payable to MBI xxx COD and the balance in thirty days.  
  
 5.5 Each amount payable to MBI hereunder shall be paid in full, with no  
deductions or offsets, and remitted in United States Dollars by check, money  
order or deposit in such account at such financial institution as MBI shall from  
time to time designate. Delinquent payments shall bear interest at the rate of  
1.5% per month of the delinquent amount until paid, or the maximum interest rate  
permitted by law, whichever is less.  
  
  
  
  
  
 5.6 In the event that any Product is superseded by a new version of the  
Product, MBI shall give Distributor notice of such new version. Distributor may  
obtain the new version of said Product on a Product Unit per Product Unit basis  
by returning unsold Product Units of the superseded Product within thirty (30)  
days of such notice from MBI. Upon return of unsold units, together with an  
order for the new version of said superseded Product, MBI shall ship the  
requested number of Product Units, subject to the provisions of this Article,  
and provided that Distributor shall bear the costs of shipping and handling,  
together with any difference between the Price for the superseded Product Unit  
and the Product Unit Price for the new version of the Product.  
  
 5.7 In the event Distributor desires the assistance of MBI's technical  
personnel in implementation of the Stored Value Card System or any upgrade  
thereto, including the development of any software to increase the Stored Value  
Card System's compatibility with the existing hardware in Distributor's Retail  
Network, such assistance shall be provided pursuant to a separate agreement and  
at pricing to then be determined by MBI.  
  
 ARTICLE 6  
 COMMISSIONS:  
  
 6.1 MBI shall pay the following commissions to Distributor:  
 REFER TO EXHIBIT A AND B  
  
  
 6.2 No Commission for any load fee shall be deemed earned until 100% of the  
cash load and load fee have been paid by the retailer selling the Product load  
into the retailer's MBI service account and such funds have been swept into an  
account owned and controlled by MBI (the "MBI Sweep"). MBI will not activate any  
load on any Product until such time as the MBI Sweep has occurred.  
  
 6.3 Commissions shall be paid within 15 days following the end of the month  
in which such commissions were earned. MBI shall provide Distributor with a  
monthly reconciliation of commissions earned and paid, or more frequently, if  
reasonably requested by Distributor.  
  
 6.4 Distributor shall be responsible for any commissions or other payments  
to retailers in Distributor's Retail Network and MBI shall have no  
responsibility for such payments. Distributor shall indemnify and hold harmless  
MBI against any claim, cause of action, liability or judgment, including  
attorney's fees, arising from any retailer in Distributor's Retail Network for  
non-payment of any commission or fee due to the retailer from sales or service  
of the Product.  
  
  
  
 ARTICLE 7  
 INTELLECTUAL PROPERTY RIGHTS  
  
 7.1 MBI represents to Distributor that it owns or has a license to all of  
the material contained in the Products and that, to the best of MBI's knowledge,  
said Products do not infringe upon any copyright, patent, xxxx work, trademark  
or other proprietary right of any third party and that MBI has full authority to  
enter into this Agreement.  
  
  
  
  
  
 7.2 Distributor shall have no rights to duplicate, translate, decompile,  
reverse engineer, or adapt Products without MBI's prior written consent.  
  
 7.3 Distributor shall promptly notify MBI of any unauthorized third party  
duplication, distribution, or use of Products which comes to the attention of  
Distributor and shall provide MBI with whatever reasonable assistance is  
necessary to stop such activities.  
  
 7.4 Distributor shall not attempt to register any of MBI's trademarks,  
company names, or trade names without MBI's written permission, nor shall  
Distributor attempt to develop any products which contain the "look and feel" of  
any Products, or of the Stored Value Card System.  
  
 ARTICLE 8  
 CONFIDENTIALITY  
  
 8.1 Distributor, on behalf of itself and its employees, shall take all  
reasonable steps to safeguard the Products distributed by it from any  
unauthorized use, duplication, sublicensing, or distribution.  
  
 8.2 Distributor shall further, on behalf of itself and its employees,  
retain all Confidential Information furnished by MBI in strictest confidence and  
shall not publish or disclose such Confidential Information at any time during  
the term of this Agreement or after its termination.  
  
 ARTICLE 9  
 LIMITED WARRANTIES  
  
 9.1 MBI does not warrant that the functions contained in Products will meet  
the requirements of any end user or that Products are error-free. However, MBI  
does warrant that Products will operate substantially in accordance with the  
user documentation. MBI shall further make reasonable efforts to correct any  
significant reproducible error in Products or in the Stored Value Card System  
for which MBI receives written notice promptly after such error comes to the  
attention of Distributor, provided such error relates to the proper functioning  
of Products and has not been caused by negligence on the part of Distributor or  
any third party, hardware malfunction, or other causes external to the Products  
in the Stored Value Card System.  
  
 9.2 MBI warrants that Products are free from defects in materials and  
workmanship under normal use for a period of ninety (90) days from the date of  
delivery by Distributor to the retailer. MBI's entire liability and  
Distributor's sole and exclusive remedy, as well as that of any retailer and end  
user, shall be replacement without charge of any Product Unit which proves  
defective within the ninety (90) day period.  
  
 9.3 The warranties set forth in paragraphs 9.1 and 9.2 of this Article 9  
shall also apply to any new versions of Products which Distributor distributes  
in accordance with the terms and conditions of this Agreement.  
  
 9.4 THE WARRANTIES CONTAINED IN PARAGRAPHS 9.1, 9.2 AND 9.3 OF THIS ARTICLE  
9 ARE IN LIEU OF ALL OTHER WARRANTIES OR CONDITIONS, EXPRESS OR IMPLIED,  
INCLUDING, WITHOUT LIMITATION, THOSE OF MERCHANTABILITY OR FITNESS FOR A  
PARTICULAR PURPOSE. IN NO EVENT SHALL MBI BE LIABLE FOR DAMAGES, DIRECT OR  
INDIRECT, INCLUDING INCIDENTAL OR CONSEQUENTIAL DAMAGES SUFFERED BY DISTRIBUTOR,  
ANY RETAILER, END USER OR OTHER THIRD PARTY ARISING FROM BREACH OF WARRANTY OR  
BREACH OF CONTRACT, NEGLIGENCE OR ANY OTHER LEGAL GROUND OF ACTION.  
  
  
  
  
  
 9.5 Distributor shall indemnify and hold MBI harmless from and against any  
claims, expenses, losses or damages arising out of or in connection with  
Distributor's distribution of Products.  
  
 ARTICLE 10  
 COMPLIANCE WITH LAWS  
  
 10.1 Distributor shall assure compliance with all applicable federal and  
state laws and regulations governing its operations.  
  
 ARTICLE 11  
 RENEWAL OF AGREEMENT AND TERMINATION  
  
 11.1 This Agreement shall be automatically renewed for one (1) year periods  
after the end of each one year term, unless either party gives written notice of  
non-renewal to the other at least 30 days prior to the end of their current  
term.  
  
 11.2 This Agreement shall be subject to termination at any time upon thirty  
(30) days written notice by either party hereto.  
  
 11.3 This Agreement shall be subject to immediate termination for good  
cause, at the election of MBI, by written notice to Distributor at any time in  
the event of any one or more of the following:  
  
 (a) Any illegal, unfair or deceptive business practices or unethical  
conduct whatsoever by Distributor, whether or not related to Products;  
  
 (b) A receiver, liquidator, trustee or like official is appointed for  
Distributor or any substantial portion of its property or if Distributor shall  
have filed or consented to any petition in bankruptcy or other insolvency  
proceedings or shall have made any assignment for the benefit of creditors;  
  
 (c) The nonpayment, within fifteen (15) days past the due date, of any  
financial obligation due from Distributor pursuant to Article 5 hereof; or  
  
 (d) Any default by Distributor in the due observance or performance of  
any term or condition of this Agreement, other than that as specified in  
subparagraph (b), and such default shall have continued for a period of thirty  
(30) days after written notice specifying the same shall have been given by MBI  
to Distributor.  
  
  
  
  
 11.4 Termination shall not extinguish any of Distributor's obligations  
under this Agreement which by their terms continue after the date of  
termination, including, but not limited to, the confidentiality obligations  
under Article 8 above.  
  
  
  
  
  
 11.5 Termination shall not entitle Distributor to any compensation by MBI  
on any grounds whatsoever, including, but not limited to, lost profits, loss of  
goodwill, and consequential, direct, indirect, punitive or exemplary damages.  
  
 11.6 For a period of six (6) months after termination, Distributor shall  
have the right to sell off existing stock of Products for which full payment has  
been made.  
  
 ARTICLE 12  
 MISCELLANEOUS  
  
 12.1 Severability. If any provision or portion of this Agreement shall  
become invalid or unenforceable for any reason, there shall be deemed to be made  
such minor changes in such provision or portion as are necessary to make it  
valid or enforceable. The invalidity or unenforceability of any provision or  
portion hereof shall not affect the validity or enforceability of the other  
provisions or portions hereof.  
  
 12.2 Entire Agreement. This Agreement, together with the attached  
schedules, contains the entire agreement between the parties with respect to the  
subject matter contained herein and supersedes any and all prior understandings  
or agreements between the parties, whether oral or in writing. Any warranty,  
representation, promise, or condition not incorporated herein shall not be  
binding upon either party. No modification, renewal, extension, or waiver of  
this Agreement or any of its provisions shall be binding unless made in writing  
and signed by the parties hereto.  
  
 12.3 Independence of Parties. Nothing in this Agreement shall be construed  
as creating a partnership or joint venture between the parties or making  
Distributor an agent or employee of MBI. In all of its operations hereunder,  
Distributor shall be an independent contractor, shall conduct its business at  
its own cost and expense, and shall have no authority to make any representation  
or warranty on behalf of MBI.  
  
 12.4 Governing Law. This Agreement has been negotiated and prepared and  
will be performed in the United States, and the validity, construction and  
enforcement of, and the remedies under, this Agreement shall be governed in  
accordance with the laws of the United States and the state of Florida (except  
any choice of law provisions of United States and Florida law shall not apply if  
the law of a state or jurisdiction other than Florida would apply thereby),  
except as to copyright and trademark matters which shall be governed by the laws  
of the United States and any applicable international conventions.  
  
 12.5 Venue. Venue of any action brought to interpret or enforce this  
agreement shall lie exclusively in the County of Sarasota, Florida, if the  
action is brought in the courts of the State of Florida; and if brought in the  
courts of the United States of America, in the Middle District of Florida, Tampa  
Division.  
  
 12.6 Waiver. Failure or delay on the part of MBI or Distributor to exercise  
any right, power or privilege hereunder shall not operate as a waiver thereof,  
now shall any single or partial exercise of any right, power or privilege  
preclude any other or further exercise thereof.  
  
 12.7 Notices. All notices, requests, demands, or other communications which  
are required or may be given under this Agreement shall be in writing in the  
English language and shall be deemed to have been duly delivered if sent by  
first class registered or certified airmail, or by telex, facsimile or other  
electronic transmission (confirmed by first class registered or certified mail)  
and properly addressed to the appropriate party at the address set forth above,  
until changed by notice in writing by either party hereto to the other party. If  
sent by airmail, notice shall be effective fourteen (14) days from the date of  
deposit with the post office. If sent by electronic transmission, notice shall  
be effective one day after transmission.  
  
  
  
  
  
 12.8 Assignment. This Agreement and all of the provisions hereof shall be  
binding upon and inure to the benefit of the parties hereto and their respective  
successors and permitted assigns, but neither this Agreement nor any of the  
rights, interests, or obligations hereunder shall be assigned by any party  
hereto without the prior written consent of the other party, nor is this  
Agreement intended to confer upon any other person except the parties hereto any  
rights or remedies hereunder.  
  
 12.9 Attorney's Fees. In any arbitration or litigation brought under this  
Agreement or relating to any alleged breach of this Agreement, the prevailing  
party shall be entitled to recover, in addition to all damages suffered, its  
reasonable attorney's fees and costs.  
  
 IN WITNESS WHEREOF, MBI and Distributor each has caused this Agreement to  
be executed on its behalf by its duly authorized officer.  
  
 MBI, INC.  
  
  
\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ By:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
 As its:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
  
  
  
 CGS FINANCIAL TECHNOLOGIES INC  
  
\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ By:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
 As its:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
  
  
  
  
  
  
  
 EXHIBIT A  
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 CARD COST/ COMMISSION AND FEES  
 XXXXXX BEAUMONT PAYROLL PROGRAM  
  
 [REDACTED FOR CONFIDENTIALITY]