

SERVICE AGREEMENT NO.

This Service Agreement ("Agreement" or "Contract") is made and entered into on the date of last signature (the "Effective Date") by _____, and between Catalis Payments, LLC, a Tennessee limited liability company authorized to do business in Arizona ("Contractor" or "Catalis Payments, LLC"), and the City of Glendale, a municipal corporation of the State of Arizona ("City" or "Court"). Contractor, and City or City Court are sometimes referred to, herein, individually as "Party" or collectively as the "Parties."

RECITALS

WHEREAS, the Presiding Judge of the Glendale City Court is authorized by the provisions of the City Charter to execute agreements for professional services;

WHEREAS, the Court desires to enter an agreement for payment processing services for City Court as more fully described in Exhibit A, which is attached to and made a part of this Agreement by this reference.

WHEREAS, Contractor is ready, willing, and able to provide the services described in Exhibit A for the compensation and fees set forth and described in Exhibit B, which is attached to and made a part of this Agreement by this reference.

WHEREAS, the Court desires to contract with the Contractor to provide these services under the terms and conditions set forth in this Agreement.

AGREEMENT

NOW, THEREFORE, it is agreed by and between the Parties as follows:

CONTRACTOR'S SERVICES

Contractor must perform the services described in Exhibit A to the City's satisfaction as described within the terms and conditions of this Agreement and with the care and skill that a person who provides similar services in Glendale, Arizona exercises under similar conditions. All work or services furnished by Contractor under this Agreement must be performed in a skilled and workmanlike manner. Unless authorized by the Court in writing, all fixtures, furnishings, and equipment furnished by Contractor as part of the work or services under this Agreement must be new, or the latest model, and of the most suitable grade and quality for the intended purpose of the work or service.

PERIOD OF SERVICE

Contractor must perform the services described in Exhibit A for the term of this Agreement.

This Agreement becomes binding on the Parties on the Effective Date provided above and the

duration is for three (3) years, unless sooner terminated in accordance with the provisions of this Agreement.

PAYMENT OF COMPENSATION AND FEES

Fees for services will be assessed by the Contractor to citizens making use of the services provided by the Contractor in accordance with the per-unit cost as set forth in Exhibit B, attached hereto and made a part hereof by reference.

GENERAL CONDITIONS

Records/Audit. Records of the Contractor's direct personnel payroll, reimbursable expense pertaining to this Agreement and records of accounts between the City and Contractor must be kept on the basis of generally accepted accounting principles and must be made available to the City and its auditors for up to three years following the City's final acceptance of the services under this Agreement. The City, its authorized representative, or any federal agency, reserves the right to audit Contractor's records to verify the accuracy and appropriateness of all cost and pricing data, including data used to negotiate this Agreement and any amendments for the purposes of financial compliance. The City reserves the right to decrease the total amount of Agreement price or payments made under this Agreement or request reimbursement from the Contractor following final contract payment on this Agreement if, upon audit of the Contractor's records, the audit discloses the Contractor has provided false cost and pricing data. The Contractor will include a similar provision in all of its contracts with subcontractors providing services under the Agreement Documents to ensure that the City, its authorized representative, or the appropriate federal agency, has access to the subcontractors' records to verify the accuracy of all cost and pricing data.

Alteration in Character of Work. Whenever an alteration in the character of work results in a substantial change in this Agreement, thereby materially increasing or decreasing the scope of services, cost of performance, or Project schedule, the work will be performed as mutually agreed upon by City and Contractor. However, before any modified work is started, a written amendment must be approved and executed by the City and the Contractor. Such amendment must not be effective until approved by the City. Additions to, modifications, or deletions from this Agreement as provided herein may be made, and the compensation to be paid to the Contractor may accordingly be adjusted by mutual agreement of the Parties. It is distinctly understood and agreed that no claim for extra work done or materials furnished by the Contractor will be allowed by the City except as provided herein, nor must the Contractor do any work or furnish any materials not covered by this Agreement unless such work is first authorized in writing. Any such work or materials furnished by the Contractor without prior written authorization will be at Contractor's own risk, cost, and expense, and Contractor hereby agrees that without written authorization Contractor will make no claim for compensation for such work or materials furnished.

Termination for Convenience. The Court and the Contractor hereby agree to the full performance of the covenants contained herein, except that the City reserves the right, at its discretion and without cause, to terminate or abandon any service provided for in this Agreement, or abandon any portion

of the Project for which services have been performed by the Contractor. In the event the Court abandons or suspends the services, or any part of the services as provided in this Agreement, the Court will notify the Contractor in writing and immediately after receiving such notice, the Contractor must discontinue advancing the work specified under this Agreement. Upon such termination, abandonment, or suspension, the Contractor must deliver to the Court all drawings, plans, specifications, special provisions, estimates and other work entirely or partially completed, together with all unused materials supplied by the Court. The Contractor must appraise the work Contractor has completed and submit Contractor's appraisal to the Court for evaluation. The Court may inspect the Contractor's work to appraise the work completed. The Contractor will receive compensation in full for services performed to the date of such termination. The fee shall be paid in accordance with Section IV of this Agreement, and as mutually agreed upon by the Contractor and the Court. If there is no mutual agreement on payment, the final determination will be made in accordance with the Disputes provision in this Agreement. However, in no event may the payment exceed the amount of the payment set forth in this Agreement nor as amended in accordance with Alteration in Character of Work. The Court will make the final payment within 60 days after the Contractor has delivered the last of the partially completed items and the Parties agree on the final payment. If the Court is found to have improperly terminated the Agreement for cause or default, the termination will be converted to a termination for convenience in accordance with the provisions of this Agreement.

Termination for Cause. Either Party may terminate this Agreement for Cause upon the occurrence of any one or more of the following events: in the event that (a) the Contractor fails to perform pursuant to the terms of this Agreement; (b) either Party is adjudged as bankrupt or insolvent, (c) either Party makes a general assignment for the benefit of creditors, (d) a trustee or receiver is appointed for either Party (e) either Party files a petition to take advantage of any debtor's act, or to reorganize under the bankruptcy or similar laws, (f) either Party disregards laws, ordinances, rules, regulations or orders of any public body having jurisdiction, or (g) either Party fails to cure default within sixty (60) days. Where this Agreement has been so terminated, the termination will not affect any rights then existing or which may thereafter accrue.

Indemnification. The Contractor ("Indemnitor") must indemnify, defend, save and hold harmless the City and its officers, officials, agents and employees ("Indemnitee") from any and all claims, actions, liabilities, damages, losses or expenses (including court costs, attorneys' fees and costs of claim processing, investigation and litigation) (Claims) caused or alleged to be caused, in whole or in part, by the wrongful, negligent or willful acts, or errors or omissions of the Contractor or any of its owners, officers, directors, agents, employees, or subcontractors in connection with this Agreement. This indemnity includes any claim or amount arising out of or recovered under workers' compensation law or on account of the failure of the Contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. The Contractor must indemnify Indemnitee from and against any and all Claims, except those arising solely from Indemnitee's own negligent or willful acts or omissions. The Contractor is responsible for primary loss investigation, defense and judgment costs where this indemnification applies. . In consideration of the award of this Agreement, the Contractor agrees to waive all rights of subrogation against Indemnitee for losses arising from or related to this Agreement. The obligations of the Contractor under this provision survive the termination or expiration of this Agreement.

Insurance Requirements. Contractor shall deliver to the City, prior to commencement of the Services provided under this Agreement, a certificate of insurance acceptable to the City in the amounts and form specified in Exhibit C. Failure of Contractor to maintain insurance during the term of the Agreement, including renewal options, is a material breach and may result in immediate termination of this Agreement without notice. Insurance requirements are subject to periodic review and adjustment by the City.

Cooperation and Further Documentation. The Contractor agrees to provide the City such other duly executed documents as may be reasonably requested by the City to implement the intent of this Agreement.

Notices. Any notice, consent, or other communication (“Notice”) required or permitted under this Agreement shall be in writing and either (1) delivered in person; (2) sent via email, return receipt requested; (3) sent via facsimile transmission; (4) deposited with any commercial air courier or express delivery service; or (5) deposited in the United States mail, postage prepaid, as follows:

If to Contractor, to the following:
Steve Ostroff, Executive Vice President, Payments General Manager
3025 Windward Plaza, Suite 200
Alpharetta, GA 30005
Telephone: (646)522-4102
Email: sostroff@catalisgov.com: contracts@catalisgov.com

If to Court, to one or both of the following:
Nicholas C. DiPiazza, Presiding Judge
5711 W. Glendale Ave
Glendale, AZ 85301
Telephone: (623)930-2442
Email: ndipiazza@courts.az.gov

Lynn Brown, Court Administrator
5711 W. Glendale Ave
Glendale, AZ 85301
Telephone: (623)930-2417
Email: lbrown@courts.az.gov

Successors and Assigns. City and Contractor each bind itself, its partners, successors, assigns, and legal representatives to the other party to this Agreement and to the partners, successors, assigns, and legal representatives of such other party in respect to all covenants of this Agreement. Neither the City nor the Contractor may assign, sublet, or transfer its interest in this Agreement without the written consent of the other party. In no event may any contractual relation be created between any third party and the City.

Disputes. In any dispute arising out of an interpretation of this Agreement or the duties required not disposed of by agreement between the Contractor and the City, the final determination at the

administrative level will be made by the City Purchasing and Materials Manager. Following a final administrative determination, if applicable, either party may pursue additional dispute resolution options available to such party, including but not limited to seeking resolution in a court of law.

Completeness and Accuracy of Contractor's Work. The Contractor must be responsible for the completeness and accuracy of Contractor's services, data, and other work prepared or compiled under Contractor's obligation under this Agreement and must correct, at Contractor's expense, all willful or negligent errors, omissions, or acts that may be discovered. The fact that the City has accepted or approved the Contractor's work will in no way relieve the Contractor of any of Contractor's responsibilities.

Withholding Payment. The City reserves the right to withhold funds from the Contractor's payments up to the amount equal to the claims the City may have against the Contractor until such time that a settlement on those claims has been reached.

City's Right of Cancellation. The Parties acknowledge that this Agreement is subject to cancellation by the City under the provisions of Section 38-511, Arizona Revised Statutes (A.R.S.).

Independent Contractor. For this Agreement the Contractor constitutes an independent contractor. Any provisions in this Agreement that may appear to give the City the right to direct the Contractor as to the details of accomplishing the work or to exercise a measure of control over the work means that the Contractor must follow the wishes of the City as to the results of the work only. These results must comply with all applicable laws and ordinances.

Project Staffing. Prior to the start of any work under this Agreement, the Contractor must assign to the City the key personnel that will be involved in performing services prescribed in the Agreement. The City may acknowledge its acceptance of such personnel to perform services under this Agreement. At any time hereafter that the Contractor desires to change key personnel while performing under the Agreement, the Contractor must submit the qualifications of the new personnel to the City for prior approval. The Contractor will maintain an adequate and competent staff of qualified persons, as may be determined by the City, throughout the performance of this Agreement to ensure acceptable and timely completion of the Scope of Services. If the City objects, with reasonable cause, to any of the Contractor's staff, the Contractor must take prompt corrective action acceptable to the City and, if required, remove such personnel from the Project and replace with new personnel agreed to by the City.

Subcontractors. Prior to beginning the work, the Contractor must furnish the City for approval the names of subcontractors to be used under this Agreement. Any subsequent changes are subject to the City's written prior approval.

Force Majeure. If either party is delayed or prevented from the performance of any act required under this Agreement by reason of acts of God or other cause beyond the control and without fault of the Party (financial inability excepted), performance of that act may be excused, but only for the

period of the delay, if the Party provides written notice to the other Party within ten days of such act. The time for performance of the act may be extended for a period equivalent to the period of delay from the date written notice is received by the other Party.

Compliance with Laws. Contractor understands, acknowledges, and agrees to comply with the Americans with Disabilities Act, the Immigration Reform and Control Act of 1986 and the Drug Free Workplace Act of 1989. All services performed by Contractor must also comply with all applicable City of Glendale codes, ordinances, and requirements. Contractor agrees to permit the City to verify Contractor's compliance.

No Israel Boycott. By entering into this Agreement, and if applicable, Contractor certifies that Contractor is not currently engaged in, and agrees for the duration of the Agreement, not to engage in a boycott of Israel as defined by state statute.

Legal Worker Requirements. A.R.S. § 41-4401 prohibits the City from awarding a contract to any contractor who fails, or whose subcontractors fail, to comply with A.R.S. § 23-214(A). Therefore, Contractor agrees Contractor and each subcontractor it uses warrants their compliance with all federal immigration laws and regulations that relate to their employees and their compliance with § 23-214, subsection A. A breach of this warranty will be deemed a material breach of the Agreement and may be subject to penalties up to and including termination of the Agreement. City retains the legal right to inspect the papers of any Contractor's or subcontractor's employee who provides services under this Agreement to ensure that the Contractor and subcontractors comply with the warranty under this provision.

Lawful Presence Requirement. A.R.S. §§ 1-501 and 1-502 prohibit the City from awarding a contract to any natural person who cannot establish that such person is lawfully present in the United States. To establish lawful presence, a person must produce qualifying identification and sign a City-provided affidavit affirming that the identification provided is genuine. This requirement will be imposed at the time of contract award. This requirement does not apply to business organizations such as corporations, partnerships, or limited liability companies.

Covenant Against Contingent Fees. Contractor warrants that no person has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, and that no member of the Glendale City Council, or any City employee has any interest, financially, or otherwise, in Contractor's firm. For breach or violation of this warrant, the City may annul this Agreement without liability or, at its discretion, to deduct from the Agreement price or consideration, the full amount of such commission, percentage, brokerage, or contingent fee.

Non-Waiver Provision. The failure of either Party to enforce any of the provisions of this Agreement or to require performance of the other Party of any of the provisions hereof must not be construed to be a waiver of such provisions, nor must it affect the validity of this Agreement or any part thereof, or the right of either Party to thereafter enforce each and every provision.

Disclosure of Information Adverse to the City's Interests. To evaluate and avoid potential conflicts of interest, the Contractor must provide written notice to the City, as set forth in this Section, of any work or services performed by the Contractor for third parties that may involve or be associated with any real property or personal property owned or leased by the City. Such notice must be given seven business days prior to commencement of the services by the Contractor for a third party, or seven business days prior to an adverse action as defined below. Written notice and disclosure must be sent to the City's Purchasing and Materials Manager. An adverse action under this Agreement includes, but is not limited to: (a) using data as defined in the Agreement acquired in connection with this Agreement to assist a third party in pursuing administrative or judicial action against the City; or (b) testifying or providing evidence on behalf of any person in connection with an administrative or judicial action against the City; or (c) using data to produce income for the Contractor or its employees independently of performing the services under this Agreement, without the prior written consent of the City. Contractor represents that except for those persons, entities, and projects identified to the City, the services performed by the Contractor under this Agreement are not expected to create an interest with any person, entity, or third-party project that is or may be adverse to the City's interests. Contractor's failure to provide a written notice and disclosure of the information as set forth in this Section constitute a material breach of this Agreement.

Data Confidentiality and Data Security. As used in the Agreement, data means all information, whether written or verbal, including plans, photographs, studies, investigations, audits, analyses, samples, reports, calculations, internal memos, meeting minutes, data field notes, work product, proposals, correspondence and any other similar documents or information prepared by, obtained by, or transmitted to the Contractor or its subcontractors in the performance of this Agreement. The Parties agree that all data, regardless of form, including originals, images, and reproductions, prepared by the City and transmitted to the Contractor or its subcontractors in connection with the Contractor's or its subcontractor's performance of this Agreement is confidential and proprietary information belonging to the City. Except as specifically provided in this Agreement, Contractor or its subcontractors must not divulge data to any third party without the City's prior written consent. Contractor or its subcontractors must not use City data for any purposes except to perform the services required under this Agreement. These prohibitions do not apply to the following data provided to the Contractor or its subcontractors have first given the required notice to the City: (a) data which was known to the Contractor or its subcontractors prior to its performance under this Agreement unless such data was acquired in connection with work performed for the City; or (b) data which was acquired by the Contractor or its subcontractors in its performance under this Agreement and which was disclosed to the Contractor or its subcontractors by a third party, who to the best of the Contractor's or its subcontractors knowledge and belief, had the legal right to make such disclosure and the Contractor or its subcontractors are not otherwise required to hold such data in confidence; or (c) data which is required to be disclosed by virtue of law, regulation, or court order, to which the Contractor or its subcontractors are subject. In the event the Contractor or its subcontractors are required or requested to disclose data to a third party, or any other information to which the Contractor or its subcontractors became privy as a result of any other contract with the City, the Contractor must first notify the City as set forth in this Section of the request or demand for the data. The Contractor or its subcontractors must give the City sufficient facts so that the City can be given an opportunity to first give its consent or take such action that the City may deem appropriate to protect such data or other information from disclosure. Unless prohibited by law, within ten calendar days after completion or termination of services under this Agreement, the Contractor or its subcontractors must

promptly deliver, as set forth in this Section, a copy of all data to the City. All data must continue to be subject to the confidentiality agreements of this Agreement. Contractor or its subcontractors assume all liability to maintain the confidentiality of the data in its possession and agrees to compensate the City if any of the provisions of this Section are violated by the Contractor, its employees, agents or subcontractors. Solely for the purposes of seeking injunctive relief, it is agreed that a breach of this Section must be deemed to cause irreparable harm that justifies injunctive relief in court. Contractor agrees that the requirements of this Section must be incorporated into all subcontracts entered into by Contractor. A violation of this Section may result in immediate termination of this Agreement without notice.

Personal Identifying Information-Data Security. Personal identifying information, financial account information, or restricted City information, whether electronic format or hard copy, must be secured and protected at all times by Contractor and any of its subcontractors. At a minimum, Contractor must encrypt or password-protect electronic files. This includes data saved to laptop computers, computerized devices, or removable storage devices. When personal identifying information, financial account information, or restricted City information, regardless of its format, is no longer necessary, the information must be redacted or destroyed through appropriate and secure methods that ensure the information cannot be viewed, accessed, or reconstructed. In the event that data collected or obtained by Contractor or its subcontractors in connection with this Agreement is believed to have been compromised, Contractor or its subcontractors must promptly notify the City contact. Contractor agrees to reimburse the City for any costs incurred by the City to investigate potential breaches of this data and, where applicable, the cost of notifying individuals who may be impacted by the breach. Contractor agrees that the requirements of this Section must be incorporated into all subcontracts entered into by Contractor. It is further agreed that a violation of this Section must be deemed to cause irreparable harm that justifies injunctive relief in court. A violation of this Section may result in immediate termination of this Agreement without notice. The obligations of Contractor or its subcontractors under this Section survive the termination of this Agreement.

Jurisdiction and Venue. This Agreement is made under and must be construed in accordance with and governed by the laws of the State of Arizona without regard to the conflicts or choice of law provisions thereof. Any action to enforce any provision of this Agreement or to obtain any remedy with respect hereto must be brought in the courts located in Maricopa County, Arizona, and for this purpose, each Party hereby expressly and irrevocably consents to the jurisdiction and venue of such court.

Survival. All warranties, representations, and indemnifications by the Contractor must survive the completion or termination of this Agreement.

Modification. Except as expressly provided herein to the contrary, no supplement, modification, or amendment of any term of this Agreement will be deemed binding or effective unless in writing and signed by the Parties.

Severability. If any provision of this Agreement or the application to any person or circumstance may be invalid, illegal or unenforceable to any extent, the remainder of this Agreement and the application will not be affected and will be enforceable to the fullest extent permitted by law.

Integration. This Agreement contains the full agreement of the Parties. Any prior or contemporaneous written or oral agreement between the Parties regarding the subject matter is merged and superseded.

Time is of the Essence. Time of each of the terms, covenants, and conditions of this Agreement is hereby expressly made of the essence.

Date of Performance. If the date of performance of any obligation or the last day of any time period provided for should fall on a Saturday, Sunday, or holiday for the City, the obligation will be due and owing, and the time period will expire, on the first day after which is not a Saturday, Sunday or legal City holiday. Except as may otherwise be set forth in this Agreement, any performance provided for herein will be timely made if completed no later than 5:00 p.m. (Glendale time) on the day of performance.

Delivery. All prices are Freight on Board Destination and include all delivery and unloading at the specified destinations. The Contractor will retain title and control of all goods until they are delivered and accepted by the City. All risk of transportation and all related charges will be the responsibility of the Contractor. All claims for visible or concealed damage will be filed by the Contractor. The City will notify the Contractor promptly of any damaged goods and will assist the Contractor in arranging for inspection.

Third Party Beneficiary. Nothing under this Agreement will be construed to give any rights or benefits in the Agreement to anyone other than the City and the Contractor, and all duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of City and the Contractor and not for the benefit of any other party.

Conflict Language. All work performed must conform to all applicable City of Glendale codes, ordinances, and requirements as outlined in this Agreement. If there is a conflict in interpretation between provisions in this Agreement and those in the Exhibits, the provisions in this Agreement prevail.

Documentation/Information. Release Documents and materials released to the Contractor, which are identified by the City as sensitive and confidential, are the City's property. The document/material must be issued by and returned to the City upon completion of the services under this Agreement. Contractor's secondary distribution, disclosure, copying, or duplication in any manner is prohibited without the City's prior written approval. The document/material must be kept secure at all times. This directive applies to all City documents, whether in photographic, printed, or electronic data format. Contractor retains ownership of all Contractor Intellectual Property that Contractor delivers to City pursuant to the Services performed. The right of City to use the Software and associated documentation is for City's internal use only and limited to the field of use described in the Agreement. No title or ownership in the Software or documentation is transferred to City. City shall not copy or in any way duplicate the Software, except for necessary backup and archival procedures approved by Contractor in advance and in writing. Only City's employees and necessary contractors acting in the proper scope of their services to City may access or use the Software or documentation. City shall not adapt, modify, reverse engineer, decompile, or disassemble, in whole or in part, any of the Software and/or any documentation.

Special Conditions. As part of the services Contractor provides under this Agreement, Contractor agrees to comply with and fully perform the special terms and conditions set forth in Exhibit D, which is attached to and made a part of this Agreement.

Cooperative Use Agreement. In addition to the City of Glendale and with approval of the Contractor, this Agreement may be extended for use by other municipalities, school districts and government agencies of the State. Any such usage by other entities must be in accordance with the ordinance, charter and/or procurement rules and regulations of the respective political entity.

If required to provide services on a school district property, the Contractor will submit a full set of fingerprints to the school of each person or employee who may provide such service. The District will conduct a fingerprint check in accordance with A.R.S. 41-1750 and Public Law 92-544 of all Contractors, subcontractors or vendors and their employees for which fingerprints are submitted to the District. Additionally, the Contractor will comply with the governing body fingerprinting policies of each individual school district/public entity. The Contractor, sub-contractors, vendors and their employees will not provide services on school district properties until authorized by the District.

Orders placed by other agencies and payment thereof will be the sole responsibility of that agency. The City will not be responsible for any disputes arising out of transactions made by other agencies who utilize this Agreement.

Non-Discrimination and Anti-Harassment Laws. Contractor must comply with all applicable City, state, and federal non-discrimination and anti-harassment laws, rules, and regulations.

Licenses and Permits. Beginning with the Effective Date and for the full term of this Agreement, Contractor must maintain all applicable City, state, and federal licenses and permits required to fully perform Contractor's services under this Agreement.

Warranties. Contractor must furnish a one-year warranty on all work and services performed under this Agreement. Contractor must furnish, or cause to be furnished, a two- year warranty on all fixtures, furnishings, and equipment furnished by Contractor, subcontractors, or suppliers under this Agreement. Any defects in design, workmanship, or materials that do not comply with this Agreement must be corrected by Contractor (including, but not limited to, all parts and labor) at Contractor's sole cost and expense. All written warranties and redlines for as-built conditions must be delivered to the City on or before the City's final acceptance of Contractor's services under this Agreement.

Emergency Purchases. City reserves the rights to purchase from other sources those items, which are required on an emergency basis and cannot be supplied immediately by the Contractor.

Exhibits. The following exhibits are made a part of this Agreement and are incorporated by reference:

Exhibit A - Project Description/Scope of Services

Exhibit B - Compensation and Fees

Exhibit C—Insurance Requirements

Exhibit D - Special Conditions

Each Party is signing this Agreement on the date stated below that Party's signature.

CITY OF GLENDALE, a municipal Corporation

By: _____ Date _____
Nicholas C. DiPiazza
Presiding Judge
Glendale City Court

ATTEST:

Julie K. Bower (SEAL)
City Clerk

APPROVED AS TO FORM:

Michael D. Bailey
City Attorney

Catalis Payments, LLC
"CONTRACTOR"

By: ^{Signed by:} Steve Ostroff 1/23/2025
Steve Ostroff Date
Executive Vice President, Payments General
Manager
Catalis Payments, LLC

EXHIBIT A SCOPE OF SERVICES

CONTRACTOR'S RESPONSIBILITIES

General

1. The Contractor will provide an online payment processing solution to the Glendale City Court (Court) in accordance with the standards and specifications of the then-current Statewide Arizona Courts contract for its electronic payment processing system. As of the effective date of this Agreement, the current Statewide Arizona Courts Electronic Payment Processing System contract number is 2015-00000022.
2. There is no cost to the City of Glendale or the Glendale City Court for the implementation and operation of the Program.
3. The Contractor will build, host and maintain a Glendale City Court-specific website(s) for online payments for the Court. The Contractor will maintain a URL for the Court. All costs for development, hosting, application, processing, customer service and merchant fees related to the Program are underwritten by user fees for services.
4. The Court will make resources available to assist Catalis in the timely launch of the payment processing program. The expected "go live" date for the services contemplated in this Agreement is 45 days from the execution of this Agreement.

Data Search and Payment Processing

1. The Court, via its case management software, will update the Contractor's payment program via bulk file upload, with data on all open and payable citations and pay orders from the Court's server. Upon upload of the data, the information may be accessed and payment made by the citation-holder. Data will be capable of being searched by case number and the first and last name, or similar identifying characteristic of the citation-holder. At specified intervals to be determined by the Court, payment information will be transferred via bulk file to enable the Court to automatically update the Court's case management system with payment transaction data.
2. When a payment is authorized, the Contractor will provide notification to the Court by automated email. The Contractor will simultaneously notify the payer via automated email that the transaction has been completed if the payer opts into communication.
3. The Contractor guarantees to the Court all fees collected, regardless of any chargeback issues excluding ACH. In the case of suspected fraud, the Contractor may, from time to time,

reach out to the Court for assistance in pursuing resolution to suspected fraudulent chargebacks. In such instances, the Court will provide reasonable assistance to the Contractor in these efforts. Such support may include providing documentation, call records, or, in cases of documented fraud, reinstatement of the underlying citation.

4. Upon notification of an over-payment of any fine amount, the Contractor will refund the overpayment amount and notify the payer via automated email of the refund. Upon notification of an under-payment of any fine amount, the Contractor will notify the payer via automated email of their under-payment and the remaining amount due.
5. If there are designated payments which are ineligible for online payment, the Court will be able to disable those records from being paid through the Contractor via the Court's CMS software.
6. Payers will agree to the Contractor's disclaimer language prior to making payment.
7. The Court acknowledges and agrees that Catalis will provide The Court six (6) point of sale terminals (Ingenico Lane 3000 PCI compliant, EMV ready) solely for the purpose of permitting Customers to initiate Payments via the E-Payment System. Upon receipt, this hardware becomes the sole and exclusive property of the the Court. Catalis will facilitate processing of any warranty claims on the provided devices during the manufacturers' warranty period. Following the expiration of the manufacturers' warranty, Catalis will subsidize the replacement of any defective or damaged device according to the following schedule.

Replacement period: Catalis will pay the following proportions of the replacement cost:

- 1st year following warranty expiration: 25%
- 2nd year following warranty expiration: 50%
- 3rd year following warranty expiration: 75%
- 4th year following warranty expiration: 100%

8. At this time, Catalis' payment processing system is not integrated with the Arizona statewide case management system (CMS). If authorized by the AOC, Catalis will, at no cost to the Glendale City Court, develop an integration to the statewide CMS system to facilitate the necessary data exchanges to ensure Catalis' database is updated, on a near real-time basis via web services, with data on all open and payable citations from the Court's server. Upon exchange of the data, the information may be accessed and payment may be made by the party/court user. Citations will be searchable by citation number and the first and last name or similar identifying characteristics of the named traffic defendant or other designated party identifier.
9. Catalis guarantees to the Glendale City Court all fees collected, regardless of any chargeback issues. In the case of suspected fraud, Catalis may, from time to time, reach out to the Court for assistance in pursuing resolution to suspected fraudulent

chargebacks. In such instances, the Agency agrees to provide reasonable assistance to Catalis in these efforts. Such support may include providing documentation, call records, and/or in cases of documented fraud, reinstatement of all fees collected.

10. If there are designated payments which are ineligible for online payment, the Court will be able to reject the payment through the Dashboard. Payers will be notified by automated email.
11. The Court acknowledges that the Contractor will provide customer support and billing associated technology services. The Court further acknowledges that WorldPay, LLC to fund a bank account designated by Catalis LLC for your benefit and to make direct deposit of Visa, MasterCard, and Discover funds into this account. WorldPay, LLC will debit an account owned and designated by Catalis LLC: (1) for the discount fees, and other charges incurred in connection with Glendale City Court card processing; (2) for all chargebacks and adjustments; (3) for arbitration fees, fines, penalties, etc. charged by the associations incurred as a result of Glendale City Court card processing; and (4) for any other amounts described in the Sub- Merchant Agreement Terms and Conditions. The Court has read, understands and agrees to be bound by the terms and conditions of the Merchant Service Agreement attached hereto, which is hereby incorporated by reference and may be modified or amended from time to time.

Services for Court Customers

1. The Contractor will provide a toll-free telephonic customer service function to ensure that members of the public utilizing the Program have a satisfactory experience that does not require the technological assistance of Court personnel.
2. The website address will be printed on all invoices and a payment link to the Contractor's payment system will be established on the Court's website. Links from other government websites will also be explored. Additionally, the Court administrative staff should routinely advise telephone callers of the Court's website(s) which should create greater utilization and reduce telephone inquiries to the Court.
3. Contractor will provide an outbound notification program for use by the Court. The outbound notification program will enable the court to notify clients of upcoming payments, upcoming court dates, past due payments, missed court dates, and recurring payment reminders. Per the Telephone Consumer Protection Act of 1991, citizens must consent to participation in the outbound notification program. It is the responsibility of the Court to obtain such consent.
4. The Contractor will modify Court's website to add the option of electing a Payment Plan for eligible citations/cases to be determined by the Court.

Service, Support and Reporting for the Court

1. The Court may request and Contractor must provide training, support, and/or other services in addition to those services performed by the Contractor as provided herein through a mutually agreed upon change control process.
2. For critical maintenance updates involving a change to the electronic payment processing solution or other contracted deliverable, Catalis will provide 7 days' notice and perform any maintenance work after hours.
3. For service upgrades and other back-end (non-customer facing) changes to the electronic payment processing solution or other contracted deliverable Catalis will provide 30 days' notice and perform and upgrades or changes after hours.
4. For front end changes (customer facing or user interface changes) or service upgrades requested by the Court, the Court will provide a description of the work to the Contractor and the Contractor will provide a project schedule and design document covering the requested services prior to initiating development changes. Implementation, deliverables, and performance standards and pricing will be as agreed by the parties and stated in writing.
5. The Contractor will provide 60 days' notice to the Court of any new version of or upcoming upgrade to the software requested by the Court. The Court will test the new version or upgrade prior to implementation. The Court reserves the right to refuse any new version or upgrade.
6. All notices of upgrades, outages, services, maintenance, updates, or any other activity related to the services will be provided to the City directly by the Contractor. The Contractor will not engage a third party to provide notifications to the City.
7. The Contractor will provide a test instance to the Court for the purpose of testing any new version or upgrade requested by the Court prior to implementation.
8. The Contractor will provide the Court its maintenance outage schedule for approval.
9. The Contractor and the Court will conduct performance review meetings on a quarterly basis which are preferred on site. Court and Catalis discuss in good faith onsite vs virtual meetings.

Service Levels

1. Electronic payment processing service will be available and accessible to the Court's online service applications 24x7x365, with the exception of pre-scheduled maintenance outages.
2. In the event of an unscheduled outage not caused by the Contractor, the Contractor will

provide the Court immediate notification and ongoing status updates of an unscheduled outage until the outage is resolved.

**EXHIBIT B
COMPENSATION AND
FEES**

Electronic Payment Processing	
Description	Fee
On-line payment processing for citations, fees and fines, probation and restitution, including chargeback protection (credit and debit cards, including VISA, Mastercard, Discover, American Express)	5% of payment amount
Payment processing for payments made at the Court for citations, fees & fines, bonds, probation and restitution, including chargeback protection (credit and debit cards, including VISA, Mastercard, Discover, American Express)	5% of payment amount
Cash payments processed at participating locations	\$1.95 per transaction
Customer Care Call Center	
Description	Fee
Bilingual call center services for payment processing for citations, fees and fines, bonds, probation and restitution, including chargeback protection	5% of payment amount
Outbound calling services to aid in the notification of upcoming and past due payments prior to the Court engaging collection agency services Citizen phone numbers provided by the Court;	5% of payment amount

EXHIBIT C
INSURANCE REQUIREMENTS

Contractor and subcontractors shall procure and maintain, until all respective obligations have been discharged, including satisfaction of any warranty periods, insurance against claims for injury to persons or damage to property, which may arise from or in connection with the performance of the work hereunder by Contractor, Contractor's agents, representatives, employees and/or subcontractors.

The insurance requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained, herein. The City in no way warrants that the minimum requirements are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under this Contract by the Contractor, Contractor's agents, representatives, employees or subcontractors and Contractor is free to purchase additional insurance as may be determined necessary.

A. MINIMUM SCOPE AND LIMITS OF INSURANCE: Contractor shall provide coverage with limits of liability not less than those stated below. An excess liability policy or umbrella liability policy may be used to meet the minimum liability requirements provided that the coverage is written on a "following form" basis.

1. Commercial General Liability- Occurrence Form

Policy shall include bodily injury, property damage and broad form contractual liability coverage.

- General **Aggregate** \$2,000,000
- Products-Completed Operations Aggregate \$1,000,000
- Personal and Advertising Injury \$1,000,000
- Each Occurrence \$1,000,000

a. The policy shall be endorsed to include the following additional insured language. "The City of Glendale shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of the Contractor".

2. Worker's Compensation and Employers' Liability

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	\$100,000
Disease – Each Employee	\$100,000
Disease – Policy Limit	\$500,000

- a. Policy shall contain a waiver of subrogation against the City of Glendale.
- b. This requirement shall not apply when a Contractor or subcontractor is exempt under A.R.S. § 23- 902(E), and when the appropriate sole proprietor waiver form(s) is/are executed. Additionally, the Workers' Compensation and Employers' Liability Policy requirement does not apply to any of Contractor's subcontractors that are sole proprietors without any employees. Finally, if Contractor's subcontractors are

likewise exempt under A.R.S. § 23-902(E), and when the appropriate waiver form is executed, the Workers' Compensation and Employers' Liability Policy requirement does not apply to Contractor's subcontractors.

3. Professional Liability (Errors and Omissions Liability)

The policy shall cover professional misconduct or lack of ordinary skill for those positions defined in the Scope of Services of this contract.

Each Claim	\$1,000,000
Annual Aggregate	\$2,000,000

- a. In the event that the professional liability insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract; and that either continuous coverage will be maintained, or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Contract is completed.

B. ADDITIONAL INSURANCE REQUIREMENTS: The policies shall include or be endorsed to include the following provisions:

- 1. On insurance policies where the City of Glendale is named as an additional insured, the City of Glendale shall be an additional insured to the full limits of liability purchased by the Contractor even if those limits of liability are in excess of those required by this Contract.
- 2. The Contractor's insurance coverage shall be primary insurance and non-contributory with respect to all other available sources.

C. NOTICE OF CANCELLATION: For each insurance policy required by the insurance provisions of this Contract, the Contractor must provide to the City, within 2 business days of receipt, a notice if a policy is suspended, voided or cancelled for any reason. Such notice shall be mailed, emailed, hand delivered or sent by facsimile transmission to:

D. ACCEPTABILITY OF INSURERS: Insurance is to be placed with insurers duly licensed or authorized to do business in the state of Arizona and with an "A.M. Best" rating of not less than B+VI. The City in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

E. VERIFICATION OF COVERAGE: Contractor shall furnish the City with certificates of insurance (ACORD form or equivalent approved by the City) as required by this Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

All certificates and any required endorsements are to be received and approved by the City before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project.

Failure to maintain the insurance policies as required by this Contractor to provide evidence of renewal is a material breach of contract.

All certificates required by this Contract shall be sent directly to Lynn Brown, Court Administrator. The City project/contract number and project description shall be noted on the certificate of insurance. The City reserves the right to require complete, certified copies of all insurance policies required by this Contract at any time. **DO NOT SEND CERTIFICATES OF INSURANCE TO THE CITY'S RISK MANAGEMENT DIVISION.**

F. **SUBCONTRACTORS:** To the extent that Contractor uses subcontractors, Contractors' certificate(s) shall include all subcontractors as additional insureds under its policies, or Contractor shall furnish to the City separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements identified above.

G. **MODIFICATION AND APPROVAL:** Any modification or variation from the insurance requirements in this Contract shall be made and approved by the Glendale City Court, through its legal counsel. All decisions shall be final. Such action will not require a formal Contract amendment but may be made by administrative action.

EXHIBIT D
TO AGREEMENT SPECIAL
CONDITIONS

NONE

