

COVER SHEET TO CLIENT AGREEMENT **29490**

Client may select any of the following L2G Products and Services, each of which is described in more detail in the applicable addenda to the Client Agreement.

Client to select any of the following\*:

- Payment Processing Addendum
- Link2Web Internet Private Label Addendum
- Link2POS Virtual Terminal Payment Addendum
- Interactive Voice Response Payment System Addendum

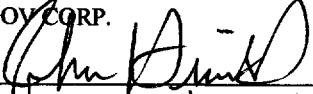
\*Pricing will be set forth in Schedules to each addendum

Effective Date of Client Agreement: March 1, 2006


Termination Date of Client Agreement: \_\_\_\_\_

The following signatures indicate the agreement of L2G and the client described below to the terms and conditions of the Client Agreement (which includes all addenda selected above).

LINK2GOV CORP.

By:   
 Name: John Hunnicutt  
 Title: EVP- Finance

City of Long Beach


By:   
 Name: Gerald R. Miller  
 Title: City Manager

Client Address:

333 West Ocean Blvd.  
13th Floor, City Hall  
Long Beach, CA 90802

APPROVED AS TO FORM.

2/23/06  
 ROBERT E. SHANNON, City Attorney

By   
 DEPUTY CITY ATTORNEY

## CLIENT AGREEMENT

This Client Agreement is effective on the date set forth in the Cover Sheet, and is between L2G and the Client. As used herein, Client and L2G each a "Party", together the "Parties".

L2G offers the L2G Products and Services and Client desires to purchase certain of the L2G Products and Services, all in accordance with this Client Agreement.

INTENDING TO BE LEGALLY BOUND, L2G AND CLIENT AGREE:

1. Definitions. As used in this Client Agreement, the follow terms shall mean:

1.1 "Addenda" includes the: (i) Payment Processing Addendum; (ii) Link2Web Internet Private Label Addendum; (iii) Link2POS Virtual Terminal Addendum; (iii) Interactive Voice Response Payment System Addendum; (iv) Equipment Sale or Lease Addendum; (v) Custom Software Addendum; and (vi) any additional addendum attached hereto from time to time as the Parties may agree.

1.2 "Card" is a plastic card bearing a magnetic stripe and the logo or service mark of one or more Networks, or other card that L2G agrees in writing to support pursuant to this Client Agreement, that can be used at a point of sale terminal to access one or more asset or credit accounts or guarantee transactions at the point of sale.

1.3 "Client" is the City of Long Beach, a California municipal corporation.

1.4 "Client Agreement" is this Client Agreement, including its Cover Sheet, and all exhibits, schedules and Addenda hereto, as the same may be amended, modified or supplemented from time to time in accordance with this Client Agreement.

1.5 "Cover Sheet" is the cover sheet to this Client Agreement.

1.6 "Credit Card Associations" are MasterCard, Visa, American Express, Diner's Club and any other similar association.

1.7 "Custom Software Addendum" in the form attached hereto, is the addendum that describes the development of Software by L2G or its designee to be licensed to Client.

1.8 "Effective Date" is the date set forth in the Cover Sheet.

1.9 "Equipment Sale or Lease Addendum" in the form attached hereto, is the addendum that describes the sale or lease by L2G to Client of a stand-alone Terminal used to facilitate Transactions.

1.10 "Hardware" is a Terminal, computer and related equipment sold or leased by L2G or its affiliates for use in processing Transactions, as set forth in the Equipment Sale or Lease Addendum attached hereto.

1.11 "Interactive Voice Response Payment System Addendum" in the form attached hereto, is the addendum that describes certain rights and obligations of L2G and Client related to the provision by L2G of large-scale interactive telephone call processing services that enable Client's customers to use a Card to pay any outstanding amounts due.

1.12 "Issuing Companies" means the issuers of any VISA, MasterCard or other credit card and/or debit card.

1.13 "L2G" is Link2Gov Corp., a Tennessee corporation.

1.14 "L2G Products and Services" are Transaction processing and related products and services, including Software and Hardware provided by L2G or its affiliates, as specifically set forth in the Addenda.

1.15 "Link2POS Virtual Terminal Addendum" in the form attached hereto, is the addendum that describes certain rights and obligations of L2G and Client related to the provision by L2G of a secure website hosted by L2G that facilitates Transactions.

1.16 "Network" is an entity, organization or association that operates or arranges for computer hardware and software and telecommunications links to enable the interchange, under a common service mark, of electronic fund transfers among the participants in the entity, organization or association, including networks operated by a single Credit Card Association-issuing organization, such as American Express or Discover.

1.17 "Payment Processing Addendum" in the form attached hereto, is the addendum that describes certain rights and obligations of L2G and Client related to the provision by L2G of Transaction processing.

1.18 "Rules" are the operating rules, regulations, policies and procedures of a Credit Card Association and/or Network as may be amended from time to time.

1.19 "Software" is software provided by L2G or its affiliates for use in connection with the L2G Products and Services.

1.20 "Terminals" are terminals driven by L2G, an L2G affiliate or Client for the purpose of originating Transactions, including virtual or Internet based, stand alone and integrated controller based systems.

1.21 "Transaction" is an electronic transfer of funds or transmission of information, including an authorization request, the completion of a purchase of goods or services, or a denial or reversal of any of the foregoing, initiated by the use of a Card, at a Terminal supported by L2G and any adjustment, chargeback, re-presentment or other correction thereof.

2. No License. Certain L2G Products and Services and associated materials in Client's possession or control will bear L2G's name, trademarks and address ("**L2G Marks**"). Under no circumstances shall Client remove or alter any of the L2G Marks, except with the prior written consent of L2G. Unless otherwise specifically provided in an addendum hereto, this Client Agreement shall not cause Client to be a licensee of any of the L2G Marks. Client shall not use any of the L2G Marks, or any mark, name, logo or symbol confusingly similar thereto, in any manner, except in the purely descriptive sense to state the fact that Client uses certain L2G Products and Services. In particular, and without limiting the generality of the foregoing, Client shall not to use the L2G Marks in any company name, assumed name, fictitious name, domain name or e-mail address.

3. Certain Obligations.

3.1 L2G shall provide Client those certain L2G Products and Services selected by Client in the Cover Sheet and described in the applicable Addenda. Client shall cooperate with L2G and shall supply L2G with all access and data necessary to the effective provision by L2G of the L2G Products and Services.

3.2 L2G shall designate a relationship manager for Client who will perform the responsibilities set forth in Exhibit A hereto.

3.3 During the Term and for a period of twelve (12) months thereafter, neither Party will solicit or recruit for employment any employee or consultant of the other Party without the prior written consent of the other Party.

3.4 Unless otherwise set forth in an Addendum, L2G provides to Client the L2G Products and Services on a non-exclusive basis, and nothing herein shall be construed as limiting L2G's either parties right to enter into any agreement or other contract with any other party.

3.5 L2G acknowledges that Client is exempt from federal and local taxes and no such taxes shall be included in any invoice to Client.

4. Term. Unless otherwise terminated as provided in Section 5 below, the Agreement shall continue in full force and effect for three (3) years from the Effective Date; provided the Client Agreement shall automatically renew for three (3) successive one (1) year periods unless either Party provides the other Party written notice of non-renewal not less than ninety (90) days prior to the expiration of the then current term (including all renewal terms, "**Term**"). The termination or expiration of this Client Agreement automatically effects a termination of all Addenda except as to any right, remedy, obligation or liability accrued, or outstanding fees, payments, setoffs, reserves or settlements accrued hereunder prior to the effective date of termination or expiration.

5. Termination.

5.1 This Client Agreement may be terminated prior to the expiration of the Term as follows:

5.1.1 by either Party, if the other Party does not cure a breach of this Client Agreement within sixty (60) days after written notice thereof, or, if such breach is not reasonably susceptible to cure within such sixty (60) day period, commence and diligently pursue in good faith efforts to cure such breach as soon as reasonably practicable;

5.1.2 by L2G, immediately upon written notice to Client following the loss of the ability by Client to accept Cards from Issuing Companies;

5.1.3 by either Party, upon at least ninety (90) days written notice to the other, without any cause; or if the other Party: (i) becomes insolvent; (ii) suffers or permits the appointment of a receiver for its business or assets; or (iii) becomes subject to any proceeding under federal or state laws which makes it unable to perform under the Client Agreement for five (5) business days or more;

5.1.4 by either Party, immediately upon written notice to the other Party, if the other Party is closed for business by any state or federal regulatory authority or by corporate action; or

5.1.5 by either Party, immediately upon written notice to the other Party, if the other Party engages in fraud or criminal misconduct relative to its obligations under this Client Agreement or relative to the operation of its business.

5.2 Upon termination or expiration of this Client Agreement, each Party shall return or destroy the other Party's Confidential Information in accordance with Section 6.2(iii) herein and all payment obligations arising prior to the date of termination or expiration shall be promptly and fully satisfied. Termination or expiration of this Client Agreement shall not relieve the parties of any right, remedy, obligation or liability accrued hereunder prior to the effective date of such termination or expiration.

6. Confidentiality.

6.1 L2G and Client each acknowledge that Confidential Information may be disclosed to the other prior to, during or after the Term. "Confidential Information" is either (a) described in Section 6.4 below, or (b) information designated as confidential and disclosed by L2G or Client, or any representative thereof (a "Disclosing Party") to L2G or Client, or any representative thereof (a "Receiving Party") at any time, orally or in writing, that is not: (i) disclosed in public materials or otherwise in the public domain through no breach of an obligation of confidentiality; (ii) lawfully obtained by the Receiving Party from a third party through no breach of an obligation of confidentiality; (iii) lawfully known to the Receiving Party prior to disclosure by the Disclosing Party; or (iv) independently developed by the Receiving Party prior to the Effective Date.

6.2 The Receiving Party shall: (i) treat all Confidential Information of the Disclosing Party with the same degree of care as it accords to its own Confidential Information, but in no event less than a reasonable degree of care; (ii) disclose Confidential Information of the Disclosing Party only (x) to those of its employees or agents who need to know the Confidential Information and who have agreed previously, either as a condition of employment or in order to obtain the Confidential Information, to be bound by terms substantially similar to those of this Section 7 or (y) as required or reasonably advised to be disclosed by law, so long as the Receiving Party affords the Disclosing Party a reasonable opportunity to seek protective legal treatment of the Confidential Information; and (iii) immediately destroy (and certify such destruction in writing) or return to the Disclosing Party all Confidential Information of the Disclosing Party upon termination or expiration of this Client Agreement.

6.3 L2G and Client acknowledge that the Client Agreement is subject to certain disclosures by law and under the California Public Records Act (CPRA). Should L2G consider any CPRA request to be Confidential Information, either Party will be entitled to seek a restraining order, injunction or other similar remedy against the CPRA request and to enforce the terms and provisions contained in this Section 6.

6.4 The following shall be deemed Confidential Information of L2G:

- the Client Agreement
- Five (5) Page Web Application Product Specifications (past, current, and future version releases)
- Three (3) Page Web Application Product Specifications (past, current, and future version releases)
- Interactive Voice Response (IVR) with Convenience Fee Product Specifications (past, current, and future version releases)
- Interactive Voice Response (IVR) without Convenience Fee Product Specifications (past, current, and future version releases)
- Link2Gov Gateway/API Product Specifications (past, current, and future version releases)

7. No Warranties.

L2G WARRANTS THAT IT HAS THE RIGHT TO DELIVER THE SERVICES AS DESCRIBED IN THIS AGREEMENT AND THE PAYMENT PROCESSING ADDENDUM, INCLUDING THE RIGHT TO USE ALL SOFTWARE AND HARDWARE REQUIRED FOR SUCH PURPOSE. EXCEPT FOR WARRANTIES EXPRESSLY DENOMINATED AS SUCH HEREIN, L2G MAKES NO OTHER WARRANTIES, EITHER EXPRESS OR IMPLIED, OF ANY KIND. L2G AND CLIENT EXPRESSLY DISCLAIM, AND EACH EXPRESSLY WAIVES, ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED INCLUDING WITHOUT LIMITATION THOSE OF MERCHANT ABILITY OR FITNESS FOR A PARTICULAR PURPOSE (IRRESPECTIVE OF ANY COURSE OF DEALING). THE L2G PRODUCTS AND SERVICES PROVIDED BY L2G ARE NOT WARRANTED TO BE FREE FROM ERROR OR OCCASIONAL OR INTERMITTENT INTERRUPTION DUE TO TECHNOLOGICAL PROBLEMS.

8. Indemnification.

8.1 L2G shall defend, indemnify, hold, protect and save harmless the City of Long Beach and its officials, commissioners, employees, and agents ("Indemnified Parties") from and against any and all third party actions, suits, proceedings, claims, demands, damages, losses, liens, costs, expenses or liabilities, of any kind or nature whatsoever ("Claims") which may be brought, made, filed against, imposed upon or sustained by the Indemnified Parties, or any of them, alleging (a) injury to or death of persons or damage to property, including property owned by or under the care and custody of City, or economic losses and (b) that such injury, death, damage or economic loss arises from or is attributable to or caused by the negligent or willful breach of this Client Agreement by L2G, its officers, employees, subcontractors or agents, in connection with or pertaining to this Agreement. City shall notify L2G of any such Claim, shall tender its defense to L2G, and assist L2G, as may be reasonably requested, in such defense. Upon such notification and tender, L2G shall have independent duties to defend such Claim, and to indemnify the Indemnified Parties. If a court of competent jurisdiction determines that the claims were caused by the active negligence or willful misconduct of the Indemnified Parties, L2G's duty of indemnity shall be reduced by the percentage of active negligence or willful misconduct the court attributes to the Indemnified Parties. Payment of a Claim shall not be a condition precedent to an indemnified party's right to defense and indemnity.

8.2 Client shall indemnify, defend and hold L2G, its affiliates and each of their respective officers, directors, employees, representatives, licensees and agents harmless from and against any and all liabilities, demands, losses, damages, costs, expenses, fines, amounts paid in settlements or judgments, including without limitation, costs, reasonable attorneys' fees, witnesses' fees, investigation expenses, cost of management time, any and all out-of-pocket expenses, and all other expenses and costs incident thereto related to a claim by a third party and arising from the breach by Client of this Client Agreement. Client may not, without L2G's prior written consent, enter into any settlement or compromise of any claim that results in any admission of liability or wrongdoing on the part of L2G, its affiliates and each of their respective officers, directors, employees, representatives, licensees and agent.

8.3 Promptly following receipt of any claim, action or demand by any third party for which a party seeks indemnification under this Section 8, the party seeking indemnification (the "Indemnified Party") shall provide written notice thereof to the other party (the "Indemnifying Party"). The Indemnifying Party shall have the right, with counsel reasonably satisfactory to the Indemnified Party, to assume the defense of such claim, action or demand at its own expense; provided however, that the Indemnified Party shall have the right to participate in such defense and shall have final approval authority with respect to the non-monetary terms of any settlement or compromise thereof, provided that such approval shall not be unreasonably withheld or delayed.

9. Limitation of Liability.

9.1 IN NO EVENT SHALL L2G OR CLIENT BE LIABLE TO THE OTHER FOR PUNITIVE, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, LOST PROFITS, HOWEVER CAUSED AND ON ANY THEORY OF LIABILITY), EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR LOSSES. L2G AND CLIENT AGREE THAT THIS LIMITATION SHALL APPLY NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY IN NO EVENT WILL L2G'S AND CLIENT'S TOTAL LIABILITY UNDER THIS CLIENT AGREEMENT EXCEED THE AMOUNTS PAID OR OWED TO CLIENT DURING THE ONE (1) YEAR PERIOD (ANNUALIZED IF LESS THAN ONE (1) YEAR) IMMEDIATELY PRECEDING THE TIME THAT SUCH LIABILITY FIRST ACCRUES. THE PARTIES AGREE THAT THE FOREGOING REPRESENTS A FAIR ALLOCATION OF RISK HEREUNDER, AND THAT THE LIMITATIONS ON LIABILITY SET FORTH HEREIN FORM A FUNDAMENTAL BASIS OF THE BARGAIN HEREUNDER AND THAT THE PARTIES WOULD NOT HAVE ENTERED INTO THIS CLIENT AGREEMENT ABSENT SUCH LIMITATIONS.

9.2 Neither L2G nor Client shall be liable to the other for claims not made within one (1) year from the time of the event which gives rise to such claims as provided in the Long Beach Municipal Code and California Government Code §§ 911 et al..

10. Miscellaneous.

10.1 All notices required or permitted under this Client Agreement shall be made in writing and shall be deemed to have been given and delivered in accordance with the following: (i) notices sent by mail shall be deemed to have been delivered three (3) five (5) days after mailing; (ii) notices sent by commercial overnight courier for next day delivery shall be deemed to have been delivered on the next business day after dispatch; (iii) notices sent by a confirmed facsimile transmission shall be deemed to have been delivered on the same business day on which such notice was sent (or, if such facsimile transmission was made on a weekend or holiday, on the next business day after the transmission was sent), provided that a confirmation copy of such facsimile also is sent by commercial overnight courier for delivery on the next business day; and (iv) notices sent by personal delivery shall be deemed to have been delivered immediately upon delivery.

The addresses for the purposes of notice are as follows:

If to Client, to: City of Long Beach  
Attn: City Manager  
333 West Ocean Boulevard  
Long Beach, CA 90802-4664

Copy to:  
City of Long Beach  
Attn: Director of Financial Management  
333 West Ocean Boulevard  
Long Beach, CA 90802-4664

If to L2G, to: Link2Gov Corp.  
1 Burton Hills Blvd., Ste. 300  
Nashville, TN 37215

Either Party may change its address provided in this Section 10.1 and in the Cover Sheet by furnishing the other Party with written notice of such change, in accordance with the provisions of this Section 10.1.

10.2 This Client Agreement, including the schedules, Addenda and exhibits hereto, represents the entire agreement between L2G and Client related to the subject matter hereof and supersedes all prior discussions, agreements and understandings of every kind and nature between them. No modifications of this Client Agreement will be effective unless in writing, stating that it is an amendment to this Client Agreement, and signed by authorized representatives of L2G and Client.

10.3 This Client Agreement shall be binding upon and inure to the benefit of the successors and assigns of the business interests of L2G and may be assigned by L2G with the prior written consent of Client which shall not be unreasonably withheld. Client shall not sell, assign, delegate, subcontract or otherwise transfer any of its rights or obligations hereunder (by operation of law or otherwise) without the prior written consent of L2G which may be granted or denied by L2G in its sole discretion.

10.4 This Client Agreement shall be construed in accordance with and governed by the Laws of California, without reference to its conflict of law principles.

10.5 L2G and Client are independent contractors. Client shall not be considered an agent or legal representative of L2G for any purpose. Unless otherwise expressly provided in this Client Agreement, Client is not granted and shall not exercise the right or authority to assume or create any obligation or responsibility on behalf of or in the name of L2G. Each party shall be responsible for all of its own expenses, and for the acts and omissions of its employees and agents. Client shall incur no expense chargeable to L2G, unless authorized by L2G in writing in advance. The relationship between L2G and Client shall not be construed to be that of employer and employee, nor shall it constitute a partnership, joint venture, agency or fiduciary relationship of any kind.

10.6 The illegality or unenforceability of any provision of this Client Agreement shall not affect the validity and enforceability of any legal and enforceable provisions hereof. The failure of L2G or Client at any time to require performance by the other of any of the provisions herein shall not operate as a waiver of the right of such party to request strict performance of the same or like provisions, or any other provisions hereof, at a later time.

10.7 Neither L2G nor Client shall be liable, or shall be subject to termination of this Client Agreement by the other party, for any delay or default in performing any obligation hereunder if such delay or default is due to any cause beyond such party's reasonable control; provided, however, that, in order to excuse its delay or default hereunder, a party shall notify the other of the cause thereof. For the purpose of this Section 10.7, a "cause beyond the reasonable control" of a party shall include, without limitation, any act of God, act of any government or other authority or statutory undertaking, fire, explosion, accident, power failure, riot, war (declared or undeclared) or act of terrorism.

10.8 This Client Agreement may be executed in counterparts, each of which shall be deemed to be an original but together shall constitute one and the same instrument. Sections 1, 5.2, 6-9, 10.4 and 10.5 herein shall survive the expiration or termination of the Client Agreement.

## PAYMENT PROCESSING ADDENDUM

This Payment Processing Addendum (“**Processing Addendum**”) sets forth certain terms and conditions that govern L2G’s provision of payment processing services (“**Processing Services**”) for Client’s credit card, debit card and electronic check transactions. Capitalized terms not defined herein shall have the meaning ascribed thereto in the Client Agreement in effect between L2G and Client to which this Processing Addendum is attached and incorporated.

### 1. L2G Obligations.

1.1 L2G shall provide its Processing Services to Clients. L2G shall ensure that funds for processed Transactions are submitted to Client’s designated bank account no more than two (2) business banking days after all Visa, MasterCard, Debit, Discover, American Express transactions that are successfully processed prior to 5 p.m. EST on each business banking day (e.g. a transaction authorized at 2 p.m. EST on Monday will be submitted on Wednesday. A transaction successfully processed at 8 p.m. EST on Monday will be submitted on Thursday.) L2G shall ensure that funds for processed Transactions are submitted to Client’s designated bank account no more than five (5) business banking days for all electronic check transactions that are successfully processed prior to 5 p.m. EST on each business banking day. L2G will submit funds via ACH to Client’s designated bank account and makes no representation or guarantee as to when funds will be made available by Client’s bank.

1.2 L2G shall provide Client with level three customer service support, twenty-four (24) hours per day, seven (7) days per week, subject to commercially reasonable downtime, with toll-free voice communications lines and representatives to address Client service requests. Additional support services provided by L2G are set forth in Attachment 1 attached hereto.

1.3 L2G shall correct or cause to be corrected, with reasonable promptness and at its own cost, any Processing Services errors that are caused by its failure to perform according to the terms of this Processing Addendum or the Master Agreement or by any other act or omission of L2G. In no event shall L2G be liable for any costs of corrections in excess of its own costs incurred to correct an error that L2G is solely responsible for correcting.

### 2. Certain Client Obligations.

2.1 As a condition to its receipt of the Processing Services: (i) Client must execute the Processing Agreement in the form attached to this Processing Addendum as Exhibit A, or as otherwise provided by L2G; and (ii) Clients must execute and deliver any applications, agreements, certifications or other documents required by Credit Card Associations, Networks or other third parties whose consent is necessary for the processing of Transactions. In the event Client requires the Processing Services to utilize transaction processing through a payment processor other than a payment processor that has certified the Processing Services (“**Unapproved Processor**”), Client shall immediately notify L2G thereof, in writing, prior to L2G’s provision of Processing Services. Such notice shall include the name and function of the Processing Services and the identity of the Unapproved Processor(s). Client shall be solely responsible for all costs and fees incurred related to the certification of Processing Services from the Unapproved Processor (including, without limitation, applicable development services), whether or not Client provides the written notice to L2G required by this Section 2.1.

2.2 Client represents, warrants and agrees that it does and will: (i) comply with Applicable Law and Network rules, regulations or operating guidelines, and cause its Clients to so comply; and (ii) at the request of L2G, comply with any and all applicable rules and regulations of Issuing Companies, and cause its Clients to so comply. Client shall notify L2G in writing as soon as possible in the event a claim is either threatened or filed against Client by any governmental organization having jurisdiction over Client related to the Processing Services. Client shall also notify L2G in writing as soon as possible in the event a claim is either threatened or filed by an Issuing Company against Client or a fine or other penalty is assessed or threatened by an Issuing Company against Client.

2.3 Client represents, warrants and agrees that it is and will continue to be in full compliance with the requirements of the Client Information Security Program of VISA, the Site Data Protection Program of MasterCard, and similar programs of other Issuing Companies, and any modifications to such programs that may occur from time to time. Upon the request of L2G, Client shall provide L2G with documentation reasonably satisfactory to L2G verifying compliance with this Section 2.3.

2.4 Client hereby grants L2G the full right, power and authority to request, receive and review and data or records reflected in a Transaction Report. Client represents and warrants that it has the full right and authority to grant the rights set forth in the preceding sentence.

### 3. Fees and Payment Terms.

3.1 In consideration of the Processing Services, Client shall pay L2G fees in accordance with Attachment 2 to this Processing Addendum (“**Fees**”).

3.2 Client will be invoiced monthly for Processing Services provided in the preceding month, and Client shall remit full payment to L2G within fifteen (15) days of date of invoice. Should Client request confirmation of invoice content or otherwise dispute any invoice in good faith, payment should be remitted in accordance with this Section 4.3 and, to the extent L2G determines that Client’s reason for such dispute is valid, a credit equal to the disputed amount will be applied to the subsequent invoice. In any event, no invoice that is dated more than one hundred eighty (180) days from the date a question or dispute is raised will be subject to a credit unless L2G can recoup the credit from the Credit Card Associations. If Client fails to remit payment according to these terms, regardless of invoices under dispute, L2G reserves the right to withhold and setoff settlement funds equal to, but not in excess of amounts outstanding.

3.4 The Fees may be changed by L2G during the Term in the event that any Credit Card Association, Network, Financial Institution, telecommunications provider, government entity or third party service provider changes its fees to L2G or L2G incurs increased or additional costs arising out of changes in Rules or Applicable Law or the interpretation thereof. L2G will provide reasonable notice to Client of any such increase.

3.5 Upon receipt of final notice from an Issuing Company of the result of a disputed transaction (whether received by L2G via a retrieval request or chargeback) L2G will initiate an ACH debit to Client's designated account for such amounts. This will appear as a single debit apart from daily processing. Any such amounts will then need to be collected by Client from the cardholder using an alternative form of payment if Client wishes to pursue the payment obligation.

4. License.

4.1 L2G hereby grants Client a non-exclusive, limited purpose object code license to use Software required for use by Client to allow L2G to perform the Processing Services, if any. The scope of the foregoing license shall be strictly limited as specified herein, and shall not include any right to use, copy, modify, publish, license, sublicense, sell, market or distribute such Software, unless expressly authorized herein.

4.2 Nothing herein shall give Client any right, title, or interest in the Software, or any modifications and enhancements thereto. As between L2G and Client, the Software is the sole and exclusive property of L2G, and L2G expressly reserves all rights to the Software not expressly granted to Client herein. Client shall not directly or indirectly decompile, reverse compile, reverse engineer, reverse assemble or otherwise derive a source code equivalent for the Software.



**ATTACHMENT 1**

Fees

Agency Funded Payment Services

**Agency Absorbed Funding Model** - "Agency Absorbed Funding" means that a City of Long Beach Department, Division or Agency is funding one hundred percent (100%) of the Services. This pricing is intended to be a mutually exclusive service option to the original Convenience Fee pricing that was delivered with the original L2G RFP response. L2G reserves the right to pass through cost increases in interchange fees, processor fees, telecommunication fees, and all other fee increases outside the control of L2G.

CONNECTIVITY SERVICES	RATE	FREQUENCY
Dialup connection fee (dial only charge)	\$0.10	Per dial transaction
L2GNet payment gateway	\$0.05	Per transaction
Gateway maintenance	Waived	Per month per application
PROCESSING SERVICES	RATE	FREQUENCY
Visa discount rate	$IPT^1 + 0.09\% + \$0.15$	Per transaction
MasterCard discount rate	$IPT + 0.09\% + \$0.15$	Per transaction
American Express discount rate	Pass-through + \$0.15	Per transaction
Discover Card discount rate	Pass-through + \$0.15	Per transaction
PIN-debit rate	$DNPT^2 + \$0.25$	Per transaction
ACH (e-check) conversion without verification	\$0.20	Per transaction
ACH (e-check) conversion with verification	\$0.25	Per transaction
Check guarantee	Quote upon request	Per transaction
Returned check item	\$4.95	Per occurrence
Settlement ACH	\$0.25	Per batch
Chargebacks	\$9.95	Per occurrence
ANCILLARY SERVICES	RATE	FREQUENCY
Consolidated reporting (real-time)	Waived	Per month per payment channel
Remote training	No charge	
Onsite training (vendor staff and travel)	\$50.00	Per hour

Convenience Fee Pricing (For Five (5) Listed Applications)

Revenue Source	No. of Payments	Total Sales	Avg. Tick	Option 3a
Billing and Collections	9,388	\$3,734,947	\$398.69	\$3.99
Business License	811	\$203,752	\$251.24	\$3.99
Garage Sale Permits	700	\$10,500	\$15.00	Omitted
Parking Citation	14,788	\$741,449	\$50.14	\$1.59
Utility Billing	91,284	\$10,895,991	\$119.04	\$3.99
Combined Transactions	116,971	\$15,586,639	\$133.25	N/A

Option Definitions

Option 3a: this option represents a separate quote for Parking Citations, an omitted quote for Garage Sales, and a group price for Utility Billing, Billing and Collections, and Business License credit card payments. The average ticket for the combined volume from the aforementioned applications is \$146.18. The quote of \$3.99 is a 50/50 average of the web price of \$3.75 (in the \$140.00-\$159.99 range of our pricing matrix) and the IVR price of \$4.25 (in the \$140.00-\$159.99 range of our pricing matrix). See pages 3 and 4 of our original pricing in our RFP response for details.

In accordance with the requirement of the Client's Request for Proposal (RFP), L2G will not charge the Client for the standard development and support services; however, L2G reserves the right to pass through cost increases in interchange fees, processor fees, telecommunication fees, and all other fee increases outside the control of L2G.

Convenience Fee Pricing for All Other Applications which the Client may elect to add in the future, but within the Term of this Client Agreement shall be set forth in Option 4.

<sup>1</sup> IPT = Interchange Pass-Through

<sup>2</sup> DNPT = Debit Network Pass-Through

**Option 4: Per transaction cost:**

- Electronic check service fees: not applicable unless solution includes a live operator due to typical cardholder data entry errors (i.e., transposition of account and routing numbers).
- Credit card and debit card service fees: see methodology and pricing below.

Payment types accepted - Visa, MasterCard, American Express, Discover, Visa debit, MasterCard debit, STAR, NYCE and Pulse

- \* Applications with average payment greater than \$240: **2.35%**
- \* Applications with average payment less than \$240: **see methodology below**

A fixed convenience fee will be set upfront for the payment application based on the average payment size for the Internet payment channel and the pricing matrix attached below<sup>3</sup>. Once established, the fee would remain fixed for an initial three-month pilot for all payment amounts for the payment application. After the initial pilot, the average payment amount would be reviewed and adjusted if the average payment falls into a different pricing category. After the initial pilot adjustment, the fee amount is reviewed on an annual basis. This methodology is utilized to meet the requirements of several Card Association regulations regarding the disallowance of different fees for different payment types (i.e., Visa, MasterCard) for an individual application (i.e., property tax payments on the Internet) and the disallowance of a percentage-based convenience fee or tiered convenience fee for Visa non-pilot programs<sup>4</sup>.

L2G reserves the right to pass through cost increases in interchange fees, processor fees, telecommunication fees, and all other fee increases outside the control of L2G.

**IVR Pricing Matrix**

AVERAGE PAYMENT AMOUNT	SERVICE CHARGE
\$0.00 - \$59.99	\$1.75
\$60.00 - \$79.99	\$2.25
\$80.00 - \$99.99	\$2.75
\$100.00 - \$119.99	\$3.25
\$120.00 - \$139.99	\$3.75
\$140.00 - \$159.99	\$4.25
\$160.00 - \$179.99	\$4.75
\$180.00 - \$199.99	\$5.25
\$200.00 - \$219.99	\$5.75
\$220.00 - \$239.99	\$6.25

**Pay-by-Internet**

**Development cost:** Per the requirements of the RFP, L2G will not charge the CLB for the standard development and support services. “Standard Development” is defined based on the technical documentation contained within this agreement. Any variances from the Standard Development models may result in the City incurring hourly development fees.

<sup>3</sup> If payments were currently not being accepted on the Internet channel, the initial Average IVR Payment Amount would be calculated by multiplying the overall average payment by 1.25.

<sup>4</sup> LINK2GOV has been certified by Visa to accept convenience fees in a percentage format for applications that meet Visa’s pilot requirements (i.e., property tax and income tax).

**Per transaction cost:**

- Electronic check service fees: \$0.95<sup>5</sup>
- Credit card and debit card service fees: see methodology and pricing below.

Payment types accepted - Visa, MasterCard, American Express, Discover, Visa debit, MasterCard debit, STAR, NYCE and Pulse

- Applications with average payment greater than \$240: **2.35%**
- Applications with average payment less than \$240: **see methodology below**

A fixed convenience fee will be set upfront for the payment application based on the average payment size for the Internet payment channel and the pricing matrix attached below<sup>6</sup>. Once established, the fee would remain fixed for an initial six-month pilot for all payment amounts for the payment application. After the initial pilot, the average payment amount would be reviewed and adjusted if the average payment falls into a different pricing category. After the initial pilot adjustment, the fee amount is reviewed on an annual basis. This methodology is utilized to meet the requirements of several Card Association regulations regarding the disallowance of different fees for different payment types (i.e., Visa, MasterCard) for an individual application (i.e., property tax payments on the Internet) and the disallowance of a percentage-based convenience fee or tiered convenience fee for Visa non-pilot programs<sup>7</sup>.

**Web Pricing Matrix**

AVERAGE PAYMENT AMOUNT	SERVICE CHARGE
\$0.00 - \$59.99	\$1.49
\$60.00 - \$79.99	\$1.75
\$80.00 - \$99.99	\$2.25
\$100.00 - \$119.99	\$2.75
\$120.00 - \$139.99	\$3.25
\$140.00 - \$159.99	\$3.75
\$160.00 - \$179.99	\$4.25
\$180.00 - \$199.99	\$4.75
\$200.00 - \$219.99	\$5.25
\$220.00 - \$239.99	\$5.75

<sup>5</sup> L2G can deploy the payment service with a different fee for electronic checks as long as the service does not violate any of the card Association rules or regulations.

<sup>6</sup> If payments were currently not being accepted on the Internet channel, the initial Average Internet Payment Amount would be calculated by multiplying the overall average payment by 1.25.

<sup>7</sup> LINK2GOV has been certified by Visa to accept convenience fees in a percentage format for applications that meet Visa's pilot requirements (i.e., property tax and income tax).



**SUBMITTER MERCHANT AGREEMENT  
PAYMENT PROCESSING INSTRUCTIONS AND GUIDELINES**

Paymentech, L.P. ("Paymentech" or "we", us" or "our" and the like) and Link2Gov, Corp. ("Link2Gov") are excited about the opportunity to provide you with state-of-the-art payment card processing services. For ease of reference, we will refer to the agency signing these instructions and guidelines below as ("you", "yours" and the like). The following information is designed to inform and assist you as we begin our relationship.

**Important Definitions**

To help you understand these instructions and guidelines, you will need to understand these defined terms.

- *Authorization* is the authorization of all entries to a consumer's account given by the consumer to you. The authorization must be obtained in a manner and form consistent with the regulations pertaining to consumer authorizations as consistent with NACHA rules and regulations and Regulation E, and, where required thereby, must be in writing. Authorization is required for all ACH transactions both recurring and non-recurring.
- *ACH* is an electronic debit or credit to or from your bank account; or an electronic debit or credit to a consumer's bank account as authorized by an agreement between you and the consumer which represents a sale of Products to the consumer.
- *Association* is a group of Card issuer banks or debit networks that facilitate the use of payment cards, such as the systems operated by MasterCard International, Inc. and Visa, Inc., NYCE, Pulse, Star, and Interlink debit networks.
- *Association Rules* are the bylaws, rules, and regulations, as they exist from time to time, of the Associations.
- *Card* is both the plastic card or other evidence of the account and the account number, issued by a Card issuer or a debit network to the Cardholder, either of which you accept from your customers as payment for their purchases from you, and for which Paymentech agrees to process.
- *Cardholder* is the person to whom the Card is issued and who is entitled to use the Card.
- *Chargeback* is a reversal of a Card sale you previously presented to Paymentech pursuant to Association Rules.
- *ECP* is electronic check processing which are ACH or Facsimile Draft transactions sent by you to us for the purposes of debiting or crediting consumer demand deposit or savings accounts.
- *ECP Return* is the reversal of charge that you have previously presented for ECP, or the receipt of a Notification of Change. It is generally initiated by the consumer's bank at the request of the consumer or may be caused due to invalid account data, insufficient funds at the receiving institution or any reason allowed by Federal Reserve Regulations pertaining to the ACH system.
- *Facsimile Draft* means a non-electronic document representing Sales Data created by Paymentech upon your request.
- *NACHA* means the National Automated Clearing House Association, which is an organization that establishes and controls the rules and regulations under which financial institutions may process ACH transactions.
- *Notification of Change* is a non-dollar transaction sent to us by the receiving institution which advises that the data contained in the original transaction is either incorrect or has been changed. The Notice of Change provides the correct data allowing for the processing of the Transaction.
- *Prenote* means a non-dollar transaction sent through the ACH network by us at your request to a consumer's bank for the purpose of verifying the accuracy of the account data. It has the same information (with the exception of the dollar amount and transaction code) that will be carried on subsequent entries. Prenotes are optional.
- *Products* mean those goods and services that are sold or rendered by you in connection with your usual business.
- *Retrieval Request* is a request for information by a Cardholder or Card issuer relating to a claim or complaint concerning a Card sale you have made.
- *Sales Data* is the evidence and electronic record of a sale or lease transaction representing payment by use of a Card or of a refund/credit to a Cardholder.
- *T&E Card* is a travel and entertainment Card issued by American Express, Novus/Discover, Carte Blanche, Diner's Club, or such other T&E Card for which we may agree to accept submissions in the future.
- *Validation* is the process by which we determine if the Sales Data or Prenote presented are capable of being processed through the Federal Reserve System.
- *Verification* means the system of electronically matching Sales Data information against a negative file account database for the purpose of identifying accounts which have unpaid checks outstanding or have been closed for cause. There is no financial recourse or payment provided for any checks that are later returned regardless of the verification response.

**Your Acceptance of Cards**

- Each sale you make involving a Card must be evidenced by a single Sales Data record completed with the sale date and the sale amount, and other information as required by the Associations or by us. You are not allowed to set a dollar amount above or below which you refuse to honor otherwise valid Cards.
- You agree to comply with all Association Rules, as may be applicable to you and in effect from time to time and of which you have been informed. You understand that we may be required to modify these instructions and guidelines in order to comply with requirements imposed by the Association Rules.
- The Association Rules require that each Sales Data you tender to us for processing comply with the following conditions: (1) The Sales Data represents payment or refund of payment, for the bona fide sale or lease of the goods, services or both, which you have provided in the ordinary course of your business; (2) The Sales Data does not involve any element of credit for any purpose other than payment for a current transaction (including payment of a previously-dishonored check) and, except in the case of approved installment or pre-payment plans, the goods have been shipped or services actually rendered to the Cardholder; (3) To your knowledge, the Sales Data is free from any material alteration not authorized by the Cardholder; and (4) You have not advanced any cash to the Cardholder or to yourself in connection with the Card transaction, nor have you accepted payment for effecting credits to a Cardholder's account.
- In offering payment options to your customers, you may elect any one of the following options: (1) Accept all types of Visa and MasterCard Cards, including consumer credit and debit/check cards, and commercial credit and debit/check cards; (2) Accept only Visa and MasterCard credit cards and commercial cards (If you select this option, you must accept all consumer credit cards (but not consumer debit/check cards) and all commercial card products, including business debit/check cards); Accept only Visa and MasterCard consumer debit/check cards (If you select this option, you must accept all consumer debit/check card products (but not business debit/check cards) and refuse to accept any kind of credit cards). The acceptance options above apply only to domestic transactions and, as such, they do not apply to Visa or MasterCard Cards issued by non-U.S. banks. In other words, if your customer presents a Visa or MasterCard Card issued from a European or Asian bank, for example, Association Rules require you to accept that card just as you would any other card (provided you receive a valid authorization and confirm the identity of the cardholder with a signature or otherwise, etc.), regardless of the acceptance option choice you have made and even if you have elected not to accept that type of Card from U.S. issuers.
- If you choose to limit the types of Cards you accept, the following rules apply to you: (1) You must display appropriate signage to indicate acceptance of the limited acceptance category you have selected (that is, accept only debit/check card products or only credit and commercial products); and (2) Any Sales Data submitted into interchange outside of the selected product category will be assessed the standard interchange fee applicable to that Card product and may also have additional fees/surcharges assessed.
- All available information about the sale, including handling and shipping charges, if applicable must be accurately recorded. You are responsible for determining that the purchaser is the person whose name appears as the Cardholder. If an account number is transposed into an invalid or inappropriate account number, the sale will result in a Chargeback.
- For recurring transactions, you must obtain a written request or similar authentication from the Cardholder for the goods and/or services to be charged to the Cardholder's account, specifying the frequency of the recurring charge and the duration of time during which such charges may be made. You must not complete any recurring transaction after receiving: (i) a cancellation notice from the Cardholder (ii) notice from Paymentech or an Association; or (iii) an authorization code that the Card is not to be honored. You must include in your Sales Data the electronic indicator that the transaction is a recurring transaction.

### **Authorizations**

- The Card Associations require you to obtain authorization codes for all Card transactions. We will designate an authorization center for you to contact. Under certain circumstances, we will make authorization/approval code requests on your behalf, if you have not otherwise provided an authorization/approval code. Please understand that receiving an authorization code for a Card transaction indicates only that credit is available for the Card transaction at the time the authorization is given, and it does not constitute a representation from us or from the Cardholder's issuing bank that a particular Card transaction is in fact a valid or undisputed transaction entered into by the actual Cardholder or an authorized user of the Card.

### **Refunds and Adjustments**

- The Card Associations require you to maintain a fair policy with regard to the return/cancellation of merchandise or services and adjustment of Card sales. You must also disclose your return/cancellation policy to your customers.
- If you allow a price adjustment, return of merchandise or cancellation of services in connection with a Card sale, you must prepare and deliver to us Sales Data reflecting such refund or adjustment within 3 days of receiving the customer's request for such refund/adjustment. The amount of the refund/adjustment cannot exceed the amount shown as the total on the original Sales Data except by the exact amount required to reimburse the Cardholder for postage that the Cardholder paid to return merchandise. You are not allowed to accept cash or any other payment or consideration from a customer in return for preparing a refund to be deposited to the Cardholder's account nor to give cash refunds to a Cardholder in connection with a Card sale, unless required by law.
- Paperwork is not necessary for an even exchange. For an uneven exchange, complete a credit for the total amount of the merchandise being returned and complete a new sales transaction for any new merchandise purchased.
- Please be aware, if your refund policy prohibits returns under certain circumstances, you may still receive a Chargeback relating to such sales pursuant to the Association rules.

### **Settlement**

- In order to receive the most favorable interchange rate, you need to transmit your Sales Data to us on the next business day immediately following the day that such Sales Data is originated. For debit Card transactions that are credits to a Cardholder's account, you must transmit such transaction to us within 24 hours of receiving the authorization for such transaction. Late submission of Sales Data may result in higher Association fees and/or a Chargebacks to you.
- We will settle all proceeds from your Card transactions in accordance with the *Funding Schedule* that is attached to these instructions and guidelines.
- If you want us to process T&E Card transactions for you, you must have in effect a valid agreement with the respective T&E Card company. Upon transmission of such Sales Data by you, we will forward the Sales Data to the appropriate T&E Card company. Payment of the proceeds due you will be governed by whatever agreement you have with that T&E Card company, and we do not bear any responsibility for their performance. If your agreement with a T&E Card company requires the T&E Card company's consent for us to perform the services you want us to perform, you are responsible for obtaining that consent.
- Upon our receipt of your Sales Data for Card transactions, we will process your Sales Data to facilitate the funds transfer between the various Associations and you for Card sales. After we receive credit for such Sales Data, we will provide provisional credit to you as you designate in the *Funding Schedule*.
- You must not submit Sales Data for payment until the goods are delivered, shipped, or the services are performed. If the Cardholder disputes being charged for merchandise or services before receiving them, the result may be a chargeback to you. We may from time to time contact customers to verify that they have received goods or services for which Sales Data has been submitted.

### **Retrieval Requests**

- The Associations require you to store original documentation of each transaction for at least six months from the date of the respective transaction, and to retain copies of all such data for at least 18 months from the date of the respective transaction. The Associations do not allow you to charge a fee for the creation or storage of such copies.
- We will send you any Retrieval Request that we cannot satisfy with the information we have on file concerning any Card sale. In response, you must provide us in writing by certified or overnight mail or by confirmed fax the resolution of your investigation of such Retrieval Request and include legible copies of any documentation required by the Retrieval Request within seven business days after we send it to you. Once we receive your response, we will take the appropriate steps in a timely manner to reduce the probability of the Cardholder's bank sending an unjustified Chargeback to you. Remember, your failure to fulfill a Retrieval Request in accordance with Association Rules may result in an irreversible Chargeback to you.

### **Chargebacks**

- You may receive a Chargeback from a Cardholder or Card issuer for a number of reasons under the Association Rules. The following are some of the most common reasons for Chargebacks: (1) You do not issue a refund to a Cardholder upon the return or non-delivery of goods or services; (2) An authorization/approval code was required and not obtained; (3) The Sales Data is prepared incorrectly or fraudulently; (4) We did not receive your response to a Retrieval Request within seven business days as required by the Association Rules; (5) The Cardholder disputes the Card sale or the signature on the sale documentation, or claims that the sale is subject to a set-off, defense or counterclaim; (6) The Cardholder refuses to make payment for a Card sale because in the Cardholder's good faith opinion, a claim or complaint has not been resolved, or has been resolved by you but in an unsatisfactory manner; or (7) The Card was not actually presented at the time of the sale or you did not obtain an electronic record or a physical imprint of the Card, and the Cardholder denies making the purchase.
- If you have reason to dispute or respond to a Chargeback, then you must do so by the date provided by us on our report to you. We are not required to investigate, reverse or make any adjustment to any chargeback when thirty (30) calendar days have elapsed from the date of the Chargeback. All responses to Chargebacks must be in writing, and must contain the following information: (1) Date of debit/credit advice; (2) your case number; (3) the total amount of the Chargeback; (4) the date and dollar amount in which the sale/credit was originally submitted; (5) If known, the date and authorization code; and (6) Any supporting documentation to substantiate your claim. You should include a dated cover letter detailing the reasons for requesting a review of the Chargeback.

### **Data Security and Privacy**

- We will exercise reasonable care to prevent disclosure or use of Card information, other than as permitted under the Association Rules. You must exercise reasonable care to prevent disclosure of Card information, other than to your agents and contractors for the purpose of assisting you in completing a Card transaction, or to the applicable Association, or as specifically required by law. Each party will store all media containing Card numbers in an area limited to selected personnel and prior to either party discarding any material containing Cardholder information, the party will destroy it in a manner rendering the Card account numbers unreadable. If at any time either party determines that Card account number information has been compromised, such party will notify the other party immediately and assist in providing notification to the proper parties as we deem necessary. Merchant information may be shared by us with our affiliates subject to the provisions of this Agreement and Association Rules. Association Rules require you to comply with all security standards and guidelines that may be published from time to time by Visa, MasterCard or any other Association, including, without limitation, the Visa U.S.A. Cardholder Information Security Program (collectively, the "Security Guidelines"). Pursuant to CISP, you must: (1) Install and maintain a working network firewall to protect data accessible via the Internet; (2) Keep security patches up-to-date; (3) Encrypt stored data and data sent over open networks; (4) Use and update anti-virus software; (5) Restrict access to data by business "need-to-know"; (6) assign a unique ID to each person with computer access to data; (7) Not use vendor-supplied defaults for system passwords and other security parameters; (8) Track access to data by unique ID; (9) Regularly test security systems and processes; (10) Maintain a policy that addresses information security for employees and contractors; (11) Restrict physical access to cardholder information; and (12) When outsourcing administration of information assets, networks, or data, retain legal control of proprietary information and use limited "need-to-know" access to such assets, networks or data. Please note that failure to comply with the CISP requirements and other Security Guidelines may result in fines and/or penalties being levied against you or against us because of your actions by the Associations. If this occurs you agree to reimburse us immediately for any fine or penalty imposed due to your violation of the Security Guidelines.
- The Associations require you to post and maintain on all your applicable web sites both your consumer data privacy policy and your method of transaction security.
- The Associations prohibit you from retaining or storing CVV2/CVC2 data subsequent to the authorization.

- The Association Rules provide that Cardholder information and transaction data is owned by the Associations, the Card issuer and the Cardholder.
- You may not use any Card or Cardholder information other than for the sole purpose of completing the transaction authorized by the customer for which the information was provided to you, or as specifically allowed by Association Rules, or required by law. Any Association or its designee may inspect your premises and computers, and the premises and computers of any company you have contracted with, for the purposes of verifying that Cardholder information is securely stored and processed, and is not used for any purpose other than processing the transactions to which it relates.


**Electronic Check Processing**

- You are not required to utilize us for electronic check processing. If you choose to send us ECP transaction, you must present Sales Data to us in the same manner you submit other Sales Data to us. All Sales Data must be supported by a previously obtained Authorization, if required, from the consumer.
- We will deliver to a participant in the Federal Reserve System data representing such Sales Data that pass the Validation process in a timely manner allowing for the initiation of an ECP transaction to the consumer's bank account. We will report to you those transactions which fail the Validation process.
- The delivery to us of such Sales Data shall constitute an assignment to us by you, conditional upon your compliance with these instructions, of each item of Sales Data and the indebtedness thereunder.
- You must obtain the consumer's Authorization prior to the initiation of any ECP transaction and you must maintain a file containing such Authorizations.
- You cannot reinitiate ECP transactions once they have received a "Payment Stopped" as a reason for return, unless an Authorization from the customer overriding the stop payment has been received.
- You are responsible for complying with the laws and regulations governing the initiation of preauthorized electronic debit entries, including but not limited to the Electronic Fund Transfer Act of 1978 and Federal Reserve Regulation E, as it may be amended from time to time, and all applicable NACHA rules and regulations.

**Debit Bill Payment**

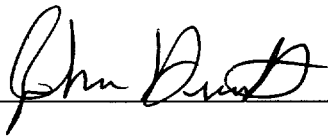
- Upon your request, we will provide you with the ability to accept customers' debit cards or ATM cards for payment with the debit network logos for NYCE, STAR and PULSE, without use of personal identification numbers ("PINs") (the "Services"). These debit networks allow merchants to accept debit card or ATM card payments under the rules and regulations they have established for debit bill payment.
- You will allow transactions without a PIN for bill payments to be processed through your customer-facing payment platforms, which are solely controlled and operated by you and not included within the services we provide to you. Paymentech will immediately provide and continually update a bank identification number ("BIN") file for you to determine whether the card presented by each customer can be processed over the debit networks, i.e., whether it is a debit card that can be processed, or credit card that cannot be processed. You agree to provide all bill payment data in accordance with the pre-existing and independently-developed Paymentech data processing formats that are used for generic payment processing. If the Card's BIN range is found on the BIN table, you may format the transaction as a debit bill payment and process the transaction through the debit networks, provided you have made all the required disclosures to, and given the consumer/cardholder the required payment choice language and the option to cancel the payment before it's completed if they choose to do so.
- We will settle with you on any submitted debit bill payment transaction that you have processed and sent to us through the network correctly and that has not been rejected in the network for any other reason in accordance with our pre-existing and independently-developed data processing systems.
- We will report to you both authorized but unsettled and settled debit bill payment transactions on a daily basis via a secured and password protected Internet connection in accordance with our pre-existing and independently-developed reporting systems. The debit bill payment transactions successfully deposited will be categorized by network, i.e., method of payment (e.g., Star, Pulse or NYCE).

Please acknowledge your receipt of these instructions and guidelines and your agreement to comply therewith.

City of Long Beach  
 Name of Government Entity or Agency  
 By:   
 Printed Name: Gerald R. Miller  
 Title: City Manager  
 Date: 2/23/06

Agreed and Accepted by:

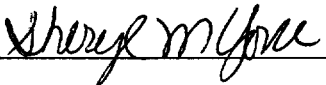
Link2Gov, Corp.

By:   
 Print Name: John Hunnicutt  
 Title: Executive Vice President of Finance/Secretary  
 Date: 2/17/06  
 Address: 1 Burton Hills Blvd., Suite 300, Nashville, TN 37215

Agreed and Accepted by:

PAYMENTECH, L.P.

By: PTI General Partner, LLC  
 Its: General Partner

By:   
 Print Name: Sheryl M. York  
 Title: Director  
 Date: \_\_\_\_\_  
 Address: 4 Northeastern Boulevard, Salem, NH 03079

Link2Gov/040605/Ver-27Adden



**FUNDING SCHEDULE**

In order to receive funds from Paymentech, you must maintain a bank account at a bank that is a member of the Automated Clearing House ("ACH") system and the Federal Reserve wire system. You are solely liable for all fees and costs associated with your bank account and for all overdrafts. You authorize Paymentech to initiate electronic credit and debit entries and adjustments to your bank account in accordance with this funding schedule. We will not be liable for any delays in receipt of funds or errors in bank account entries caused by third parties, including but not limited to delays or errors by the Associations or your bank.

The proceeds payable to you shall be equal to the amounts received by us in respect of your Sales Data less all Chargebacks and Cardholder refunds. Such amounts will be paid to you promptly following our receipt of the funds. If the Sales Data does not represent sufficient credits or the bank account does not have a sufficient balance to pay amounts due from you under this funding schedule, we may pursue one or more of the following options: (i) demand and receive immediate payment for such amounts; (ii) debit your bank account for the amount of the negative balance; (iii) withhold your settlement payments until all amounts are paid, (iv) delay presentation of your refunds until you make a payment to us of a sufficient amount to cover the negative balance; and (v) pursue any remedies we may have at law or in equity.

Unless and until we receive written instructions from you to the contrary, all amounts payable by Paymentech to you will be deposited in the bank account designated and authorized by you on the Addendum For Application For Credit Card Processing Service Agreement/New Division Request.

## Link2Web Internet Private Label Addendum

This Link2Web Internet Private Label Addendum (“**Private Label Addendum**”) sets forth certain terms and conditions that govern L2G’s creation and hosting of an Internet private label bill presentment and payment system for Client (“**WAG Services**”). Capitalized terms not defined herein shall have the meaning ascribed thereto in the Client Agreement in effect between L2G and Client to which this Private Label Addendum is attached and incorporated.

1. **Definitions.** As used in this Private Label Addendum, the following terms shall mean:

1.1 “Client End-User” is any end-user that is eligible to pay sums due and outstanding to Client using the Internet Private Label Site.

1.2 “Client Brand Features” are all trademarks, service marks, Look and Feel of the Internet Private Label Site, logos and other distinctive brand features of Client supplied to L2G by the Client.

1.3 “Client End-User Information” are names, contact information, addresses and any other data concerning a Client End-User that is entered by the Client End-User at the Internet Private Label Site.

1.4 “Content” means the information made available to Client End-Users via the Internet Private Label Site, which may include, without limitation, text, graphics, data and other similar materials.

1.5 “Deployment, Hosting, Maintenance and Functionality Specifications” means the specifications for Hosting outlined in Attachment 1, if any.

1.6 “Domain Name” is the unique address that identifies the location of the Internet Private Label Site on the Internet.

1.7 “Hosting” is the hosting of the Internet Private Label Site on the Hosting Servers, where information is stored for secure access via the Internet.

1.8 “Hosting Servers” means those servers and other hardware and software that shall be used by L2G to Host and maintain the Internet Private Label Site.

1.9 “Intellectual Property Rights” are any and all now known or hereafter known tangible and intangible: (i) rights associated with works of authorship throughout the world, including, without limitation, copyrights, moral rights, and mask-works; (ii) trademark and trade name rights and similar rights; (iv) trade secret rights; (v) patents, designs, algorithms and other industrial property rights; (vi) other intellectual and industrial property rights, whether arising by operation of law, contract, license, or otherwise; and (vii) registrations, initial applications, renewals, extensions, continuations, divisions or reissues thereof now or hereafter in force (including any rights in any of the foregoing).

1.10 “Internet” is any system for distributing digital electronic content and information to end users via transmission, broadcast, publication, public display, or other forms of delivery, whether direct or indirect, whether over telephone lines, cable television systems, optical fiber connections, cellular telephones, satellites, wireless broadcast, or other mode of transmission now known or subsequently developed.

1.11 “Internet Private Label Site” is a secure payment website on the Internet that presents the Look and Feel of Client, and is developed, Hosted and maintained by L2G pursuant to this Private Label Addendum, and at which Client End-Users may use a Card to pay sums due and outstanding.

1.12 “Look and Feel” are the elements of graphics, design, organization, presentation, layout, user interface, navigation and stylistic convention (including the digital implementations thereof) which are generally associated with an Internet Private Label Site.

2. **Development; Functionality.** As part of the WAG Services, L2G shall develop an Internet Private Label Site for Client to perform in accordance with the functionality described in Attachment 1 hereto. The Internet Private Label Site will allow Client End-Users to use a Card to pay to Client sums due and outstanding. L2G shall reasonably cooperate with Client to create the Look and Feel of the Private Label Internet Private Label Site. Client End-Users are solely responsible for electronically inputting Client End-User Information, and L2G hereby disclaims all liability related thereto.

3. **Hosting; Domain Names.**

3.1 L2G will Host and maintain the Internet Private Label Site in a professional and commercially reasonable manner and in accordance with the Deployment, Hosting and Maintenance Specifications, if any. L2G will promptly notify Client upon its knowledge of any significant change in the operation of the Internet Private Label Site due to malfunction, insufficient capacity or otherwise.

3.2 Unless otherwise agreed by L2G and Client, Client shall own any and all Domain Names used for the Internet Private Label Site. Client hereby grants L2G the right to use all Domain Names related to the Internet Private Label Site to provide the WAG Services.

3.3 L2G has the right to reject and remove any Content and/or Client Brand Features on its Hosting Servers at any time if L2G reasonably believes that any such materials infringe any third-party Intellectual Property Right, are libelous or invade the privacy or violate other rights of any person, violate applicable laws or regulations, jeopardize the health or safety of any person, or are otherwise detrimental to the goodwill of L2G.

4. **Support Services.**



4.1 L2G shall provide Client with level three customer service support, twenty-four (24) hours per day, seven (7) days per week, subject to commercially reasonable downtime, with toll-free voice communications lines and representatives to address Client service requests. L2G shall provide adequate qualified staffing to perform its duties and obligations in this Section 4.

4.2 L2G shall correct or cause to be corrected, with reasonable promptness and at its own cost, any Internet Private Label Site errors that are caused by L2G's failure to perform according to the terms of this Private Label Addendum or the Client Agreement. In no event shall L2G be liable for any costs of corrections in excess of its own costs incurred to correct an error that L2G is solely responsible for correcting.

5. Ownership.

5.1 All Client Brand Features shall be owned exclusively by Client. To the extent L2G possesses any ownership rights in the Client Brand Features, L2G hereby irrevocably assigns to Client all right, title and interest in and to all such Client Brand Features, which includes, without limitation, all of Client's Intellectual Property Rights therein. If L2G has any such rights that cannot be assigned to Client, L2G waives the enforcement of such rights, and if L2G has any rights that cannot be assigned or waived, L2G hereby grants to Client an exclusive, irrevocable, perpetual, worldwide, fully paid license to such rights (which includes the right to sublicense). Client represents and warrants that it owns the Client Brand Features and all Intellectual Property rights therein and that such Client Brand Features do not infringe upon any other material or violate or infringe upon the Intellectual Property Rights of any other party.

5.2 Subject only to Section 5.1 herein, all Intellectual Property directly or indirectly related to the Internet Private Label Site (which may include Software) and the rights and obligations set forth herein shall be owned exclusively by L2G (collectively, the "L2G Property"). To the extent Client possesses any ownership rights in the L2G Property, Client hereby irrevocably assigns to L2G all right, title and interest in and to all such L2G Property, which includes, without limitation, all applicable Intellectual Property Rights thereto. If Client has any such rights that cannot be assigned to L2G, Client waives the enforcement of such rights, and if Client has any rights that cannot be assigned or waived, Client hereby grants to L2G an exclusive, irrevocable, perpetual, worldwide, fully paid license to such rights (which includes the right to sublicense). L2G represents and warrants that it owns or has rights to the L2G Property and all Intellectual Property rights therein and that such L2G Property does not infringe upon any other material or violate or infringe upon the Intellectual Property Rights of any other party.

6. License. Client hereby grants L2G a non-exclusive, worldwide license to use the Client Brand Features for Client solely to perform its obligations hereunder, which includes, without limitation, the development, Hosting and support of the Internet Private Label Site. The scope of the foregoing license shall be limited as specified herein, and shall not include any right to use, copy, modify, publish, license, sublicense, sell, market or distribute such Client Brand Features, unless expressly authorized herein, and which right shall terminate upon expiration or termination of the Client Agreement.

7. Fees and Payment Terms.

7.1 In consideration of the WAG Services, Client shall pay L2G fees in accordance with Attachment 2 to this Private Label Addendum ("Fees").

7.2 Client will be invoiced monthly for WAG Services provided in the preceding month, and Client shall remit full payment to L2G within fifteen (15) days of date of invoice. Should Client request confirmation of invoice content or otherwise dispute any invoice in good faith, payment should be remitted in accordance with this Section 7.2 and, to the extent L2G determines that Client's reason for such dispute is valid, a credit equal to the disputed amount will be applied to the subsequent invoice. In any event, no invoice that is dated more than one hundred eighty (180) days from the date a question or dispute is raised will be subject to a credit. If Client fails to remit payment according to these terms, regardless of invoices under dispute, L2G reserves the right to withhold and setoff settlement funds equal to, but not in excess of amounts outstanding.

7.3 The Fees may be changed during the Term in the event that any Credit Card Association, Network, Financial Institution, telecommunications L2G, government entity or third party service L2G changes its fees to L2G or L2G incurs increased or additional costs arising out of changes in Rules or Applicable Law or the interpretation thereof.

## ATTACHMENT 1

### Deployment, Hosting and Maintenance Specifications

The deployment, hosting, maintenance and functionality specifications of the Link2Web Private Label applications are defined by the following:

- Exhibit B – Scope of Work for Four (4) initial City projects (if applicable);
- Exhibit C – Link2Gov Internet Gateway Specifications Document (Confidential and Proprietary);
- Exhibit D – Link2Gov Five (5) Page Web Application Specifications Document (Confidential and Proprietary);
- Exhibit E – Link2Gov Three (3) Page Web Application Specifications Document (Confidential and Proprietary); and/or
- All mutually agreed upon Scopes of Works for additional future City applications/services

**ATTACHMENT 2**

Fees

<b>Service Development Fee Category</b>	<b>FEE</b>
Standard Five (5) Page Web Application Development	WAIVED
Standard Three (3) Page Web Application Development	WAIVED
Standard Interactive Voice Response (IVR) Application Development	WAIVED
API Development	WAIVED
Non-Standard Customization Development Charges	\$119.00 per hour

Development cost: Per the requirements of the RFP, L2G will not charge the CLB for the standard development and support services. "Standard Development" is defined based on the technical documentation contained within this agreement. Any variances from the Standard Development models may result in the City incurring hourly development fees.

## Link2POS Virtual Terminal Addendum

This Link2POS Virtual Terminal Addendum (“**Virtual Terminal Addendum**”) sets forth certain terms and conditions that govern L2G’s provision of various payment capture solutions (“**Virtual Terminal Services**”) for Client’s credit card, debit card and electronic check transactions. Capitalized terms not defined herein shall have the meaning ascribed thereto in the Client Agreement in effect between L2G and Client to which this Virtual Terminal Addendum is attached and incorporated.

1. Definitions. As used in this Virtual Terminal Addendum, the following terms shall mean:

1.1 “Client Brand Features” are all trademarks, service marks, Look and Feel of a Private-Label Virtual Terminal, logos and other distinctive brand features of Client supplied to L2G by the Client.

1.2 “Content” means the information made available to Client via the Virtual Terminal, which may include, without limitation, text, graphics, data and other similar materials.

1.3 “Domain Name” is the unique address that identifies the location of the Virtual Terminal on the Internet.

1.4 “Hosting” is the hosting of the Virtual Terminal on the Hosting Services, where information is stored for secure access via the Internet.

1.5 “Hosting Servers” means those servers and other hardware and software identified that shall be used by L2G to Host and maintain the Virtual Terminal.

1.6 “Intellectual Property Rights” are any and all now known or hereafter known tangible and intangible: (i) rights associated with works of authorship throughout the world, including, without limitation, copyrights, moral rights, and mask-works; (ii) trademark and trade name rights and similar rights; (iv) trade secret rights; (v) patents, designs, algorithms and other industrial property rights; (vi) other intellectual and industrial property rights, whether arising by operation of law, contract, license, or otherwise; and (vii) registrations, initial applications, renewals, extensions, continuations, divisions or reissues thereof now or hereafter in force (including any rights in any of the foregoing).

1.7 “Internet” is any system for distributing digital electronic content and information to end users via transmission, broadcast, publication, public display, or other forms of delivery, whether direct or indirect, whether over telephone lines, cable television systems, optical fiber connections, cellular telephones, satellites, wireless broadcast, or other mode of transmission now known or subsequently developed.

1.8 “Look and Feel” are the elements of graphics, design, organization, presentation, layout, user interface, navigation and stylistic convention (including the digital implementations thereof) which are generally associated with a Virtual Terminal.

1.9 “Private Label Virtual Terminal” is a Virtual Terminal that presents the Look and Feel of the Client and may include certain of the Client Brand Features.

1.10 “User” is any person or entity whose data is captured by the Virtual Terminal as part of a Transaction.

1.11 “User Information” are names, contact information, addresses and any other data concerning any User whose data is captured by the Virtual Terminal as part of a Transaction.

1.12 “Virtual Terminal” is a secure payment site on the Internet that is developed, Hosted and maintained by L2G pursuant to this Virtual Terminal Addendum, at which Client may process payments made by Users. Virtual Terminal includes the Private Label Virtual Terminal.

2. Development; Functionality.

2.1 L2G shall develop a Virtual Terminal for Client to perform in accordance with the functionality described in Attachment 1 hereto. The Virtual Terminal will allow Client to process Transactions via the Internet at the point of sale by inputting User Information. Use of the Virtual Terminal requires a certain level of skill and knowledge in the use of the Internet, and Client hereby represents and warrants that it and its agents have the necessary skills and knowledge to exploit the functionality of the Virtual Terminal.

2.2 The Virtual Terminal may be developed by L2G as a Private Label Virtual Terminal at the request of Client; provided, the functionality of the Private Label Virtual Terminal identical the functionality for a generic Virtual Terminal as set forth in Attachment 1 hereto. L2G shall reasonably cooperate with Client to create the Look and Feel of the Private Label Virtual Terminal. Client is solely responsible for electronically inputting and uploading the User Information.

3. Hosting; Domain Names.

3.1 L2G will Host and maintain the Virtual Terminal in a professional and commercially reasonable manner and in accordance with the Deployment, Hosting and Maintenance Specifications, if any. L2G will promptly notify Client of any significant change in the operation of the Virtual Terminal due to malfunction, insufficient capacity or otherwise.

3.2 L2G shall control and own of any and all Domain Names that may be assigned to Clients and reserves the right to change or remove any and all Domain Names at its sole discretion; provided, that Client shall own any and all Domain Names for a Private Label Virtual Terminal.

3.3 L2G have the right to reject and remove any Content and/or Client Brand Features on its Hosting Servers at any time if L2G reasonably believes that any such materials infringe any third-party Intellectual Property Right, are libelous or invade the privacy or violate other rights of any person, violate applicable laws or regulations, jeopardize the health or safety of any person, or are otherwise detrimental to the goodwill of L2G.

#### 4. Support Services.

4.1 L2G shall provide Client with level three customer service support, twenty-four (24) hours per day, seven (7) days per week, subject to commercially reasonable downtime, with toll-free voice communications lines and representatives to address Client service requests. L2G shall provide adequate qualified staffing to perform its duties and obligations in this Section 4.

4.2 L2G shall correct or cause to be corrected, with reasonable promptness and at its own cost, any Virtual Terminal errors that are caused by L2G's failure to perform according to the terms of this Virtual Terminal Addendum or the Client Agreement. In no event shall L2G be liable for any costs of corrections in excess of its own costs incurred to correct an error that L2G is solely responsible for correcting.

#### 5. Ownership.

5.1 All Client Brand Features shall be owned exclusively by Client. To the extent L2G possesses any ownership rights in the Client Brand Features, L2G hereby irrevocably assigns to Client all right, title and interest in and to all such Client Brand Features, which includes, without limitation, all of Client's Intellectual Property Rights therein. If L2G has any such rights that cannot be assigned to Client, L2G waives the enforcement of such rights, and if L2G has any rights that cannot be assigned or waived, L2G hereby grants to Client an exclusive, irrevocable, perpetual, worldwide, fully paid license to such rights (which includes the right to sublicense). Client represents and warrants that it owns the Client Brand Features and all Intellectual Property rights therein and that such Client Brand Features do not infringe upon any other material or violate or infringe upon the Intellectual Property Rights of any other party.

5.2 Subject only to Section 3.2 and Section 5.1 herein, all Intellectual Property directly or indirectly related to the Virtual Terminal (which may include Software) and the rights and obligations set forth herein shall be owned exclusively by L2G (collectively, the "L2G Property"). To the extent Client possesses any ownership rights in the L2G Property, Client hereby irrevocably assigns to L2G all right, title and interest in and to all such L2G Property, which includes, without limitation, all applicable Intellectual Property Rights thereto. If Client has any such rights that cannot be assigned to L2G, Client waives the enforcement of such rights, and if Client has any rights that cannot be assigned or waived, Client hereby grants to L2G an exclusive, irrevocable, perpetual, worldwide, fully paid license to such rights (which includes the right to sublicense). L2G represents and warrants that it owns or has rights to the L2G Property and all Intellectual Property rights therein and that such L2G Property does not infringe upon any other material or violate or infringe upon the Intellectual Property Rights of any other party.

#### 6. License.

6.1 Client hereby grants L2G a non-exclusive, worldwide license to use the Client Brand Features to perform its obligations hereunder, which includes, without limitation, the development, Hosting and support of the Virtual Terminal. The scope of the foregoing license shall be limited as specified herein, and shall not include any right to use, copy, modify, publish, license, sublicense, sell, market or distribute such Client Brand Features, unless expressly authorized herein.

6.2 L2G hereby grants Client a non-exclusive license to access the Virtual Terminal and to use the L2G Property only as necessary to utilize the Virtual Terminal Services. The scope of the foregoing license shall be limited as specified herein, and shall not include any right to use, copy, modify, publish, license, sublicense, sell, market or distribute such L2G Property, unless expressly authorized herein. Nothing herein shall give Client any right, title, or interest in the L2G Property, or any modifications and enhancements thereto. Client shall not directly or indirectly decompile, reverse compile, reverse engineer, reverse assemble or otherwise reduce the L2G Property to its component parts.

#### 7. Fees and Payment Terms.

7.1 In consideration of the Virtual Terminal Services, Client shall pay L2G fees in accordance with Attachment 2 to this Virtual Terminal Addendum ("Fees").

7.2 Client will be invoiced monthly for Virtual Terminal Services provided in the preceding month, and Client shall remit full payment to L2G within fifteen (15) days of date of invoice. Should Client request confirmation of invoice content or otherwise dispute any invoice in good faith, payment should be remitted in accordance with this Section 7.2 and, to the extent L2G determines that Client's reason for such dispute is valid, a credit equal to the disputed amount will be applied to the subsequent invoice. In any event, no invoice that is dated more than one hundred eighty (180) days from the date a question or dispute is raised will be subject to a credit. If Client fails to remit payment according to these terms, regardless of invoices under dispute, L2G reserves the right to withhold and setoff settlement funds equal to, but not in excess of amounts outstanding.

7.3 The Fees may be changed during the Term in the event that any Credit Card Association, Network, Financial Institution, telecommunications L2G, government entity or third party service L2G changes its fees to L2G or L2G incurs increased or additional costs arising out of changes in Rules or Applicable Law or the interpretation thereof.

**ATTACHMENT 1**  
**Virtual Terminal Functionality**

LINK2POS is L2G's exclusive Web-based Virtual Terminal. This robust product enables our government clients to accept a wide range of payments types for a wide range of taxes, fees, fines, and other payments from a single, Web-based tool. LINK2POS possesses shopping cart functionality where multiple payments can be made through a single transaction. Government employees can either manually enter credit card information or it can be integrated with hardware for capture of information from the magnetic stripe on credit cards and debit cards. LINK2POS's functionality can be further expanded to accept and process PIN-debit transactions by integrating a hardware component. This solution is perfect for transactions occurring at the Point of Sale, processing mailed-in credit card payments, or for call centers accepting payments via a live operator.

The following are features of the LINK2POS Virtual Terminal.

- Supports multi-merchant capabilities
- Supports multiple settlement accounts
- Enables "Payment Items" tracking
- Employs a shopping cart functionality
- Enables customer reference number tracking
- Enables real-time reporting capabilities
- Employs user authentication with access privileges
- Supports credit cards and debit cards
- Supports customer defined disclaimer on receipts
- Employs verbal authorization capability
- Automated system stays current with the most up to date release
- Utilizes SSL encryption
- Offers access to L2G management portal

**ATTACHMENT 2**

<b>Fees</b>		
<b>VIRTUAL TERMINAL POS SERVICES</b>	<b>RATE</b>	<b>FREQUENCY</b>
Standard Virtual terminal payment site set-up	Waived	One-time per install
Virtual terminal licensing	Waived	Per month per install
Virtual terminal per item fee	\$0.03	Per transaction (non-convenience fee transactions only)

L2G reserves the right to pass through cost increases in interchange fees, processor fees, telecommunication fees, and all other fee increases outside the control of L2G.

Development cost: Per the requirements of the RFP, L2G will not charge the CLB for the standard development and support services. "Standard Development" is defined based on the technical documentation/functionality contained within this agreement. Any variances from the Standard Development models may result in the City incurring hourly development fees.

## Interactive Voice Response Payment System Addendum

This Interactive Voice Response Payment System Addendum (“**IVR Addendum**”) sets forth certain terms and conditions that govern L2G’s creation and hosting of a large-scale interactive telephone call processing services that enable Client End-Users to use a Card to pay amounts due and outstanding. Capitalized terms not defined herein shall have the meaning ascribed thereto in the Client Agreement in effect between L2G and Client to which this IVR Addendum is attached and incorporated.

1. Definitions. As used in this IVR Addendum, the following terms shall mean:

1.1 “Client End-User” is any end-user of or subscriber that is eligible to process payments for services using the IVR System.

1.2 “IVR System” is the telephony based payment system developed by L2G or its designee pursuant this IVR Addendum. The IVR System is part of the L2G Products and Services.

2. Development and Hosting.

2.1 L2G or its designee shall develop an IVR System for Client in accordance with the functionality and specifications described in Attachment 1 hereto (“**IVR Specifications**”). L2G and Client shall use the IVR System to process Transactions. L2G shall not provide a call center for Client for any reason other than the provision of the IVR System used to process Transactions.

2.2 The IVR System shall be presented at all times to Client End-Users as a service offered on behalf of Client. L2G shall reasonably cooperate with Client to create and alter the telephone script and other characteristics of the IVR System from time to time.

2.3 L2G or its designee will deploy, host and maintain the IVR System in a professional and commercially reasonable manner. The IVR System shall be available to Client End-Users twenty-four (24) hours per day, seven (7) days per week, subject to commercially reasonable downtime. L2G will regularly monitor the IVR System to ensure it is meeting the IVR Specifications. L2G will promptly notify Client upon L2G’s knowledge of any material deviation from the IVR Specifications .

3. Support Services.

3.1 L2G or its designee shall provide Client with level three customer service support, twenty-four (24) hours per day, seven (7) days per week, subject to commercially reasonable downtime, with toll-free voice communications lines and representatives to address Client service requests. L2G or its designee shall provide adequate qualified staffing to perform its duties and obligations in this Section 3.

3.2 L2G or its designee shall correct or cause to be corrected, with reasonable promptness and at its own cost, any IVR System errors that are caused by L2G’s failure to perform according to the terms of this IVR Addendum or the Client Agreement. In no event shall L2G be liable for any costs of corrections in excess of its own costs incurred to correct an error that L2G or its designee is solely responsible for correcting.

4. Fees and Payment Terms.

4.1 In consideration of the IVR System, Client shall pay L2G fees in accordance with Attachment 2 to this IVR Addendum (“**Fees**”).

4.2 Client will be invoiced monthly for the IVR System provided in the preceding month, and Client shall remit full payment to L2G within fifteen (15) days of date of invoice. Should Client request confirmation of invoice content or otherwise dispute any invoice in good faith, payment should be remitted in accordance with this Section 4.2 and, to the extent L2G determines that Client’s reason for such dispute is valid, a credit equal to the disputed amount will be applied to the subsequent invoice. In any event, no invoice that is dated more than one hundred eighty (180) days from the date a question or dispute is raised will be subject to a credit. If Client fails to remit payment according to these terms, regardless of invoices under dispute, L2G reserves the right to withhold and setoff settlement funds equal to, but not in excess of amounts outstanding.

4.3 The Fees may be changed during the Term in the event that any Credit Card Association, Network, Financial Institution, telecommunications L2G, government entity or third party service L2G changes its fees to L2G or L2G incurs increased or additional costs arising out of changes in Rules or Applicable Law or the interpretation thereof.



## ATTACHMENT 1

### IVR Specifications

The deployment, hosting, maintenance and functionality specifications of IVR applications are defined by the following:

- Exhibit B – Scope of Work for Four (4) initial City projects (if applicable);
- Exhibit F – Link2Gov Interactive Voice Response (IVR) With Convenience Fee Specifications Document (Confidential and Proprietary);
- Exhibit G – Link2Gov Interactive Voice Response (IVR) Without Convenience Fee Specifications Document (Confidential and Proprietary); and/or
- All mutually agreed upon Scopes of Works for additional future City applications/services

**ATTACHMENT 2**

Fees

<b>Service Development Fee Category</b>	<b>FEE</b>
Standard IVR Development Fees	WAIVED
Non-Standard Development Fees	\$119.00 per hour

Development cost: Per the requirements of the RFP, L2G will not charge the CLB for the standard development and support services. "Standard Development" is defined based on the technical documentation contained within this agreement. Any variances from the Standard Development models may result in the City incurring hourly development fees.

**City of Long Beach**

**Information Technology  
Statement of Work**

**Credit Card Processing**

**February 2006**

<b>Prepared By:</b>	
<b>Creation Date:</b>	<b>December 22, 2005</b>
<b>Last Updated:</b>	<b>January 30, 2006</b>
<b>Last Updated:</b>	<b>February 10, 2006</b>

## **I. Overview**

The project team will provide a payment solution for the City of Long Beach Commercial Services Bureau operations. This completed project will enable City of Long Beach customers to make utility bill, parking citation, business license, ambulance payments, and debt payments for other City managed customer accounts using credit cards. The processing methods include use of the Link2Gov payment gateway, Link2Gov telephone and internet customer payment solutions, and in-person payments via cashiering system software. There will be lookup account verification capability.

## **II. Deliverables**

### **a. Link2Gov staff**

- Provide an authorization gateway to City's utility billing and parking citation customers to and from the existing Teleworks telephone and web automated services applications.
- Develop and maintain an IVR Payment solution as defined by the approved IVR script document for the City's Business License / Billing and Collections section customers.
- Develop and maintain a web site solution as defined by the approved web site development document for the City's Business License / Billing and Collections section customers.
- Provide "a file" (or files) export as defined by an approved Export Flat file document to update the City's Business License / Billing and Collections systems with payments made to Link2Gov each business day.
- Provide a file (or files) export as defined by an approved Export Flat file document to reconcile the utility and parking citation payments made to Link2Gov each business day.
- Process a daily City Billing and Collections / Business License system exported file to manage account payments in system hosted by Link2Gov.
- Provide City staff an on-demand complete credit card authorization process and a tool to verify existing payments to Link2Gov.
- Develop an interface to the City's cashiering system to authorize credit card payments made in person. The City expects to replace the existing cashiering system in the near future and requires the Link2Gov solution to be capable of migrating to the new system.
- Provide scheduled and on demand payment / activity reports for reconciliation and other City information management needs.
- Provide an automated, multi-record batch authorization process for City of Long Beach Recurring Bill Payment program enrollees.

- Immediately make all City customer related customer information available upon termination of all or part of the services provided the City by Link2Gov.

**b. City of Long Beach Technology Services staff**

- Create a Billing and Collections system export file of Business License / Billing and Collections managed customer records to deliver to Link2Gov for payment processing.
- Develop an UB system update process using the modified Teleworks file to post payments periodically during the business day and to reconcile the billing system post with the Link2Gov reported payments.
- Develop a method to work with Link2Gov to process the City's Recurring Bill Payment program transactions (updates, new entries, and record modifications included).
- Develop a system to assist with troubleshooting report reconciliation problems for Link2Gov payments.
- Modify the B&C generated invoices to include a numeric translation of the billing subsystem that stores the specific customer account number.

**c. Tele-Works, Inc. staff**

- Modify existing contact parameters to allow all account status customers to use the automated systems except accounts marked with fraud alerts.
- Modify the call flow to offer customer ability to speak with a representative for utility callers and a "please contact customer services during business hours" message for utility internet customers in a termination pending status.
- Authorize the credit card payment in real time the Link2Gov gateway.
- Modify the existing call flow and web page contents to publish and require approval of a convenience fee to make credit card payments and restate the fee as part of the total transaction amount before seeking credit authorization.
- Use the Link2Gov authorization code as part of the customer payment - confirmation process for phone and web customers.
- Modify the output file on the utility application to periodically update the City's Utility Billing system with payment information.
- Initiate the stored procedure that updates the parking citation database with real time payment information.

**d. Enforcement Technology staff**

- Initiate the stored procedure that updates the parking citation database with real time payment information.

### **III. Project Team Members / Responsibilities**

- The City of Long Beach Project Manager is responsible for planning, monitoring, facilitating, and communicating the project objectives and status on behalf of the City of Long Beach.
- The City of Long Beach Database Manager is responsible for coordinating and developing database access and processes for file export on behalf of the City of Long Beach.
- The City of Long Beach Applications Manager is responsible for scheduling and coordinating the interfaces with the City's Parking Citation and Cashiering systems.
- The City of Long Beach Network Manager is responsible for creating the sftp environment for file export and for code migration for Customer Acceptance and Production environments on behalf of the City of Long Beach.
- The City of Long Beach Applications Manager is responsible for scheduling and coordinating the City's mainframe programming effort.
- The City of Long Beach Applications Programmer is responsible for scheduling and coordinating the City's Teleworks integration effort on behalf of the City of Long Beach.
- The Teleworks Primary Application Manager is responsible for developing the IVR system and the interface to the City of Long Beach Payment Gateway.
- The Link2Gov Project Manager is responsible for planning, monitoring, facilitating, and communicating the project objectives and status on behalf of Link2Gov.
- The Link2Gov Database Manager is responsible for coordinating and developing database access and processes for file export on behalf of Link2Gov.
- The Link2Gov Network Manager is responsible for creating the sftp environment for file export and for code migration for Customer Acceptance and Production environments on behalf of Link2Gov.
- The Link2Gov Quality Assurance Manager is responsible for scheduling and coordinating internal Quality Assurance testing and assigning the client liaison during Customer Acceptance.
- The Link2Gov Development Manager is responsible for scheduling and coordinating the programming effort on behalf of Link2Gov.
- The Link2Gov Primary Application Programmer is responsible developing the IVR system and the interface to the Link2Gov Payment Gateway.
- The Link2Gov Merchant Boarding is responsible for building merchant ID's and building merchant and user profiles.

#### **IV. Application Implementation Project Phases**

Each application implementation will follow this path:

- Application requirements gathering and design
- Application development
- Data export development
- Internal Quality Assurance Testing
- External Customer Acceptance Testing
- Production Deployment

The City solution will be configured and delivered in five distinct phases, each with distinctive go-live dates.

- **Phase 1** – Utility Billing Phone and Web, Parking Citations Phone and Web
- **Phase 2** – Billing and Collections Phone and Web, Business License Phone and Web
- **Phase 3** – In-person cashiering software credit card processing gateway (replacement for IC Verify and establish an interface to the cashiering system)
- **Phase 4** – Utility and Marine Recurring Payments
- **Phase 5** – Hansen Interactive Voice Response System

Phase 1 must be in production no later than June 2006. Phases may run concurrently.

#### **V. Major Tasks by Discipline**

- Development
  - Create custom payment gateway component
  - Create IVR systems
  - Create web site systems
  - Create City's mainframe-based file management systems
  - Provide access to test environment
- Database
  - Create import file process
  - Create export file process
- Network
  - Create sftp environment for export files
  - Create user/password for client access to sftp

City of Long Beach Credit Card Processing Project Statement Of Work  
Version 1.0

- Perform Customer Acceptance & Production Migrations
- Quality Assurance
  - Perform internal testing
  - Maintain bug list and communicate to development
  - Approve move to Customer Acceptance
  - Create release notice
  - Approve move to Production



## **EXHIBIT A**

### **Relationship Managers responsibilities**

The Relationship Manager is a proactive client advocate responsible for your overall satisfaction. It is the Relationship Manager's primary role to listen to your needs, understand your goals, and identify appropriate solutions. The Relationship Manager will provide you with a single point of contact within the Link2Gov organization when you have questions, concerns, or suggestions. The Relationship Manager will also communicate industry changes that may impact your applications, as well as make product/service enhancement recommendations that might benefit your existing service offering. While this is not someone to contact for your day-to-day customer service issues, help desk questions, or other transaction related issues, the Relationship Manager will function as an interface and escalation point for these issues when needed.

### **Position Objective**

- Proactive single point of contact and overall management of 15- 20 of Link2Gov's customers to achieve meet 100% client retention, 100% client satisfaction and revenue growth by :
  - Maintaining in-depth knowledge of the customers specific strategy, needs or concerns
  - Leverage in-depth knowledge to identify cross-sell opportunities as well as potential threats to current revenue and communication with Link2Gov sales rep
  - Ensure that all concerns are addressed accurately, timely and to the customers satisfaction within the Link2Gov

### **Major Duties and Responsibilities**

- Meet regularly with assigned accounts and will monitor multiple aspects of the relationship including transaction volume, revenue generation and potential competitor threats.
- Establish the complete confidence of all levels within the customers organization
- Interface with all L2G departments to facilitate resolutions to customers needs or strategies
- Participate and/or facilitate meetings with sales as needed
- Proactively communicate all industry changes or product/service enhancements to customer
- Lead and facilitate any conversion projects for customer to new platforms or products.
- Facilitate any billing issues
- Ensure that customer meets contractual obligations and keep Link2Gov executives and sales aware of contract terms.
- Promote the use of Link2gov products and services as appropriate to meet customer objectives
- Develop and maintain account plan and major issue log for all clients
- Escalation point for customer service issues not being addressed promptly by L2G customer service department

### **What this position is NOT responsible for:**

- Taking day-to-day customer service calls on transaction questions.
- Contract negotiations and creation or completion of contracts

## **EXHIBIT A**

### **Relationship Managers responsibilities**

The Relationship Manager is a proactive client advocate responsible for your overall satisfaction. It is the Relationship Manager's primary role to listen to your needs, understand your goals, and identify appropriate solutions. The Relationship Manager will provide you with a single point of contact within the Link2Gov organization when you have questions, concerns, or suggestions. The Relationship Manager will also communicate industry changes that may impact your applications, as well as make product/service enhancement recommendations that might benefit your existing service offering. While this is not someone to contact for your day-to-day customer service issues, help desk questions, or other transaction related issues, the Relationship Manager will function as an interface and escalation point for these issues when needed.

### **Position Objective**

- Proactive single point of contact and overall management of 15- 20 of Link2Gov's customers to achieve meet 100% client retention, 100% client satisfaction and revenue growth by :
  - Maintaining in-depth knowledge of the customers specific strategy, needs or concerns
  - Leverage in-depth knowledge to identify cross-sell opportunities as well as potential threats to current revenue and communication with Link2Gov sales rep
  - Ensure that all concerns are addressed accurately, timely and to the customers satisfaction within the Link2Gov

### **Major Duties and Responsibilities**

- Meet regularly with assigned accounts and will monitor multiple aspects of the relationship including transaction volume, revenue generation and potential competitor threats.
- Establish the complete confidence of all levels within the customers organization
- Interface with all L2G departments to facilitate resolutions to customers needs or strategies
- Participate and/or facilitate meetings with sales as needed
- Proactively communicate all industry changes or product/service enhancements to customer
- Lead and facilitate any conversion projects for customer to new platforms or products.
- Facilitate any billing issues
- Ensure that customer meets contractual obligations and keep Link2Gov executives and sales aware of contract terms.
- Promote the use of Link2gov products and services as appropriate to meet customer objectives
- Develop and maintain account plan and major issue log for all clients
- Escalation point for customer service issues not being addressed promptly by L2G customer service department

### **What this position is NOT responsible for:**

- Taking day-to-day customer service calls on transaction questions.
- Contract negotiations and creation or completion of contracts

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