

**Budget and Finance Committee**

**MEETING AGENDA**

**Berryville-Clarke County Government Center**

**101 Chalmers Court, Second Floor**

**A/B Meeting Room**

**Regular Meeting**

**September 26, 2019**

**10:30 a.m.**

1. Call to Order
  
2. Approval of Agenda
  
3. Unfinished Business
  - On-line payments
  
4. New Business
  - Long-term financial sustainability plan
  
5. Other
  
6. Closed Session
  
7. Adjourn

# Call to Order

# Approval of Agenda

Unfinished Business

On-line payments

**Budget and Finance Committee Agenda Item Report Summary  
September 26, 2019**

**Item Title**

On-line payments

**Prepared By**

Keith Dalton, Town Manager

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**Background/History/General Information**

In late summer of 2018 the Committee began discussing options for providing the opportunity for customers to make on-line payments to the Town. The Committee has discussed the matter several times since and directed staff to provide additional information for review.

The Assistant Town Manager for Administration / Treasurer and the Finance Clerk were tasked with providing a report to the committee in this regard.

**Findings / Current Activity**

The Finance Clerk provided a memorandum to the Assistant Town Manager for Administration / Treasurer that contains her recommendation in this regard.

**Financial Considerations**

The proposed on-line payment option recommended by the Finance Clerk would come at no cost to the Town. With that said, it is important to note that the cost of the service would be paid by the customers that benefit.

**Schedule/Deadlines**

No schedule has been set for finalizing this matter.

**Other Considerations**

Mayor Dickinson has expressed concern about the risk of adopting an on-line payment solution. This concern should be discussed by the Committee.

**Attachments**

- Memorandum from Heather to Desiree Moreland (8/23/19)

**Recommendation**

Forward a proposal to the full Council for consideration.

**Sample Motion**

I move that the Budget and Finance Committee forward the following proposal for providing on-line payments to the Town Council for approval. The recommended proposal includes the following elements:

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INTEROFFICE MEMORANDUM

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**TO:** DESIREE MORELAND, TREASURER/ASSISTANT TOWN MANAGER  
**FROM:** HEATHER HALTERMAN, FINANCE CLERK  
**SUBJECT:** ONLINE PAYMENTS  
**DATE:** 8/23/2019  
**CC:**

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I recommend Payment Service Network, Inc. (PSN) to be the vendor of choice for providing online and phone payment solution.

PSN has a confirmed track record with Southern Software (FMS), providing superior customer service.

Fees paid by Town:

- Early Termination fee of \$550. I could not get PSN to waive the fee, but they did agree to change the initial term from three years to one year.
- One-time Setup fee \$199
- Web Customization \$50
- Annual Security Compliance fee of \$89 due each December
- Chargeback fee of \$15 if a credit card charge is disputed

No other fees will be absorbed by the Town. All other fees will be paid by the Town customers as a convenience fee.

Fees paid by Customer:

- eChecking or eSavings Payment per transaction, \$1.25
- Credit Card per transaction \$100 or greater, 2.95%
- Credit Card per transaction less than \$100, 2.95% plus \$0.75
- Insufficient Funds, \$35

PSN will train and support the Town staff. PSN will support Town customers with transactions and questions.

PSN has several services the Town may later opt to offer Town customers, for an additional cost. Such as:

- Gateway eBill Solutions, \$69.95 monthly (if 117 customers opted for eBills, would pay for option)  
Note: cost for invoice paper per sheet \$0.05 +/-, per envelope \$0.05, prepaid postage per piece \$0.50, cost for toner per print \$0.03865.

I have included the following for reference:

1. Email from Ruth Ponder, National Sales Representative for Payment Service Network, Inc. (PSN), providing clarification to questions posed after review of Agreement for Services.
2. Email from Marci Lewandowski, Technical Marketing Manager (formally support) for Southern Software (FMS), confirming PSN was still the preferable partner of choice integrating with FMS.

- This email was a follow up from a conversation, at the Users Conference for FMS, between Heather Halterman and Marci Lewandowski, regarding preferred partners for online payments having the best overall experience/rating.
3. Southern Software & PSN Service Summary
  4. PSN Pricing Proposal for Town of Berryville
  5. PSN Service Agreement
  6. PSN Verification of Deposit Form
  7. Merchant Services Agreement for Sub-Merchants
  8. PSN Contact Information Form for Credit Card Processing
  9. PSN American Express Addendum
  10. "Bank Bill Pay" Information for PSN
  11. PSN Credit Card Terminals Info Sheet
  12. PSN Auto-Post Check Scans Info Sheet
  13. PSN Check 21 Addendum

Recommendations:

- An account will need to be provided to PSN for fee deduction, as discussed in item 4 of email with Ruth.
- Not offer or permit the use of American Express online or by phone, see item 6 of email with Ruth.
- Accept and agree to terms as modified by email dated July 31, 2019.
- Send mail inserts with water/sewer bills due 11/15 and 12/15 to campaign.
- Notices posted at the Town office and Town drive through.
- Notices posted on the Town website.
- Effective 1/1/2020 offering online or phone payments for water/sewer bills only.
- Effective May 1<sup>st</sup> offer online or phone payments for taxes.
- As the Town, Southern Software, and PSN evolve in their partnership, I would recommend further evaluation of additional services offered by PSN.

**Heather Halterman**

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**From:** Ruth Ponder <rponder@paymentservicenetwork.com>  
**Sent:** Wednesday, July 31, 2019 11:43 AM  
**To:** Finance Clerk  
**Subject:** RE: PSN Agreement for Services for Town of Berryville

Heather,

See responses below. I think we are making progress!  
Ruth

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**From:** Finance Clerk [mailto:FinanceClerk@berryvilleva.gov]  
**Sent:** Wednesday, July 31, 2019 9:41 AM  
**To:** Ruth Ponder <rponder@paymentservicenetwork.com>  
**Subject:** RE: PSN Agreement for Services for Town of Berryville

Ruth,

*Please see reply below.*

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**From:** Ruth Ponder <rponder@paymentservicenetwork.com>  
**Sent:** Tuesday, July 30, 2019 1:16 PM  
**To:** Finance Clerk <FinanceClerk@berryvilleva.gov>  
**Subject:** FW: PSN Agreement for Services for Town of Berryville

Heather,

Please see answers below. We can schedule a phone call to review in more detail.  
Thank you,  
Ruth

Good morning,

I apologize it has taken me so long to get back to this matter.

I have read through everything and have questions and/or comments. Please see below.

- 1) I would like more information on Paper Check Scanning.
  - a. The process of acceptance  
PSN offers auto post check scanning using RemitPlus software that is included with the PSN Auto-Post Check Scanning. The Town would purchase a Canon or Panini Check Scanner. Canon CR 120 (recommended) \$995 to purchase through PSN, plus 25¢ per check scanned. Check scanner will scan checks and coupons. Payments go through PSN and electronically posted to Southern Software. Funds are deposited into your bank with daily batch deposit.  
*Thank you for the information. I will pass this along. I doubt we would opt for this function, but it is good to have available.*
  - b. Regulations and agreements necessary  
Check 21 Addendum- See Attached

Will need to add Check Scanning cost and per item fee to "Schedule B" of PSN agreement for services

- 2) Service agreement: Item 5 – Strikeout “and payment of Five Hundred Fifty Dollars (\$550.00) to PSN as an early termination fee”. If services are provided as promises in the agreement, termination will not be necessary. PSN customers do stay for a long period of time, and it is very rare that we charge an early termination fee. PSN does have up-front costs to provide software integration with Southern Software and training for you and your staff, so we like to maintain the early termination fee. Our standard initial agreement is for three (3) years. If you prefer, I can change the initial term to one (1) year. *If we are not able to remove the early termination fee, then changing the initial term to one (1) year may help the governing body to agree.*

- 3) Service agreement: Item 14 – I will have to send the insurance coverage to our Agent to be certain we currently meet the requirements. If not, we will need to address in some mutually beneficial fashion. Let me know if your insurance agent has any questions about coverage that PSN has. PSN provides the following coverage from Section 14:

14. PSN agrees to procure and maintain the following insurance policies and bond in no less than the following minimum amounts (or such other minimum amounts, if higher, as required by law), with such reasonable deductibles as PSN shall determine:

Errors and Omissions Professional Liability Coverage  
\$2,000,000 Each Claim; \$2,000,000 Aggregate; \$100,000 Deductible

Commercial Umbrella Liability Coverage  
\$2,000,000 Each Occurrence; \$2,000,000 Aggregate; \$10,000 Retained Limit

Commercial Crime Coverage  
\$250,000 Form A – Blanket Employee Dishonesty; \$250,000 Form B – Forgery or Alteration; \$10,000 Form C – Money and Securities; \$250,000 Business Service Bond; \$2,500 Deductible

Commercial General Liability Coverage  
\$2,000,000 General Aggregate; \$1,000,000 Each Occurrence; \$100,000 Fire Damage; \$5,000 Medical Expense

Workers Compensation and Employers Liability Coverage  
\$100,000 Accident; \$500,000 Policy Limit; \$100,000 Each Employee.

*My apologies. I read that Item incorrectly. No issue regarding PSN's insurance coverage.*

- 4) Service agreement: Schedule A – Item III – Fees should be deducted from Account Holder's Customer at point of sale and not passed on to Account Holder. Only exception would be a chargeback, in which the fee of \$50 should be charged back to Customer. PSN fees are paid by customer at the time of payment. The fee comes directly to PSN and not deposited into your bank account. See Schedule B for "net" deposit. Customers pay all transaction fees.

*Understood. The issue to be addressed here is PSN debiting fees from the Town's bank account.*

*I will review with the Treasurer if this practice is acceptable. Currently, we receive and invoice and pay by purchasing card or check. No funds are "taken" from the Town's account.*

*Okay, I understand the issue of PSN removing funds from your bank account for a chargeback or a returned check, or in the rare case, a disputed credit card payment that is charged back to the customer's credit card. Other municipalities have placed a limit through their bank of the amount that PSN can remove, or they have set up another bank account that PSN can access to withdraw funds.*

- 5) Service agreement: Schedule B

a. Would like info for Integrated Swipe Credit Card Setup

If you choose to purchase a credit card swipe machine, the purchase price is \$250.00. PSN will program the machine so utility payments are integrated with your Southern Software. There is no cost to the Town for PSN to set up the integration. The credit card swipe machine can also be used for other Town payments, i.e. Permits, Licenses, Fines, Fees, etc.

*Interesting. So I am to understand that if we swipe/chip read a credit card at the point of sale in the Town office, that the payment will be immediately applied to the Customer's account, thereby reducing or eliminating a balance due? We would not need to wait until after the transaction "batched out"?*

Currently, PSN works with Southern Software to provide a daily batch payment file to electronically post to your billing system. You will not see the payment instantly in Southern, but the credit card swipe payments will post with the daily payment file. PSN offers a "real time" payment report that you can see all payments made immediately. The report will show you the exact time the customer paid and how they paid; online, mobile app, phone or credit card swipe in your office.

b. Would like info for Check Scanning Equipment

Canon CR 120 is the recommended model to work with PSN and RemitPlus software. The purchase price through PSN is \$995. You can also choose to purchase any Canon or Panini check scanner from your bank or anyplace that sells check scanning equipment.

c. Would like info for Credit Card Swipe Machine

PSN works with VeriFone vx520 Credit Card Swipe machine. The purchase price is \$250.00. Customers pay 2.95% (plus 75¢ for payments less than \$100)

d. Gateway including eBill Solution fee of \$69.95, can this be absorbed by Customer through processing fee to Customer? All fees should be passed on to Customer as this is a convenience.

PSN would not be able to pass on a fee to the customer for eBilling. This is an optional service that allows customers to pay and view their bill online or with the PSN payment mobile app. All of your customers would have access to view their bill online, even if they choose to pay a different way. Customers can choose to opt out of receiving a paper bill, saving the Town money on printing and postage. There would be no monthly "gateway" fee if you do not choose to offer eBilling through PSN.

*What would the process look like for the Customer if the Town did not opt for eBilling?*  
The eBilling tab will not appear on the customer's online profile or with the PSN mobile app. Customers can still make a one-time payment, set up auto pay or group accounts together, but they will not be able to view their bill, see usage charts or opt out of paper bills.

e. Please remove Bank Bill Pay eSolution (bank-issued checks). Possibly later, but not at this time. Okay.

f. Annual Security Compliance fee of \$89, can this be absorbed by Customer through processing fee to Customer? All fees should be passed on to Customer as this is a convenience. PSN would not be able to charge the customer for the \$89 annual security compliance fee that is invoiced each December. PSN maintains PCI Level One Security compliance. The \$89 annual fee helps offset the very high cost of the security that is provided.

g. Service agreement: Schedule B - Strikeout "Account Holder agrees to pay Monthly Fees set forth in this Schedule B on or about the first day of each month." and "and Monthly" The "account holder" or Town of Berryville would be required to pay PSN any fees that would be listed on "Schedule B" as "Paid by Account Holder." Currently, there is a monthly fee for Electronic Billing of \$69.95. This can be removed if the Town does not want to offer eBilling for customers. The \$89 annual security compliance fee is charged each December.

*The one-time setup and web customization, can it be paid by check or credit card instead of a bank draft?*

Yes. The Town can pay the one-time set up and web customization by check or credit card. PSN will send you an email invoice for these fees once your PSN account is set up and active. The annual \$80 that is charged in December will be deducted from your bank account between December 1 to 5.

h. Collectively, Schedule B needs to be reworded that Account Holder agrees to pay Setup/Equipment, but not to include Gateway including eBill Solution. The Town does not have to offer eBilling option for utility customers. There is no monthly gateway fee if you choose not to offer eBilling.

i. Depositing of Customer payment needs to reviewed. Currently, we have payments available next business day via PayPal processing. How can they turn around funds so much faster than PSN?

PSN offers several payment channels (online, IVR automated phone, PSN call center, Mobile App, Text, Credit Card Swipe in the office, bank bill pay and check scanning). You choose which payment channels you want to accept through PSN. PSN offers credit cards, debit cards and electronic checks. All funds are deposited into your bank account with a daily batch deposit. We have found a three day delay works the best for being able to receive most check returns before we deposit the funds into your bank account. A bank has up to five business days to return an electronic check. We are able to get most returns by day 3. If you prefer your funds to be deposited quicker than the three business days, we can offer a two day delay at no additional cost.

6) PSN American Express Addendum: Recital 2 - This section would require our governing board to review, but it would be best and easiest if removed. Or other option would be to not accept American Express altogether. PSN is unable to change language in the American Express Addendum, so I will remove American Express from Schedule B. No need to complete the AX addendum.

I understand a phone call may be easier to address, however, I will need a written reply in order to move forward. Thank you for reviewing. I look forward to your reply.

Best regards,

Heather Halterman, VCA  
Finance Clerk  
Town of Berryville, Virginia  
101 Chalmers Court, Suite A  
Phone 540-955-1099  
Fax 540-955-4524

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**From:** Ruth Ponder <[rponder@paymentservicenetwork.com](mailto:rponder@paymentservicenetwork.com)>

**Sent:** Tuesday, April 30, 2019 10:02 AM

**To:** Finance Clerk <[FinanceClerk@berryvilleva.gov](mailto:FinanceClerk@berryvilleva.gov)>

**Subject:** PSN Agreement for Services for Town of Berryville

Heather,

Attached is the PSN agreement for services plus other documents needed to set up your PSN account/s. I understand that you will need to review the PSN agreement with the board members. At this time, I have only included "utility" payments on Schedule A and the Merchant Contact Information Form. If the Town of Berryville would like to add more payments types, please list them on both Schedule A (page 8) and Page 2 of the Merchant Contact Information Form. We can easily change the Schedule B (pages 9 & 10) to add or delete services as needed.

You should find a total of seven attachments. Here is a description of each of the attachments:

1. PSN Agreement for Service – This is our standard agreement, It labels out responsibilities with the pricing we discussed labeled out in "Schedule B" on the last two pages. You can easily add or change services in the future, simply by updating the "Schedule B." There are signature pages on 7 & 10. There is also Schedule "A" to be completed on page 8. The main purpose of Schedule "A" is to give PSN instructions about your bank account/s, and to provide PSN with your Tax ID#. Please complete Sections I, II and III.
2. Verification of Deposit Form to submit to your bank to verify the bank deposit account. Please complete the top portion only. PSN will fax to your bank to complete the bottom.
3. Sub Merchant Form to set up the merchant accounts for VISA, MasterCard and Discover. Please sign and date on Page 2.
4. Merchant Contact Information Form –This will be use to set up your merchant account for VISA, MasterCard and Discover. The main purpose of this form is to provide your total estimated monthly revenue, estimated credit card processing of 10% of total monthly revenue, and average payment amounts. This form also asks for the month, day and year that the Village was established.
5. American Express Form. Please sign page 2.
6. Bank Bill Pay set up forms – 2 pages. On page one list how your utility account numbers are formatted, Village of Forsyth name and address variables. On page two print the letter on Town of Berryville letterhead and complete the bottom portion. PSN will complete the top portion and submit the letter.
7. W9 Form.

Here is the paperwork I will need you to return to me by fax at **608-442-5116**. Fax is more secure than sending via email

- Entire PSN Agreement for Service with Schedule A & B (Attached) Schedule A is on page 8. Schedule B is pages 9-10. Signature pages on 7 & 10.
- Verification of Deposit Form (Attached)
- Sub Merchant Form (Attached). Please complete the bottom of page 2.
- Merchant Contact Information Form (Attached).
- American Express Form
- Bank Bill Pay set up forms – 2 pages
- W9 Form
- Voided check for your deposit account.

The implementation process takes about 6 weeks. Once I receive the paperwork, you will be assigned a PSN implementation team to guide you through the process. Let me know if you need any assistance completing the attached documents. Thank you!

RUTH PONDER  
*National Sales Representative*  
Payment Service Network, Inc.  
866-917-7368 x 5058 (Toll Free)  
608-442-5058 (Voice)  
608-442-5116 (Fax)  
[www.PaymentServiceNetwork.com](http://www.PaymentServiceNetwork.com)



Your Complete  
**PAYMENT, BILLING  
&  
COMMUNICATIONS**  
Solution Provider

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## Heather Halterman

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**From:** Marci Lewandowski <mlewandowski@southernsoftware.com>  
**Sent:** Thursday, August 22, 2019 2:44 PM  
**To:** Finance Clerk  
**Subject:** Re: PSN

About a year I think. They are great to work with.

On Thu, Aug 22, 2019 at 2:43 PM Finance Clerk <[FinanceClerk@berryvilleva.gov](mailto:FinanceClerk@berryvilleva.gov)> wrote:

How long has PSN been a partner of Southern?

Best regards,

Heather Halterman, VCA

Finance Clerk

Town of Berryville, Virginia

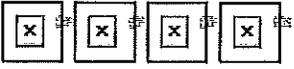
101 Chalmers Court, Suite A

Phone 540-955-1099

Fax 540-955-4524

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## Heather Halterman

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**From:** Marci Lewandowski <mlewandowski@southernsoftware.com>  
**Sent:** Tuesday, July 30, 2019 7:34 AM  
**To:** Finance Clerk  
**Subject:** Re: Online Payment Options

Yes indeed.

How are you? Miss talking to all of you.

On Tue, Jul 30, 2019, 7:26 AM Finance Clerk <[FinanceClerk@berryvilleva.gov](mailto:FinanceClerk@berryvilleva.gov)> wrote:

Good morning Marci,

I wanted to check in and see if PSN was still the preferable choice.

Best regards,

Heather Halterman, VCA

Finance Clerk

Town of Berryville, Virginia

101 Chalmers Court, Suite A

Phone 540-955-1099

Fax 540-955-4524

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Partnered to provide comprehensive tailored solutions for ePayments, eBills and eCommunications

Southern Software partnered with Payment Service Network to provide the broadest array of payment options for customers while streamlining the remittance and billing process for business. Together, we maintain the goal of...  
Simplifying your customer's life and your business day.



### Consolidation 1 Deposit ▪ 1 Look up ▪ 1 Posting ▪ 1 Reconciliation



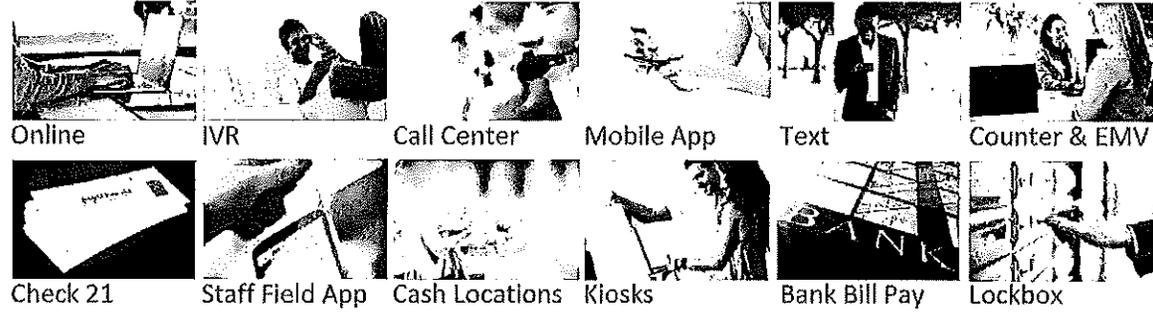
No matter how your customer pays or where they pay, PSN consolidates all payments into one deposit.  
Speed cash flow | Save staff time | Reduce administrative overhead | Eliminate input errors

### Customized for You Tell us what you want; we turn on the features

PSN's system flexibility lets you select the options that are best for your business and your customers.

- Payment methods accepted ■ Where customers pay ■ Who pays transaction fees
- Recurring payments ■ Non-registered Quick Pay ■ Full-balance auto-pay
- Minimum/maximum payments ■ Paper bill opt outs

### Payment Portals Options for the generations



### Beyond Payments eBills | Auto-Call Messaging | Email Messaging

We understand that remittance processing is about more than customers making payments. Customers want easily accessible information, delivered quickly. And they want information to land in their inbox. If what customers want can also help you reduce costs, it is a win-win.

### Integration Exchange data to help customers and staff

We have integrated our Southern Software with PSN's web-based solutions. No matter which PSN service your customers use to pay, the payment automatically posts to your software. Up-to-date payment information is also available to your customers online, on the mobile app or in the automated phone payment system.



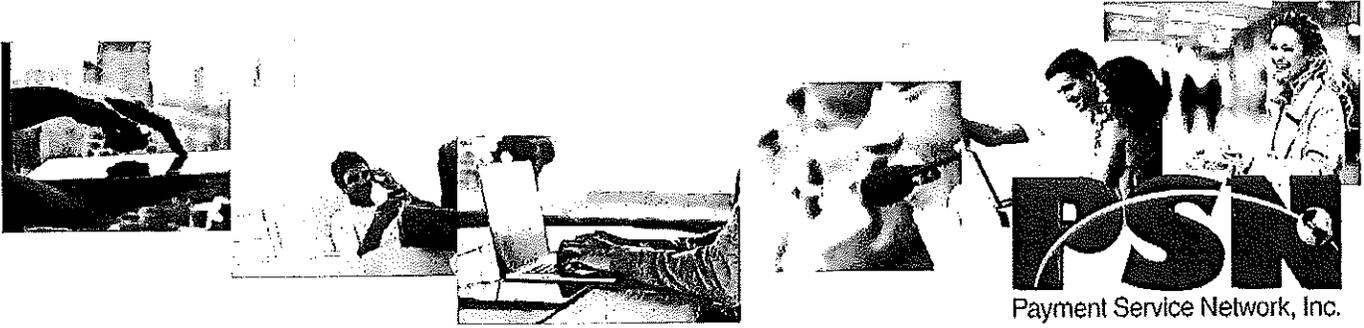
### Support

PSN prides itself on serving both you and your customers. It starts when they first contact you. Their National Account Representative will walk you through a needs analysis to make sure that your goals will be met. From there, they create a team to serve your needs through implementation and ongoing support.

Reach out 800-842-8190  
[www.SouthernSoftware.com](http://www.SouthernSoftware.com)

Find out more about PSN and its services at [www.PaymentServiceNetwork.com](http://www.PaymentServiceNetwork.com)





Payment Service Network, Inc.

Simplifying your customer's life and your business day

## Pricing Proposal for Town of Berryville

Payment Service Network, Inc.  
2901 International Lane  
Madison Wisconsin 53704

[www.PaymentServiceNetwork.com](http://www.PaymentServiceNetwork.com)

VOICE 866.917.7368

FAX 608.442.5116

Ruth Ponder

DIRECT 608-442-5058

[rponder@PaymentServiceNetwork.com](mailto:rponder@PaymentServiceNetwork.com)



Thank you for allowing me to submit this proposal. Payment Service Network (PSN) provides a vast range of eServices for payment processing, billing and customer communication. After discussing your needs, I have developed the following proposal of services. Please let me know if there is any additional information you require. The staff at PSN looks forward to providing you with personalized service.

This proposal quotes costs for the services that are marked below. If you would like quotes on any additional services, please let me know.

**PAYMENT METHODS**

Included	Not Included	
√		Credit and Debit Card Payments
√		Checking and Savings Payments

**PAYMENT CHANNELS**

Included	Not Included	
√		Online
√		Customer Mobile App*
√		Virtual Terminal (any internet-connected device)*
√		Automated Phone (IVR) and PSN Call Center
√		Text
	√	Credit Card Terminal
	√	Backoffice Auto-Pay (recurring set up by staff)
√		Customers' Banks' Bill Payment System
	√	Cash Payment Locations Arranged by PSN
	√	Paper Check Scanning (Check 21)

*\*Come standard with Online payment services*

**ADDITIONAL SERVICES**

Included	Not Included	
√		Web Customization
√		Data Sharing (System Integration with Southern)
√		eBills
√		Outbound Auto-Call Messaging

## Implementation and Service Fees

Following are non-transactional fees which are either one-time, monthly or annual costs. If you need additional information on these costs, please let me know.

<p><b>Service Implementation Fee</b> Includes, as applicable: Implementation Team • Training • Online Portal Setup • Standard Customer &amp; Field Payment App Setups • Text Payment Setup • IVR Setup • PSN Call Center Training Specific to Your Account • Merchant Application Processing • eBill Design • Marketing Support</p> <p><b>Data Sharing/Integration</b> Includes, as applicable: Integration Specialist • Creating Specifications • Developing Interface • Coordination with Your Software Supplier • Testing • Training NOTE: Check with your software provider for their fees, if any</p> <p><b>Website Customization Fee</b> Includes: Development of Web Portal with Your Logo</p>	<p>One-time fee</p> <p>One-time fee</p> <p>One-time fee</p>	<p>\$199</p> <p>Waived</p> <p>\$50</p>
<p><b>Support, Maintenance Fee</b> Includes, as applicable: Online Portal, Standard Customer Mobile App, Field Payment App, IVR System Upgrades and Maintenance • Call Center Support for Your Customers • Email Notifications to Payers and Staff • Service Account Manager for Your Staff • Interface/Integration Support (Storage and Maintenance of Customer Data) • Reports • Online Account Management Center • System and Account Monitoring (24/7) • And More</p>	<p>Monthly</p>	<p>Waived</p>
<p><b>eBill Fee</b> Includes: Creation of PDF eBills • Posting Online • Archiving for 24 Months • Email Notifications (Includes "Ready to View," "Coming Due" and "Past Due," as Applicable)</p>	<p>Monthly fee</p>	<p>\$69.95 Optional Upgrade</p>
<p><b>PCI Security Compliance Fee</b> Includes: Required PCI Certification • Compliance with Credit Card Security Requirements • Auditing</p>	<p>Annual fee (one fee regardless of number of accounts)</p>	<p>\$89</p>

### Transaction Fees

To cover costs of processing payments through the network of financial institutions, the following fees will apply to each transaction. The fees are based on the type of payment (check, credit card, cash) and/or how the payment is made.

### Fees Paid by Your Customers

<i>Payment Channel</i>	<i>Check/Savings</i>	<i>Credit/Debit Card</i>
Online • Mobile • Virtual • Text • Automated Phone (IVR) • PSN Call Center	\$1.25	2.95% (+75¢ If under \$100)*

*\*Credit cards include your choice of VISA, MasterCard, Discover and American Express*

*NOTE: A \$15 fee is charged to you for any disputed credit/debit card.  
Your customers will be charged a \$35 NSF fee.*

### Other Optional Services

You can also convert time-consuming traditional payments to ePayments through PSN. These payments will automatically post to your Southern Software. You would pay the fee.

<i>Conversion Methods</i>	<i>Fee</i>
Bank Bill Payment Paper Checks to ePayments	50¢

PSN can also provide ancillary services.

<i>Services</i>	<i>Fee</i>
Outbound Auto-Call Messaging	15¢ per minute/2 minute minimum/only charged for answered calls

# PAYMENT SERVICE NETWORK, INC. SERVICE AGREEMENT

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THIS AGREEMENT FOR SERVICE ("Agreement") is made as of 4-30-2019 (the "Effective Date") between Town of Berryville, VA ("Account Holder") and Payment Service Network, Inc. ("PSN").

## RECITALS

Account Holder wishes to register its business with PSN so that Account Holder's customers ("Customers") can make payments to Account Holder through the PSN Web site, [www.PaymentServiceNetwork.com](http://www.PaymentServiceNetwork.com) (the "Site") and/or via such other payment methods as are specified on Schedules A and B attached hereto or otherwise authorized in writing from time to time.

Account Holder and PSN desire to formalize their agreement as set forth below.

NOW THEREFORE, in consideration of the Account Holder's registration for the Services, the foregoing recitals, the mutual promises herein contained and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, Account Holder and PSN, intending to be legally bound, hereby agree as follows:

1. Account Holder hereby appoints PSN as its agent solely for purposes of receiving and processing payments from Customers on Account Holder's behalf, and hereby authorizes PSN to collect payments from Customers to the extent such Customers have agreed to the terms and conditions of the Site. PSN shall collect the "Fees" (as shown on Schedule B) in the manner, amounts and pursuant to the terms set forth on Schedule B. Schedule B specifies those Fees payable by the Customer and those Fees payable by the Account Holder. As Account Holder's agent for receipt and processing of payments from Customers, Account Holder acknowledges and agrees that, as between Account Holder and its Customers only, PSN's receipt of payments from Customers shall constitute receipt by Account Holder.
2. The Services to be provided by PSN (the "Services") are as follows:
  - a. PSN agrees to accept payments from the Customers by checking/savings account or credit/debit card through the Site, or otherwise (phone in or fax in). Customers who utilize PSN's payment network will also be required to register on the Site and will be bound by the terms and conditions set forth on the Site.
  - b. Account Holder is given real-time access to all account information via PSN's administrative logon. Such access will be provided to all Account Holder representatives designated in writing by Account Holder. The account information available will include transaction totals, specification by account, and specification by transaction/account type (e.g. utilities, taxes). PSN and Account Holder will jointly work to develop compatibility of the reporting and accounting information with the Account Holder's management and account software. Said access to all account information will be provided by PSN to Account Holder under the following conditions.
    1. Said compatibility does not adversely affect, alter or change PSN's established service;
    2. Said compatibility is a joint effort between PSN and Account Holder with the Account Holder providing all the needed information to PSN regarding current and/or future management and accounting software.
  - c. PSN will provide, for each Customer who sets up a profile within the PSN system, real-time access to such Customer's account information (but not the information of any other Customer) through the Site. If applicable, PSN will inform each Customer of the charge and amount of any subscription and/or fees or charges for the Services that will be charged to the Customer for the Services. PSN agrees to indemnify and hold harmless Account Holder from all claims and liabilities arising out of a dispute based on non-disclosure of PSN Fees to Customers.

## PAYMENT SERVICE NETWORK, INC. SERVICE AGREEMENT

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- d. PSN will provide Account Holder with Check 21 services as described in, and on the terms and conditions set forth in, the Check 21 Addendum if Account Holder provides PSN with a written request for such services. Account Holder agrees to be bound by the terms of such Addendum if it elects to receive such services.
  - e. PSN will provide Account Holder with V Post services as described in, and on the terms and conditions set forth in, the V Post Addendum if Account Holder provides PSN with a written request for such services. Account Holder agrees to be bound by the terms of such Addendum if it elects to receive such services.
  - f. PSN will provide Cash Distribution services as described in, and on the terms and conditions set forth in, the Cash Distribution Addendum if Account Holder provides PSN with a written request for such services. Account Holder agrees to be bound by the terms of such Addendum if it elects to receive such services.
  - g. PSN will provide a non-exclusive license to use a Customized Mobile App as described in, and on the terms and conditions set forth in, the Mobile Application Addendum if Account Holder provides PSN with a written request for such services. Account Holder agrees to be bound by the terms of such Addendum if it elects to receive such services.
  - h. PSN will maintain a Payment Card Industry ("PCI") Level 1 security certification (or other succeeding security standard required of PSN by PCI) to ensure security of Customer and Account Holder data.
3. PSN reserves the right to modify the Services and Fees and service charges chargeable to Account Holder or its Customers in its sole discretion from time to time. PSN will notify Account Holder of material modifications to the Services or Fees and service charges by electronic means to a designated representative of Account Holder or by written notice at least thirty (30) days prior to the effective date of any such modifications. Account Holder also consents to receiving from PSN any Federal tax statements or other notices required by Federal, State or Local law in an electronic format.
  4. Account Holder agrees to cooperate with PSN in resolving any disputes between Account Holder and Customers in a timely manner, reaffirming that PSN is only a payment intermediary and does not own the property or business or represent the Account Holder or Customer in such disputes. Disputed transactions and chargeback's will be handled in the following manner:
    - a. Credit Card Transactions:
      1. PSN will notify Account Holder via electronic mail of any disputed credit card payments or chargebacks from Account Holder's Customers. Account Holder agrees to follow its standard operating procedures to resolve such disputed or charge-backed credit card payments and work with PSN, the credit card company, or its agents to investigate any such cases and assist in resolving any such claims.
      2. Account Holder will be charged a fee of Fifteen Dollars (\$15.00) for each chargeback that is ultimately allowed, at which time, Account Holder gives PSN the authorization to automatically debit Account Holder's account for the total of the original transaction plus the Fifteen Dollars (\$15.00) chargeback fee for the purpose of charging it back to the Customer.
    - b. ACH - Checking and Savings Account Transactions, Bank Bill Pay and Check 21 Transactions:
      1. Problem transactions: NSF, Invalid Account, Receiver's Account Closed, No Account, Stopped Payment, Account Frozen, Customer Does Not Authorize Payment, RDFI Not ACH Member and/or any other Return Reason Codes as labeled in NACHA Processing Guidelines will be resolved in the following manner:
        - a. PSN will notify Account Holder and Customer of said problem;

## PAYMENT SERVICE NETWORK, INC. SERVICE AGREEMENT

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- b. PSN will stop payment if funds have not already been deposited or, if directed by Customer, process another transaction for Customer.
  - c. In the event that PSN, within one (1) business day, cannot collect the appropriate information from Customer in order to complete the reprocessing of the Customer's transaction and funds from said transaction have been deposited into Account Holder's account, PSN will debit Account Holder's account for a total sum of the original deposit for said transaction.
5. The initial term of this Agreement shall be for a period of three (3) years commencing on the date that the first payment transaction is processed by PSN for any Customers under this Agreement (the "Initial Term"), and shall automatically extend for additional periods of one (1) year (each, an "Extension Term") unless one of the parties provides the other party with written notice of termination of this Agreement at least sixty (60) days prior to the end of the Initial Term or any Extension Term. Notwithstanding the foregoing, Account Holder may terminate this Agreement upon ninety (90) days' prior written notice and payment of Five Hundred Fifty Dollars (\$550.00) to PSN as an early termination fee, *provided however*, that no early termination fee shall be due or payable by Account Holder if it terminates this Agreement under this Section within thirty (30) days of the date on which PSN delivers notice of material modifications to the Services, Fees or service charges under Section 3 of this Agreement other than increases of fees and service charges that are attributable to direct pass through increases from PSN's merchant bank. PSN will process all payments received prior to the date of termination and forward them to Account Holder's account. No Payments will be accepted from Customers after the date of termination. All obligations of Account Holder arising from transactions prior to termination shall survive termination of this Agreement. PSN will notify all Customers registered on the Site as to the termination of this Agreement and inform such Customers that future payments are to be made directly to Account Holder. Notwithstanding any termination of this Agreement, for a period of one hundred eighty (180) days after such termination, Account Holder acknowledges and agrees that PSN shall have the right to automatically withdraw any amounts from Account Holder's depository account that PSN would otherwise have the right to withdraw during the term of this Agreement, including without limitation, credit card chargebacks, the reversal of any Customer payments deposited by PSN into Account Holder's account for which there are insufficient funds, and other disputed charges and problem transactions specified in paragraph 4 of this Agreement.
6. This Agreement may not be assigned by Account Holder without PSN's prior written consent. If PSN gives consent to assignment of this Agreement by Account Holder as set forth above, PSN reserves the right to charge the assignee the Setup Fees shown in Schedule B. PSN may assign this Agreement.
7. This Agreement and the Services to be provided by PSN hereunder in no way alters or modifies the obligations contained in the agreements, if any, between Account Holder and Customers.
8. Account Holder represents, warrants and covenants to PSN that PSN is authorized to collect payments from the Customers for which Account Holder provides PSN the required information. Account Holder further represents, warrants and covenants to PSN: (a) Account Holder has the authority to enter into this Agreement and perform its obligations set forth therein; (b) Account Holder will provide all reasonable assistance to PSN and its subcontractors in providing the Services set forth herein; (c) Account Holder and its authorized users will only use the Services for lawful purposes and in compliance with the rules and regulations of the applicable payment processors (including, without limitation, MasterCard, Visa, Discover and American Express), credit card issuers, and depository account institutions (collectively, the "Rules and Regulations"), and in accordance with PSN's account documentation, policies, specifications, and operating procedures, and will not violate any law of any country or the intellectual property rights of any party; (d) Account Holder shall timely provide all required disclosures to its Customers and obtain any required authorizations pursuant to the Rules and Regulations; (e) Account Holder shall maintain or destroy, as applicable, checks, receipts, and/or payer authorizations in accordance with applicable law and/or retention periods; and (f) Account Holder and its authorized users will

## PAYMENT SERVICE NETWORK, INC. SERVICE AGREEMENT

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not (i) sell, lease, distribute, license or sublicense PSN's Site, technology or Services, (ii) engage in spamming, mail-bombing, spoofing or any other fraudulent, illegal or unauthorized use of the Services; (iii) introduce or transmit through the Site, technology or Services, without limitation, via any portion of the Account Holder's computer system that interfaces with the Site, technology or Services, or otherwise, any virus, worm, software lock, drop dead device, trojan-horse routine, trap door, back door, timer, time bomb, clock, counter or other limiting routine, instruction or design or any other codes or instructions that may be used to access, modify, delete, damage, disable or prevent the use of the Site, technology, or services or other computer systems of PSN or its subcontractors; and (iv) should Account Holder receive notice of any claim regarding the Site or Services, Account Holder shall promptly provide PSN with a written notice of such claim.

9. a. Account Holder agrees to defend, indemnify, and hold PSN harmless from and against any third-party claims and/or Customer claims, including any damages, costs, expenses and attorneys' fees to the extent arising, in whole or in part, out of (a) any inaccuracy in or breach of Account Holder's representations and warranties contained in this Agreement; (b) Account Holder's breach of any covenant or obligation contained in this Agreement; (c) any claims or disputes arising under any agreement between Account Holder and a Customer (or any third party) or otherwise relating to the relationship between Account Holder and a Customer (or any third party) including, without limitation, any dispute over the amount owed by a Customer to Account Holder (other than claims relating to PSN fees); and (d) any claims or disputes caused in whole or in part by the information or directions provided to PSN by Account Holder or its agents.

b. PSN agrees to defend, indemnify, and hold Account Holder harmless from and against any third-party claims and/or Customer claims, including any damages, costs, expenses and attorney's fees to the extent arising, in whole or in part, out of (a) any inaccuracy in or breach of PSN's representations and warranties contained in this Agreement; (b) PSN's breach of any covenant or obligation contained in this Agreement; and (c) any claims or disputes arising under any agreement between PSN and a Customer (or any third party) or otherwise relating to the relationship between PSN and a Customer (or any third party). PSN's obligations under this paragraph do not apply to any of the foregoing causes to the extent resulting from acts or omissions of Account Holder.

10. PSN and Account Holder are independent contractors and this Agreement does not establish any relationship of partnership, joint venture, employment, franchise or agency between PSN and Account Holder. Neither PSN nor Account Holder will have the power to bind the other or incur obligations on the other's behalf without the other's prior written consent, except as otherwise expressly provided herein. Notwithstanding the foregoing, Account Holder acknowledges that PSN shall be Account Holder's agent solely for purposes of receiving and processing payments from Account Holder's Customers as provided in this Agreement.

11. PSN represents that it owns and will retain during the term of this Agreement all proprietary rights in and to all development tools, routines, subroutines, applications, software and other materials that PSN may use in connection with implementation and operation of the Site, and has the right to license and otherwise permit Account Holder's and Customers' usage of such Site and other materials in accordance with the terms of the Agreement. This Agreement does not transfer to Account Holder any ownership or proprietary rights in PSN's Site, technology or any work or any part thereof, and all right, title and interest in and to PSN's Site and technology will remain solely with PSN. PSN agrees to indemnify and hold Account Holder harmless from any liabilities or charges, including attorney's fees, arising out of any claim that PSN or Account Holder has infringed the proprietary rights of others in performing the Services under this Agreement or in operating the Site.

- a. PSN shall notify Account Holder if PSN changes or adds any functionality of the Services as implemented on the Site. Under no circumstance shall PSN offer Customers of Account Holder any community features (such as mail, chat, message boards, or the ability to create home pages) from the Site. PSN shall not, in conjunction with the Site or the Services, use any interstitials Web pages, pop-up windows, other intermediate steps or any other content which acts as a barrier to the transition of a Customer from Account Holder's Web site to the Site.

## PAYMENT SERVICE NETWORK, INC. SERVICE AGREEMENT

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- b. PSN shall be responsible for providing all customer support regarding the Services or the Site and Account Holder may redirect to PSN any associated customer support inquires.
  - c. PSN's privacy policy shall make any disclosures, or obtain any Customer consent necessary, to make the disclosures about Customers back to Account Holder required by this Agreement.
  - d. Account Holder hereby grants to PSN a non-exclusive, worldwide, revocable right to use Account Holder's domain names, trademarks and logos reasonably necessary for PSN to perform under this Agreement (collectively, the "Marks"). Account Holder may terminate the foregoing right to use the Marks if, in Account Holder's sole discretion, PSN's use of the Marks is not related to PSN's performance under this Agreement or PSN's use of the Marks tarnishes, blurs, diminishes, or dilutes the quality associated with the Marks or the associated goodwill and such inappropriate use is not cured within thirty (30) days of notice of such inappropriate use. Title to and ownership of the Marks shall remain with Account Holder, and PSN shall have no ownership interest in the Marks. PSN shall not take any action inconsistent with Account Holder's ownership of the Marks, and any benefits accruing from the use of such Marks shall automatically vest in Account Holder.
12. PSN WARRANTS THAT IT WILL PERFORM THE SERVICES IN ACCORDANCE WITH THE TERMS OF THIS AGREEMENT. EXCEPT AS SET FORTH IN THE PREVIOUS SENTENCE AND PARAGRAPH 11 ABOVE, PSN AND ITS SUBCONTRACTORS MAKE NO REPRESENTATIONS OR WARRANTIES, WHETHER EXPRESS, IMPLIED OR STATUTORY REGARDING OR RELATING TO ANY OF THE SITE, TECHNOLOGY OR SERVICES AND/OR ACCESS TO OR USE OF THE SITE SERVICES OR TECHNOLOGY PROVIDED TO ACCOUNT HOLDER AND/OR ITS CUSTOMERS HEREUNDER. PSN AND ITS SUBCONTRACTORS SPECIFICALLY DISCLAIM ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND NON-INFRINGEMENT. PSN AND ITS SUBCONTRACTORS ALSO DO NOT GUARANTEE THAT ACCOUNT HOLDER'S AND/OR ITS CUSTOMERS' ACCESS TO THE SITE OR SERVICES PROVIDED UNDER THIS AGREEMENT WILL BE UNINTERRUPTED, ERROR FREE OR SECURE. PSN AND ITS SUBCONTRACTORS DO NOT GUARANTEE THE ACCURACY OF, AND SPECIFICALLY DISCLAIM LIABILITY FOR, INFORMATION OR DATA THAT IS SUPPLIED OR KEY-ENTERED BY ACCOUNT HOLDER, ACCOUNT HOLDER'S CUSTOMERS OR ACCOUNT HOLDER'S EMPLOYEES OR AGENTS. PSN AND ITS SUBCONTRACTORS DO NOT WARRANT THE ACCURACY, RELIABILITY, COMPLETENESS OR TIMELINESS OF THE CONTENT OF INTERNET WEB SITES OR OTHER DATA RECEIVED BY ACCOUNT HOLDER OR ACCOUNT HOLDER'S CUSTOMERS VIA THE INTERNET.

NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, IN NO EVENT WILL PSN'S LIABILITY TO ACCOUNT HOLDER, CUSTOMERS, OR ANY THIRD PARTY FOR ANY DAMAGES OF ANY KIND, WHETHER ARISING IN CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED AN AMOUNT EQUAL TO THE FEES PAID BY ACCOUNT HOLDER AND ITS CUSTOMERS TO PSN FOR THE SERVICES DURING THE SIX (6) MONTHS PRECEDING THE DATE ON WHICH THE CLAIM FIRST ACCRUED (THE "LIABILITY CAP"). PSN SHALL NOT BE LIABLE TO ACCOUNT HOLDER, CUSTOMERS OR ANY OTHER PERSON FOR ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL (INCLUDING LOSS OF BUSINESS PROFITS) OR PUNITIVE DAMAGES FOR ANY MATTER ARISING OUT OF OR RELATING TO THE SITE, THE SERVICES, THIS AGREEMENT OR ITS SUBJECT MATTER, EVEN IF PSN HAS BEEN APPRISED OF THE LIKELIHOOD OF SUCH DAMAGES OCCURRING.

13. PSN agrees that all information of Account Holder and Customers, including without limitation, Customers' names, addresses and account numbers, shall be treated as confidential by PSN, shall not be disclosed to any third party (other than to credit card issuers or PSN's processing bank in the performance of this Agreement) except as required by law.

PSN agrees not to exploit or use such information except as expressly permitted by this Agreement, and shall not sell, purchase, provide or exchange credit card account number

## PAYMENT SERVICE NETWORK, INC. SERVICE AGREEMENT

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information without the written consent of the Customer. PSN will destroy any cardholder information that is no longer necessary in a manner that will render the data unreadable.

14. PSN agrees to procure and maintain the following insurance policies and bond in no less than the following minimum amounts (or such other minimum amounts, if higher, as required by law), with such reasonable deductibles as PSN shall determine:

**Errors and Omissions Professional Liability Coverage**

\$2,000,000 Each Claim; \$2,000,000 Aggregate; \$100,000 Deductible

**Commercial Umbrella Liability Coverage**

\$2,000,000 Each Occurrence; \$2,000,000 Aggregate; \$10,000 Retained Limit

**Commercial Crime Coverage**

\$250,000 Form A - Blanket Employee Dishonesty; \$250,000 Form B - Forgery or Alteration; \$10,000 Form C - Money and Securities; \$250,000 Business Service Bond; \$2,500 Deductible

**Commercial General Liability Coverage**

\$2,000,000 General Aggregate; \$1,000,000 Each Occurrence; \$100,000 Fire Damage; \$5,000 Medical Expense

**Workers Compensation and Employers Liability Coverage**

\$100,000 Accident; \$500,000 Policy Limit; \$100,000 Each Employee.

15. Account Holder understands that PSN is party to a Merchant Services Agreement pursuant to which PSN is being provided with certain payment processing services by a member (a "Provider") of Mastercard, Visa, Discover and/or similar entities (collectively, "Associations"), and that Account Holder is a sub-merchant under said Merchant Services Agreement. As a conditional precedent to PSN's obligations under this Agreement, Account Holder shall enter into a Sub-Merchant Agreement with the Provider (on Provider's current form) to satisfy the Associations' requirement that the Account Holder have a direct contractual relationship with a member of the Associations.
16. This Agreement shall be governed by and construed in accordance with the laws of the State of Wisconsin, without application of its conflicts of law principles. For the purpose of any dispute arising under, or related in any way to, the subject matter of this Agreement, the parties agree that such dispute shall be heard exclusively by the federal or state courts situated in Dane County, Wisconsin. The parties hereby submit to the exclusive jurisdiction of the federal and state courts situated in Dane County, Wisconsin, and agree not to raise any objection to or defense based upon the venue of said courts.  
EACH PARTY HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A RIGHT OF TRIAL BY JURY WITH RESPECT TO ANY DISPUTE ARISING UNDER OR RELATED IN ANY WAY TO THE SUBJECT MATTER OF THIS AGREEMENT.
17. Account Holder will certify to PSN the identity of any person Account Holder has authorized to act as its agent with respect to the Services. Any such person is authorized to, without limitation, take any action on behalf of Account Holder as it relates to any Services. PSN shall be able to conclusively presume that such agency continues until PSN receives written notice to the contrary. PSN may rely on instructions received from such persons and need not make any inquiries to confirm that the instructions are within the scope of the agency.
18. The undersigned warrants and represents that he/she has all requisite authority to execute this Agreement on behalf of Account Holder, and that he/she is authorized to bind Account Holder to the terms of this Agreement.
19. This Agreement may be executed in counterparts. Each such counterpart shall be considered an original, and all of such counterparts shall constitute a single agreement binding the parties as if they had signed a single document. Faxed, photocopied and scanned signatures shall be acceptable to and legally binding on the parties to this Agreement. No party to this Agreement shall raise the use of a facsimile machine, email transmissions, or other electronic transmission to deliver a signature or the fact that any signature or this Agreement were transmitted or communicated through the use of facsimile

## PAYMENT SERVICE NETWORK, INC. SERVICE AGREEMENT

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machine, by email, or other electronic transmission as a defense to the formation of a contract and each such party forever waives any such defense.

**IN WITNESS WHEREOF**, the parties have executed this Agreement as of the date first written above.

### ACCOUNT HOLDER

Company: \_\_\_\_\_

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

### PAYMENT SERVICE NETWORK, Inc.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

#### **Payment Service Network, Inc.**

2901 International Lane, Suite 101

Madison, WI 53704

608-442-5088 Direct; 877-390-7368 Toll Free; 608-442-5116 Fax

**PAYMENT SERVICE NETWORK, INC. SERVICE AGREEMENT**

**SCHEDULE "A" [Complete Sections I, II and III]**

**I. CORPORATE OFFICE INFORMATION**

Contact Name:	Heather Halterman	Business Legal Name:	Town of Berryville, VA
Address:	101 Chalmers Court, Suite A	City, State, ZIP:	Berryville, VA 22611
Telephone:	540-955-1099	Fax:	
Email:	financeclerk@berryvilleva.gov	Website:	www.berryvilleva.org

**II. LIST OF ADDITIONAL PROPERTIES, ACCOUNTS OR SERVICES:** (Please use a separate sheet if needed or an Excel spreadsheet if possible.)

Total Number Potential Payers	Service Description or Property Name	Address (If different from Corporate above) (Include: Street Address, City, State, ZIP)	Tax ID REQUIRED	Last 4 Digits of Checking Account	Contact Person (for this account, if different from above)	Email (for this account, if different from above)	Phone Number (for this account, if different from above)
2,000	Utility Payments						

**III. DEPOSITING AND INVOICING INSTRUCTIONS AND REQUEST FOR VOIDED CHECK(S):**

- Check the box as to how you want PSN to debit its fees from your bank account(s).
  - PSN should invoice and take its fees from the same bank account(s) to which it is depositing funds
  - PSN should invoice and take its fees from a different bank account than the one to which it is depositing funds.
    - Last 4 digits of bank account from which PSN takes fees: \_\_\_\_\_ (please provide voided check, no deposit slips allowed)
- Attach to this Agreement, an actual voided check(s) for the bank account that PSN will deposit funds into and, if applicable, a voided check of the account from which PSN will debit its fees. It must be a printed voided check and not a starter check, a deposit slip or other substitute. If it is not possible to attach a voided check(s), then you can attach a letter from your bank(s) on bank letterhead that is legally signed by a bank representative, verifying your checking/savings account number and the bank's routing number. NOTE: If using more than one bank account, mark each voided check to clearly identify which account it represents.
- In order to debit fees from your account(s), you may have to inform your bank(s) that Payment Service Network (PSN) is an approved vendor. Once you have signed and returned this Agreement, PSN will provide you with its official NACHA vendor number to provide to your bank(s).

**PAYMENT SERVICE NETWORK, INC. SERVICE AGREEMENT**

**SCHEDULE "B" Fee Schedule for Town of Berryville, VA**

The items marked with an "X" are applicable to this Agreement.

<b>SETUP/EQUIPMENT FEES</b>						
<input checked="" type="checkbox"/>	One-time Setup		\$199	Paid by Account Holder		
<input checked="" type="checkbox"/>	Web Customization with Town Logo	Custom	\$50	Paid by Account Holder		
<input checked="" type="checkbox"/>	Mobile App	Standard	\$	NA		
<input checked="" type="checkbox"/>	Training		Included	NA		
<input checked="" type="checkbox"/>	Software Integration		Included	NA		
<input type="checkbox"/>	Custom Programming		\$	NA		
<input type="checkbox"/>	Integrated Swipe Credit Card Setup		\$	NA		
<input type="checkbox"/>	Check Scanning Equipment		\$	NA		
<input type="checkbox"/>	Credit Card Swipe Machine		\$	NA		
<b>MONTHLY FEES</b>						
<input checked="" type="checkbox"/>	Gateway including eBill Solution		\$69.95	Paid by Account Holder		
<input type="checkbox"/>	Bank Bill Pay eSolution/eCash Solution		\$	NA		
<input checked="" type="checkbox"/>	Mobile App		Included	NA		
<input type="checkbox"/>	Outbound Auto-Call Messaging		\$	NA		
<input type="checkbox"/>	Integrated Swiped Credit Card		\$	NA		
<b>TRANSACTION FEES</b>						
<b>(all fees are per item; unless otherwise noted, only one fee will be charged per transaction)</b>						
<input checked="" type="checkbox"/>	eChecking or eSavings Payment	<input checked="" type="checkbox"/>	Online/Mobile	Net Deposit	\$1.25	Paid by Customer
		<input checked="" type="checkbox"/>	Automated Phone	Net Deposit	\$1.25	Paid by Customer
		<input checked="" type="checkbox"/>	Text	Net Deposit	\$1.25	Paid by Customer
		<input checked="" type="checkbox"/>	Live PSN Rep	Net Deposit	\$1.25	Paid by Customer
<input checked="" type="checkbox"/>	Credit Card Payments <input checked="" type="checkbox"/> MasterCard <input checked="" type="checkbox"/> VISA <input checked="" type="checkbox"/> Discover <input checked="" type="checkbox"/> AMEX	<input checked="" type="checkbox"/>	Online/Mobile	Net Deposit	2.95%*	Paid by Customer
		<input checked="" type="checkbox"/>	Automated Phone	Net Deposit	2.95%*	Paid by Customer
		<input checked="" type="checkbox"/>	Text	Net Deposit	2.95%*	Paid by Customer
		<input checked="" type="checkbox"/>	Live PSN Rep	Net Deposit	2.95%*	Paid by Customer
		Rates for AMEX (above rates are for all other credit cards)			2.95%*	Paid by Customer
<input checked="" type="checkbox"/>	Bank Bill Pay eSolution (bank-issued checks)	Gross Deposit	50¢	Paid by Account Holder		
<input type="checkbox"/>	Back Office Auto-Pay	NA	\$	NA		
<input type="checkbox"/>	eCash Solution	NA	\$	NA		
<input type="checkbox"/>	Auto-Post Check Scanning (Check 21 or RDC)	NA	\$	NA		
<input type="checkbox"/>	Advanced Integrated Credit Card Swipe	NA	\$	NA		
<b>OTHER FEES</b>						
<input checked="" type="checkbox"/>	Annual Security Compliance (billed annually)	Due each December	\$89.00	Paid by Account Holder		
<input type="checkbox"/>	Outbound Auto-Call Messaging	Only answered calls get assessed the fee; recording device pickups are considered answered.	15¢ per minute, 2-minute minimum	NA		
<input checked="" type="checkbox"/>	NSF (for online and phone check/savings transactions with insufficient funds)		\$35.00	Paid by Customer		
<input type="checkbox"/>	NSF (for scanned and VPOST checks)			NA		
<input checked="" type="checkbox"/>	Chargeback (for credit cards that are disputed)		\$15.00	Paid by Account Holder		

\*If payment is less than \$100, the Customer will be charged 2.95% plus 75¢.

Net Deposits are Customer payment deposits less Transaction Fees.

Gross Deposits are Customer payment deposits including Customer paid Transaction Fees, if any.

# PAYMENT SERVICE NETWORK, INC. SERVICE AGREEMENT

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## SCHEDULE "B" continued FEE SCHEDULE for Town of Berryville, VA

Account Holder's designated depository account(s) shall mean any and all depository accounts which Account Holder has designated in a writing delivered to PSN for PSN to make deposits of payments made by Account Holder's Customers/Payees. Account Holder may only change designated depository account(s) upon not less than fifteen (15) days prior written notice to PSN, provided that Account Holder completes and timely delivers to PSN all forms required by PSN to complete the change in designated depository account(s).

Account Holder agrees to pay the Setup/Equipment Fees set forth in this Schedule B upon execution of this Agreement. Account Holder agrees to pay Monthly Fees set forth in this Schedule B on or about the first day of each month. All such Setup/Equipment and Monthly Fees are non-refundable and will be automatically withdrawn by PSN via auto debit from the Account Holder's designated depository account(s) as set up with PSN or, at PSN's option, deducted from Customer payments before such payments are deposited into Account Holder's designated depository account.

Account Holder agrees to pay Transaction Fees and Other Fees as designated in Schedule B. PSN shall, at PSN's option, (a) deduct Transaction Fees and Other Fees from Customer payments before such payments are deposited into Account Holder's designated depository account and/or (b) auto-debit from Account Holder's depository account(s) on or around the first of every month the total of all Transaction Fees and Other Fees incurred during the immediately preceding month which were deposited into the Account Holder's depository account.

PSN will endeavor to have Customer payments deposited into Account Holder's designated account or accounts within three (3) banking days of payment, however, Account Holder acknowledges that it may take up to five (5) banking days to complete such deposits due to bank notification times and different deposit frequencies from the credit card processors to PSN. A "banking day" is a day of the week on which a bank or financial institution is open to the public for carrying on all of its banking functions (i.e., Monday through Friday, excluding Saturday, Sunday and legal holidays).

PSN acknowledges and agrees that all amounts received from Customers less per item Transaction Fees collected by PSN, and less any Monthly Fees and Other Fees (collectively, "Fees") owed by Account Holder, will be the property of the Account Holder and PSN will have no right to retain such amounts for any reason, including, without limitation, pursuant to any rules of bankruptcy or insolvency. PSN will function as a repository for the net funds and not as owner of the net funds at any time (other than the Fees owed to PSN). PSN's failure to deduct or auto-debit any Setup/Equipment Fees, Monthly Fees, Transaction Fees or Other Fees ("Unpaid Fees") does not forfeit PSN's right to collect such Unpaid Fees from Account Holder at a later date, and Account Holder agrees to pay such Unpaid Fees to PSN. PSN is hereby granted a security interest in amounts received from Customers to secure payment of the Unpaid Fees, and shall have a contractual right of offset against amounts received from Customers equal to the amount of Unpaid Fees.

### ACCOUNT HOLDER:

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_ Title: \_\_\_\_\_



**To be completed by client (PSN customer)**

Bank Name: \_\_\_\_\_

Bank Address: \_\_\_\_\_

Bank Telephone Number: \_\_\_\_\_ Bank Fax Number: \_\_\_\_\_

Please provide us with a rating on the following account(s):

Name on Account: \_\_\_\_\_

Account Number(s): \_\_\_\_\_

I hereby authorize Payment Service Network to obtain account information from the bank indicated above.

Authorized Signature: \_\_\_\_\_

Printed Name & Title: \_\_\_\_\_

Date: \_\_\_\_\_

**To be completed by the financial institution**

For your convenience, a space is provided for entry of the rating information.

Please return this form to Payment Service Network, Inc. at the fax number listed below.

Thank you for your prompt assistance.

Date opened:	_____	Year to Date NSF's:	_____
Average Daily Balance:	_____	Average Monthly Balance	_____
Rating: (Mark all that Apply)	<input type="checkbox"/> Questionable <input type="checkbox"/> New Customer <input type="checkbox"/> In Good Standing <input type="checkbox"/> Good Customer <input type="checkbox"/> Excellent Customer		
Additional Comments:			

\_\_\_\_\_  
(Bank Representative Print Name)

\_\_\_\_\_  
(Bank Representative Signature)

Payment Service Network, Inc.  
2901 International Lane, Suite 100  
Madison, WI 53704  
866-917-7368  
608-442-5116 Fax

Bank Stamp

## MERCHANT SERVICES AGREEMENT FOR SUB-MERCHANTS

This MERCHANT SERVICES AGREEMENT FOR SUB-MERCHANTS ("Agreement") is made among VANTIV, LLC, having its principal office at 8500 Governors Hill Drive, Symmes Township, OH 45249-1384 and its designated Member Bank (collectively "Acquirer") and Town of Berryville, VA ("Sub-merchant") in connection with the agreement between Sub-merchant and Payment Service Network, Inc. ("Provider"). Acquirer will provide Sub-merchant with certain payment processing services ("Services") in accordance with the terms of this Agreement. In consideration of Sub-merchant's receipt of credit or debit card funded payments, and participation in programs affiliated with MasterCard International Inc. ("MasterCard"), VISA U.S.A. Inc. ("VISA"), Discover ("Discover"), and certain similar entities (collectively, "Associations"), Sub-merchant is required to comply with the Operating Regulations (defined below) as they pertain to applicable credit and debit card payments. In addition, if Sub-merchant meets certain requirements under the Operating Regulations or an Association or the Operating Regulations otherwise require, Sub-merchant may be required to enter into a direct relationship with an entity that is a member of the Associations. By executing this Agreement, Sub-merchant has fulfilled such requirement. However, Acquirer understands that Sub-merchant may have contracted with Provider to obtain certain processing services and that Provider may have agreed to be responsible to Sub-merchant for all or part of Sub-merchant's obligations contained herein.

NOW, THEREFORE, in consideration of the foregoing recitals and of the mutual promises contained herein, the parties agree as follows:

- 1. Certain Sub-merchant Responsibilities.** Sub-merchant agrees to comply, and to cause third parties acting as Sub-merchant's agent ("Agents") to comply, with the Association's and other payment network's by-laws, operating regulations and/or all other rules, policies and procedures, including but not limited to the Payment Card Industry Data Security Standard, the VISA Cardholder Information Security Program, the MasterCard Site Data Protection Program, and any other program or requirement that may be published and/or mandated by the Associations or payment networks (collectively "Operating Regulations"). Sub-merchant may review the VISA, MasterCard, and Discover websites for a copy of the Visa, MasterCard and Discover regulations. The websites are: <http://usa.visa.com/merchants/> and <http://www.mastercard.com/us/merchant/> and <http://www.discovernetwork.com/merchants/>. Sub-merchant also agrees to comply with all applicable state, federal, and local laws, rules, and regulations ("Laws"). Without limiting the foregoing, Sub-merchant agrees that it will fully comply with any and all anti-money laundering laws and regulations, including but not limited to the Bank Secrecy Act, the US Treasury's Office of Foreign Assets Control (OFAC) and USA Patriot Act (or similar law, rule or regulation) and the Federal Trade Commission. For purposes of this section, Agents include, but are not limited to, Sub-merchant's software providers and/or equipment providers.

If appropriately indicated in Sub-merchant's agreement with Provider, Sub-merchant may be a limited-acceptance merchant, which means that Sub-merchant has elected to accept only certain Visa and MasterCard card types (i.e., consumer credit, consumer debit, and commercial cards) and must display appropriate signage to indicate the same. Acquirer has no obligation other than those expressly provided under the Operating Regulations and applicable law as they may relate to limited acceptance. Sub-merchant, and not Acquirer, will be solely responsible for the implementation of its decision for limited acceptance, including but not limited to policing the card type(s) accepted at the point of sale.

Sub-merchant shall only complete sales transactions produced as the direct result of bona fide sales made by Sub-merchant to cardholders, and is expressly prohibited from processing, factoring, laundering, offering, and/or presenting sales transactions which are produced as a result of sales made by any person or entity other than Sub-merchant, or for purposes related to financing terrorist activities.

Sub-merchant may set a minimum transaction amount to accept a card that provides access to a credit account, under the following conditions: i) the minimum transaction amount does not differentiate between card issuers; ii) the minimum transaction amount does not differentiate between MasterCard, Visa, or any other acceptance brand; and iii) the minimum transaction amount does not exceed ten dollars (or any higher amount established by the Federal Reserve). Sub-merchant may set a maximum transaction amount to accept a card that provides access to a credit account, under the following conditions: Sub-merchant is a i) department, agency or instrumentality of the U.S. government; ii) corporation owned or controlled by the U.S. government; or iii) Sub-merchant whose primary business is reflected by one of the following MCCs: 8220, 8244, 8249 -Schools, Trade or Vocational; and the maximum transaction amount does not differentiate between MasterCard, Visa, or any other acceptance brand.

- 2. Sub-merchant Prohibitions.** Sub-merchant must not i) require a cardholder to complete a postcard or similar device that includes the cardholder's account number, card expiration date, signature, or any other card account data in plain view when mailed, ii) add any tax to transactions, unless applicable law expressly requires that a Sub-merchant impose a tax (any tax amount, if allowed, must be included in the transaction amount and not collected separately), iii) request or use an account number for any purpose other than as payment for its goods or services, iv) disburse funds in the form of travelers checks if the sole purpose is to allow the cardholder to make a cash purchase of goods or services from Sub-merchant, v) disburse funds in the form of cash unless Sub-merchant is dispensing funds in the form of travelers checks, TravelMoney cards, or foreign currency (in such case, the transaction amount is limited to the value of the travelers checks, TravelMoney cards, or foreign currency, plus any commission or fee charged by the Sub-merchant), or Sub-merchant is participating in a cash back service, vi) submit any transaction receipt for a transaction that was previously charged back to the Acquirer and subsequently returned to Sub-merchant, irrespective of cardholder approval, vii) accept a Visa consumer credit card or commercial Visa product issued by a U.S. issuer to collect or refinance an existing debt, viii) accept a card to collect or refinance an existing debt that has been deemed uncollectable, or ix) submit a transaction that represents collection of a dishonored check. Sub-merchant further agrees that, under no circumstance, will Sub-merchant store cardholder data in violation of the Laws or the Operating Regulations including but not limited to the storage of track-2 data. Neither Sub-merchant nor its Agent shall retain or store magnetic-stripe data subsequent to the authorization of a sales transaction.

3. **Settlement.** Upon receipt of Sub-merchant's sales data for card transactions, Acquirer will process Sub-merchant's sales data to facilitate the funds transfer between the various Associations and Sub-merchant. After Acquirer receives credit for such sales data, subject to the terms set forth herein, Acquirer will fund Sub-merchant, either directly to the Sub-merchant-Owned Designated Account or through Provider to an account designated by Provider ("Provider Designated Account"), at Acquirer's discretion, for such card transactions. Sub-merchant agrees that the deposit of funds to the Provider Designated Account shall discharge Acquirer of its settlement obligation to Sub-merchant, and that any dispute regarding the receipt or amount of settlement shall be between Provider and Sub-merchant. Acquirer will debit the Provider Designated Account for funds owed to Acquirer as a result of the Services provided hereunder, provided that Acquirer may also debit Sub-merchant's designated demand deposit account ("Sub-merchant-Owned Designated Account") upon receipt of such account information from Sub-merchant or Provider, or if Acquirer deposits settlement funds into the Sub-merchant-Owned Designated Account. Further, if a cardholder disputes a transaction, if a transaction is charged back for any reason, or if Acquirer reasonably believes a transaction is unauthorized or otherwise unacceptable, the amount of such transaction may be charged back and debited from Sub-merchant or Provider.

4. **Term and Termination.** This Agreement shall be binding upon Sub-merchant upon Sub-merchant's execution. The term of this Agreement shall begin, and the terms of the Agreement shall be deemed accepted and binding upon Acquirer, on the date Acquirer accepts this Agreement by issuing a merchant identification number, and shall be coterminous with Provider's agreement with Sub-merchant.

Notwithstanding the foregoing, Acquirer may immediately cease providing Services and/or terminate this Agreement without notice if (i) Sub-merchant or Provider fails to pay any amount to Acquirer when due, (ii) In Acquirer's opinion, provision of a service to Sub-merchant or Provider may be a violation of the Operating Regulations or any Laws, (iii) Acquirer believes that Sub-merchant has violated or is likely to violate the Operating Regulations or the Laws, (iv) Acquire determines Sub-merchant poses a financial or regulatory risk to Acquirer or an Association, (v) Acquirer's agreement with Provider terminates, (vi) any Association deregisters Provider, (vii) Acquirer ceases to be a member of the Associations or falls to have the required licenses, or (viii) Acquirer is required to do so by any of the Associations.

5. **Limits of Liability.** Sub-merchant agrees to provide Acquirer, via a communication with Provider, with written notice of any alleged breach by Acquirer of this Agreement, which notice will specifically detail such alleged breach, within thirty (30) days of the date on which the alleged breach first occurred. Failure to so provide notice shall be deemed an acceptance by Sub-merchant and a waiver of any and all rights to dispute such breach.

EXCEPT FOR THOSE EXPRESS WARRANTIES MADE IN THIS AGREEMENT, ACQUIRER DISCLAIMS ALL WARRANTIES, INCLUDING, WITHOUT LIMITATION, ANY EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. Sub-merchant's sole and exclusive remedy for any and all claims against Acquirer arising out of or in any way related to the transactions contemplated herein shall be termination of this Agreement. In the event that Sub-merchant has any claim arising in connection with the Services, rights, and/or obligations defined in this Agreement, Sub-merchant shall proceed against Provider and not against Acquirer, unless otherwise specifically set forth in the Operating Regulations. In no event shall Acquirer have any liability to Sub-merchant with respect to this Agreement or the Services. Sub-merchant acknowledges Acquirer is only providing this Agreement to assist in Provider's processing relationship with Sub-merchant, that Acquirer is not liable for any action or failure to act by Provider, and that Acquirer shall have no liability whatsoever in connection with any products or services provided to Sub-merchant by Provider. If Provider is unable to provide its services to Sub-merchant in connection with this Agreement and Acquirer elects to provide those services directly, Sub-merchant acknowledges and agrees that the provisions of this Agreement will no longer apply and the terms of Acquirer's then current Bank Card Merchant Agreement, which would be provided to Sub-merchant, will govern Acquirer's relationship with Sub-merchant. If Provider subsequently provides its services to Sub-merchant in connection with this Agreement, Acquirer will cease to provide such services after receipt of notice from Provider and this Agreement will govern Acquirer's relationship with Sub-merchant.

6. **Miscellaneous.** This Agreement is entered into, governed by, and construed pursuant to the laws of the State of Ohio without regard to conflicts of law provisions. This Agreement may not be assigned by Sub-merchant without the prior written consent of Acquirer. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, transferees and assignees. This Agreement is for the benefit of, and may be enforced only by, Acquirer and Sub-merchant and is not for the benefit of, and may not be enforced by, any other party. Acquirer may amend this Agreement upon notice to Sub-merchant in accordance with Acquirer's standard operating procedure. If any provision of this Agreement is determined to be illegal or invalid, such illegality or invalidity of that provision will not affect any of the remaining provisions and this Agreement will be construed as if such provision is not contained in the Agreement "Member Bank" as used in this Agreement shall mean a member of VISA, MasterCard and/or Discover, as applicable, that provides sponsorship services in connection with this Agreement. As of the commencement of this Agreement, Member Bank shall be Fifth Third Bank, an Ohio Banking Corporation, located in Cincinnati, OH 45263. The Member Bank is a party to this Agreement. The Member Bank may be changed, and its rights and obligations assigned to another party by Acquirer at any time without notice to Sub-merchant.

IN WITNESS WHEREOF, this Agreement has been executed by Sub-merchant's authorized officer as of the date set forth below.

SUB-MERCHANT: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Address: \_\_\_\_\_



## PSN Contact Information Form for Credit Card Processing

Tax Filing Business Name:

Corporate Structure  Government

Is this for utilities?  Yes  No

Is this for taxes?  Yes  No

Contact Name

Physical Street Address

City State ZIP

Business Phone Number (Must be a Land Line)

Month/Day/Year Established

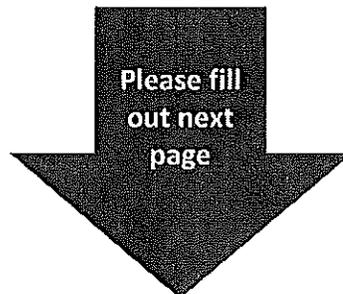
Fed Tax ID

Contact Name (First/Last)

Contact Title

### PLEASE ALSO INCLUDE

- Multiple account summary listing (See next page)
  - Include a separate line item for each bank deposit account or separate account you want created in PSN
- Copy of voided check(s) or bank letter(s) for each deposit account





## PSN AMERICAN EXPRESS ADDENDUM

This PSN American Express Addendum to the Payment Service Network, Inc. Agreement for Service ("Addendum") is executed by the undersigned Account Holder on the date first written below (the "Addendum Effective Date").

### RECITALS

- A. Payment Service Network, Inc. ("PSN") and Account Holder are parties to an Agreement for Service (the "Agreement").
- B. Account Holder wishes to have PSN accept payments from Customers via the American Express Card through the Site, or otherwise (phone in or fax in) (the "Amex Services").
- C. Account Holder agrees that the Amex Services shall be added to the "Services" provided pursuant to the Agreement.
- D. American Express Travel Related Services, Inc. ("American Express") requires certain provisions to be included in the Agreement as a condition of PSN providing the Amex Services, and the parties wish to include such addition terms in the Agreement as provided in this Addendum.
- E. Capitalized terms which are not defined in this Addendum shall have the meaning assigned to such terms in the Agreement.

NOW, THEREFORE, in order to carry out the intent of the foregoing recitals, which are made a contractual part of this Addendum, the Account Holder agrees as follows:

**1. Addition of Amex Services.** The Amex Services are hereby added to the definition of "Services" being provided pursuant to the Agreement. Account Holder hereby authorizes PSN to accept payments made via the American Express Card and to submit American Express Card charges on behalf of the Account Holder and its Customers.

**2. Reserves Required by American Express.** The following reserve provisions are hereby added to the Agreement, as required by American Express. The following provisions shall only apply to governmental entities to the extent permitted by applicable law:

**A. Creating a Reserve.** In its agreement with PSN, American Express has the right, in its discretion, to determine that it is necessary to establish a reserve ("Reserve"). If American Express believes that its needs to create a Reserve, it may immediately establish a Reserve, increase any existing Reserve, or terminate this Addendum. American Express may establish a Reserve by (i) withholding amounts from payment American Express would otherwise make to Account Holder (or to PSN for the benefit of Account Holder) or (ii) requiring Account Holder to deposit funds or other collateral with American Express. Any collateral provided pursuant to this Section is subject to the prior written approval of American Express. American Express may increase the amount of the Reserve at any time so long as the amount of the Reserve does not exceed an amount sufficient, in American Express' reasonable judgment, to satisfy any financial exposure or risk to American Express (including charges submitted by Account Holder for goods or services not yet received by American Express card members and American Express' costs of handling disputed charges).

**B. Application of Reserve.** American Express may deduct and withhold from, and recoup and set-off against, the Reserve (i) any amounts owed to American Express or any of its affiliates; (ii) any costs incurred by American Express in connection with the administration of the Reserve, including attorneys' fees; and (iii) any costs incurred by American Express as a result of Account Holder's failure to fulfill any obligations to American Express, any of its affiliates, or to American Express card members, including attorneys' fees and American Express' costs of handling disputed charges.

**C. Providing Information.** Account Holder must provide American Express promptly, upon request, information about Account Holder's and its affiliates' finances, creditworthiness, and operations, including the most recent certified financial statements.

**D. Indemnification.** If and to the extent that the acts of omissions of Account Holder and/or its Customers cause American Express to exercise its right to establish a Reserve, Account Holder shall indemnify and hold PSN harmless from and against all amounts reserved, costs, expenses, reasonable attorneys' fees and legal expenses, except to the extent that the loss resulted from PSN's own negligence or intentional misconduct. Without limiting the generality of the foregoing, PSN reserves the right to establish and apply a Reserve under the principles contained in this Section 2 in the event American Express reserves amounts owed to PSN based on the acts or omissions of Account Holder and/or its Customers.]

**3. Additional Provisions Required by American Express.**

**A. American Express as Third Party Beneficiary.** American Express is a third party beneficiary of the Agreement (and all applicable addenda) with full right authority to enforce the Agreement and applicable addenda against Account Holder. For avoidance of doubt, nothing contained herein shall impose any obligations on American Express under the Agreement or any addenda to the Agreement.

**B. Merchant Regulations.** Account Holder agrees to comply with and be bound by all Merchant Regulations published by American Express from time to time, as amended (the "Merchant Regulations") which are applicable to "Sponsored Merchants" including, without limitation, Section 13 of the Merchant Regulations. The applicable provisions of the Merchant Regulations are incorporated herein by this reference. Account Holder acknowledges that PSN has provided Account Holder with a copy of the Merchant Regulations as of Addendum Effective Date and that Account Holder is responsible for obtaining, and complying with, any amendments to the Merchant Regulations.

**4. Term and Termination.** The term of this Addendum shall commence on the Addendum Effective Date, and shall continue until the first to occur of expiration or termination of the Agreement, or the date on which PSN ceases providing Amex Services. Notwithstanding the previous sentence, PSN may terminate the Amex Services immediately upon notice to Account Holder if PSN determines in its sole discretion that Account Holder has breached this Addendum or violated the Merchant Regulations.

**5. Fees.** The per transaction and other fees charged for the Amex Services shall be those specified in Schedule B to the Agreement (the "Fee Schedule"), as such Fee Schedule may be amended from time to time. Account Holder acknowledges and agrees that the effectiveness of this Addendum is expressly contingent upon Account Holder's execution of a Fee Schedule (or amended Fee Schedule, if applicable) that includes transaction fees for the Amex Services.

**6. Relationship to Agreement.** This Addendum is made a part of the Agreement, and describes additional services that are being made a part of the Services under the Agreement. The terms of the Agreement shall apply to the Amex Services, and such Amex Services shall be considered part of the Services under the Agreement. In the event of a conflict between the Agreement and this Addendum, this Addendum shall control.

**7. Facsimile and Scanned Signatures.** Faxed, photocopied and scanned signatures shall be acceptable to PSN, and legally binding on Account Holder.

ACCOUNT HOLDER:

By: \_\_\_\_\_  
Name: \_\_\_\_\_ Date \_\_\_\_\_  
Title: \_\_\_\_\_



## **"Bank Bill Pay" Information for PSN**

Please provide the information requested below to assure that we capture as many bank-issued checks as possible. If you have questions, please contact your Service Account Manager.

### **Account Number Variables:**

List all possible formats of the customer account number; please include current format, any older formats and any variation that your customers may write the account number.

Example: 1-xxx-xxxxxx-xx or 1xxxxxxxxxx

### **AKA Name Variables:**

List any variation of your business name that customers might write on a check.

Example: Payment Service Network or PSN

### **Address Variables:**

List any address a customer may send their payment to; please include physical address, PO boxes, lockbox service, etc.

Example: 2901 International Lane or 2901 International Lane Suite 100 or PO Box 123 Main St

### **Remit Address:**

Should a check have to be sent via mail, what address do you want it to go to?

### **Current Payment Providers:**

Please include a list of any provider from which you are currently receiving electronic payments—any company you receive notice from that a payment has been made and deposited electronically.

### **IMPORTANT...**

Please print page 2 on your company letterhead; complete only biller's section with authorized signature in the last row.

**Upon completion, fax this form and the letter to 608-442-5116.**

August 23, 2019

MasterCard International Incorporated  
2200 MasterCard Boulevard  
O'Fallon, MO 63368-7263

Attention: RPPS Business Implementations

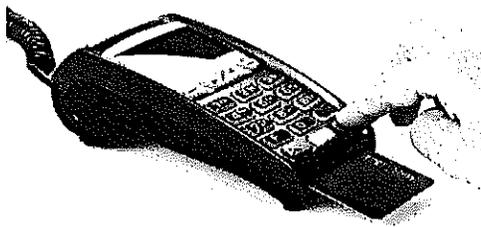
Effective immediately, MasterCard is authorized by this letter to initiate ACH debit entries to be issued by the MasterCard Settlement Bank, currently JP Morgan Chase Bank, from time to time against the account noted below. We hereby confirm that all debits associated with such ACH debit entries will be honored and will be final when made, and no entry shall be reversed without written consent of both MasterCard and ourselves. Our signatures below represent that we are authorized to provide these instructions to you and you are authorized to rely on these instructions.

We understand that written notice of revocation of this authorization must be sent to MasterCard International Incorporated.

<b>ICA Number:</b>	
<b>Routing and Transit Number:</b>	
<b>Account Number:</b>	
<b>Name of Financial Institution:</b>	
<b>Address Line #1:</b>	
<b>Address Line #2:</b>	
<b>City:</b>	
<b>State:</b>	
<b>ZIP Code:</b>	

Sincerely,

<b>Biller's Organization</b>	
<b>Biller's Contact Name:</b>	
<b>Biller's Address #1:</b>	
<b>Biller's Address #2:</b>	
<b>City:</b>	
<b>State:</b>	
<b>ZIP Code:</b>	
<b>Biller's Phone Number:</b>	
<b>Biller's Signature</b>	



# Credit Card Terminals

Automates Posts ▪ Plug-n-Play ▪ Integrated ▪ Scan or Swipe  
Whether in the office or out in the field, you can accept credit card payments over a secure network. The desktop model is ideal for counter payments, while the mobile unit is perfect for remote locations.

## PAYMENT SOLUTIONS



Online



Mobile App



Text



IVR



Call Center



Virtual Terminal



Staff Field App



Check Scans



Bank Bill Pay



Kiosks



Cash Locations

## MORE SOLUTIONS



Integration



Consolidation



eBills



Auto-Call



Lockbox

## THERE'S MORE

Check out our website,  
download our brochure,  
or give us a call!

## HOW IT WORKS

**ADVANCED Solution:** PSN provides a terminal which is interfaced with the PSN system, which in turn is integrated with your software. Cards are scanned, data is uploaded for viewing and reporting in the PSN Account Management Center and then the payment is automatically posted to your software. **STANDARD Solution:** PSN provides a terminal which is interfaced with the PSN system. Cards are scanned and data is uploaded for viewing and reporting in the PSN Account Management Center. **MOBILE Solution:** PSN provides a reader which attaches to a smart phone or tablet along with an app that interfaces with PSN for customer data retrieval and recording of payments. *If volume does not warrant investment in a terminal, ask your PSN representative about credit card processing via PSN's Virtual Terminal.*

## KEY FEATURES

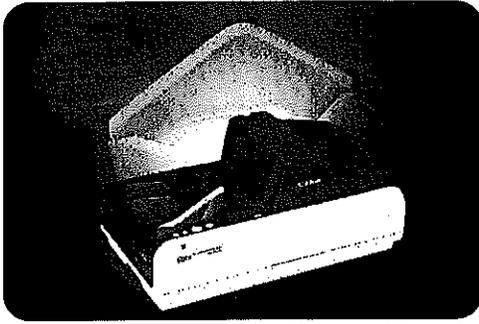
- Countertop terminal
  - Has ability to swipe or scan an EMV chip
  - Accommodates up to 10 different accounts/departments eliminating the need for multiple units
  - Displays balance due (available with data sharing)
  - Prints receipt
  - Large display screen
  - Internet connection required
- Mobile unit
  - Has ability to swipe and scan an EMV chip (optional)
  - Use with iPhones, iPads and Android phones and tablets
  - Integrated with a mobile payment app which displays customer's balance due, recent payments and more (available with data sharing)
- All readers are PCI certified

## BENEFITS

- ✓ Payments made through the credit card readers flow into the PSN system so that you can view them in real time—just like an online payment
- ✓ Credit card payments are consolidated with all other PSN payments for one deposit and one reconciliation
- ✓ Payments are automatically posted to your software to reduce manual input and errors (available with data sharing)
- ✓ EMV chip scanning meets the latest PCI requirements, shifting certain liabilities from your organization to credit card companies



- 866.917.7368
- Sales@PaymentServiceNetwork.com
- www.PaymentServiceNetwork.com



# Auto-Post Check Scans

Integrated • Automated Posts • eDeposits • Plug-n-Play  
Our check scanning solution will consolidate paper checks with all other ePayments and provide you access to images from anywhere at any time.

## PAYMENT SOLUTIONS



Online



Mobile App



Text



IVR



Call Center



Terminal



Virtual Terminal



Staff Field App



Bank Bill Pay



Kiosks



Cash Locations

## MORE SOLUTIONS



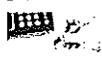
Integration



Consolidation



eBills



Auto-Call



Lockbox

## THERE'S MORE

Check out our website,  
download our brochure,  
or give us a call!

## HOW IT WORKS

PSN will provide a plug-and-play check scanner which has been integrated with the PSN system and hence, your software. When you scan a check, coupon or other item, an image is captured and stored in the online PSN Account Management Center for easy retrieval and lookup. The amount of the check is entered and flows into PSN and then is posted to your software. Once turned into an ePayment, funds are deposited without a trip to the bank.

## KEY FEATURES

- High-quality Canon scanners (other scanners available)
- Scans and captures images of checks, payment vouchers, stubs, envelopes, correspondence or coupons
- Applies electronic endorsement
- Advanced character recognition (CAR/LAR) reads and stores the amount, endorses the checks and saves the selected identifiers from the coupons—whether free-form, handwritten, barcode or OCR. Scans match customer to database for automatic posting to your software
- Stores images in accordance with Check 21 rules
- Access and view images of checks, coupons and envelopes in the PSN Account Management Center

## BENEFITS

- ✓ Significantly reduces errors generated through manual entry
- ✓ Deposits funds faster; helps to better predict cash flow; improves cash flow
- ✓ Greatly reduces time spent processing paper checks; also reduces risk with fewer people involved in the process
- ✓ Unlike bank truncation systems, posts payments to your software
- ✓ Archives images in an easy-to-retrieve online system
- ✓ Allows for viewing progress of payments in real time, once it is scanned
- ✓ Consolidates paper check transactions with other payment channels (e.g., mobile, online, phone, bank bill pay, cash) resulting in one deposit and one reconciliation
- ✓ Enhances the customer experience since they can continue to pay by paper check



- 866.917.7368
- Sales@PaymentServiceNetwork.com
- www.PaymentServiceNetwork.com

## PSN CHECK 21 ADDENDUM

This PSN Check 21 Addendum to the Payment Service Network, Inc. Agreement for Service ("Addendum") is executed by the undersigned Account Holder on the date first written below (the "Addendum Effective Date").

### RECITALS

- A. Payment Service Network, Inc. ("PSN") and Account Holder are parties to an Agreement for Service (the "Agreement").
- B. Account Holder wishes to have PSN provide cash letter services for domestic transactions, as more specifically defined below ("Check 21 Service").
- C. Account Holder agrees that the Check 21 Service shall be added to the "Services" provided pursuant to the Agreement.

Now therefore, in order to carry out the intent of the foregoing recitals, which are made a contractual part of this Addendum, the Account Holder agrees as follows:

1. Service. PSN will provide Account Holder with image cash letter services for domestic transactions (the "Check 21 Service") in accordance with the provisions set forth in this Addendum. By using or continuing to use the Check 21 Service, the Account Holder agrees to the terms set forth below.

2. Definitions.

- 2.1 "Imaging and Electronic Transmission" means any method or device operated and controlled by the Account Holder that provides for the capture and formatting of magnetic ink character recognition ("MICR") information and quality images of the Checks for transmission from the Account Holder to PSN for further transmission by PSN through its clearing process.
- 2.2 "Check" shall mean a negotiable demand draft payable in U.S. currency only ("draft") drawn on or payable through or at an office of an authorized bank; a draft drawn on a Federal Reserve Bank or a Federal Home Loan Bank, a draft drawn on the Treasury of the United States, a demand draft drawn on a state government or unit of general local government that is not payable through or at a bank, a United States Postal Service money order, or a travelers check drawn on or payable through or at an authorized bank. "Check" does not include a non-cash item or an item payable in a medium other than United States money.
- 2.3 "Check 21" means the Check Clearing for the 21<sup>st</sup> Century Act, as well as Subpart D of Federal Reserve Board Regulation CC (Reg CC), and to the extent applicable, Subpart A of Reg CC.
- 2.4 "Substitute Check" shall have the meaning of substitute check as defined in Check 21.
- 2.5 "Electronic Image" means electronic images of original Checks and any source document or any other payment instrument from a payor to Account Holder that may be transmitted by the Account Holder to PSN as either data or image, and where applicable in the context, includes the electronic image of the front and back of a Check, in addition to other required information or formatting as specified in PSN's standards set forth on the Site. Notwithstanding the foregoing, and for the avoidance of doubt, it is understood that Account Holder will only be transmitting electronic images of the front and back of Checks and not delivering any paper Checks under this Check 21 Service.

- 2.6 "Rules and Regulations" shall mean, collectively, Check 21, Federal Reserve Board Regulations J and CC, clearing house rules, and the various states' Uniform Commercial Codes as applicable.
- 2.7 "Check 21 Service" means the specific service provided by PSN, including receipt of the Imaging and Electronic Transmission from Account Holder of the Electronic Images and captured information for the purpose of further clearing either via Substitute Check print or image exchange of the Electronic Images as part of the image cash letter service for domestic transactions.
- 2.8 "Site Standards" means the standards for Imaging and Electronic Transmission that are provided to Account Holder by PSN from time to time as posted on the Site, including the ANSI 9.37 standards for Check Imaging and transmission.
- 2.9 "Banking Day" means any business day on which authorized banks are generally open for business and performing substantially all of their banking services.
- 2.10 All other capitalized terms not otherwise defined herein shall have the meaning set forth in the Agreement.

3. Account Holder Obligations. Account Holder shall provide through its Imaging and Electronic Transmission, electronic images in the format and specifications required by PSN Site Standards and within the cut-off times provided below. Account Holder authorizes PSN to convert the electronic images that PSN receives from the Account Holder to either Substitute Checks or Electronic Images, as applicable, and further authorizes PSN or any other authorized bank, clearinghouse or Federal Reserve Bank to which a Substitute Check or Electronic Image is sent to handle the Substitute Check or Electronic Image for further processing. Account Holder agrees to, at its sole expense: a) provide connectivity between the Account Holder's Imaging and Electronic Transmission and PSN's technology and Site; b) provide that the Account Holder's Imaging and Electronic Transmission will transmit images as required by PSN through PSN's technology and the Site; c) if applicable, utilize Account Holder's software, or PSN software to load, balance, and close batches of Checks as needed for transmission to PSN prior to the communicated cut-off time; d) process return data and any remittance data delivered by PSN for the purpose of updating Account Holder's internal systems (which may include Substitute Checks or Electronic Images created by others in the clearing, collection or return process; e) provide training for Account Holder's personnel who will be using the Account Holder's Imaging and Electronic Transmissions; and f) implement and maintain security measures, including firewall protection, in compliance with its obligations under this Addendum for electronic transmission of the images and data, and to safeguard the original Checks after imaging and transmission.

4. Image Cash Letter File Deposit Time. The Image and Electronic Transmissions must be sent to PSN prior to the targeted deposit deadline. Any Image and Electronic Transmission will be considered as having been sent to PSN when the entire file has been transmitted and delivered to PSN. Transmission of the Image and Electronic Transmission will be considered received when the entire file has been written onto PSN's system and made available for PSN to validate. Based upon the size of the file, there may be a significant delay between the time Account Holder begins to send the file and the completion of the transmission as stated above. As a result, Account Holder will make every effort to send the file as early as possible. Files that are received after a deposit deadline will be considered deposited for the next deposit deadline. Processing fees and funds availability will be assessed based on the deposit deadline that is met for each Image and Electronic Transmission.

5. Payment Processing.

- 5.1 Substitute Checks. Electronic Images of Checks received through Account Holder's Imaging and Electronic Transmission by PSN may be received and transmitted to a printing facility for printing to a Substitute Check and will be cleared through traditional paper processing channels. The Substitute Checks will be created in accordance with Reg CC. Electronic Images that fail to satisfy the warranties made to PSN by Account Holder, that fail to meet the requirements of PSN, Check 21 or Reg CC, or that are

otherwise not able to be processed as Substitute Checks may be charged back to Account Holder's account or returned to Account Holder.

- 5.2 Image Exchange Clearing of Electronic Images. Electronic Images of Checks received through the Account Holder's Imaging and Electronic Transmission by PSN may be processed as an Electronic Image either directly with the paying bank or through a third party network.
- 5.3 Processing of Substitute Checks or Electronic Images. Substitute Checks or Electronic Images transmitted by the Account Holder and received by PSN or its subcontractors shall be credited to the Account Holder's applicable account pursuant to the availability schedule published by PSN.

6. Account Holder Liability. Account Holder shall be solely responsible if any Electronic Image or Substitute Check for which Account Holder has been given provisional credit is returned or reversed, and neither PSN nor its subcontractors shall be liable or responsible for same. Account Holder acknowledges that all credits received for deposit are provisional, subject to verification, final settlement or return. Information and data reported hereunder: (a) may be received prior to final posting and confirmation and is subject to correction and (b) is for information purposes only and may not be relied upon. Account Holder agrees that PSN shall have no liability for the content of payment-related information. Account Holder shall be solely responsible for the original Checks, including storage and retrieval. Account Holder agrees to provide a legible copy of an image or the original Check if requested by PSN and if Account Holder is unable to provide a legible copy or the original Check within five (5) business days of such request Account Holder shall be liable for any associated loss or claim involving the Check. Account Holder will not present the image file for a Check more than once to PSN and shall be responsible for any and all losses or claims resulting from the Account Holder presenting the image file more than once.

7. Term; Suspension/Cancellation of Service. The term of this Addendum shall commence on the Addendum Effective Date, and shall continue until the first to occur of expiration or termination of the Agreement, or the date on which PSN ceases providing Check 21 Services. Notwithstanding the previous sentence, PSN reserves the right to suspend or terminate the Check 21 Services, in whole or in part, if PSN believes Account Holder is in breach of this Addendum or the Agreement or is otherwise using or accessing the Check 21 Services in a manner inconsistent with the terms and conditions hereof and such breach is not cured within three (3) business days after notice to Account Holder. Further, these Services will automatically terminate if the Account Holder's designated depository account with PSN is closed for any reason.

8. Representations, Warranties and Covenants. Account Holder represents, warrants and covenants that: (a) Account Holder is a person authorized to enforce each Check or is authorized to obtain payment of each check on behalf of a person entitled to enforce a Check; (b) the Checks have not been altered; (c) if applicable, each Check bears all applicable endorsements; (d) all the warranties, as applicable, set forth in and subject to the terms of 4-207 of the uniform commercial code as adopted in the state whose governing law controls these services; (e) (i) the electronic image of each Check accurately and legibly represents all of the information on the front and back of the original Check as of the time the original Check was truncated; (ii) the information in the Imaging and Electronic Transmission contains a record of all applicable MICR-line information required for a Substitute Check, and (iii) the Electronic Image conforms to the technical standards for an electronic Check set forth in an operating circular or as specified by PSN from time to time; (f) Account Holder will submit only one accurate and clear image of the front and back of each Check to PSN only one time; (g) no person will receive a transfer, presentment, or return of, or otherwise be charged for, the Check (either the original Check, Substitute Check, Electronic Image or ACH transaction) such that the person will be asked to make payment based on a Check it has already paid; (h) the amount of a Check entered by Account Holder or its agents for transmission to PSN is accurate.

9. Buy Back Program. In the event PSN purchases any check scanners or other processing equipment for the benefit of Account Holder under this Addendum or the Agreement (the "Equipment"), and the Agreement is terminated by Account Holder or as a result of Account Holder's breach, prior to its stated term, then in addition to any other remedies available at law or in equity, PSN shall be entitled to

collect from Account Holder's designated depository account(s) with PSN by auto debit an amount equal to the average monthly Fees paid by Account Holder prior to such termination multiplied by the number of months remaining in the stated term of the Agreement; provided that in no event shall such amount be less than the cost of such Equipment. The parties acknowledge and agree that the foregoing amount represents a reasonable forecast of the damages that PSN would incur and that such amount is not a penalty of any kind.

10. Fees. The per transaction and other fees charged for the Check 21 Service shall be those specified in Schedule B to the Agreement (the "Fee Schedule"), as such Fee Schedule may be amended from time to time. Account Holder acknowledges and agrees that the effectiveness of this Addendum is expressly contingent upon Account Holder's execution of a Fee Schedule (or amended Fee Schedule, if applicable) that includes transaction fees for the Check 21 Service.

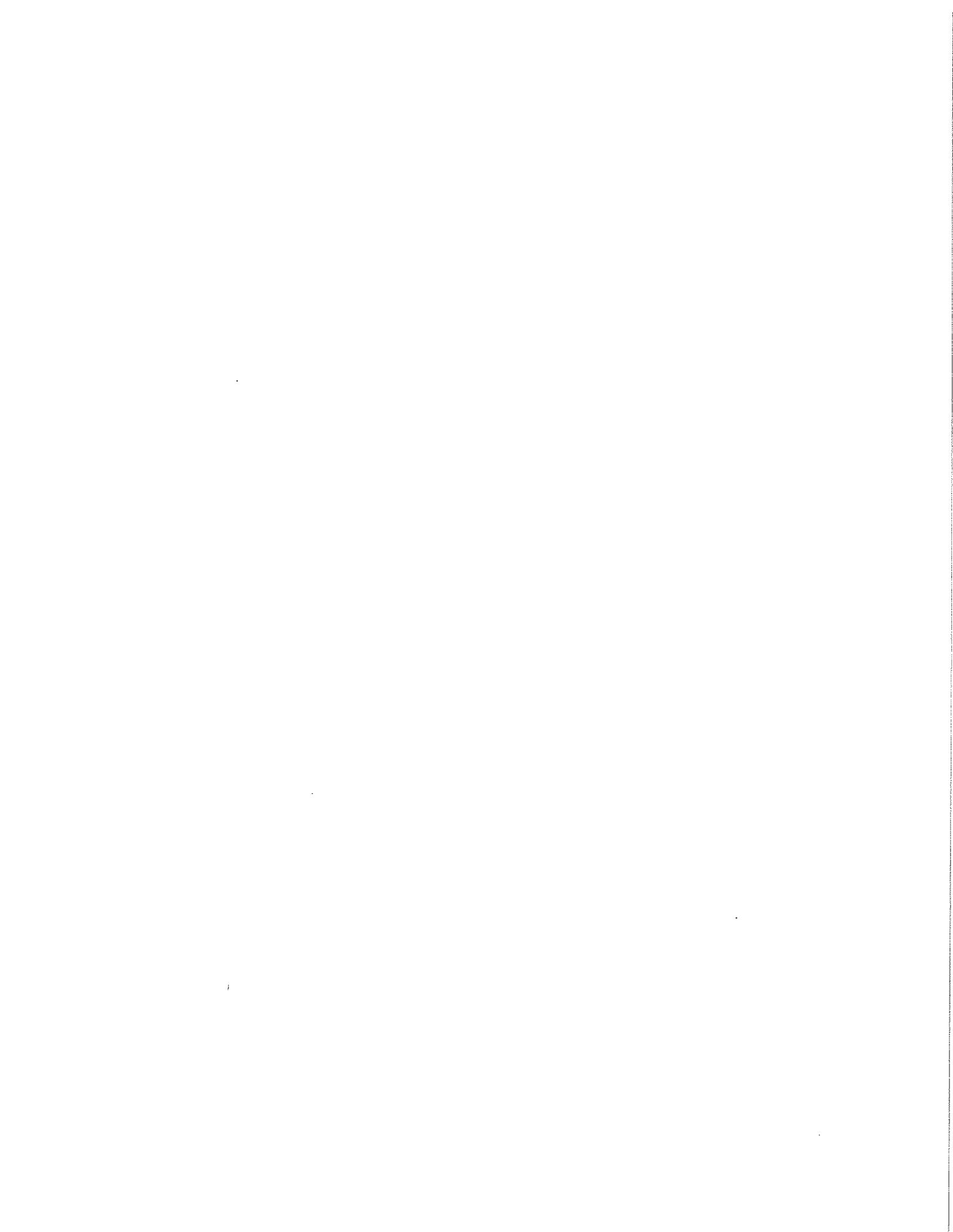
11. Relationship to Agreement. This Addendum is made a part of the Agreement, and describes additional services that are being made a part of the Services under the Agreement. The terms of the Agreement shall apply to the Check 21 Service, and such Check 21 Service shall be considered part of the Services under the Agreement. In the event of any conflict between the Agreement and this Addendum, this Addendum shall control.

12. Facsimile and Scanned Signatures. Faxed, photocopied and scanned signatures shall be acceptable to PSN, and legally binding on Account Holder.

ACCOUNT HOLDER:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Date: \_\_\_\_\_



New Business

Long-term financial sustainability plan

Other

# Closed Session

Adjourn