



AGENDA ITEM EXECUTIVE SUMMARY

Agenda Item number: 8a

Title:

Motion to authorize the City Administrator and Finance Director to execute an agreement with Paymentus Corporation to provide customer payment processing services to the City

Presenter:

Julie Herr, Assistant Finance Director

Meeting: Government Operations Committee

Date: August 21, 2017

Proposed Cost: \$61,142 Estimated

Budgeted Amount: \$75,000

Not Budgeted: ☐

Executive Summary (if not budgeted please explain):

Staff has evaluated proposals from seven entities to provide payment processing services for customers wishing to pay bills using credit cards (Visa, Mastercard, and Discover), debit cards, or from checking accounts. These services will be a replacement and enhancement for the existing Utility Billing Online application and services provided by Automated Merchant Systems (AMS).

Among the RFP responders, Paymentus Corporation offered the most robust features and the lowest costs. As with AMS, Paymentus collects a fee for each processed transaction. Per previous City Council direction, there is no “convenience fee” or other direct charge to the user of the service; the fees are absorbed by the general revenue stream of the utilities.

City utility customers currently make online payments through a website (Utility Billing Online) developed approximately 10 years ago by a former City employee. As a result, Utility Billing Online lacks features that many City customers now expect – such as payment scheduling, notifications by text or phone, and a mobile friendly design.

In addition to payment transaction processing, Paymentus provides a hosted customer payment portal with many of the requested features missing from the City’s existing web application. English and Spanish versions of the customer portal are planned. Paymentus’ fee schedule is based on a set per transaction fee for each payment processed through the payment portal website. There are no implementation costs or other on-going costs paid by the City for this service. Additionally, because the customer payment portal is hosted outside of the City’s network, software and website maintenance burdens on the City are reduced or eliminated - while at the same time offering expanded services to the City’s customers.

The actual cost of this agreement to the City is dependent upon the number and types of transactions that City customers initiate. The estimated cost of \$61,142 is based on historical transaction counts. The agreement is for an initial three-year term with automatic one year renewal periods (subject to a six month prior notice of intent not to renew). Transaction fees can change only in the event of changes initiated by Visa or Mastercard or significant changes to the base fee structure assumptions. In such a case, Paymentus will provide a 60 day notice prior to implementing the change.

We anticipate implementation of the Paymentus service for utility customers by the end of fiscal 2018.

Attachments (please list):

Current costs versus Paymentus cost comparison

Master Services Agreement

Recommendation/Suggested Action (briefly explain): Recommend a motion to authorize the City Administrator and Finance Director to execute an agreement with Paymentus Corporation to provide customer payment processing services to the City

City of St Charles
Comparison of Estimated Current and Paymentus Transaction and Total Costs
August, 2017

		Current		Paymentus	
	Estimated Annual Transactions	Per Transaction Fee	Annual Cost	Per Transaction Fee	Annual Cost
Transaction Costs - credit cards	21,000	Various	\$63,143	\$2.35	\$49,350
Transaction Costs - eChecks	12,000	\$0.20	\$2,400	\$0.50	\$6,000
Transaction Costs - ACH auto pay	50,000	\$0.10	\$5,000	\$0.10 existing \$0.50 new	\$5,792
			\$70,543		\$61,142

Transaction cost of .10 for existing ACH, .50 for new ACH; Utility Billing estimates that there are about 30 new ACH enrollments per month. This calculation assumes one month all transactions at .10 and 11 months where 30 additional per month go from .10 to .50.

Estimated Annual Transactions based on historical counts. If the mix of payment transactions changes, the total costs will change accordingly.



MASTER SERVICES AGREEMENT

Client:	City of St Charles, Illinois
Client Address:	2 East Main Street St. Charles, IL 60174
Contact for Notices to Client:	Penny Lancor, Senior Systems Analyst
Estimated Yearly Bills / Invoices:	210,000

This Master Services Agreement ("Master Agreement") is entered into as of the Effective Date below , by and between the Client ("Client") identified above and **Paymentus Corporation**, a Delaware Corporation ("Paymentus").

WHEREAS Paymentus desires to provide and the Client desires to receive certain services under the terms and conditions set forth in this Agreement. Paymentus provides electronic bill payment services to utilities, municipalities, insurance and other businesses.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, hereby covenant and agree as follows. This Agreement consists of this signature page, General Terms and Conditions, and the attachments ("**Attachments**") with schedules ("**Schedules**") listed below:

Schedule A: Paymentus Service Fee Schedule

Schedule B: Schedule of Service Level

Schedule C: Minimum Insurance Requirements

This Agreement represents the understanding between the parties hereto with respect to its subject matter and may be changed only by agreements in writing signed by the authorized representatives of the parties. Paymentus may provide services described in one or more Statements of Work signed by an authorized representative of each party (each an "SOW"). Each SOW is incorporated by reference into, and will be governed by the provisions of, this Master Agreement. Each SOW will describe the services to be performed, the deliverables to be provided, the schedule, the charges, and other essential information. Any inconsistency between this Master Agreement, an SOW, or any purchase orders or supplemental agreements, shall be decided in this order of precedence: (i) purchase orders, (ii) Confidentiality Agreement, (iii) the SOW, including all Change Orders and Acceptance/Rejection Forms (as hereinafter defined), (iv) the Master Agreement

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives.

Paymentus

Client:

By: _____

Name: _____

Title: _____

Date: _____

Paymentus:

By: _____

Name: _____

Title: _____

Date: _____

GENERAL TERMS AND CONDITIONS

1 Definitions:

For the purposes of this Agreement, the following terms and words shall have the meaning ascribed to them, unless the context clearly indicates otherwise.

1.1 **"Agreement"** or **"Contract"** shall refer to this Agreement, as amended from time to time, which shall constitute an authorization for the term of this contract for Paymentus to be the exclusive provider of services, stated herein, to the Client

1.2 **"User"** shall mean the users of the Client's services

1.3 **"Effective Date"** shall be the last date upon which the parties signed this Agreement. The Agreement will not be effective against any party until the said date

1.4 **"Launch Date"** shall be the date on which Client launches this service to the Users

1.5 **"Payment"** shall mean Users to make payments for Client's services or Client's bills

1.6 **"Payment Amount"** shall mean the bill amount User wants to pay to the Client.

1.7 **"Non-consumer Cards"** shall mean credit cards which are issued for business use. These high-cost cards may include corporate cards, purchase cards, business cards, travel and entertainment cards.

1.8 **"Services"** shall include the performance of the Services outlined in section 2 of this Agreement

1.9 **"Paymentus Authorized Processor"** shall mean a Paymentus authorized merchant account provider and payment processing gateway

1.10 **"Average Bill Amount"** shall mean the total amount of Payments collected through Paymentus system in a given month divided by the number of the Payments for the same month.

2 Description of Services to be performed

2.1 **Scope of Services**

Paymentus shall provide Users the opportunity to make Payments by Visa, MasterCard, Discover, E-check and other payment methods as deemed necessary by Paymentus. Payments may be made by Interactive Telephone Voice Response System ("IVR") or secure Internet interface provided at the Paymentus Corporation's web site or other websites part of Paymentus' Instant Payment Network ("WebSites"), collectively referred to as the ("System" or "Platform"). The listed payment methods will continue to be offered for the entirety of the contract term.

2.2 **Professionalism**

Paymentus shall perform in a professional manner all Services required to be performed under this Agreement.

3 Compensation

3.1 **No Cost Installation**

Paymentus will charge no fees related to the initial setup and personalization of its standard service for both Web and IVR interfaces.

3.2 **Paymentus Service Fee**

For each payment, Paymentus will charge a Paymentus Service Fee as per Schedule A (hereinafter called "Paymentus Service Fee").

For each payment, the Paymentus Service Fee collected will be used to pay the corresponding Credit Card transaction fees or transaction fees associated with Debit Cards or eChecks (hereinafter called "Transaction Fees") except for the return items (eCheck returns or Credit/Debit Card chargebacks).

A schedule of Paymentus Service Fee is attached hereto as Schedule A. The Paymentus Service Fee is based on the Average Bill Amount, current payment method mix (credit vs debit vs e-check) and on the assumption that the total number of payments and the total Payment Amount collected each month from the use of non-consumer cards shall be under 5% of the total per month ("Fee Assumptions"). Client shall be billed an additional Paymentus Service Fees based on the rate of 3.5% of the

Payment Amount for any excess amount if the Fee Assumptions vary by more than 5%. Paymentus can amend this schedule upon prior written notice to the Client, if such change is required due to changes in the Visa and MasterCard regulations or changes in Credit Card fees or changes in the Average Bill Amount or changes in Fee Assumptions. Such written notice will be provided to Client no fewer than 60 days prior to implementing the change.

4 Payment Processing

4.1 Integration with Client's Billing System

At no cost to Client, Paymentus will develop interfaces with Client's billing system using Client's existing text file formats currently used to add billing information to, post payments to, synchronize customer information with, and remove deleted accounts from Client's billing system. Client will be responsible to provide Paymentus with the file format specifications and will fully cooperate with Paymentus during the development of the said interface. If Client chooses to create an automated file integration process to download the posting file, due to Paymentus security requirements, Client will use Paymentus specified integration process. Paymentus platform is an independent full service fully hosted platform per PCI-DSS requirements for a fully hosted solution. As such, Paymentus platform does and can function independent of any billing system integration. A payment posting file can be emailed or downloaded from Paymentus Agent Dashboard. If Client chooses to have Paymentus platform integrated with its billing system, Paymentus offers two options:

(i) Paymentus standard integration specification that Client can use to integrate its billing systems with Paymentus platform ("Standard Integration"); (or)

(ii) Paymentus to either customize or configure its platform to integrate with Client using file specification or APIs supported by Client's billing system ("Client Specific Integration")

If Client chooses Standard Integration, Paymentus agrees to fully cooperate with Client and provide its specification to Client. Paymentus also agrees to participate in meetings with Client's software vendor to provide any information or clarifications needed to understand Standard Integration. Time is of the essence and Paymentus agrees to provide all integration/interface specifications within 30 days from the Effective Date. Client will take commercially reasonable steps to develop the integration within 60 days from the date on which Client has received all integration specifications from Paymentus. Parties agree that if

Paymentus does not cooperate fully, it can lead to Client being unable to perform its duties to deliver the integration in time.

If Client chooses Client Specific Integration, Paymentus agrees to develop such integration at no cost to Client, provided however, Client agrees to fully cooperate with Paymentus and cause its software vendors to fully cooperate with Paymentus. Client agrees to provide all specification required for Client specific integration. Client further agrees to participate in testing with Paymentus and if needed, cause its billing software vendors to participate in testing. Time is of the essence and Client agrees to provide or make available all integration/interface specifications within 30 days from the Effective Date. Paymentus will take commercially reasonable steps to develop the integration within 60 days from the date on which Paymentus has received all the integration specifications from Client or its vendors. Parties agree that if Client does not cooperate fully or is unable to cause its software vendors to cooperate fully with Paymentus, it can lead to Paymentus being unable to perform its duties to deliver the integration in time.

Based on Client's use of Paymentus platform and respective modules selected under this Agreement, Paymentus will require the following integration points:

- (i) For one-time Payment Module:
 - a. Customer Information – Text File or Real-time
 - b. Payment Posting – Text File or Real-time
- (ii) For Recurring Payment Module
 - a. Text File
- (iii) For E-billing Module
 - a. Billing Data - Text File or Real-time link to billing data
- (iv) For Outbound Notification
 - a. Audience File – Text File for customer engagement messages

Each of these can be based on Standard Integration or Client Specific Integration.

4.2 Future Integrations

Future integrations between the Paymentus platform and other new or existing City software applications shall be completed at no cost to the Client in accordance with section 4.1 of this agreement.

4.3 PCI Compliance

For PCI Compliance, Client has two options for using Paymentus platform:

- (i) Paymentus Fully Hosted Solution; or
- (ii) Any other configuration

To substantially reduce or eliminate any PCI compliance risks and to render all Client systems out of scope from PCI compliance requirements, Client agrees to use Paymentus' fully hosted service where Paymentus uses its own platform to capture Payments and to manage the entire (end to end) user experience from all channels for Payment acceptance: Web, Mobile, IVR, POS devices (per Paymentus recommended setup), recurring payments, Ebill Presentment ("Paymentus Fully Hosted Solution").

Paymentus shall maintain its platform to capture Payments in a validated PCI DSS compliant environment including use of PCI PA-DSS validated software for processing credit card payments, with the software configured as directed by its PA-DSS Implementation Guide, as applicable.

If Client chooses any other integration (excluding embedded use of Paymentus API or redirects to Paymentus hosted payment page) such as third party web pages integrated with Paymentus APIs, third party gateway pages, or its own IVR systems or POS solution not recommended by Paymentus, or a cashiering module from third party, Client expressly agrees that Client shall not be exempt from PCI requirements and shall be liable for any data breaches occurring on its own systems as Client's recognizes that Client systems are participating in the transactions and are in scope for PCI compliance. Under such circumstances, Paymentus shall not be responsible for any PCI obligations outside of Paymentus own platform and Paymentus expressly disclaims any PCI or security obligations related to Client systems or any third party systems that participate in the payment transactions that are outside of Paymentus Platform.

Paymentus highly recommends that Client uses Paymentus Fully Hosted Solution to substantially reduce its PCI compliance and data breach risks.

If Client chooses to use any other option other than Paymentus Fully Hosted Solution, Client agrees and warrants that Client shall remain PCI compliant throughout the term of this Agreement. For clarity, just because Client uses PCI compliant applications such as its billing software, it does not eliminate the need for Client to be PCI compliant. Per PCI requirements, if a party's systems participate in processing, or accepting or storing

card transactions, such party is required to be PCI compliant as the systems are in scope.

4.4 Explicit User Confirmation

Paymentus shall confirm the dollar amount of all Payments to be charged to a Card and electronically obtain the User approval of such charges prior to initiating Card authorizations transaction. Paymentus will provide User with electronic confirmation of all transactions.

4.5 Merchant Account

Paymentus will arrange for the Client to have a merchant account with the Paymentus Authorized Processor for processing and settlement of the credit card transactions.

4.6 Card Authorization

For authorization purposes, Paymentus will electronically transmit all Card transactions to the appropriate card associations in real time as the transactions occur.

4.7 Settlement

Paymentus together with its authorized Card processor shall forward the payment transactions to the appropriate card organizations for settlement directly to the Client's depository bank account previously designated by the Client (hereinafter the "Client Bank Account").

Paymentus will debit the Paymentus Service Fees from Client's account on a monthly basis.

Paymentus together with Paymentus Authorized Processor will continuously review its settlement and direct debit processes for its simplicity and efficiencies. Client and Paymentus agree to fully co-operate with each other if Paymentus were to change its settlement and invoicing processes.

5 General Conditions of Services

5.1 Service Reports

Paymentus shall provide Client with reports summarizing use of the Services by Users for a given reporting period.

Hours of Operation

Paymentus Fully Hosted Solution will be present and ready for use, accessible in a usable form, seven (7) days per week, twenty-four (24) hours per day.

Client and Users' access is subject to outages for scheduled maintenance activities and unplanned events as defined in Schedule B - Schedule of Service Levels subject to the Force Majeure provisions in Section 7.9. Failure to maintain Hours of Operation shall be considered a material breach of this Agreement

5.2 User Adoption Communication by Client

Client may make Paymentus' Services available to its residential and commercial Clients by different means of Client communication including a) through utility bills, or other notices; b) by providing IVR and Web payment details on the Client's website including a "Pay Now" or similar link on a prominent place on the web site; c) through Client's general IVR/Phone system; and d) other channels deemed appropriate by the Client.

Paymentus shall provide Client with logos, graphics and other marketing materials for Client's use in its communications with its users regarding the Services and/or Paymentus.

Both parties agree that Paymentus may be presented as a payment method option. Client may communicate Paymentus option to its end residential and commercial Clients wherever Client usually communicates its other utility bill payment methods.

5.3 Independent Contractor

Client and Paymentus agree and understand that the relationship between both parties is that of an independent contractor.

5.4 Client's Responsibilities

In order for Paymentus to provide Services outlined in this Agreement, the Client shall co-operate with Paymentus by:

- (i) Client will enter into all applicable merchant Card or cash management agreements.
- (ii) For the duration of this Agreement, Client will keep a bill payment link connecting to Paymentus System at a prominent location on the Client website. The phone number for the IVR payment will also be added to the web site. Client may also add the IVR payment option as part of the Client's general phone system.

- (iii) User Adoption marketing as described in 5.2.
- (iv) Within 30 days of the merchant account setup, Client will launch the service to the Users.
- (v) For the purpose of providing Client a posting file for posting to Client's billing system, Client will provide the file format specification currently used to post its payments to the billing system. Client will fully cooperate with Paymentus and provide the information required to integrate with Client's billing system.

6 Governing Laws

This Agreement shall be governed by the laws of the state of Illinois.

7 Communications

7.1 Authorized Representative

Each party shall designate an individual to act as a representative for the respective party, with the authority to transmit instructions and receive information. The parties may from time to time designate other individuals or change the individuals.

7.2 Notices

All notices of any type hereunder shall be in writing and shall be given by Certified Mail or by a national courier or by hand delivery to an individual authorized to receive mail for the below listed individuals, all to the following individuals at the following locations:

To Client

C/O: Chris Minick, Director of Finance
Address: 2 East Main Street, St. Charles, IL 60174
Email: cminick@stcharlesil.gov

To Paymentus

C/O: President and CEO
Address: 13024 Ballantyne Corporate Place
Suite 450
Charlotte, NC 28277
Email: ceo@paymentus.com

Notices shall be declared to have been given or received on the date the notice is physically received if given by hand delivery, or if notices given by US Post, then notice shall be deemed to have been given upon on date said notice was deposited in the

mail addressed in the manner set forth above. Any party hereto by giving notice in the manner set forth herein may unilaterally change the name of the person to whom notice is to be given or the address at which the notice is to be received.

7.3 Interpretation

It is the intent of the parties that no portion of this Agreement shall be interpreted more harshly against either of the parties as the drafter.

7.4 Amendment of Agreement

Modifications or changes in this Agreement must be in writing and executed by the parties bound to this Agreement.

7.5 Severability

If a word, sentence or paragraph herein shall be declared illegal, unenforceable, or unconstitutional, the said word, sentence or paragraph shall be severed from this Agreement, and this Agreement shall be read as if said word, sentence or paragraph did not exist.

7.6 Attorney's Fees

If either party brings an Action to enforce its rights under this agreement, the prevailing party may recover its expenses (including reasonable attorneys' fees) incurred in connection with the Action and any appeal from the losing party.

7.7 Confidentiality

Client will not disclose to any third party or use for any purpose inconsistent with this Agreement any confidential or proprietary non-public information it obtains during the term of this Agreement about Paymentus' business, operations, financial condition, technology, systems, know-how, products, services, suppliers, Clients, marketing data, plans, and models, and personnel following public information disclosure laws of the State of Illinois. Paymentus will not disclose to any third party or use for any purpose inconsistent with this Agreement any confidential User information it receives in connection with its performance of the services.

7.8 Intellectual Property

In order that the Client may promote the Services and Paymentus' role in providing the Services, Paymentus grants to Client a revocable, non-exclusive, royalty-free, license to use Paymentus' logo and other service marks (the "Paymentus Marks") for such purpose only. Client does not have any right, title, license or interest, express or implied in and to any object code, software, hardware, trademarks, service mark, trade name, formula, system, know-how, telephone number, telephone line, domain name, URL, copyright image, text, script (including, without limitation, any script used by Paymentus on the IVR or the WebSite) or other intellectual property right of Paymentus ("Paymentus Intellectual Property"). All Paymentus Marks, Paymentus Intellectual Property, and the System and all rights therein (other than rights expressly granted herein) and goodwill pertain thereto belong exclusively to Paymentus.

7.9 Force Majeure

Paymentus will be excused from performing the Services as contemplated by this Agreement to the extent its performance is delayed, impaired or rendered impossible by acts of God or other events that are beyond Paymentus' reasonable control and without its fault or judgment, including without limitation, natural disasters, war, terrorist acts, riots, acts of a governmental entity (in a sovereign or contractual capacity), fire, storms, quarantine restrictions, floods, explosions, labor strikes, labor walk-outs, extra-ordinary losses utilities (including telecommunications services), denial of service attacks, and/or delays of common carrier.

7.10 Time of the Essence

Paymentus and Client acknowledge and agree that time is of the essence for the completion of the Services to be performed and each parties respective obligations under this Agreement.

8 Indemnification

8.1 Paymentus Indemnification and Hold Harmless

Paymentus agrees to the fullest extent permitted by law, to indemnify and hold harmless the Client and its governing officials, agents, employees, and attorneys (collectively, the "Client Indemnitees") from and against all liabilities, demands, losses, damages, costs or expenses (including reasonable attorney's fees and costs), incurred by any Client Indemnitee as a result or arising out of (i) the willful

misconduct or negligence of Paymentus in performing the Services or (ii) a material breach by Paymentus of its covenants.

8.2 Client Indemnification and Hold Harmless

Client agrees to the fullest extent permitted by law, to indemnify and hold harmless Paymentus, its affiliates, officers, directors, stockholders, agents, employees, and representatives, (collectively, the "Paymentus Indemnitees") from and against all liabilities, demands, losses, damages, costs or expenses (including without limitation reasonable attorney's fees and expenses) incurred by any Paymentus Indemnitee as a result or arising out of (i) the willful misconduct or negligence of Client related to the Services or (ii) a material breach of Client's covenants.

8.3 Warranty Disclaimer

Except as expressly set forth in this Agreement, Paymentus disclaims all other representations or warranties, express or implied, made to the Client or any other person, including without limitation, any warranties regarding quality, suitability, merchantability, fitness, for a particular purpose or otherwise of any services or any good provided incidental to the Services provided under this Agreement.

8.4 Limitation of Liability

Notwithstanding the foregoing, the parties agree that neither party shall be liable to the other for any lost profits, lost savings or other special, indirect or consequential damages, even if the party has been advised of or could have foreseen the possibility of such damages. Paymentus' total liability for damages for any and all actions associated with the Agreement or the Services shall in no event exceed the liability limits under any insurance placed or provided pursuant to this Agreement up to the full amount payable under such insurance.

8.5 Insurance Coverage

Paymentus shall be required to carry and evidence insurance coverage with the minimum requirements and limits applicable as defined in Schedule C- Minimum Insurance Requirements

In addition, Paymentus shall be required to carry and evidence the following insurance coverage:

- a) Technology Errors and Omissions Liability Insurance to cover all third party claim

arising out of any act, error, omission, or breach of contract provision of your technology services, hereunder, including loss arising from destruction of data, in the amount of at least \$1,000,000 per occurrence.

- b) Cyber Liability to cover all 3rd party loss from hacking attack or virus emanating from or passed through your computer system or a cloud provider's system into Client's systems in the amount of at least \$1,000,000 per occurrence.
- c) Privacy Liability to cover all security breach and notification cost resulting in actual or suspected loss of PII, credit card, healthcare records or any other records considered confidential for the Client's data located on service providers servers or on a cloud computing provider's system in the amount of at least \$1,000,000 per occurrence.

Each such liability policy shall name the Client as an Additional Insured for such liability of the Client, and each such first-party shall name the Client as a Loss Payee. Such insurance shall be worldwide; primary and non-contributing with respect to any insurance or self-insurance of the Client, subject to the reasonable advance approval of the Client and issued by insurers having rating reasonably satisfactory to the Client.

9 Term and Termination

9.1 Term

The term of this Agreement shall commence on the effective date of this Agreement and continue for a period of 3 (three) years ("Initial Term") from the Launch Date.

At the end of the Initial Term, this Agreement will automatically renew for successive one (1) year periods unless either Client or Paymentus provide the other party with not less than 6 (six) months prior written notice before such automatic renewal date that such party elects not to automatically renew the term of this Agreement.

9.2 Material Breach

A material breach of this Agreement shall be cured within 90 (ninety) days ("Cure Period") after a party notifies the other of such breach. In the event, such material breach has not been cured within the Cure Period, the non-breaching party can terminate this Agreement by providing the other party with a 30 (thirty) days' notice.

9.3 Nonappropriation of funds

In the event sufficient funds are not appropriated for Paymentus Service Fees or other contract payments to be made in a future fiscal year then the City at its sole discretion may terminate the Agreement at the end of the then current fiscal year, without penalty or additional expense of any kind whatsoever.

9.4 Upon Termination

Upon termination of this Agreement, the parties agree to cooperate with one another to ensure that all Payments are accounted for and all refundable transactions have been completed. Upon termination, Paymentus shall cease all Services being provided hereunder unless otherwise directed by the Client in writing.

Upon termination of this Agreement, Paymentus agrees to supply the Client with copies of all Client data and destroy or erase all Client data so that it cannot be read or reconstructed except as required by rules and regulations.



Schedule A – Paymentus Service Fee Schedule

Paymentus Service Fee charged to the Client will be based on the following model:

Fee Model
<input type="checkbox"/> Absorbed Model <input type="checkbox"/> Average Utility Bill Amount: \$ 250.00 <input type="checkbox"/> Paymentus Service Fee per qualified utility rate transaction <ul style="list-style-type: none">• Credit/Debit Card \$ 2.35 (Visa, MasterCard, Discover utility Program Rate)• ACH/ eCheck \$ 0.50
<input type="checkbox"/> Non-Absorbed Model <input type="checkbox"/> Citation Bills: Paymentus Service Fee per transaction. Average Bill Amount: \$50.00 <ul style="list-style-type: none">• Credit/Debit Card \$ 1.75 (Visa, MasterCard, Discover utility Program Rate)• ACH/ eCheck \$ 0.50
<input type="checkbox"/> Non-Absorbed Model <input type="checkbox"/> Other Government Bills: Paymentus Service Fee per transaction. . Average Bill Amount: \$50.00 <input type="checkbox"/> Credit/Debit Card \$ 1.75 (Visa, MasterCard, Discover utility Program Rate) <input type="checkbox"/> ACH/ eCheck \$ 0.50
<input type="checkbox"/> Existing Pre-Authorized ACH Customers (Max 4200 per month) \$0.10 cents per item to be processed. <input type="checkbox"/> New Bill email, text, or voice messages – no charge <input type="checkbox"/> Processed Payment email, text, or voice messages – no charge <input type="checkbox"/> Customer initiated Payment Due reminder email, text, or voice messages – no charge <input type="checkbox"/> Other email messages over 5,000 per month - \$.05 each <input type="checkbox"/> Other text messages over 5,000 per month - \$.15 each <input type="checkbox"/> Other voice messages over 5,000 per month - \$.15 each

Note: Maximum Amount per Account Payment is \$10,000.00. Multiple payments can be made.

Paymentus may apply different limits per transactions for user adoption.

Schedule B-Schedule of Service Levels

Customer Service Response (Client)	<p>For any customer service request via customercare@paymentus.com, a case is created immediately with a unique case number. A response is sent to the originator with the acknowledgement that a case has been created. Such response is sent within 15 minutes of the receipt of an email via Paymentus.</p> <p>On a triage basis, an appropriate severity level is assigned to the case and the following guidelines are setup for response times.</p> <p>Severity Levels:</p> <ul style="list-style-type: none"> • Severity 0: System Level Issue (Entire System is not operational) • Severity 1: Channel Level Issue (One Channel is not operational - Web, IVR or Agent Dashboard) • Severity 2: Business Process Issue (Batch Files, Payment Posting File) Unable to download via both Automated and On-demand via Agent Dashboard) • Severity 3: Individual Payment Issue or Research Request for Payments and Charge-backs. • Severity 4: Information Request, Questions, Clarifications, Change Request. This includes training calendaring, questions regarding files, Paymentus procedures, payment schedules or other similar information requests. <p>Response Timeframes:</p> <ul style="list-style-type: none"> • Severity 0: 30-60 minutes; Paymentus Executive Sponsor • Severity 1: 30-60 minutes; Paymentus Account Manager • Severity 2: 2-4 business hours; Paymentus Account Manager • Severity 3: one business day; Paymentus Account Manager • Severity 4: one business day; Paymentus Account Manager
Customer Service Response (User)	Paymentus will provide support to Users on its Online, Mobile and IVR systems seven days per week, twenty-four hours per day.
Bill Presentment Data	Provided the Client follows Paymentus standard integration guidelines, The timelines of presentment and receipt of bill data on the Biller Direct Site (i.e., the processing of the bill file so they are available to the System's customers within 6 hours of receipt of the bill file). Paymentus shall demonstrate that greater than 99.0% of all files are processed within the specified window.
Payment Posting Data	<p>Provided the Client follows Paymentus standard integration guidelines, the timelines for sending payment data for a biller-direct site using the System's financial institution for payment processing (i.e., payments requested before the cut-off time, Paymentus will create a payment instruction file every banking day and send a payment instruction file to the predefined financial institution for payment processing). Paymentus shall demonstrate that greater than 99.0% of all payment files are processed by the vendor within 6 hours of creating such files.</p> <p>Automated payment batch files, and on demand payment download capability, of payments processed before the cut-off time shall be made available to the Client within 2 hours of the designated cut-off time every banking day.</p>
System Availability	Online, Mobile and IVR system availability supported by Paymentus- Paymentus is expected to maintain a 99.5% system uptime (defined as an average of no more than 3.6 hours of downtime per month), including scheduled maintenance. Paymentus shall

Paymentus

	provide notice of scheduled maintenance to the Client via email two days in advance of the maintenance. The notice shall include the planned time of the disruption and the expected hour that Online, Mobile and IVR system availability will be restored to full functionality.
Maintenance and Updates	Paymentus shall provide maintenance for its Online, Mobile and IVR system(s), including updates and patches and install any updates or enhancements to its systems. Paymentus shall notify Client seven days prior to when an updated version is available, and provide a description of how the enhancement changes or modifies the Client or User experience.
Outbound Notification	Paymentus is required to generate the outbound notification 99% of the time within 6 hours of the event that generated that message.

Paymentus

Schedule C-Minimum Insurance Requirements

Paymentus shall be required to carry and evidence insurance coverage with a standard Acord Certificate of insurance with the following minimum requirements and limits applicable.

<u>Coverage</u>	<u>Limit</u>	
Automobile Liability	\$1,000,000	Combined single limit
Commercial General Liability	\$1,000,000	Per occurrence
	\$2,000,000	General aggregate

All Commercial General Liability policies must include Blanket Contractual coverage and Broad Form Vendors' Liability coverage

Workers' Compensation	\$500,000	Per accident
(Employers' Liability)	\$500,000	Disease limit
	\$500,000	Each Disease
Umbrella Liability	\$5,000,000	Limit

Cancellation or Alteration

The policies of insurance required by this exhibit shall provide that they cannot be cancelled or altered in any way changing coverage except after 30 days' prior written notice by certified mail to owner.

Workers' Compensation and General Liability Waiver of Subrogation in favor of the Client.

Insurance Certificates must be submitted ten(10)days prior to any work being performed to allow review of certificates.

Additional Insured and Broad Form Vendors' Liability in favor of the Client.

The Client must be named as an Additional Insured with the following wording appearing on the Certificate of Insurance: "The City of St. Charles and any official, trustee, director, officer, or employee of the City (plus any holder or mortgage as designated by the City) as to any and all projects, as an Additional Insured for the Commercial General Liability as respects any and all projects for any work being performed and this coverage will be primary and noncontributory."

Minimum insurance Carrier

All insurance carriers must comply with the minimum AN Best rating of A-VI for all insurance carriers.

Paymentus

Customer:

By: _____

Name: _____

Title: _____

Date: _____

Paymentus:

By: _____

Name: _____

Title: _____

Date: _____