INTERNAL CITY AUDIT COMMITTEE AGENDA  
CITY OF PORTERVILLE, CALIFORNIA  
LA BARCA CONFERENCE ROOM, CITY HALL  
JUNE 6, 2008 - 9:00 A.M.

Call to Order  
Roll Call

Committee Members: Pete McCracken, Chair  
Charles Webber, Member  
Maria Bemis, Member  
Julia Lew, Member  
John Longley, Member

Staff Members: John Lollis, Deputy City Manager  
Patrice Hildreth, Committee Secretary

ORAL COMMUNICATIONS

SCHEDULED MATTERS

1. Approval of Minutes of May 21, 2008  
2. Review and Consideration of Proposal for Credit Card Services

OTHER MATTERS

ADJOURNMENT

In compliance with the Americans with Disabilities Act and the California Ralph M. Brown Act, if you need special assistance to participate in this meeting, or to be able to access this agenda and documents in the agenda packet, please contact the Chief Deputy City Clerk at (559) 782-7442. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting and/or provision of an appropriate alternative format of the agenda and documents in the agenda packet.

Materials related to an item on this Agenda submitted to the City Council after distribution of the Agenda packet are available for public inspection at the Office of City Clerk, 291 North Main Street, Porterville, CA 93257, during normal business hours.
Call to Order at 3:00 p.m.
Roll Call:
Committee Members: Pete McCracken, Chair
Charles Webber, Member
Maria Bemis, Member
Julia Lew, Member
John Longley, Member

Staff Members: John Lollis, Deputy City Manager
Patrice Hildreth, Committee Secretary

ORAL COMMUNICATIONS
None

SCHEDULED MATTERS
1. MINUTES OF JANUARY 16, 2008

The Minutes of January 16, 2008 were approved as presented, without objection.

2. PRESENTATION BY AUDITOR OF SWAP MEET AUDIT FINDINGS

Auditor Steve Pressley updated the Committee on the status of the audit and his findings to date. He indicated that based on his site visit and discussions with swap meet staff, he believes that a lack of clarity exists with regard to what is expected and required of them. He noted that his staff met with both the operator’s staff, as well as with many vendors. He indicated that while most of the vendors possessed re-sellers permits, many of them did not possess permits for selling at the swap meet location in Porterville, nor any other address in Porterville for that matter. A discussion ensued as to the significance of the lack of a Porterville address on the permit, being that the City of Porterville would not then be eligible to receive any portion of the sales tax from sales generated through those permits lacking a Porterville address. The Committee Members agreed that this was indeed an issue that needed a resolution. Member Longley spoke of the voiced concerns and contentions of local businesses with regard to unfair competition, and commented that there was some legitimacy to those claims. He stated that the swap meet vendors should be treated no differently than any other business operator in the City.

Mr. Pressley went on to discuss the deteriorated state of the parking lot on which the swap meet was held at Porterville College, and of his understanding through comments made by swap meet staff that the swap meet would be temporarily relocating to the Porterville Fairgrounds in June while the parking lot was being resurfaced. A discussion ensued, during which Member Longley indicated that the City was unaware of any proposed relocation onto City property. Member Lew stated that a legal issue might exist in that the college might need to
keep the swap meet on school property in order to maintain its exemption. She also noted a possible issue with the swap meet operating on City property. Member Longley indicated that he would contact Porterville College President Rosa Carlson regarding the matter.

A brief discussion next ensued as to food sales by some vendors; whether said vendors were routinely inspected by the Tulare County Health & Human Services Department; and what, if any, liability could arise out of improper food handling.

Mr. Pressley requested direction as to how the Committee would like him to proceed with the audit. A discussion ensued as to the revenue generated by the swap meet and the likelihood that the City was not receiving what it was due. The lack of proper accounting was noted, as was the need for an analysis as to what was being collected versus what should be collected. It was suggested that perhaps a swap meet ordinance was needed to provide clear regulations and requirements, and set forth additional procedures for all swap meet operators and vendors. Various options for regulations in a draft ordinance were discussed, such as requiring that vendors provide a copy of their filed state reportings to the City, and revise forms so as to obtain more information.

A discussion ensued as to the City’s uncertainty as to how many vendors actually participated or could participate in the swap meet. Mr. Pressley indicated that swap meet staff had advised him that no site map of the swap meet existed. The Committee agreed that the lack of a map was problematic and Members questioned how the vendors were tracked without one. Member Longley commented that overall the audit should provide any and all information necessary to ensure the accurate collection of sales tax and business license fees. He suggested it should include an analysis of what was being collected versus what should be collected; a site map depicting the layout and number of spaces available; and a recommendation by the auditor as to what could improve the accounting moving forward. The Committee concurred with Member Longley’s suggested direction for the Auditor.

Mr. Longley estimated the City lost approximately $40,000 annually in sales tax and business license fees, and emphasized that it was prudent for the City to work to resolve such a loss. The Committee went on to discuss various requirements that could be considered in an ordinance, during which it was suggested that it would be beneficial to see the gross revenue generated by the swap meet. Staff provided a copy of the Foundation’s most recent filed tax return, and the Committee briefly reviewed the document which reflected revenue of $272,618 for FY 2005/2006. Mr. Pressley pointed out that the audit would not only benefit the City, but would also enhance the Foundation’s ability to collect what it was due as well. With regard to regulating the swap meet via an ordinance, Member Lew indicated that she would research the City’s legal standing.

A brief discussion ensued as to the City’s ability to electronically verify licensing with the Franchise Tax Board. It was noted, however, that the program was currently in need of the recently issued update.

Disposition: Direction given to the Auditor.
3. CONSIDERATION OF PANEL RECOMMENDATIONS REGARDING MERCHANT SERVICES PROPOSALS

Member Bemis provided the Committee with a detailed analysis of the proposals received for merchant services, and pointed out that none of the providers offered credit card processing via a kiosk. A discussion ensued as to options available to the City for reducing the service fees, such as limiting allowable credit card charges to $250. Chairman McCracken suggested that staff look into the viability of utilizing PayPal, or something similar. The Committee agreed, and directed staff to research that option. At the request of the Committee, staff is to also provide the Committee with an analysis comparing the total credit card processing fees paid to date for the past three years.

Disposition: Direction provided to staff.

OTHER MATTERS
None

ADJOURNMENT
The Committee adjourned at 4:38 p.m.

Patrice Hildreth, Committee Secretary

Pete V. McCracken, Chairman
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<tr>
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<th>FY07-08 (thru Mar)</th>
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</table>
Paymentus Overview
Presentation & Demonstration
Objectives

1. Demonstrate the power of the Paymentus Next Generation Bill Payment Platform
   - Real-Time Transaction Visibility, Real-Time Confirmation
   - Powerful Reporting
   - Industry Leading Self-Service and Control Capabilities

2. Demonstrate Simplicity.
   - Ease of use for your customers
   - Ease of use for your customer service, finance and collections agents
   - Ease of implementation

The Convenience of Outsourced.
The Control of In-House.
- 5% - 10% of bills go into arrears per year

- 25% of accounts indicated that if they had the option to pay by credit card, they would pay immediately, including paying a service fee

- 10,000,000 invoices per year = 500K - 1M invoices in arrears

- $25M to $50M invoices paid immediately!
What we do

Paymentus provides

A real-time next generation bill payment network, where your customers can pay bills using a credit card, debit and e.check through your website, IVR or mobile phone, 24x7.
Utility Receives

1. A turn-key, multi-channel payment service (Web, IVR, Mobile) to accept multiple payment options (major credit cards, debit and e.checks)
2. Agent Dashboard: Customer service, finance, collections agents can search, confirm, analyze and control payments in real-time
3. Agent Dashboard is role and permissions based and can be widely deployed across customer service, collections and finance teams.

Costs to the Utility

1. No capital costs. No setup, installation, customization costs.
2. No monthly minimums.
3. No support or ongoing maintenance costs for systems, IVR, secure web and telecom.
4. No credit card fees (with the user-pay convenience fee model).
Lower the cost and reduce some of the challenges associated with collections.

1. By making it easier for your customers to pay their bill
2. By providing your agents with real-time payment reporting
3. By providing your customers with real-time payment confirmations, reducing calls to your call centre requesting payment confirmation;
4. No upfront, ongoing systems or support costs.
5. No longer absorb credit card fees.
Typical demographic of consumers likely to use the service and pay the convenience fee include:

1. Customers facing disconnect or late fees that require instant payment confirmation
2. Households looking for a cash management option to protect credit ratings
3. Loyalty points collectors
4. Convenience. Sometimes it's just easier to pay by phone or online after hours
Top 10 Benefits to the Biller

1. No setup, ongoing costs and no credit card fees paid by the Biller.
2. Receive 100 cents to the dollar. *The user who pays using this convenience payment option, also pays for the costs of the service, including credit card fees and systems costs (non-discriminatory).*
3. More payment options and 24x7 availability makes it easier for your users to pay their bill.
4. Biller receives instant notification of payments and can view transactions through the agent dashboard in real-time.
5. Customers receive real-time payment confirmation.
6. Receive and settle funds faster (direct and within 48hrs)
7. No risk of NSF.
8. Customer satisfaction. There are users who prefer to pay bills by credit card.
9. Reduce calls to customer service.
10. Reduce the cost of collections.
World Class Partnerships

Paymentus
The Real-Time Bill Payment Company™

The Real-Time Bill Payment Company

1. Real-Time, Multi-Channel Bill Payment Platform
2. Real-Time Reporting and Posting
3. Agent Dashboard (Role & Permission Based, Self-Service)

- The Real-Time Bill Payment Company
- Experts in utilities and cities bill payment services
- Support customer base of 30M invoices per year
- Patent Pending Real-Time Payment Infrastructure
- Offices: Richmond Hill, ON and Atlanta, GA.

Merchant Account & Funds Settlement

1. Merchant Account
2. Settlement of Credit Card Transactions

- Serves over 1 million businesses (merchants)
- Revenues $1.061B 2007
- Processes in excess of 2.7 billion payments annually
- HQ in Atlanta
Some of Our Valued Clients
1. Customer making an online payment through your website.


3. Customer making a payment via IVR (Automated Phone Service).
Integrated Customer Notification System

- Outbound Call & Email System for customer payment reminders
- Utility can self-upload a set of customer accounts to receive payment reminders by outbound call and email
- Customer has the instant option to make a payment now

Account Payment and Presentment (APP)

- Customer Account Enrolment
- View Bill Amount Details
- Make Recurring or Scheduled
- View Payment History
MASTER SERVICES AGREEMENT

Customer:
Customer Address:
Contact for Notices to Customer:

This Master Services Agreement ("Master Agreement") is entered into as of the Effective Date above, by and between the Customer ("Customer") 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 Customer 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

Customer:
By: ________________________________
Name: ________________________________
Title: ________________________________
Date: ________________________________

Paymentus:
By: ________________________________
Name: ________________________________
Title: ________________________________
Date: ________________________________

- 1 -
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 Customer.

1.2 "User" shall mean the users of the Customer’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 Customer launches this service to the Users.

1.5 "Payment" shall mean Users to make payments for Customer’s services or Customer’s bills.

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

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 Credit Cards 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").

Paymentus shall, on behalf of the Customer, collect and process Payments from Users using Visa, MasterCard or other credit cards ("hereinafter referred to as a "Card"). Paymentus may also offer other payment options such as eChecks or Debit Cards.

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 as “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 as “Transaction Fees”) and processing charges related to Paymentus (hereinafter called as “Paymentus Fees”).

A schedule of Paymentus Service Fee is attached hereto as Schedule A. Paymentus and Customer may mutually review Paymentus Service Fee schedule at regular intervals. However, Paymentus can amend this schedule upon prior written notice to the Customer, if such change is needed due to Visa and MasterCard regulations or change in credit card fees or change in the Average Bill Amount.

4 Payment Processing

4.1 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.

4.2 Merchant Account

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

4.3 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.

4.4 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 Customer’s depository bank account previously designated by the Customer (hereinafter the “Customer Bank Account”).

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

4.5 Reversed or Chargeback Transactions
Reversed or Chargeback Transactions can be reversed by the Customer using Agent Dashboards. The bill payment amount will be refunded to the User, however, Paymentus Service Fee is non-refundable, and therefore corresponding Paymentus Service fees will not be refunded to the User. The remittance file will contain a record of such transaction whenever such transactions occur.

With respect to all Reversed or Chargeback Card Transactions that are substantiated by a User and approved by an authorized representative of Paymentus and the Customer: (i) the Customer authorizes Paymentus and Paymentus Authorized Processor (or the respective card organization) to debit the Customer Bank Account for the amount of the corresponding Payment and (ii) Paymentus shall refund to the Card organization (or credit back to the User) the corresponding Paymentus Service Fees. The Customer agrees that it shall not refund in cash to a User any Payment made using Paymentus’ Services.

Paymentus together with Paymentus Authorized Processor will continuously review its processes for Reversed or Charged-back transactions, for simplicity and efficiencies. Customer and Paymentus agree to fully co-operate with each other if Paymentus were to change its settlement and invoicing processes for such transactions.

5 General Conditions of Services

5.1 Service Reports

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

5.2 User Adoption Communication by Customer

Customer will make Paymentus’ Services available to its residential and commercial customers by different means of customer communication including a) through bills, invoices and other notices; b) by providing IVR and Web payment details on the Customer’s website including a “Pay Now” or similar link on a mutually agreed prominent place on the website; c) through customer’s general IVR/Phone system; and d) other channels deemed appropriate by the Customer.

Paymentus shall provide Customer with logos, graphics and other marketing materials for Customer’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. Customer will communicate Paymentus option to its end residential and commercial customers wherever Customer usually communicates its other payment methods.

5.3 Independent Contractor

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

5.4 Customer’s Responsibilities

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

(i) Customer will enter into all applicable merchant Card or cash management agreements.

(ii) For the duration of this Agreement, Customer will keep a bill payment link connecting to Paymentus System at a prominent and mutually agreed location on the Customer website. The phone number for the IVR payment will also be added to the web site. Customer will also add the IVR payment option as part of the Customer’s general phone system.

(iii) User Adoption marketing as described in 5.2.
6 **Governing Laws**

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

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 Post 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 Customer**

c/o ____________________

________________________

________________________

(______) - (Phone)

(______) - (Fax)

**To Paymentus**

c/o President and CEO

3455 Peachtree Road N.E. 5th Floor
Atlanta, GA 30326

(888) 476-8910 (Phone)
(877) 882-1676 (Fax)

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 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

Customer 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, customers, 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 Customer may promote the Services and Paymentus’ role in providing the Services, Paymentus grants to Customer a revocable, non-exclusive, royalty-free, license to use Paymentus’ logo and other service marks (the “Paymentus Marks”) for such purpose only. Customer 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 pertaining 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 Customer 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 Customer and its governing officials, agents, employees, and attorneys (collectively, the "Customer Indemnitees") from and against all liabilities, demands, losses, damages, costs or expenses (including reasonable attorney's fees and costs), incurred by any Customer 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 Customer Indemnification and Hold Harmless

Customer 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 Customer related to the Services or (ii) a material breach of Customer'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 Customer 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 and can be renewed for another period of 2 (two) years. Services under this Agreement shall begin within 30 days of the merchant account setup.

At the end of the initial 3-year Term, this Agreement will automatically renew for successive two (2) year periods unless either Customer 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 for such further 2 year period on such automatic renewal date.

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 Customer in writing.
Schedule A – Paymentus Service Fee Schedule

Paymentus Service Fee charged to the User will be based on the following model.

<table>
<thead>
<tr>
<th>Payment Amount</th>
<th>Paymentus Service Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>□ Utility Bill</td>
<td>□ Flat fee of $3.50</td>
</tr>
<tr>
<td>• Average bill amount of $75.00</td>
<td></td>
</tr>
<tr>
<td>• Maximum of $200.00</td>
<td></td>
</tr>
<tr>
<td>□ Business Licenses</td>
<td>□ Flat fee of $2.95</td>
</tr>
<tr>
<td>• Average bill amount of $25.00</td>
<td></td>
</tr>
<tr>
<td>• Maximum of $100.00</td>
<td></td>
</tr>
<tr>
<td>□ Building Permits</td>
<td>□ Flat fee of $4.95 up to $180.00. All amounts over $180.00 will be charged a service fee of 2.75%</td>
</tr>
<tr>
<td>• Range from $150.00 to $30,000.00</td>
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</tr>
<tr>
<td>• No transaction limit</td>
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</tr>
</tbody>
</table>

Note:
The Paymentus Service Fee will be collected in addition to the Payment Amount. Paymentus may apply different limits per transactions depending upon such factors as user adoption and/or to mitigate risks.