

RESOLUTION NO. 13-077

BE IT RESOLVED by the City Council of the City of Decatur Alabama, that it hereby approves the attached agreement with HP Enterprise Services, LLC, a Delaware limited liability company, to provide convenience pay services for certain customers and citizens that wish to pay monies owed to the City electronically; and accordingly the Mayor is authorized to execute such agreement on behalf of the City

ADOPTED this 1st day of April 2013.

HPES Services Agreement

This Services Agreement (the "Agreement") documents the business relationship between City of Decatur, AL ("Customer"), and HP Enterprise Services, LLC, a Delaware limited liability company ("HPES"), and describes the terms and conditions under which HPES will provide to Customer certain services on an as requested basis. The obligations of HPES set forth in this Agreement will be performed by HPES, itself and through its affiliates. HPES and Customer may be referred to in this Agreement individually as a "party" and together as the "parties". All capitalized terms not defined in the body of this Agreement shall have the meaning given to that term in the attached Attachment A which is incorporated herein.

1. Term. The term of this Agreement shall be for three (3) years, commencing on April 1, 2013 (the "Effective Date"), and, unless earlier terminated as provided in this Agreement, will continue through March 31, 2016; provided however, that the term shall renew itself automatically for additional one (1)-year terms unless either party provides prior written notice of nonrenewal at least sixty (60) days before expiration of the then-current term.

2. Services. During the term of this Agreement, in consideration of the payment and other Customer obligations, HPES will perform the services, and produce the deliverables, described in Attachment A (the "Services").

A. Change in Service Locations. Notwithstanding anything to the contrary in this Agreement, HPES may, in its sole discretion, perform the Services or any portion thereof from any location determined by HPES or relocate any software or equipment used by HPES to perform the Services provided, however, that any change in service location made by HPES in its sole discretion will not (i) materially and adversely impact HPES' ability to perform its obligations hereunder, (ii) increase Customer's fees or costs (unless HPES agrees to reimburse Customer for such increase) or (iii) materially and adversely impact the way in which Customer conducts its business or operations.

B. Use of Affiliates and Subcontractors. The Services will be performed by HPES, itself and through its affiliates. Subject to the other provisions of this Agreement, HPES may subcontract any portion of the Services to third parties. HPES will not disclose any confidential information of Customer to any unaffiliated subcontractor unless and until such subcontractor has agreed in writing to protect the confidentiality of such confidential information in the manner required by paragraph 7 and then only to the extent necessary for such subcontractor to perform those Services subcontracted to it. HPES will remain responsible for the obligations performed by any of its affiliates or subcontractors to the same extent as if such obligations were performed by HPES.

3. Representatives. HPES and Customer shall each maintain a representative who will be its primary point of contact in dealing with the other under this Agreement. Either party may change its representative by giving notice to the other of the new representative and the date upon which such change will become effective. In performing its obligations under this Agreement, HPES will be entitled to rely upon any routine instructions, authorizations, approvals or other information provided to HPES by Customer's representative or, as to areas of competency specifically identified by such representative, by any other Customer personnel identified by Customer's

representative, from time to time, as having authority to provide the same on behalf of Customer in such person's area of competency. Unless HPES knew of any error, incorrectness or inaccuracy in such instructions, authorizations, approvals or other information, HPES will incur no liability or responsibility of any kind in relying on or complying with any such instructions, authorizations, approvals or other information.

4. Customer's Role. In addition to the obligations set forth in the Agreement, Customer shall further have the obligations set forth in Attachment A.

5. Payment. In consideration for the performance of the Services, Customer will pay to HPES the charges set forth in Attachment B, which charges shall be subject to periodic adjustments as indicated therein. In addition, Customer shall pay or reimburse HPES for all taxes, assessments, duties, permits and fees, however designated, as further described in Attachment B, that are levied upon this Agreement. HPES will submit an invoice to Customer reflecting the amount owed to HPES by Customer, with such supporting documentation as Customer reasonably requests, and Customer shall pay the invoiced amount by the fifteenth (15th) day following the date of the invoice. Any past due amounts will bear interest until paid at a rate of interest equal to the lesser of (i) the prime rate established from time to time by the Wall Street Journal plus four percent (4%) or (ii) the maximum rate of interest allowed by applicable law. In addition, at HPES' request, Customer will provide HPES with an explanation of why an undisputed amount is not paid when due and a proposed payment plan for Customer to bring such past due amount current. All amounts will be payable to HPES electronically (either by wire transfer or ACH), in accordance with payment instructions provided by HPES from time to time, so as in each case to constitute immediately available funds by 12 noon, Plano, Texas time, on the payment date no matter what the method of payment. If a due date does not fall on a Business Day, payments must be received by HPES on or before on the Business Day prior to such date. Within ten (10) days of the date of the invoice on which a disputed amount appears, Customer will notify HPES in writing of the specific items in dispute and will describe in detail Customer's reason for disputing each such item. Within fifteen (15) days of HPES' receipt of such notice, the parties will negotiate in good faith pursuant to the provisions of paragraph 13 to reach settlement on any items that are the subject of such dispute. If Customer does not notify HPES of any items in dispute within such ten (10)-day period of time, Customer will be deemed to have approved and accepted such invoice. If any portion of an amount due to HPES under this Agreement is subject to a bona fide dispute between the parties as provided above, Customer will pay to HPES on the date such amount is due all amounts not disputed in good faith by Customer.

6. Employees. The HPES personnel performing the Services will be and remain the employees of HPES, and HPES will provide for and pay the compensation and other benefits of such employees, including salary, health, accident and workers' compensation benefits and all taxes and contributions which an employer is required to pay relating to the employment of employees. During the term of this Agreement and for a period of twelve (12) months thereafter, neither party shall solicit, directly or indirectly, for employment or employ any employee of the other who is or was involved in the performance of the Services without the prior written consent of the other.

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7. Confidentiality and Announcements. HPES and Customer agree to be bound by the confidentiality obligations set forth below and neither party may make any media release or other public announcement relating to or referring to this Agreement without the other's prior written consent.

A. Scope of Obligation. Except as otherwise expressly provided in this Agreement, HPES and Customer each agree that (a) all information communicated to it by the other and identified as confidential, whether before or after the date hereof, (b) all information identified as confidential to which it has access in connection with the Services, whether before or after the date hereof, and (c) this Agreement and the parties' rights and obligations hereunder, are and shall be deemed to have been received in confidence and will be used only for purposes of this Agreement, and each of HPES and Customer agrees to use the same means as it uses to protect its own confidential information, but in no event less than reasonable means, to prevent the disclosure and to protect the confidentiality thereof. No such information will be disclosed by the recipient party without the prior written consent of the other party; provided, however, that each party may disclose this Agreement and the other party's confidential information to those of the recipient party's attorneys, auditors, insurers (if applicable), subcontractors and full time employees who have a need to have access to such information in connection with their employment (or engagement, if applicable) by the recipient party, so long as the recipient party requires, in the case of its attorneys, auditors and insurers, that each of them execute a confidentiality agreement containing terms and conditions no less restrictive than those set forth in this paragraph 7 and advises, in the case of its subcontractors and employees, each such subcontractor and employee of the confidentiality obligations set forth in this paragraph 7. In any event, compliance by each of the persons referenced in the preceding sentence with the confidentiality obligations set forth in this paragraph 7 will remain the responsibility of the party employing or engaging such persons.

B. Exceptions. The foregoing shall not prevent either party from disclosing information that belongs to such party which: (i) is already known by the recipient party without an obligation of confidentiality other than under this Agreement, (ii) is publicly known or becomes publicly known through no unauthorized act of the recipient party, (iii) is rightfully received from a third party, (iv) is independently developed without use of the other party's confidential information or (v) is disclosed without similar restrictions to a third party by the party owning the confidential information. If confidential information is required to be disclosed pursuant to a requirement of a governmental authority, such confidential information may be disclosed pursuant to that requirement so long as the party required to disclose the confidential information, to the extent reasonably possible, provides the other party with timely prior notice of such requirement and coordinates with such other party in an effort to limit the nature and scope of such required disclosure. If confidential information is required to be disclosed in connection with the conduct of any arbitration proceeding carried out pursuant to paragraph 13 of this Agreement, such confidential information may be disclosed pursuant to and in accordance with the approval and at the direction of the mediator or arbitrator, as the case may be, conducting such proceeding. Upon written request at the expiration or termination of this Agreement for any reason, all documented confidential information (and all copies thereof) owned by the requesting party will be returned to the

requesting party or will be destroyed, with written certification thereof being given to the requesting party. The provisions of this paragraph 7 shall survive the expiration or termination of this Agreement for any reason. Notwithstanding the foregoing, HPES may disclose this Agreement and other confidential information to which it has access hereunder to professional advisers, financial institutions and other third parties in connection with any transaction entered into to provide financing related to this Agreement or the obligations of HPES hereunder, so long as each of them execute a confidentiality agreement containing terms and conditions no less restrictive than those set forth in this paragraph 7. Notwithstanding anything herein to the contrary, each party to this Agreement (and each affiliate, officer, employee, director, advisor, representative, or other agent of such party) is, and has been from commencement of discussions, permitted to (i) disclose to any and all persons, without limitation of any kind, the U.S. federal income tax treatment and tax structure of the transactions contemplated by this Agreement and all materials of any kind (including opinions or other tax analyses) that are provided to such party relating to such tax treatment and tax structure, and (ii) consult any tax advisor regarding the U.S. federal income tax treatment or tax structure of such transactions; provided that, with respect to any document (or similar item) that contains information in addition to information that relates to the tax treatment or tax structure of such transactions, this exception to any requirement of confidentiality allows such disclosure and consultation only with respect to such portions of the document or similar item that relate to the tax treatment or tax structure of the transactions.

C. Privacy Laws. The parties acknowledge and agree that Customer will be and remain the controller of the information relating to Customer and its customers (the "Customer Data") for purposes of all applicable laws relating to data privacy, personal data, transborder data flow and data protection (collectively, the "Privacy Laws"), with rights under such laws to determine the purposes for which the Customer Data is processed, and nothing in this Agreement will restrict or limit in any way Customer's rights or obligations as owner and/or controller of the Customer Data for such purposes. As controller of the Customer Data, Customer is directing HPES to process the Customer Data in accordance with the terms of this Agreement, and is consenting to HPES' access to the Customer Data for such purpose. The parties also acknowledge and agree that HPES may have certain responsibilities prescribed as of the date hereof by applicable Privacy Laws as a processor of the Customer Data, and HPES hereby acknowledges such responsibilities to the extent required thereby for processors of data and agrees that such responsibilities will be considered as a part of the Services to be provided by HPES under this Agreement. In the event that Privacy Laws to which the activities contemplated by this Agreement are subject are modified or new Privacy Laws that are applicable to such activities come into effect, HPES will work with Customer in an effort to continue to comply with such Privacy Laws, as so modified or added, but to the extent that such modifications or additions expand the scope or increase the cost of the activities previously undertaken by HPES pursuant to this paragraph 7, HPES will, at Customer's reasonable request, provide such additional activities as additional services, but only to the extent that the parties have reached agreement regarding the nature and scope of such services, the period of time during

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which such services will be provided and the basis upon which HPES will be compensated therefor.

8. Warranties and Additional Covenants. HPES and Customer shall have the obligations relating to warranties and additional covenants set forth below:

A. Performance. HPES represents and warrants that all Services will be performed in a professional and workmanlike manner.

B. Disclaimer. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS PARAGRAPH 8, HPES MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, REGARDING ANY MATTER, INCLUDING THE MERCHANTABILITY, SUITABILITY, ORIGINALITY, FITNESS FOR A PARTICULAR USE OR PURPOSE, OR RESULTS TO BE DERIVED FROM THE USE, OF ANY INFORMATION TECHNOLOGY SERVICE, SOFTWARE, HARDWARE OR OTHER MATERIALS PROVIDED UNDER THIS AGREEMENT. HPES DOES NOT REPRESENT OR WARRANT THAT THE OPERATION OF ANY SUCH SERVICE, SOFTWARE, HARDWARE OR OTHER MATERIALS WILL BE UNINTERRUPTED, OR ERROR-FREE.

C. Laws and Regulations. HPES agrees to comply with all laws currently in effect that are applicable to HPES' performance of the Services under this Agreement. The parties acknowledge that the pricing of all Services under this Agreement is based on the laws, rules and regulations applicable to the business, assets or operations of Customer (collectively, the "Applicable Laws") at the date of this Agreement. Customer will promptly advise HPES of any change in the Applicable Laws (including any change in the interpretation thereof by a competent court, agency or similar body) or the adoption of additional Applicable Laws (collectively, the "New Requirements") that requires changes to Services, changes to software or additional software. HPES may add to the charges, due from Customer for Services, all reasonable charges for changes to the Services or software arising from the New Requirements. If the New Requirements are generally applicable to other customers of HPES, then such additional charges will be allocated among Customer and such other customers on an equitable basis.

9. Ownership. Each party retains all rights it possessed prior to the date of this Agreement in any software, ideas, concepts, know-how, development tools, techniques or any other proprietary material or proprietary information that may be used by such party in connection with its role relating to the performance of the Services. All software that is licensed by a party from a third party vendor will be and remain the property of such vendor. Notwithstanding anything to the contrary in this Agreement, HPES: (i) will retain all right, title and interest in and to all development tools, know-how, methodologies, processes, software, technologies or algorithms used in performing the Services, if any, which are based on trade secrets or proprietary information of HPES or are otherwise owned or licensed by HPES, (ii) will be free to use the ideas, concepts and know-how which are developed in the course of performing the Services and may be retained by HPES' employees in intangible form and (iii) will retain ownership of any HPES-owned software or development tools that are used in providing Services. Subject to the obligations set forth in paragraph 7, each of the parties will be free to use such ideas, concepts and know-how which are

developed by it in the course of performing its obligations under this Agreement and which may be retained by its employees in intangible form. No licenses will be deemed to have been granted by either party to any of its patents, trade secrets, trademarks or copyrights, except as otherwise expressly provided in this Agreement. Nothing in this Agreement shall require HPES or Customer to violate the proprietary rights of any third party in any software or otherwise.

10. Termination.

A. If either party materially or repeatedly defaults in the performance of any of its obligations under this Agreement, and such default (a) is of a non-monetary nature and is not substantially cured within sixty (60) days after notice is given to the defaulting party specifying the default or, with respect to those defaults that cannot reasonably be cured within sixty (60) days, should the defaulting party fail to proceed within sixty (60) days to commence curing the default and thereafter to proceed with all reasonable diligence to substantially cure the default, or (b) is related to an obligation to make payments to the other party hereunder and is not cured within ten (10) days after notice is given to the defaulting party specifying the default, the party not in default may, by giving notice thereof to the defaulting party, terminate this Agreement as of a date specified in such notice of termination. Upon expiration or termination of this Agreement for any reason, HPES will cease to perform the Services, and Customer will pay to HPES all sums due to HPES as a result of the services performed prior to such expiration or termination (prorated as appropriate). Expiration or termination of this Agreement for any reason will not release either party from any liabilities or obligations set forth in this Agreement which (a) the parties have expressly agreed will survive any such expiration or termination or (b) remain to be performed or by their nature would be intended to be applicable following any such expiration or termination.

B. Either party may terminate a portion of this Agreement without cause, effective immediately, upon written notice to the other party if: (i) either party receives notice from a state or federal regulatory body that such portion is unlawful, invalid or unenforceable, (ii) any Card Company or Credit/Debit Card Acquirer informs either party that any portion of this Agreement is in violation of the respective Card Company bylaws or operating rules or (iii) any Card Company or Credit/Debit Card Acquirer terminates the Merchant Services Agreement (as defined in the attached Attachment A) between Customer and such Card Company or Credit/Debit Card Acquirer.

11. Indemnities. HPES and Customer shall have the indemnity obligations set forth herein.

A. General. Subject to paragraph 12 and the limitations set forth below in this paragraph 11A and the procedures set forth below in paragraph 11D, HPES and Customer each agree to defend the other party against any action to the extent that such action is based upon a claim that the software (other than third party software) or confidential information provided by the indemnitor, or any part thereof, (i) infringes a copyright perfected under United States statute, (ii) infringes a patent granted under United States law or (iii) constitutes an unlawful disclosure, use or misappropriation of another party's trade secret. The indemnitor will bear the expense of such defense and pay any damages and attorneys' fees that are attributable to such claim finally awarded by a court of

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competent jurisdiction.

B. Exclusions. Neither HPES nor Customer will be liable to the other for claims of indirect or contributory infringement. In particular, the indemnitor will have no liability to the indemnitee hereunder if any claim of infringement is based upon the use of software provided by the indemnitor hereunder in connection or in combination with equipment, devices or software not supplied by the indemnitor or used in a manner for which the software was not designed. Also, the indemnitor will have no liability if the indemnitee modifies any software provided by the indemnitor hereunder and such infringement would not have occurred but for such modification, or uses the software in the practice of a patented process and there would be no infringement in the absence of such practice, or such claim arises out of the indemnitor's compliance with specifications provided by the indemnitee and such infringement would not have occurred but for such compliance.

C. Additional Remedy. If software or confidential information becomes the subject of an infringement claim under paragraphs 11A through 11C, or in the indemnitor's opinion is likely to become the subject of such a claim, then, in addition to defending the claim and paying any damages and attorneys' fees as required in these paragraphs 11A through 11C, the indemnitor will either (A) replace or modify the software or confidential information to make it noninfringing or cure any claimed misuse of another's trade secret or (B) procure for the indemnitee the right to continue using the software or confidential information pursuant to this Agreement. Any costs associated with implementing either of the above alternatives will be borne by the indemnitor but will be subject to paragraph 12. If neither option is available to the indemnitor through the use of reasonable, diligent efforts, (x) the indemnitee will return such software or confidential information to the indemnitor and (y) if requested by the indemnitee in good faith, the parties will negotiate, pursuant to paragraph 13 of this Agreement but subject to paragraph 12 of this Agreement, to reach a written agreement on what, if any, monetary damages (in addition to the indemnitor's obligation to defend the claim and pay any damages and attorneys' fees as required above in paragraphs 11A through 11C are reasonably owed by the indemnitor to the indemnitee as a result of the indemnitee no longer having use of such software or confidential information.

D. Procedures. The indemnification obligations set forth in this paragraph 11 will not apply unless the party claiming indemnification: (a) notifies the other promptly in writing of any matters in respect of which the indemnity may apply and of which the notifying party has knowledge, in order to allow the indemnitor the opportunity to investigate and defend the matter; provided, however, that the failure to so notify will only relieve the indemnitor of its obligations under this paragraph 11 if and to the extent that the indemnitor is prejudiced thereby; and (b) gives the other party full opportunity to control the response thereto and the defense thereof, including any agreement relating to the settlement thereof; provided, however, that the indemnitee will have the right to participate in any legal proceeding to contest and defend a claim for indemnification involving a third party and to be represented by legal counsel of its choosing, all at the indemnitee's cost and expense. However, if the indemnitor fails to promptly assume the defense of the claim, the party entitled to indemnification may assume the defense at the indemnitor's

cost and expense.

The indemnitor will not be responsible for any settlement or compromise made without its consent, unless the indemnitee has tendered notice and the indemnitor has then refused to assume and defend the claim and it is later determined that the indemnitor was liable to assume and defend the claim. The indemnitee agrees to cooperate in good faith with the indemnitor at the request and expense of the indemnitor.

E. The above provisions notwithstanding to the extent allowed by Alabama law, both parties acknowledge cities in Alabama are not authorized to indemnify and the Customer will only indemnify to the extent allowed by law.

12. Liability. HPES' liability to Customer for any damages arising out of or related to this Agreement, regardless of form of action that imposes liability, whether in contract, equity, negligence, intended conduct, tort or otherwise, will be limited to and not exceed, in the aggregate for all claims, actions and causes of action of every kind and nature for the amount of the Convenience Fees under this Agreement for the most recent twelve (12) months at the time the first event giving rise to such liability arose. HPES will not be liable for, any amounts consisting of or attributable to loss of income, goodwill, profit or savings or for indirect, incidental, consequential, exemplary, punitive or special damages of any party, including third parties, even if HPES has been advised of the possibility of such damages in advance. Each party will have a duty to mitigate damages for which the other party is responsible. No claim, demand for arbitration or cause of action which arose out of an event or events which occurred more than two (2) years prior to the cause of action which arose out of an event or events which occurred more than two (2) years prior to the filing of a demand for arbitration or suit alleging a claim or cause of action may be asserted by either party against the other. The provisions of this paragraph 12 will survive the expiration or termination of this Agreement for any reason. Notwithstanding anything set forth in this paragraph 12 to the contrary, in the event that any Services provided to Customer are inaccurate, incomplete, incorrect, or otherwise defective due solely to HPES' fault or negligence, Customer's sole and exclusive remedy shall be for HPES to correct such defect without charge to Customer, provided that HPES has received written notice of such defect from Customer within ten (10) Business Days from the date of which the Customer become aware of, or should have become aware of, such defect. HPES shall have no other or further liability to Customer for defective Services.

13. Arbitration. Any dispute, controversy or claim arising under, out of, in connection with or in relation to this Agreement, or the breach, termination, validity or enforceability of any provision hereof (a "Dispute"), if not resolved informally through negotiation between the parties, will be resolved by final and binding arbitration conducted in accordance with and subject to the Commercial Arbitration Rules of the American Arbitration Association then applicable. One arbitrator will be selected in accordance with such rules, and the arbitrators will allow such discovery as is appropriate, consistent with the purposes of arbitration in accomplishing fair, speedy and cost effective resolution of disputes. The arbitrator will reference the rules of evidence of the Federal Rules of Civil Procedure then in effect in setting the scope of discovery. Judgment upon the award rendered in any such arbitration may be entered in any court having jurisdiction thereof, or application may be made to such court for a judicial acceptance of the award and enforcement, as

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the law of such jurisdiction may require or allow. Any arbitration conducted pursuant to this paragraph 13 will take place in the state of Alabama. Other than those matters involving injunctive relief or any action necessary to enforce the award of the arbitrator, the parties agree that the provisions of this paragraph 13 are a complete defense to any suit, action or other proceeding instituted in any court or before any administrative tribunal with respect to any Dispute or the performance of the Services by HPES. Nothing in this paragraph 13 prevents the parties from exercising their right to terminate this Agreement in accordance with paragraph 10.

14. Excused Performance. Neither party shall be deemed to be in default hereunder, or will be liable to the other, for failure to perform any of its obligations under this Agreement (other than the obligation to make payments hereunder with respect to Services that have been performed) for any period and to the extent that such failure results from acts or omissions of the other party or third parties, natural disasters, riots, war, civil disorder, court order, acts or regulations of governmental bodies, labor dispute or any other causes beyond that party's reasonable control (including failures or fluctuations in electrical power, heat, light, air conditioning or telecommunications equipment or lines) and which it could not have prevented by reasonable precautions or could not have remedied by the exercise of reasonable efforts; provided that the party claiming excuse from performance informs the other party promptly and uses reasonable efforts under the circumstances to correct the deficiency.

15. Right to Engage in Other Activities. Customer acknowledges and agrees that HPES may provide data processing and other information technology services for third parties at any HPES facility that HPES may utilize from time to time for performing the Services. Nothing in this Agreement will impair HPES' right to acquire, license, market, distribute, develop for itself or others or have others develop for HPES similar technology performing the same or similar functions as the technology and Services contemplated by this Agreement.

16. Notices. All notices under this Agreement will be in writing and will be deemed to have been duly given if delivered personally or by a nationally recognized courier service, faxed or mailed by registered or certified mail, return receipt requested, postage prepaid, to the parties at the addresses set forth herein. All notices under this Agreement that are addressed as provided in this paragraph 16, (a) if delivered personally or by a nationally recognized courier service, will be deemed given upon delivery, (b) if delivered by facsimile, will be deemed given when confirmed and (c) if delivered by mail in the manner described above, will be deemed given on the fifth (5th) Business Day after the day it is deposited in a regular depository of the United States mail. Either party may change its address or designee for notification purposes by giving notice to the other of the new address or designee and the date upon which such change will become effective.

17. Export Regulations. This Agreement is expressly made subject to any United States government laws, regulations, orders or other restrictions regarding export from the United States of computer hardware, software, technical data or other items, or derivatives of such hardware, software, technical data or other items. Each party will reasonably cooperate with the other and will provide to the other promptly upon request any documents as are reasonably requested to obtain approvals, consents, licenses and/or permits required for any payment or

any export or import of products or services under this Agreement. The provisions of this paragraph 17 will survive the expiration or termination of this Agreement for any reason.

18. Other. Where agreement, approval, acceptance or consent of either party is required by this Agreement, such action will not be unreasonably withheld or delayed. If any provision (other than a provision relating to any payment obligation) of this Agreement or the application thereof to any persons or circumstances is, to any extent, held invalid, unenforceable, or unlawful, or if any Card Company or Credit/Debit Card Acquirer informs either party that any portion of this Agreement is in violation of the respective Card Company by-laws or operating rules, the remainder of this Agreement or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable will not be affected thereby, and each provision of this Agreement will be valid and enforceable to the extent permitted by law or the respective operating rules and by-laws. The provisions of this Agreement will be given equal weight regardless of the order in which they appear herein. Nothing in this Agreement may be relied upon or will benefit any party other than HPES and Customer. This Agreement (a) will be governed by the substantive laws of the State of Alabama (without giving effect to any choice-of-law rules that may require the application of the laws of another jurisdiction), (b) may not be assigned by either party without the prior written consent of the other and (c) together with the attachments hereto (each of which are incorporated into this Agreement by this reference), constitutes the entire agreement of the parties with respect to the subject matter hereof, superseding all previous representations, understandings or agreements with respect thereto.

In Witness Whereof, the parties have duly executed and delivered this Agreement as of the Effective Date.

HP ENTERPRISE SERVICES, LLC

By: _____

Title: Account Manager

Print Name: Tom Jackson

Address: 5400 Legacy Drive

Plano, TX 75024

Date: _____

City of Decatur, AL

By: _____

Title: _____

Print Name: _____

Address: _____

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Date: _____

Attachment A Services

1. DEFINITIONS

Whenever used in this Attachment A, the words and phrases listed below shall have the meanings given below. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the Agreement.

EFT – Electronic Funds Transfer. Automated debit from the Cardholder's checking or savings account.

Business Day - Each weekday, Monday through Friday, which is not a holiday of the United States Federal Reserve System.

Card Company- An association, such as Visa U.S.A. Inc. or MasterCard International, Incorporated that operates an interchange system for exchanging information, transactions, money and other items on a standardized and consistent basis between member financial institutions with respect to Credit/Debit Card payment transactions.

Cardholder – Owner of the payment instrument being used. In the case of Credit/Debit Card transactions this is the responsible party for the card. In the case of EFT transactions, this is responsible party or owner of the checking or savings bank account.

Chargeback – The challenge of a transaction that is challenged by a Cardholder or merchant bank, which is sent back through interchange to the bank of account (Cardholder or merchant) for resolution. Such challenge can be for all or any portion of a transaction, whether or not such dispute is valid.

Convenience Fee – A fee charged by Cardholders of Customer for the use of the Services as set forth in Attachment B.

Credit/Debit Card – A VISA-branded, MasterCard-branded or other mutually agreeable Credit/Debit Card issued by a financial institution in accordance with the rules and regulations of the Card Company.

Credit/Debit Card Acquirer – Any financial institution providing services related to those in this Agreement, which is a member bank of Visa or MasterCard national bank card associations and provides "merchant bank" acquiring services which enable consumers and businesses to use Credit/Debit Cards and/or Discover and American Express merchant financial institutions, as applicable.

Credit/Debit Card Issuer – Any financial institution, which is a member bank of Visa or MasterCard National bankcard associations and provides Credit/Debit Cards to consumers and businesses used to purchase goods and services from merchants sponsored by Visa and MasterCard merchant financial institutions.

IVRS (Interactive Voice Response System) – An automated telephone response System, accessible by Cardholders for the initiation of Payment Requests, that presents a series of choices to the caller, and to which the caller responds by pushing buttons on the touch-tone telephone.

Merchant Services Agreement – An agreement between the Credit/Debit Card Acquirer and Customer establishing the

authority for the Customer to accept Credit/Debit Cards as a means for payment for goods and services. The authority is granted with the condition that the Customer follow established Card Company operating rules and regulations.

Remittance – An amount remitted by a Card Company in connection with payment by a Cardholder to the Customer or payment of a Convenience Fee transaction.

Retrieval Request – Requests initiated by a Cardholder or his Credit/Debit Card Issuer, for information regarding specific charges to his Credit/Debit Card account for the Customer bill payment or Convenience Fee.

Returns - Customer's initiated reversal of a Credit/Debit Card charge or an EFT payment to a Cardholder's account.

Settlement – The process by which the funds for Cardholder transactions are passed from Credit/Debit Card Issuers to Credit/Debit Card Acquirers or from the settlement bank to the Customer.

System or Systems – Are (i) computer programs, including without limitation software, firmware, application programs, operating systems, files and utilities; (ii) supporting documentation for such computer programs, including without limitation input and output formats, program listings, narrative descriptions, operating instructions and procedures, user and training documentation and special forms; and (iii) the tangible media upon which such programs are recorded, including without limitation chips, tapes, disks and diskettes.

All other capitalized terms in this attachment, other attachments or elsewhere shall have the meaning given to that term in the Agreement.

2. GENERAL DESCRIPTION OF CONVENIENCE PAY SERVICES PROGRAM

In general, but subject to the more detailed description of HPES' and Customer's obligations elsewhere in this Agreement, the Services is a merchant bill payment service whereby a Cardholder uses an IVRS or an HPES Internet site (paybill.com/<Customer choice>) to request a payment transaction to Customer by means of a charge against a Credit/Debit Card or an EFT debit (the "Payment Request") in accordance with HPES' and Customer's procedures. Concurrently, the Cardholder or Customer shall be charged the applicable fee for use of the Services as set forth in Attachment B (the "Convenience Fee") in connection with using the Services as described herein. The portal to accept Payment Requests is available twenty-four (24) hours a day, seven (7) days per week except for scheduled maintenance. System downtime will not exceed two percent (2%) of the time, not including scheduled maintenance, during the term of the Agreement. HPES is not responsible for the availability of the Internet or the Customer's Systems.

Payment Requests processed hereunder will be subject to the appropriate approval, by or on behalf of the Credit/Debit Card Issuer of a transaction for a merchant or another affiliate bank (each, an "Authorization") and other policies and security procedures established by HPES or Credit/Debit Card Acquirer or Issuer from time to time or otherwise agreed to in writing by the parties. The IVRS and Internet site will initiate an on-line Authorization request through the respective Credit/Debit Card

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Issuer for payment of the Customer bill and the Convenience Fee amounts. EFT Payment Requests will verify the bank routing and transit number. The IVRS and Internet site will provide a confirmation number to Cardholder to confirm acceptance and processing of the bill payment transaction if the Payment Request was accepted. If a Payment Request was declined, the IVRS or the website will instruct the Cardholder to contact their Credit/Debit Card Issuer. Payment to Customer will not be processed if payment of the Convenience Fee is not also approved. In addition, HPES, on behalf of Customer, at the request of Customer, will deny a Credit/Debit Card or EFT payment based on a prior Chargeback or an EFT transaction that was returned and not authorized by the bank of the Cardholder (a "Returned EFT Item"). HPES shall not process payment transactions manually, except for correcting rejected transactions and processing adjustments.

HPES will provide support for Customer's customer service staff during HPES' standard business hours from 7:00 a.m. to 7:00 p.m. CST. Customer service will consist of responding to inquiries concerning such matters as payment verification, reconciliation, accounting, Remittance Data Files, and general Services operation delivery questions. HPES shall make a commercially reasonable attempt to respond to all Customer inquiries by the end of the next Business Day after notification. In cases where inquiries cannot be resolved by the end of the next Business Day, HPES shall keep a record of all actions that require more than twenty-four (24) hours to resolve and present these issues to the Customer representative.

3. SCRIPT PROMPTS, INTERNET SITE AND PARAMETERS

The script prompts, Internet site and parameters shall be described in the Customer set-up sheet provided to Customer at implementation. Customer shall approve all IVRS scripts in use and the Internet site to be used, hereunder, prior to implementation. Any customized changes to the standard script prompts, the Internet site and parameters listed in the set-up sheets require a three (3)-week lead-time. With respect to customized changes, HPES will respond with the estimated time to make the change in seven (7) Business Days. Such charges will be in accordance with the fee schedule set forth in Attachment B, Section B-2.

4. REMITTANCE DATA FILE AND REPORT DELIVERY

A data file that includes both summary and detail of all Cardholders' initiated payment transactions reflecting payments processed during the current Business Day shall be created after each Business Day's Settlement cut-off time (a "Remittance Date File") and should be delivered electronically to Customer no later than 4:00 p.m. CST. Files will be in HPES' standard flat file format unless mutually agreed to otherwise, which may result in an additional charge. HPES shall retain each Remittance Data File for a minimum of thirty (30) days and retransmit the Remittance Data File in the event of an unsuccessful Transmission or upon request of Customer. HPES shall retain a record of all Customer payment data for the greater of (a) a period of three (3) years or (b) as required by state law, statutes and/or federal regulations. At the end of each Business Day, HPES will submit batch close transactions electronically to the appropriate Credit/Debit Card Acquirer and send all EFT transactions electronically to the appropriate banks. Customer is responsible for accessing and retrieving the Remittance Date File. The Remittance Date File will have the following reports:

i. Financial Control shows the processing, verifying, and monitoring of Credit/Debit Card and EFT transactions from Cardholder by HPES. HPES will provide Customer with accurate payment detail to allow for timely and accurate posting of the Cardholder accounts.

ii. Daily Payment Detail shows the detail and totals of all payments processed by HPES and shall include Cardholder's Customer account number, payment amount, payment type, date and time of the payment, payment type used (specific Credit/Debit Card type or EFT), confirmation number, Convenience Fee amount.

iii. Daily Payment Summary shows the daily totals of all payments and Customer Settlement transactions processed by HPES and submitted for Settlement, on behalf of Customer and shall include amount and volume by, payment type used (specific Credit/Debit Card type or EFT), and processed through each Business Day.

iv. Daily Detail – Adjustments shows the account detail and daily totals of all Customer initiated Returns, Returned EFT Items and Credit/Debit Card Issuer Chargebacks received and processed by HPES and shall include Cardholder's Customer account information, payment amount, payment type (Credit/Debit Card type used or EFT), Return or Chargeback code, original payment date, and confirmation number.

5. ADJUSTMENT PROCESSING - RETRIEVALS, CHARGEBACKS, REFUNDS and RETURNED EFT ITEMS

HPES will from time to time provide adjustment services for the handling of Credit/Debit Card Retrieval Requests, Chargebacks and Return EFT Items received from the Credit/Debit Card Acquirer or a bank. Upon receipt of a Retrieval Request, HPES will provide information, reasonably required, to satisfy the Retrieval Request. In the event that the Retrieval Request is asking for missing name and/or address information, HPES will attempt to obtain this information from Customer. It is Customer's option to comply with the request or not. If Customer elects to complete this information, Customer shall complete the name and address information and return it to HPES within one (1) Business Day. The processed Chargeback transaction(s) provided by the Credit/Debit Card Acquirers will be detailed on the daily Financial Report and Remittance Data File provided to the Customer. HPES can, at Customer's option, provide stop payment security parameters to block the use of a Credit/Debit Card, bank account, or Customer account number that has been involved in a previous Chargeback or Return situation.

6. ADDITIONAL HPES RESPONSIBILITIES

HPES will provide support, maintenance and updates for the IVRS equipment, IVRS Systems, IVRS software, IVRS database(s) and Internet site if provided by HPES. HPES will monitor call volumes and Internet site hits, IVRS and Internet system performance, and maintain adequate personnel and Systems resources to provide Services. HPES shall maintain records of each payment using the Services and such records shall include: (i) information required to produce the reports specified in herein and (ii) material complaints concerning Services. HPES will provide at least sixty (60) days advance

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written notice to Customer of any changes or enhancements to the HPES System where such changes alter the way of use or process for the Customer Cardholder and Customer. HPES will provide written notice to Customer of any changes that may affect Customer's ability to use the Services.

7. ADDITIONAL CUSTOMER RESPONSIBILITIES

Customer shall, at its own cost and expense: (A) comply with (i) all state and federal laws and regulations which affect the Services provided hereunder, (ii) the Merchant Services Agreement(s) between Customer and any Card Company or Credit/Debit Card Acquirer and their applicable by-laws, regulations and operating rules, (iii) HPES' operating policies and procedures for the Services and (iv) written materials, advice and technical information provided in connection with the Services provided hereunder; (B) distribute, inspect, and review all reports created from information transmitted or delivered by HPES and reject all incorrect reports within two (2) Business Days after receipt thereof for daily reports and within three (3) Business Days after receipt thereof for other than daily reports; provided, however, that with respect to information related to Chargebacks and retrievals, Customer shall review and respond promptly to such information in accordance with the operating rules of the Card Companies, if applicable; however, notwithstanding the foregoing time limits, Customer shall promptly inform HPES of any errors, deficiencies, or irregularities reflected in any such statements that Customer discovers. Failure to so reject any report collected from such information shall constitute acceptance thereof. Customer shall indemnify and hold harmless HPES from and against any and all taxes, assessments, duties, permits, fees, or other charges of any nature or kind that Customer is responsible to pay, or is liable for, as well as, any additions to tax, penalties, interest, fees, or other expenses, if any, incurred by HPES as the result of any such taxes, assessments, duties, permits, fees, or other charges not being paid at the time or in the manner required by applicable law, or any taxes, assessments, duties, permits, fees, or other charges of any nature or kind that are imposed upon or related to any payment by a Cardholder, and goods and services sold by Customer to Cardholders. Customer agrees to indemnify, defend and hold HPES harmless from any and all third party claims, actions, damages, liabilities, costs, and expenses, including without limitation reasonable attorneys' fees and expenses ("Losses"), arising out of the Customer's activities in connection with its Merchant Services Agreement (including, without limitation, any Losses related to Chargebacks or reversals of transactions by Cardholders). The provisions of this paragraph shall survive the term or termination of the Agreement for any reason.

Attachment B Payment

B-1. Cardholder Charges. For use of the Services under this Agreement, the Cardholder or the Customer, as designated below will be charged a Convenience Fee for electing to use the Services pay-by-phone and pay-by-Internet services or via EFT. The Convenience Fee will be assessed to the Cardholder's Credit/Debit Card account as a line item on their Credit/Debit Card statement separate from the bill payment amount. The EFT Convenience Fee is separate from the bill payment amount deducted from their bank account.

The Convenience Fee is subject to change effective for Cardholder transactions submitted on or after the effective date of the modification, upon at least thirty (30) days' prior written notice to Customer:

Each Credit/Debit Card Convenience Fee is 2.95% of the average payment amount, with a minimum payment amount of \$2.50.

The EFT Convenience Fee is \$2.50 regardless of payment amount.

B-2. Customer Charges. The following table sets forth fees payable to HPES by Customer with respect to the Services.

HPES Fee Schedule

Service Description	Fee Schedule
Service Implementation Fee	\$ 750 – One time-- Waived
Service Monthly Minimum Fee	\$75 / month-- Waived
IVRU Voice Recording Fee **	\$500 / per occurrence for English
IVRU Voice Recording Fee **	\$750 / per occurrence for Spanish
Technical and Business Development Man-Rates ***	\$153 / hour + actual travel and living expenses

HPES charges hereunder will be increased annually on the anniversary date of the Effective Date of this Agreement by the percentage increase (since the Effective Date or previous anniversary date, applicable) in the Employment Cost Index (not seasonally adjusted) for Total Compensation, Private Industry Workers, Management, Professional and Related, excluding incentive paid occupations, December 2005 = 100 (the "ECI"). The ECI is published by the Bureau of Labor Statistics for the U.S Department of Labor.

** The Service Implementation Fee includes the initial IVRS Voice Recording. Once Customer signs off on the IVRS script, any future custom script modifications may be billed according to the HPES Fee Schedule. Changes to the IVRS script to reflect modifications by HPES to the Convenience Fee will

be implemented without charge to Customer hereunder.

*** The Service Implementation Fee includes the technical support needed to establish standard Services. Should Customer require customization of the IVRS script, reports or Remittance Data File formats during or after implementation, then the corresponding Technical and Business Development Man-Rates will apply.

B-3. Taxes

There will be added to any charges under this Agreement, or separately billed, and Customer will either pay to HPES, or reimburse HPES for the payment of, amounts equal to any taxes, assessments, duties, permits, fees and other charges of any kind, however designated, assessed, charged or levied, based on, with respect to or measured by (a) such charges, (b) this Agreement or (c) the Services, software, equipment, materials or other property (tangible or intangible), or the use thereof or the resources used therefor, that are provided under this Agreement. Charges payable under this Section B-3 include state and local sales taxes, use taxes, property taxes, privilege taxes, excise taxes (including federal excise taxes), value added taxes and any taxes or amounts in lieu thereof paid or payable by HPES in respect of the foregoing, exclusive however, of taxes based on the net income of HPES.