



MASTER SERVICES AGREEMENT

This Master Services Agreement (“Master Agreement” is entered into as of the Effective Date of _____ between the City of Pascagoula, MS (“Client”) located at 603 Watts Avenue Pascagoula, MS 39568 and **First Mobile Trust, LLC** an Ohio Limited Liability Company and subsidiary of Paya, Inc. (“First Billing”).

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

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, hereby covenant and agree as follows.

GENERAL TERMS AND CONDITIONS

1 Definitions

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

- 1.1 **“Agreement”** or **“Contract”** shall refer to this Agreement, as amended from time to time, which shall constitute an authorization for the term of this contract for First Billing to be the provider of services, stated herein, to the Client.
- 1.2 **“Average Bill Amount”** shall mean the total Payment Amounts collected through the First Billing system in a given month divided by the number of the Payments for the same month. “
- 1.3 **“Card”** shall mean a credit card or debit card.
- 1.4 **“Effective Date”** shall be the last date upon which all parties have signed this Agreement.
- 1.5 **“First Billing Authorized Processor”** shall mean a First Billing authorized merchant account provider and payment processing gateway.
- 1.6 **“IVR”** means interactive voice response

- 1.7** “**Launch Date**” shall be the date on which Client launches this service to the Users, which shall occur within 30 days of the date of Merchant Account Set-up as provided in Section 4.3 hereof.
- 1.8** “**Payment**” shall mean a payment by a User for Client services or Client bills.
- 1.9** “**Payment Amount**” shall mean the amount of any Payment.
- 1.10** “**Reversed or Charged-back Transactions**” shall mean cancelled transactions due to User error, or a User’s challenge to First Billing authenticity.
- 1.11** “**Services**” shall consist of the Services detailed in Section 2.1 of this Agreement.
- 1.12** “**User**” shall mean the users of the Client’s services.
- 1.13** “**Cloud Computing**” shall mean a model for enabling ubiquitous, convenient, on-demand network access to a shared pool of configurable *computing* resources (e.g., networks, servers, storage, applications and provided by **cloud services**) that can be rapidly provisioned and released with minimal management effort.
- 1.14** “**Cloud Services (FirstCloud®)**” shall mean **services** made available to users on demand via the Internet from a **cloud computing** provider server’s as opposed to being provided by a company's on-premises server.

2 **Description of Services to be performed**

2.1 **Scope of Service**

First Billing shall provide to the Client the services detailed in Schedule A of this Agreement. First Billing shall provide Users the opportunity to make Payments by Visa, MasterCard, Discover, American Express, E-Check and other payment methods as deemed appropriate by First Billing, including IVR interface, Text and Pay and mobile,(the “Services”). Payments may be made by secure Internet interface provided at the First Billing website or other websites (“Websites”) as part of First Billing’s First Cloud™ payment services, (such payment methods collectively referred to as the “System”).

2.2 **Professionalism**

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

3 **Compensation**

3.1 **No Cost Installation**

First Billing will charge no fees related to the initial setup and personalization of its standard service for Web, Mobile, and IVR interfaces. If the Client desires work beyond the initial set-up and personalization of Web, mobile, and IVR interfaces, the Client and First Billing will agree to additional

scope of work document with estimated costs provided to the Client for approval. The rates charged for this work are included in Schedule A.

3.2 First Billing Service Fee

First Billing will charge monthly fees and transactional fees as set forth in Schedule A. (hereinafter called "First Billing Service Fee")

For each Payment, the First Billing Service Fee collected will be used in part to pay the corresponding Credit Card transaction fees or transaction fees associated with Debit Cards or E-Checks (hereinafter called "Transaction Fees") except for the return items (E-Check returns or Credit/Debit Card chargebacks).

A First Billing Fee Schedule is attached hereto as Schedule A. The First Billing Service Fee is based on the Average Bill Amount (as set forth on Schedule A), which Average Bill Amount is calculated on assumptions of the total number of payments, the total Payment Amount collected, and a mix of 60 % debit card and 40% credit cards on all cards used by user to pay their invoice each month. This Schedule may adjust due to changes in the Visa, MasterCard, Discover or other Card regulations, or changes in card fees. An amendment to this agreement will be executed to reflect any changes in fees.

4 Payment Processing

4.1 Integration with Client's Billing System

At no cost to Client, First Billing's FirstIntegration™ product team will develop one (1) file format interface with Client's billing system using Client's existing text file format currently used to post payments to Client's billing system. Client will be responsible to provide First Billing with the one file format specification and will fully cooperate with First Billing during the development of the said interface. If Client chooses to create an automated file integration process to download the posting file, due to First Billing security requirements Client will use First Billing's specified integration process. FBS will work with Client's United Systems system to post payments. If the Client desires work beyond the scope of 1 file format interface, the Client and First Billing will agree to additional scope of work document with estimated costs provided to the Client for approval. The rates charged for this work are included in Schedule A.

4.2 Explicit User Confirmation

First Billing shall confirm the dollar amount of all Payments and electronically obtain User approval of such charges prior to initiating Card or other authorizing transactions. First Billing will provide User with electronic confirmation of all transactions.

4.3 Merchant Account

First Billing will arrange for the Client to have a merchant account with the First Billing Authorized Processor for processing and settlement of Card transactions (a "Merchant Account Set-up").

4.4 Card Authorization

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

4.5 Settlement

First Billing, together with its authorized Card processor, shall forward the Payment Amounts to the appropriate Card organizations for settlement directly to the Client's depository bank account(s) previously designated by the Client (hereinafter the "Client Bank Account").

First Billing, together with First Billing Authorized Processor, will continuously review its settlement and direct debit processes for its simplicity and efficiencies. Client and First Billing agree to fully cooperate with each other if First Billing were to change its settlement and invoicing processes.

4.6 Reversed or Chargeback Transactions

With respect to all Reversed or Chargeback Transactions, the Client agrees to refund First Billing and First Billing Authorized Processor (and/or the respective card organization) for the Payment Amount and the Chargeback/reversal fee. First Billing shall credit back to the User the corresponding Payment Amount. The fees are outlined in Schedule A.

Client and First Billing agree to reasonably cooperate with each other if First Billing desires to change its settlement and invoicing processes for such transactions.

5 General Conditions of Services

5.1 Service Reports

First Billing shall provide Client with reports summarizing use of the Services by Users for each reporting period.

5.2 User Adoption Communication by Client

Client will make First Billing's Services available to its Users by multiple means of Client communication including: a) through bills, invoices and other notices; b) by providing details on the Client's website on a mutually agreed upon prominent place on the website; or c) other channels required by First Billing and reasonably acceptable to the Client.

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

Both parties agree that First Billing will be presented as a credit/debit card and eCheck payment method option for the Client. Client will communicate the First Billing payment option to its Users wherever Client usually communicates its other payment methods.

Both parties agree that First Billing will be the leading provider of credit/debit card and e-Check payment services, for utility billing payments, and listed (where applicable) on the Client website, IVR, and communications for the Client.

5.3 Independent Contractor

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

5.4 Client's Responsibilities

In order for First Billing to provide Services outlined in this Agreement, in addition to the steps described in Section 5.2 hereof the Client shall reasonably cooperate with First Billing, including by:

- (i) Entering into all applicable Card or cash management agreements, to the extent authorized and permitted by Mississippi law, if applicable.
- (ii) Adding the phone number for the IVR payment method to its Website, (at the applicable time)
- (iii) Adding the IVR payment and agent assisted payment options as part of the Client's general phone system (at the applicable time).
- (iv) For the purpose of providing a posting file for posting to Client's billing system, Client will provide to First Billing the file format specification currently used to post its payments to the billing system. Client will fully cooperate with First Billing and provide the information required to integrate with Client's billing system.

6 Governing Laws

This Agreement shall be governed by the laws of the State of Mississippi.

7 Communications

7.1 Authorized Representative

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

7.2 Notices

All notices of any type hereunder shall be in writing and shall be given by (i) Certified or Registered Mail, return receipt, (ii) a national overnight carrier, or (iii) hand delivery to an individual authorized to receive mail for the below listed individuals, all to the following individuals at the following locations:

To Client:

Michael Silverman
City Manager
603 Watts Avenue
Pascagoula, MS 39567

msilverman@cityofpascagoula.com

(228) 762-1020

To First Billing:

Kyle Dant

2835 Miami Village Dr., Ste 203

Miami Township, OH 45342

kyle.dant@paya.com

(937) 203-3428

Notices shall be declared to have been given or received on the date delivered. Any party hereto, by giving notice in the manner set forth herein, may unilaterally change the name of the person to whom notice is to be given or the address at which the notice is to be received.

7.3 Amendment of Agreement

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

7.4 Severability

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

7.5 Intellectual Property

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

7.6 Time of the Essence

First Billing and Client acknowledge and agree that time is of the essence for the completion of the Services to be performed and each party's respective obligations under this Agreement.

7.11 Counterparts

This Agreement may be executed in one or more counterparts each of which shall be deemed an original, but all of which together shall constitute one and the same agreement. The delivery of a signed copy of this contract by Facsimile Transmission (fax) or by e-mail transmission in Portable Digital Format (pdf) shall constitute effective execution and delivery of this contract as to the parties; and will create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with

the same force and effect as if such fax or pdf signature page were an original agreement. Signatures of the parties to this contract transmitted by facsimile or PDF will be deemed to be their original signatures for all purposes.

7.12 Entire Agreement

This Agreement represents the entire understanding between the parties hereto with respect to its subject matter and supersedes all other written or oral agreements heretofore made by or on behalf of First Billing or Client with respect to the subject matter hereof and may be changed only by agreements in writing signed by the authorized representatives or parties. Client agrees to extend the pricing, terms, optional services and conditions of this contract to other governmental entities at the discretion of First Billing.

8 Warranty and Liability

8.1 Warranty Disclaimer

EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, FIRST BILLING DISCLAIMS ALL OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, MADE TO THE CLIENT OR ANY OTHER PERSON, INCLUDING WITHOUT LIMITATION, ANY WARRANTIES REGARDING QUALITY, SUITABILITY, MERCHANTABILITY, FITNESS, FOR A PARTICULAR PURPOSE OR OTHERWISE OF ANY SERVICES OR ANY GOODS PROVIDED INCIDENTAL TO THE SERVICES PROVIDED UNDER THIS AGREEMENT.

8.2 Limitation of Liability

Notwithstanding the foregoing, the parties agree that neither party shall be liable to the other for any lost profits, lost savings or other special, indirect or consequential damages, even if the party has been advised of or could have foreseen the possibility of such damages. Provided, however, Client shall not be bound by this limitation of liability and shall be able to pursue damages against First Billing if Client or its customers are damaged as the result of First Billings wrongdoing, including, but not limited to, theft or fraud.

9 Term and Termination

9.1 Term, Renewal, Termination

The initial term of this Agreement shall be a period of (36) months commencing on the Launch Date, the parties can agree to renew the Agreement for three additional twelve (12) month terms or any other term that is mutually agreed upon. Should the Client or First Billing wish to not have the agreement renewed after expiration of any then-current term, either party will give the other at least ninety (90) day notice prior to the end of such term.

The agreement may be cancelled by either party by providing written notice at least 30 days in advance. Services and expenses rendered by First Billing shall be paid through the date of termination of the agreement. The parties further agree that should First Billing for any reason breach this agreement by failing to complete it, that First Billing will be paid for services rendered to date less any costs or damages incurred by the Client, including re-awarding of the contract or necessary duplication of original work. Compensation shall not exceed the maximum amount of this agreement. All work shall be turned over to the Client in the event of termination of this agreement.

9.2 Material Breach

A material breach of this Agreement shall be cured within thirty (30) days (“Cure Period”) after a party notifies the other of such breach. In the event such material breach has not been cured within the Cure Period, either party can terminate this Agreement by providing the other party with a 60-day notice to the other party. For purposes of this agreement, material breach would defined as:

- First Billing does not provide payment processing services for a period of (2) two business days as defined in sections 3.2 and 4.1.
- First Billing does not provide its optional services, as outlined on Schedule A, for a period of (3) three business days.
- Client does not meet it obligation as defined in section 5.4

In the event First Billing does not meet its obligations, First Billing will cooperate with Client to migrate its services to client chosen vendor as defined in section 9.3.

9.3 Upon Termination

Specifically, in addition to and in lieu of any requirements or limitations contained elsewhere in this Agreement, upon termination of this Agreement, the parties agree to cooperate with one another to ensure that all Payments are accounted for and all refundable transactions have been completed. Upon termination, First Billing shall cease all Services being provided hereunder unless otherwise directed by the Client in writing. Notwithstanding the foregoing and subject to the terms of any confidentiality limitations imposed by this Agreement or any other Confidentiality Agreement between the Parties, First Billing agrees to cooperate with Client to migrate any necessary Client information from First Billing to any subsequent third-party that Client may request.

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

Client:

First Mobile Trust, LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Schedule A – First Billing Service Fee Schedule

First Billing Service Fees charged to the Client and its Users will be based on the program below:

Based on the current pricing (convenience fee model) and the statements/transaction details provided by the City of Pascagoula, MS, FBS/Paya will price in the following manner:

Services provided:

- **FirstChoice Portal for Customer payment and presentment**
 - **Visa, Mastercard, Discover, and American Express**
 - **All Payment channels:**
 - **Web, IVR, In-person, Agent-Assisted, Text n Pay and In-office**
- **First Agent Portal for City associates**
- **Reporting and customer support**

Software Services Included:

- **FirstAgent™, FirstChoice™, FirstIVR™, FirstMobile™, FirstSecure™**

Paya/FBS Pricing: (Convenience Fees Paid by Citizens)

Credit/Debit Card Payments: \$2.95 per transaction

E-check Payments: \$1.95 per transaction

Miscellaneous Fees

- Chargeback - \$15.00 per chargeback
- Returned Check - \$7.00 per return check
- All fees include recurring, one-time payments, all payment channels, and all brands (Visa, MasterCard, Discover, and American Express).
- No charge for hosting, maintenance, licensing or per minute IVR fees
- PCI Compliance - \$9.95 billed monthly

FBS Installation, Training, and Support

- NO CHARGE

Professional Services (optional): After Go live date

- \$155.00 per hour for software development, \$175.00 per hour for project management