

RE: CONTRACT WITH PAYMENTWORKS

Background:

As incidents of vendor fraud continue to escalate, the Finance Department is actively seeking effective strategies to minimize this risk. To ensure the integrity of our vendor relationships, each vendor conducting business with the City of Nixa undergoes a vetting process. This includes verifying tax identification, business registration, and banking details. Given the increasing sophistication of fraudsters, particularly with advancements in AI, it is imperative to adopt a more advanced and secure method for fraud prevention.

Analysis:

To address this challenge, we would like to use PaymentWorks for our vendor verification and electronic payment needs. PaymentWorks provides a comprehensive solution for vetting vendors and assumes liability for up to \$2 million in cases of fraudulent or falsified ACH banking information. Vendors will utilize a dedicated portal to submit and manage their documentation. Any necessary updates will be made directly on the portal, where PaymentWorks will handle the verification process, thereby alleviating the burden on City staff. PaymentWorks is a part of a co-op, which is why we are seeking Council approval of this contract.

This solution promises to enhance our fraud prevention efforts by leveraging advanced technology and dedicated risk management.

Recommendation:

Staff recommends approval of this contract.

MEMO SUBMITTED BY:

Jennifer Evans | Director of Finance

jevans@nixa.com | 417-724-5625

RESOLUTION NO. 2024-49

A RESOLUTION OF THE COUNCIL OF THE CITY OF NIXA AUTHORIZING THE CITY ADMINISTRATOR TO EXECUTE A CONTRACT IN THE AMOUNT OF \$109,760 WITH PAYMENTWORKS, INC, FOR VENDOR VERIFICATION AND ELECTRONIC PAYMENT SERVICES.

WHEREAS the Nixa City Code authorizes the City to participate in cooperative purchasing arrangements provided that, when a cooperative purchase exceeds \$10,000.00, the purchase must be submitted to City Council for approval; and

WHEREAS City Council desires to authorize the City Administrator to execute the Contract attached hereto as "Resolution Exhibit A."

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF NIXA, AS FOLLOWS, THAT:

SECTION 1: The City Council hereby authorizes the City Administrator, or designee, to enter into a contract with PaymentWorks for vendor verification and electronic payment services. Said contract shall be in substantially similar form as the document attached hereto, and incorporated herein by this reference, as "Resolution Exhibit A." The City Administrator and the officers of the City are hereby authorized to do all things necessary or convenient to carry out the terms and intent of this Resolution.

SECTION2: This Resolution shall be in full force and effect from and after its final passage by the City Council and after its approval by the Mayor, subject to the provisions of section 3.11(g) of the City Charter.

ADOPTED BY THE COUNCIL THIS 27th DAY OF AUGUST 2024.

ATTEST:

PRESIDING OFFICER

CITY CLERK

APPROVED BY THE MAYOR THIS _____ DAY OF AUGUST 2024.

ATTEST:

MAYOR

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

PaymentWorks Service Agreement

This Agreement and the attached Standard Terms and Conditions (collectively, the "Agreement") for access to and use of the PaymentWorks application and Website (collectively, the "Service") is made effective as of the day of (the "Effective Date") between The City of Nixa, Missouri, with a principal place of business 715 W. Mt. Vernon, Nixa, MO 65714 ("Customer"), and PAYMENTWORKS, Inc., a Delaware corporation with a principal place of business at 280 Moody Street Unit #5 Waltham, MA 02453 ("PaymentWorks").

Commercial Terms:

Automation & Fraud Protection Services Annual Pricing:

- **Year 1 Price: \$43,120:**
 - o Usage Fee (\$33,320)
 - o One-time Implementation Setup Fee (\$9,800)
- **Year 2 Price: \$33,320:**
 - o Usage Fee (\$33,320)
- **Year 3 Price: \$33,320:**
 - o Usage Fee (\$33,320)

This pricing is valid through **August 31st, 2024**

Pricing in this Agreement covers the value of the Customer's usage of the PaymentWorks digital supplier onboarding platform and Payment Warranty, based on the Customer's estimated annual usage metrics as supplied to PaymentWorks below:

- Annual Payees Paid Count: **457**
 - Annual New Payees Onboarded Count: **450**
 - AP Payments Amount: **\$29,065,750.46**
- * Usage exceeding these thresholds may incur additional charges as outlined below in the excess usage threshold table.*

Usage Threshold: Usage exceeding these thresholds may incur additional charges as outlined below.

Usage Fee	Annual Payees Paid	Annual Total
	Annual New Payees Count Onboarded AP Spend	
\$33,320	Up to 1,000 Up to 500 Up to \$50M	\$33,320
Add \$16,000	Between 1001-2000 Between 501-1500	\$49,320
Add \$2,000	Between \$50M-\$100M	\$35,320

Term:

- Term - The Term will begin on the Effective Date (or Implementation Project Start Date: MONTH/DAY/YEAR) and continue for a period of three (3) years (the "Term").

- **Renewal Term** – At the conclusion of the Term or any Renewal Term, the Agreement will automatically renew for an additional one (1) year unless either party gives written notice to the other party sixty (60) days prior to the expiration of the current term.

Invoicing:

- Invoicing - Customer will be invoiced upon the Effective Date of this Agreement.
- Renewal invoicing - Customer will be invoiced a month prior to the yearly anniversary of the Renewal Term.

Customer Contacts:

Primary Contact:

Name:
Email:
Phone:

Billing:

Name:
Email:
Phone:

Purchasing:

PO Required?: Yes/No
Name:
Email:
Phone:

Implementation Services:

PaymentWorks Implementation services are outlined in the Implementation Guide and include the process of provisioning, configuring, training, and testing the PaymentWorks platform.

Implementation services include up to 75 hours. If the Customer requests additional service hours (beyond the initial 75 hours), they may be purchased at a rate of \$200/hour for a minimum of 10 hours and are subject to resource availability.

If the Customer wishes to reschedule the target-start date for Implementation Services and notifies PaymentWorks at least two weeks in advance of the kick-off (as presented in the implementation guide), the parties will mutually agree upon a rescheduled start date, subject to the availability of PaymentWorks' resources. A Rescheduling Fee of \$5,000 will be charged.

ERP Integration:

Automating data flows between PaymentWorks and the Customer ERP can be executed via the following method:

Customer-Managed Integration (or Partner-Managed):

PaymentWorks will provide integration (SFTP and/or API) documentation at no cost so the Customer can manage the PaymentWorks/ERP integration in-house with the customer's own IT resources or their preferred partner. The coding or customization of any middleware or ERP import functionality is the Customer's (or Partner's) responsibility. The PaymentWorks Support Team is available for Q&A during the project.

EarlyPay Program:

PaymentWorks offers a service known as its "EarlyPay Program," pursuant to which PaymentWorks can accelerate payments to certain vendors of Customer prior to the respective due dates of invoices submitted by those vendors. If Customer at any time elects to participate in the EarlyPay Program, Section 9 of the attached Standard Terms and Conditions shall govern Customer's participation.

Payment Files:

- If Customer elects not to send payment instruction files through the PaymentWorks Service, the annual subscription will revert to a separate fee table to reflect the additional risk and cost incurred by PaymentWorks caused by Customer's failure to submit payment instruction files.
- In the event the Customer and/or the Customer's bank requires manual upload of payment files to the bank's portal, the Customer shall either: (i) pay PaymentWorks an additional \$5,000 annual fee (non-refundable) to upload the payment files to the bank's portal. The \$5,000 (non-refundable) fee will be charged annually during the Term and each renewal term if the Customer and/or the Customer's bank continues to require manual upload services.
- A standard payments implementation project includes one (1) SFTP bank connection. A one-time fee of \$1,000.00 per connection beyond one (1) will apply. Additionally, if Customer elects to change their originating bank, a one-time fee of \$1,000.00 will apply per change.

IN WITNESS WHEREOF, the Parties have executed this Agreement.

Customer:

Signed: _____

Name: _____

Title: _____

Date: _____

PaymentWorks:

Signed: _____

Name: _____

Title: _____

Date: _____

PaymentWorks Standard Terms and Conditions

1. USE OF THE SERVICE

1.1. Grant. Subject to Customer's compliance with the terms of this Agreement, PaymentWorks hereby grants Customer a non-exclusive, non-transferable, limited right to access and use the PaymentWorks website (the "Site") and PaymentWorks application (collectively, the "Service"). Such access and use shall be exercised only by users authorized by Customer to access and use the Service on behalf of Customer who have agreed to these Terms of Service (collectively, "Authorized Users"). Customer may access and use the Service to share information about Customer ("Customer Data") and about transactions, invoices, invoice payment status, and related information (collectively, "Transaction Data") with Customer Authorized Users and/or Customer payees ("Payees"). Customer will decide which Authorized Users and/or Payees have access to specific Customer Data and Transaction Data through elections and criteria established by Customer through the Service. PaymentWorks may from time to time modify the Service, features of the Service, or the Site in its sole discretion.

1.2. User Names and Passwords. PaymentWorks shall provide Customer Authorized Users unique login credentials ("User Name" and "Password") to be used to access the Service. Customer and its Authorized Users are responsible for maintaining the confidentiality of the User Names and Passwords. Customer and its Authorized Users shall immediately notify PaymentWorks of any unauthorized use of a Customer issued User Name or Password and PaymentWorks shall issue a new User Name and/or Password. Customer will be solely responsible and liable for all activities that occur under Customer's associated User Names and Passwords. Customer shall be liable for any participation in the Service for any persons who accesses the Site and the Services using the User Name and Password of an Authorized User.

1.3 Customer Responsibilities. Customer will (a) be responsible for Authorized Users' compliance with these Terms of Service, (b) be responsible for the accuracy, completeness, quality and legality of Customer Data and Transaction Data provided by Customer, including the means by which Customer Data and Transaction Data were acquired, (c) use commercially reasonable efforts to prevent unauthorized access to or use of the Service and any Transaction Data, and notify PaymentWorks promptly of any such unauthorized access or use, and (d) use the Service and Transaction Data only in accordance with any applicable documentation provided by PaymentWorks and all applicable laws and regulations, including, but not limited to, the rules and regulations of any payment network or other

electronic payment processing entity (collectively, "Applicable Laws and Regulations") and (e) comply with the terms applicable to data validation services referenced in Section 6.4. Customer makes, with respect to each payment instruction submitted to Payees utilizing the Site or the Service initiated hereunder ("Payment Instruction"), the representations and warranties, and agrees to assume the responsibilities, of an "Originator" under the Applicable Laws and Regulations. Customer acknowledges that Payment Instructions that violate any Applicable Laws and Regulations shall not be initiated and that it is the Customer's responsibility to ensure that the original Payment Instructions and retention of the related records complies with all Applicable Laws and Regulations. PaymentWorks shall have no liability for the accuracy, completeness, quality or legality of any Customer Data or Transaction Data provided through the Service, whether provided by Customer, Third-Party Service Providers, or any Authorized User or Payee. Authorized Users, and Customer agree to access the Site and Services in a secure manner in compliance with PaymentWorks' reasonable standards established from time to time. PaymentWorks, in its sole discretion, may specify connectivity standards to access the Site and the Services from time to time. If Customer wishes to submit Payment Instructions through the Service, Customer must agree to designate PaymentWorks as its Agent for submitting payment instructions in accordance with the requirements of Customer's designated bank. For transactions that Customer has elected to submit Payment Instructions through the Service, Customer will transmit the Payment Instructions to PaymentWorks. Customer is solely responsible for the content of the Payment Instructions, including the accuracy and completeness of the payment amount and the intended recipient entity.

1.4. Restrictions on Use. Customer and its Authorized User's shall not: (a) make the Service or any Transaction Data obtained through the Service from any Authorized User or Payee available to, or use the Service or any Transaction Data obtained through the Service from any Authorized User or Payee for the benefit of, anyone other than Customer, (b) sell, resell, license, sublicense, distribute, rent or lease the Service or any Transaction Data obtained through the Service from any Authorized User or Payee, or include the Service or any Transaction Data obtained through the Service from any Authorized User or Payee in a service bureau or outsourcing offering, (c) use the Service to store or transmit infringing, libelous, or otherwise unlawful or tortious material, or to store or transmit material in violation of third-party privacy or confidentiality rights, (d) use the Service to store or transmit Trojan horses, worms, time bombs, cancel bots or other similar harmful or deleterious programming routines, (e) interfere with or disrupt the integrity or performance of the Service or third-party data contained therein, (f) attempt to gain unauthorized access to the Service or any Transaction

Data or its related systems or networks, (g) permit direct or indirect access to or use of the Service or any Transaction Data in a way that circumvents a contractual usage limit, (h) copy the Service or any part, feature, function or user interface thereof, (i) copy any Transaction Data obtained through the Service from any Authorized User or Payee except as permitted herein, (j) frame or mirror any part of any Service or Transaction Data, other than framing on Customer's own intranets or otherwise for Customer's own internal business purposes, (k) access the Service or any Transaction Data obtained through the Service from any Authorized User or Payee in order to build a competitive product or service, or (l) reverse engineer the Service or any element thereof (to the extent such restriction is permitted by Applicable Laws and Regulations), or (m) access or use the Service or any Transaction Data obtained through the Service from any Authorized User or Payee in violation of any Applicable Laws and Regulations.

1.5. Reservation of Rights. All rights in and to the Site and the Service, including without limitation proprietary schema, tools, methodologies, methods of the Services and software; and any patent rights, copyrights, trade secrets, trade names, service marks, trademarks, moral rights, know-how related to the Site or the Service (collectively, "PaymentWorks Intellectual Property Rights"), not expressly granted to Customer hereunder are reserved by PaymentWorks.

2. PAYMENTWORKS RESPONSIBILITIES

2.1. Service and Support. PaymentWorks will, subject to Customer's payment of applicable fees and compliance with these Terms of Service, use commercially reasonable efforts to: (a) make the Services and Transaction Data (to the extent authorized by the applicable Authorized User or Payee) available to Customer pursuant to these Terms of Service, (b) provide standard support for the Service, at no additional charge, and/or upgraded support if purchased, and (c) make the Service available 24 hours a day, 7 days a week, except for: (i) planned downtime (of which we shall give at least 8 hours electronic notice and which we shall schedule to the extent practicable during the weekend hours between 6:00 p.m. Friday and 3:00 a.m. Monday Eastern time), and (ii) any unavailability caused by circumstances beyond our reasonable control, including, for example, an act of God, act of government, flood, fire, earthquake, pandemic, civil unrest, act of terror, strike or other labor problem, Internet service provider failure or delay, or denial of service attack. For transactions that Customer has elected to submit for electronic (EFT) payment, PaymentWorks will transmit Customer's Payment Instruction to the Customer's designated bank for processing; provided, however, that PaymentWorks reserves the right to refuse to transmit any Payment Instructions submitted through the Service with respect to a transaction for a specific Payee in its sole

discretion, in which case the warranty set forth in Section 6.2 (ii) will not apply to such transaction. In the event that any information supplied by PaymentWorks is changed after submission to Customer's designated bank, the warranty set forth in Section 6.2 (ii) will not apply. In the event that Customer changes Payment Instructions after submission by PaymentWorks, Customer must notify PaymentWorks in writing of such change within two business days or the warranty set forth in Section 6.2(ii) will not apply.

2.2. Protection of Customer Data and Transaction Data. PaymentWorks will use commercially reasonable efforts to maintain administrative, physical, and technical safeguards for protection of the security, confidentiality and integrity of Customer Data and Transaction Data provided by the Customer. Those safeguards will include, but will not be limited to, measures for preventing access, use, modification or disclosure of Customer Data and Transaction Data by PaymentWorks personnel except (a) to address service or technical problems, (b) as compelled by Applicable Laws and Regulations, (c) as Customer designates through elections made through the service or (d) as Customer expressly permits in writing. Customer expressly acknowledges and agrees that Customer Data and Transaction Data will be made available to Authorized Users and processors, including without limitation the Customer's bank, and Payees through the Service in accordance with elections and criteria established by Customer Authorized Users.

3. [RESERVED]

4. PROPRIETARY RIGHTS

4.1. Title to Technology. All interest, title and right in and to PaymentWorks Intellectual Property, including without limitation, all computer software programs or applications, or programs or applications of PaymentWorks' third party licensors, utilized by PaymentWorks in the establishment, operation, and/or the provision of Service, in whole or in part, shall be, vest with and remain the exclusive property of PaymentWorks and its third party licensors.

4.2. Title to Customer Data and Transaction Data. All Customer Data is and shall remain the property of Customer. All Transaction Data is and shall remain the property of its lawful owner. PaymentWorks makes no claims, warranties or representations with regard to the ownership of Transaction Data or Customer Data. PaymentWorks may share Transaction Data, in the singular or aggregate, by providing reports or otherwise, to Authorized Users and Payees involved in a transaction and may identify the parties as being involved in the transaction in connection therewith, all in accordance with elections and criteria established by Customer Authorized Users through the Service; and Customer hereby grants PaymentWorks a world-wide license

to host, copy, transmit, display and otherwise use Customer Data and Transaction Data as necessary to do so. In addition, Customer hereby grants PaymentWorks a perpetual, world-wide, limited license to de-personalize (remove any Customer identifying information) and aggregate any and all Transaction Data to determine usage trends, perform analytics, improve the Service, promote and market the effectiveness of the Service, sell such aggregated de-personalized Transaction Data to any third party, or for any other internal-business purpose.

4.3. Customer's license to PaymentWorks. Customer hereby grants a limited, non-transferable license to PaymentWorks for PaymentWorks to use Customer's name and logos to identify Customer as a user of the Site, during the Term of this Agreement, in accordance with elections and criteria established by Customer, including without limitation to display Customer Data and Transaction Data on the Site and to display Transaction Data and Payment Instructions to processors. PaymentWorks shall obtain Customer's prior written consent for any other uses of Customer's name, logos, and trademarks.

5. TERMINATION

5.1. Effect of Termination. Upon termination of this Agreement, Customer shall immediately discontinue use of the Site and the Service.

5.2. Survival. Notwithstanding any termination of this Agreement, Section 4 ("Proprietary Rights"), Section 6 ("Warranties"), Section 7 ("Indemnification"), Section 8 ("Disclaimer and Limitation of Liability") Section 9 ("EarlyPay Program") and Section 10 ("Additional Terms and Conditions") shall survive termination of this Agreement. All other rights and licenses granted hereunder will cease upon termination.

6. WARRANTIES.

6.1. Mutual Warranty. Each Party represents and warrants that it has the authority to enter into this Agreement.

6.2. PaymentWorks Warranty. PaymentWorks represents and warrants that: (i) the Service will be provided in accordance with the terms and conditions of Section 2; and (ii) with respect to any transaction processed through the Service that (a) PaymentWorks has initiated to a Participating Vendor relating to an Approved Invoice (to the extent Section 9 hereof is applicable; and as such terms are defined in Section 9), or (b) Customer has both elected to submit through the Service for EFT payment to a U.S. Bank account and provided Payment Instructions in accordance with Section 1.3, and for which the EFT credentials have been

collected from the recipient entity through the Service, except as set forth below, the bank account to which the funds are transferred will be owned by the entity associated with the Tax ID provided to Customer by PaymentWorks. In the event of a breach of the warranty set forth in Section 6.2 (ii), PaymentWorks will either remedy the breach or reimburse Customer for the amount of the payment directed to the incorrect account, up to \$2,000,000 per occurrence, notwithstanding any limitation on liability set forth in Section 8 of this Agreement. Customer acknowledges that the Warranty set forth in Section 6.2 (ii) will not apply to any transaction in which the Customer or any employee or agent of the Customer has engaged in fraud. Customer acknowledges that the Warranty set forth in Section 6.2 (ii) will not apply, and no EFT credential verification will be attempted, for any transaction made through the Service to an EFT credential and associated Tax ID collected by Customer outside of the Service and uploaded to the Service by the Customer. Customer further acknowledges that the Warranty set forth in Section 6.2 (ii) shall not apply until the Customer has elected to send Payment Instructions through the Service and begins sending Payment Instructions in a live production environment.

6.3. Customer's Warranty. Customer represents and warrants that (i) its Authorized Users have authority to act on behalf of Customer; and (ii) all Customer Data, Transaction Data and other materials submitted by Customer to or through the Site or the Service will not (A) infringe on any third party's rights, including any intellectual property or proprietary rights, (B) violate any obligation of confidentiality, (C) violate any Applicable Laws and Regulations; or (D) contain viruses, Trojan horses, worms, time bombs, cancel bots or other similar harmful or deleterious programming routines.

6.4. DISCLAIMER. EXCEPT AS EXPRESSLY SET FORTH IN THIS SECTION 6, THE SERVICE AND THE SITE AND ANY OTHER SERVICES OFFERED ON OR THROUGH THE SITE AND ANY REFERENCED THIRD-PARTY SITES ARE PROVIDED "AS IS" AND "AS AVAILABLE" AND WITHOUT WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED. EXCEPT AS EXPRESSLY SET FORTH IN THIS SECTION 6, PAYMENTWORKS DISCLAIMS ALL EXPRESS AND IMPLIED WARRANTIES TO THE FULLEST EXTENT OF THE APPLICABLE LAWS AND REGULATIONS, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTY OF MERCHANTABILITY, NON-INFRINGEMENT, AND FITNESS FOR A PARTICULAR PURPOSE. PAYMENTWORKS DOES NOT WARRANT OR MAKE ANY REPRESENTATIONS REGARDING THE USE OR THE RESULTS OF THE USE OF THE SITE OR SERVICES, CUSTOMER DATA, TRANSACTION DATA OR MATERIAL ON THE SITE OR THE SERVICE

IN TERMS OF THEIR CORRECTNESS, ACCURACY, COMPLETENESS, QUALITY, LEGALITY, TIMELINESS, RELIABILITY OR OTHERWISE.

PAYMENTWORKS PROVIDES NO WARRANTY OF ANY KIND RELATED TO ANY THIRD-PARTY DATA OR SOFTWARE THAT MAY BE INCORPORATED, DISPLAYED OR INCLUDED IN THE SERVICE, INCLUDING WITHOUT LIMITATION ANY DATA VALIDATION PROVIDED BY OR THROUGH THE SERVICE.

CUSTOMER SHALL BE BOUND BY THE TERMS APPLICABLE TO DATA VALIDATION, SUPPORT, AND FCRA RESTRICTIONS WHICH CAN BE VIEWED AT THE FOLLOWING LINK:

http://static.paymentworks.com/static/perm_assets/legal/Schedule+D.pdf

7. INDEMNIFICATION.

7.1. Infringement. PaymentWorks agrees to defend or, at its option, to settle, any claim brought against Customer for infringement of any United States patent, copyright, trade secret or trademark by the Service as delivered, but excluding any such claim to the extent it is based on the content of any Customer Data or Transaction Data, and to indemnify Customer against all damages and costs finally assessed by a court of competent jurisdiction against Customer under any such claim or action. Customer agrees that PaymentWorks shall be released from the foregoing obligation unless Customer has taken reasonable steps to mitigate any potential expenses and provides PaymentWorks with: (i) prompt written notice of any such claim or action, or possibility thereof; (ii) sole control and authority over the defense or settlement of such claim or action; and (iii) proper and full information and assistance to settle and/or defend any such claim or action. Customer shall have the right to employ separate counsel and participate in the defense at its own expense; provided that PaymentWorks shall remain in control of the defense. In addition, PaymentWorks may, at its sole option and expense, either: (a) procure for Customer the right to use the allegedly infringing elements of the Service; (b) replace the allegedly infringing elements of the Service with non-infringing, functionally equivalent services; (c) modify the allegedly infringing elements of the Service so that they are not infringing; or (d) cease to provide the allegedly infringing elements of the Service, refund any fees paid by Customer covering any future period of time during which such allegedly infringing elements Services were to be provided. Upon exercise of option (d) in the previous sentence, PaymentWorks shall have no further obligations or liability to Customer with respect to the allegedly infringing elements of the Service. Except as specified above,

PaymentWorks will not be liable for any costs or expenses incurred without its prior written authorization. THE FOREGOING PROVISIONS OF THIS SECTION 7 STATE THE ENTIRE LIABILITY AND OBLIGATIONS OF PAYMENTWORKS TO CUSTOMER WITH RESPECT TO ANY ACTUAL OR ALLEGED INFRINGEMENT OF ANY PATENT, COPYRIGHT, TRADE SECRET, TRADEMARK OR OTHER INTELLECTUAL PROPERTY RIGHT BY THE SITE, THE SERVICE, OR ANY PART THEREOF.

7.2. To the extent not prohibited by Missouri law, Customer shall indemnify, defend and hold harmless PaymentWorks and its directors, officers, members, managers and employees from and against all claims, actions, liabilities, losses, expenses, damages and costs (including reasonable attorneys' fees), that may at any time be incurred by reason of any third party claim arising out of or relating to (i) any Customer Data or Transaction Data provided by the Customer, (ii) a breach of these Terms of Service by Customer, or (iii) any claim that is inconsistent with Customer's representations or warranties to PaymentWorks contained herein. PaymentWorks shall have the right to employ separate counsel and participate in the defense at its own expense.

8. LIMITATION OF LIABILITY.

8.1. Limitation of Liability. PAYMENTWORKS' LIABILITY TO CUSTOMER FOR DAMAGES WITH RESPECT TO THE SITE OR THE SERVICE SHALL NOT EXCEED THE FEES ACTUALLY PAID BY CUSTOMER TO PAYMENTWORKS FOR THE SERVICE DURING THE TWELVE (12) MONTHS PRIOR TO THE OCCURRENCE OF THE BREACH OR INCIDENT ASSERTED AS CAUSING HARM.

8.2. No Consequential Damages. NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, AND IRRESPECTIVE OF ANY FAULT OR NEGLIGENCE, NEITHER PARTY SHALL BE LIABLE FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL OR PUNITIVE DAMAGES (INCLUDING WITHOUT LIMITATION DAMAGES FOR HARM TO BUSINESS, LOST REVENUES, LOST SALES, LOST SAVINGS, LOST PROFITS (ANTICIPATED OR ACTUAL), LOSS OF USE, DOWNTIME, INJURY TO PERSONS OR DAMAGE TO PROPERTY AND CLAIMS OF THIRD PARTIES), HOWSOEVER CAUSED, ARISING OUT OF OR RELATED TO THIS SITE OR THE SERVICE, WHETHER OR NOT SUCH PARTY HAS BEEN APPRISED OR NOTIFIED THAT ANY SUCH DAMAGES OR LOSSES ARE POSSIBLE OR LIKELY, AND WHETHER OR NOT ANY PERMITTED REMEDY HAS FAILED ITS ESSENTIAL PURPOSE. THE

FOREGOING DISCLAIMER WILL NOT APPLY TO THE EXTENT PROHIBITED BY APPLICABLE LAWS AND REGULATIONS.

8.3. Conditions. The Parties agree that the above limitations of liability of Section 8 shall apply regardless of the form of action, whether in contract, warranty, strict liability or tort (including, without limitation, negligence of any kind, whether active or passive) or any other legal or equitable theory, but shall not apply to fees owed to PaymentWorks by Customer.

9. EARLYPAY PROGRAM

9.1. Applicability of This Section 9. This Section 9 applies with respect to Customer if Customer at any time elects to participate in the PaymentWorks EarlyPay Program (as defined below). In such case, the EarlyPay Program shall be treated as a component of, and included in, the Service.

9.2. Definitions. As used in this Section 9, the following terms shall have the meanings indicated below:

(a) “Approved Amount” means the full amount of an Approved Invoice as communicated by Customer to PaymentWorks via the Service, including all taxes, gross-ups, duties and levies, but net of any discounts, credits or other allowances which may have been applied by Customer. The Approved Amount shall be determined without regard to any discount the Participating Vendor shall have agreed to accept as part of the EarlyPay Program.

(b) “Approved Invoice” means an Invoice that Customer has indicated to PaymentWorks via the Service is “approved” for payment.

(c) “Due Date” means the due date for payment indicated on an Approved Invoice, as communicated by Customer to PaymentWorks via the Service.

(d) “EarlyPay Program” means the program operated by PaymentWorks, which provides Participating Vendors with the opportunity to receive early payment with respect to Approved Invoices.

(e) “Invoice” means an electronic or paper invoice submitted by a Participating Vendor to Customer, for goods or services purchased from such Participating Vendor by Customer.

(f) “Participating Vendor” means a Vendor that has a Receivables Purchase Agreement with PaymentWorks, together with such Vendor’s successors and permitted assigns.

(g) “Receivable” means a Participating Vendor’s right to

receive payment from Customer of the Approved Amount of an Approved Invoice on the Due Date, resulting from a business relationship between Customer and such Participating Vendor.

(h) “Receivables Purchase Agreement” means written terms agreed to between PaymentWorks and a Participating Vendor as part of the EarlyPay Program, pursuant to which such Participating Vendor agrees to sell its Receivables to PaymentWorks for a discounted amount.

(i) “Transfer” means the transfer of a Participating Vendor’s entire right, title and interest in a Receivable.

(j) “Transferee” means any person or entity that has joined the EarlyPay Program and to which a Participating Vendor has transferred its entire right, title and interest in a Receivable.

(k) “Vendor” means a supplier of goods or services to Customer.

9.3. Vendors. Customer shall assist PaymentWorks in marketing the EarlyPay Program to Vendors, in such ways as Customer and PaymentWorks shall agree. Such assistance shall include, without limitation, providing data to PaymentWorks and assisting PaymentWorks in identifying and communicating with Vendors. No Vendor shall be required to participate in the EarlyPay Program, and each Vendor’s participation in the EarlyPay Program is at the sole discretion of PaymentWorks and such Vendor. Each Vendor that does wish to participate and that has a Receivables Purchase Agreement with PaymentWorks will become a Participating Vendor with respect to all of its Receivables represented by Approved Invoices.

9.4. EarlyPay Process.

(a) Customer agrees that, upon the Transfer by a Participating Vendor of any Receivable, the Transferee will have succeeded to all the rights and remedies of the Participating Vendor with respect to such Receivable and the amounts due thereunder. In the event any Participating Vendor notifies Customer of the Transfer of any Receivable, Customer will immediately give PaymentWorks notice thereof.

(b) Customer shall deliver a Payment Instruction File requesting an ACH transfer from Customer’s bank account specified in the Payment Instruction File, and take such other actions as PaymentWorks may reasonably require, to pay, or cause to be paid, the Approved Amount on or before the Due Date with respect to the corresponding Approved Invoice.

(c) Customer hereby authorizes PaymentWorks, as agent on Customer's behalf, to cause the proceeds of such ACH transfer to be directed to the bank account of the respective Participating Vendor or to the bank account of such Participating Vendor's Transferee as directed by the Participating Vendor and of which PaymentWorks has notice or knowledge.

(d) In the event Customer fails to timely deliver any Payment Instruction File or to otherwise cause any amount to be timely paid as provided in Section 9.4(b) above, and such failure continues for 45 days after the relevant Due Date, PaymentWorks may exercise such default remedies with respect thereto as may be available to it under this Agreement or applicable law.

9.5. Representations and Warranties. Customer represents and warrants to PaymentWorks as follows:

(a) All Approved Invoices are in respect of genuine and lawful commercial trade transactions arising in the ordinary course of business, and the goods or services which give rise to each Approved Invoice do not include any goods or services the supply or receipt of which is contrary to applicable law (including without limitation applicable national and international export control, anti-money laundering, anti-corruption and trade sanction and embargo laws, regulations, treaties and conventions);

(b) No agreement between Customer and any Participating Vendor contains any provision restricting the sale, assignment or transfer of Receivables by such Participating Vendor to PaymentWorks; and

(c) Each Participating Vendor complies with all applicable laws relating to the supply and receipt of the goods and/or services provided to Customer.

9.6. Compensation to Customer. As compensation to Customer for providing data necessary to support the EarlyPay Program and otherwise providing marketing support, PaymentWorks shall pay to Customer such amounts as PaymentWorks and Customer shall agree at the time Customer elects to participate in the EarlyPay Program.

9.7. Third Party Beneficiaries. The parties hereto agree and acknowledge that each Participating Vendor, or Participating Vendor's Transferee, as applicable, is an intended third party beneficiary of this Section 9 and is entitled to rely on all representations and warranties made by Customer herein.

9.8. Cancellation of EarlyPay by Customer. Customer may terminate its participation in the EarlyPay Program at any time

by giving at least 30 days' advance written notice of cancellation to PaymentWorks. Invoices approved for payment by Customer after the effective date of such cancellation shall be processed outside the EarlyPay Program; provided, that the provisions of this Section 9 shall govern the processing and payment of Approved Invoices, and the parties' rights and obligations with respect to Approved Invoices, that Customer shall have approved for payment prior to such effective date.

9.9. Purchaser of Receivables. From time to time, some of the activities of PaymentWorks described in this Section 9 may be performed by one or more third party designees of PaymentWorks (which may be affiliates of PaymentWorks). Accordingly, for purposes of this Section 9, the term "PaymentWorks" shall be deemed to include PaymentWorks, Inc. and/or such designee(s) as appropriate; and any such designee shall be a third party beneficiary of Agreement.

10. ADDITIONAL TERMS AND CONDITIONS.

10.1. U.S. Government Licenses. PaymentWorks provides the Service, including related software and technology, for ultimate federal government end use solely in accordance with the following: Government technical data and software rights related to the Services include only those rights customarily provided to the public as defined in this Agreement. This customary commercial license is provided in accordance with FAR 12.211 (Technical Data) and FAR 12.212 (Software) and, for Department of Defense transactions, DFAR 252.227-7015 (Technical Data - Commercial Items) and DFAR 227.7202-3 (Rights in Commercial Computer Software or Computer Software Documentation). If a government agency has a need for rights not granted under these terms, it must negotiate with PaymentWorks to determine if there are acceptable terms for granting those rights, and a mutually acceptable written addendum specifically granting those rights must be included in any applicable agreement.

10.2. Export Restrictions. The Site, the Service, other technology PaymentWorks makes available, and derivatives thereof may be subject to export laws and regulations of the United States. Each party represents that it is not named on any U.S. government denied-party list. Customer shall not permit Authorized Users to access or use the Service or any content in a U.S.-embargoed country or in violation of any U.S. export law or regulation.

10.3. Terms and Conditions. Customer acknowledges and agrees that its use of the Services and the Transaction Data, and any use of Transaction Data by its Authorized Users or Payees, shall not modify or supersede the terms and conditions of any purchase agreements, invoices, or other

negotiated terms agreed to by and between Customer and any Authorized User or Payee.

10.4. Future Functionality. Customer acknowledges and agrees that its subscription to the Service is not contingent on the delivery of any future functionality or features, or dependent on any oral or written public or private statements made by PaymentWorks regarding future functionality or features.

10.5. Assignment. Neither this agreement nor any rights under this agreement may be transferred or assigned by Customer without the prior written consent of PaymentWorks.

PRICE QUOTATION
CARAHSOFT TECHNOLOGY CORP

11493 SUNSET HILLS ROAD | SUITE 100 | RESTON, VIRGINIA 20190
PHONE (703) 871-8500 | FAX (703) 871-8505 | TOLL FREE (888) 66CARAH
WWW.CARAHSOFT.COM | SALES@CARAHSOFT.COM



TO: Stephanie Ewing
City of Nixa
715 W Mt Vernon St
Po Box 395
Nixa, MO 65714 USA

EMAIL: sewing@nixa.com

PHONE: (417) 449-0555

FROM: Ashley Schmidt
Carahsoft Technology Corp.
11493 Sunset Hills Road
Suite 100
Reston, Virginia 20190

EMAIL: Ashley.Schmidt@carahsoft.com

PHONE: (571) 662-4509

TERMS: FTIN: 52-2189693
Shipping Point: FOB Destination
Remit To: Same as Above
Payment Terms: Net 30 (On Approved Credit)
Cage Code: 1P3C5
DUNS No: 088365767
UEI: DT8KJHZXVJH5
Credit Cards: VISA/MasterCard/AMEX
Sales Tax May Apply

QUOTE NO:	49060443
QUOTE DATE:	07/30/2024
QUOTE EXPIRES:	08/31/2024
RFQ NO:	
SHIPPING:	ESD
TOTAL PRICE:	\$109,760.00
TOTAL QUOTE:	\$109,760.00

LINE NO.	PART NO.	DESCRIPTION	-	QUOTE PRICE	QTY	EXTENDED PRICE
YEAR 1						
1		SIM Advanced Goverment Edition, USD Due Net 30 PaymentWorks, Inc. - X-Sim-Advanced-Tier16r-756		\$33,320.00	OM 1	\$33,320.00
2		State Onboarding Services excludes ERP integration, USD one-time fee Due Net 30 PaymentWorks, Inc. - X-Services-Onboarding-Tier16r-756		\$9,800.00	OM 1	\$9,800.00
YEAR 1 SUBTOTAL:						\$43,120.00
YEAR 2						
3		SIM Advanced Goverment Edition, USD Due Net 365 from effective date PaymentWorks, Inc. - X-Sim-Advanced-Tier16r-756		\$33,320.00	OM 1	\$33,320.00
YEAR 2 SUBTOTAL:						\$33,320.00
YEAR 3						
4		SIM Advanced Goverment Edition, USD Due Net 730 from effective date PaymentWorks, Inc. - X-Sim-Advanced-Tier16r-756		\$33,320.00	OM 1	\$33,320.00
YEAR 3 SUBTOTAL:						\$33,320.00
SUBTOTAL:						\$109,760.00
TOTAL PRICE:						\$109,760.00
TOTAL QUOTE:						\$109,760.00

NASPO AR2472

By issuing a Purchase Order, you are agreeing to the terms set forth in this Quote # 49060443 and all attachments hereto, including the PaymentWorks Standard Terms and Conditions, attached hereto as Exhibit A and incorporated herein by reference. To the extent of any inconsistency between the NASPO Terms and Conditions and the contract language on the following pages, the NASPO Terms and

Resolution Exhibit A
Page 11 of 13

QUOTE DATE: 07/30/2024
QUOTE NO: 49060443

PRICE QUOTATION

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Conditions will apply.

Commercial Terms:

A Purchase Order must be issued on or before August 31st, 2024

Project Introductory Call Estimated September 2024

Annual Pricing Detail:

. Year 1 Price with NASPO Member discount: \$43,120 - Usage Fee (\$33,320) and one-time Implementation Services Fee (\$9,800)

. Year 2 Price with NASPO Member discount: \$33,320 - Usage Fee

. Year 3 Price with NASPO Member discount: \$33,320 - Usage Fee

Implementation fee is \$9,800, due upon Purchase Order issuance, and is not recurring

Term:

Term - The Term will begin on the Date of PO Issuance and continue for a period of Three (3) years (the "Term").

Renewal Term:

At the conclusion of the Term or any Renewal Term, the Agreement will automatically renew for an additional one (1) year unless either party gives written notice to the other party sixty (60) days prior to the expiration of the current term.

Invoicing:

Invoicing - Customer will be invoiced upon the date of the issuance of a PO.

Renewal invoicing - Customer will be invoiced a month prior to the yearly anniversary of the issuance of the PO.

Pricing in this agreement covers the value of the Customer's usage of the PaymentWorks digital supplier onboarding platform and Payment Risk Indemnification service, based on the Customer's estimated annual usage metrics as supplied to PaymentWorks below:

Annual Payees Paid Count: 457

Annual New Payees Onboarded Count: 450

AP Payments Amount: \$29,065,750.46

* Usage exceeding these thresholds may incur additional charges as outlined below in the excess usage threshold table.

Usage exceeding these thresholds may incur additional charges as outlined below.

Current Annual Pricing for Automation+Protection: \$33,320

Customer Usage Includes Up to 1000 Annual Payees Paid

Customer Usage Includes Up to 500 Annual New Payees Onboarded

Customer Usage Includes Up to \$50MM in AP Spend Threshold

If Customer Usage Exceeds 1000 Annual Payees or 500 Annual New Payees Onboarded the annual price will increase by \$16,000 for a total of \$49,320 annually.

If Customer Usage Exceeds \$50MM in AP Spend, the annual price will increase an additional \$2,000 for a total of \$35,320 annually.

Implementation Services:

PaymentWorks Implementation services are outlined in the Implementation Guide and include the process of provisioning, configuring, training, and testing the PaymentWorks platform.

Implementation services include up to 75 hours. If the Customer requests additional service hours (beyond the initial 75 hours), they may be purchased at a rate of \$200/hour for a minimum of 10 hours and are subject to resource availability.

If the Customer wishes to reschedule the target-start date for Implementation Services and notifies

PaymentWorks at least two weeks in advance of the kick-off (as presented in the project plan), the parties will mutually agree upon a rescheduled start date, subject to the availability of PaymentWorks resources. A

Rescheduling Fee of \$5,000 will be charged.

ERP Integration:

Automating data flows between PaymentWorks and the Customer ERP can be executed via the following methods:

Customer-Managed Integration (or Partner-Managed):

PaymentWorks will provide integration (SFTP and/or API) documentation at no cost so the Customer

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can manage the PaymentWorks/ERP integration in-house with the customer's own IT resources or their preferred partner. The coding or customization of any middleware or ERP import functionality is the Customer's (or Partner's) responsibility. The PaymentWorks Support Team is available for Q&A.

EarlyPay Program:

PaymentWorks offers a service known as its gEarlyPay Program, pursuant to which PaymentWorks can accelerate payments to certain vendors of the Customer prior to the respective due dates of invoices submitted by those vendors. If the Customer at any time elects to participate in the EarlyPay Program, Section 9 of the attached Exhibit A shall govern the Customer's participation.

Payment Files:

If Customer elects not to send payment instruction files through the PaymentWorks Service, the annual subscription will revert to a separate fee table to reflect the additional risk and cost incurred by PaymentWorks caused by Customer's failure to submit payment instruction files.

In the event the Customer and/or the Customer's bank requires manual upload of payment files to the bank's portal, the Customer shall either: (i) pay PaymentWorks an additional \$5,000 annual fee (non-refundable) to upload the payment files to the bank's portal. The \$5,000 (non-refundable) fee will be charged annually during the Term and each renewal term if the Customer and/or the Customer's bank continues to require manual upload services.

A standard payments implementation project includes one (1) SFTP bank connection. A one-time fee of \$1,000.00 per connection beyond one (1) will apply. Additionally, if Customer elects to change their originating bank, a one-time fee of \$1,000.00 will apply per change.