

COUNTY COUNCIL OF WICOMICO COUNTY, MARYLAND

2016 Legislative Session

Legislative Day No. 13

Resolution No. 84-2016

Introduced by: The President of the Council at the request of the County Executive

A RESOLUTION APPROVING A MASTER SERVICES AGREEMENT BETWEEN WICOMICO COUNTY, MARYLAND AND PAYMENTUS CORPORATION, AND AUTHORIZING THE COUNTY EXECUTIVE TO EXECUTE THE AGREEMENT.

WHEREAS, the Wicomico County Department of Public Works, Solid Waste Division, desires to enter into a Master Services Agreement, attached as Exhibit A, with Paymentus Corporation for electronic bill payment services; and

WHEREAS, said Master Services Agreement shall be for a period of one year with the option to renew for two successive one year periods; and

WHEREAS, the County Executive recommends entering into the Master Services Agreement with Paymentus Corporation, attached as Exhibit A, for electronic bill payment services.

NOW, THEREFORE, BE IT RESOLVED by the County Council of Wicomico County, Maryland as follows:

1. The County Executive is hereby authorized to execute, on behalf of Wicomico County, Maryland, a Master Services Agreement with Paymentus Corporation, for electronic bill payment services.
2. The Master Services Agreement, in substantially the form attached hereto as Exhibit "A," is hereby approved as to form and content.

Done at Salisbury, Maryland, this 5th day of July, 2016.

ATTEST:

COUNTY COUNCIL OF
WICOMICO COUNTY, MARYLAND


Matthew E. Creamer,
Council Administrator

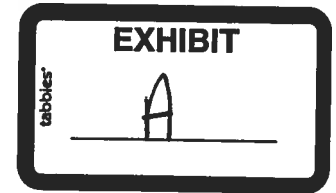

John T. Cannon,
Council President

CERTIFICATION

This Resolution was Adopted , Adopted with Amendments , Failed , Withdrawn by the County Council on July 5, 2016.

Certified by 
Matthew E. Creamer, Council Administrator

Paymentus



MASTER SERVICES AGREEMENT

Client:	Wicomico County, Maryland
Client Address:	125 N. Division Street, Room 102 PO Box 4036 Salisbury, MD 21803-4036
Contact for Notices to Client:	Leslie Lewis
Estimated Yearly Bills / Invoices:	130,000

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

This Agreement represents the entire understanding between the parties hereto with respect to its subject matter and supersedes all other written or oral agreements heretofore made by or on behalf of Paymentus or Client with respect to the subject matter hereof and may be changed only by agreements in writing signed by the authorized representatives of the parties.

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

Client:

By: _____

Name: _____

Title: _____

Date: _____

Paymentus:

By: _____

Name: _____

Title: _____

Date: _____

Paymentus

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 **"Services"** shall include the performance of the Services outlined in section 2 of this Agreement
- 1.8 **"Paymentus Authorized Processor"** shall mean a Paymentus authorized merchant account provider and payment processing gateway
- 1.9 **"Reversed or Charged-back Transactions"** shall mean cancelled transactions due to User error, or a User's challenge to Payment authenticity.
- 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").

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**

System will charge each User a Service fee for each transaction processed (hereinafter called "Paymentus Service Fee"). Such Paymentus Service Fee is to be collected in addition to the corresponding Payment as part of the transaction.

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

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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.

4 Payment Processing

4.1 Integration with Client's Billing System

At no cost to Client, Paymentus will develop one (1) file format interface with Client's billing system using Client's existing text file format currently used to post payments to Client's billing system. Client will be responsible to provide Paymentus with the one file format specification 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 PCI Compliance and Client Liability

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

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

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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"). If Client chooses any other integration 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.

4.3 Explicit User Confirmation

Paymentus shall confirm the dollar amount of all Payments and the corresponding Paymentus Service Fee 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.

4.4 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.

4.5 Card Authorization

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

4.6 Settlement

Paymentus together with its authorized Card processor shall forward the payment transactions and corresponding Paymentus Service Fee 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 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.

4.7 Reversed or Chargeback Transactions

With respect to all Reversed or Chargeback Transactions the Client authorizes Paymentus and Paymentus Authorized Processor (and/or the respective card organization) to debit the Client Bank Account for the Payment Amount and Paymentus shall refund to the Card organization for credit back to the User the corresponding Paymentus Service Fees.

Paymentus together with Paymentus Authorized Processor will continuously review its processes for Reversed or Chargeback transactions, for simplicity and efficiencies. Client and Paymentus agree to reasonably co-operate with each other if Paymentus requires any change its settlement and invoicing processes for such transactions.

5 General Conditions of Services

5.1 Service Reports

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

5.2 User Adoption Communication by Client

Client will make Paymentus' Services available to its residential and commercial Clients by different means of Client communication including a) through bills, invoices and other notices; b) by providing IVR and Web payment details on the Client's website including a "Pay Now" or similar link on a mutually agreed 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 will be presented as a payment method option. Client will communicate Paymentus option to its end residential and commercial Clients wherever Client usually communicates its other 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 and mutually agreed location on the Client website. The phone number for the IVR payment will also be added to the web site. Client will 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 Maryland.

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 Post or 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: Leslie Lewis
Address: 125 N. Division Street
Room 102
P.O. Box 4036
Salisbury, MD 21803-4036
Email: llewis@wicomicocounty.org

To Paymentus

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

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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

Should any litigation arise concerning this Agreement between the parties hereto, the parties agree to bear their own costs and attorney's fees.

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, no-how, products, services, suppliers, Clients, marketing data, plans, and models, and personnel. 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), external computer "hacker" 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 party's 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

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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 this Agreement or the Services shall in no event exceed the specific

dollar amount of the Paymentus Service Fee paid to Paymentus for the particular payment transaction which is the subject matter of the claim of damage.

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. Services under this Agreement shall begin within 30 days of the merchant account setup.

At the end of the Initial Term, this Agreement will automatically renew for two 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 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.

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Schedule A – Paymentus Service Fee Schedule

Paymentus Service Fee charged to the User will be based on the following table:

Payment Type	Paymentus Service Fee
Average Bill Amount of \$60.00	2.45% of Bill Amount for Credit Card (VISA, MasterCard, Discover Cards, Debit Cards) \$0.95 cents for echecks
Tax Bills (Real Estate, Urban Services, Corporate/Personal Property, Fines and Delinquent Corporations)	2.45% of Bill Amount for Credit Cards (VISA, MasterCard, Discover Cards, Debit Cards, \$0.95 cents for echecks

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

The Paymentus Service Fee will be collected in addition to the end-user bill payment total. Paymentus may apply different limits per transactions for user adoption or to mitigate risks.