

ATTACHMENT A

**CONTRACT FOR
PURCHASE OF MATERIALS AND/OR SERVICES**

Contract No. 2015-45

This Contract is entered into this 6th day of January, 2015 by and between the City of Flagstaff, a political subdivision of the State of Arizona ("City"), and Paymentus Corporation of Charlotte, NC, ("Contractor").

WHEREAS, the City of Flagstaff desires to receive, and Contractor is able to provide materials and/or services;

NOW THEREFORE, in consideration for the mutual promises contained herein, the parties agree as follows:

Scope of Work: Contractor shall provide the materials and/or services generally described as follows:

UTILITY PAYMENT, BILL PRESENTMENT and NOTIFICATION SERVICES

and as more specifically described in the scope of work attached hereto as **Exhibit A.**

Standard Terms and Conditions: The City of Flagstaff Standard Terms and Conditions, attached hereto as **Exhibit B** are hereby incorporated in this Contract by reference. Contractor hereby warrants that it has read and agrees to the same.

Contract Term: The Contract term is for a period of one (1) year, commencing on January 15th, 2015 and continues through January 14th, 2016.

Renewal: This Contract may be renewed for up to four (4) additional one (1) year terms by mutual written consent of the parties. The City Manager or his designee (the Purchasing Director) shall have authority to approve renewal on behalf of the City.

Compensation: In consideration for the Contractor's satisfactory performance of the work, City shall pay Contractor in accordance with the Price Schedule attached hereto as **Exhibit A.**

Price Adjustment: If price adjustments are permitted (see Exhibit A), any price adjustment must be approved by the City in writing, pursuant to a formal Contract Amendment. The City Council must approve the price adjustment if the annual contract price exceeds \$50,000; otherwise the City Manager or his designee (the Purchasing Director) shall have authority to approve a price adjustment on behalf of the City.

Insurance: Contractor shall meet insurance requirements of the City, set forth in **Exhibit C.**

Notice. Any notice concerning this Contract shall be in writing and sent by certified mail and email as follows:

To the City:

To Contractor:

City of Flagstaff
211 W. Aspen
Flagstaff, Arizona 86001
_____ @flagstaffaz.gov

With a copy to:

With a copy to:

Authority. Each party warrants that it has authority to enter into this Contract and perform its obligations hereunder, and that it has taken all actions necessary to enter into this Contract.

CONTRACTOR

Print name: _____

Title: _____

CITY OF FLAGSTAFF

Print name: _____

Title: _____

Attest:

City Clerk

Approved as to form:

City Attorney

Notice to Proceed issued: _____, 20__

Contract for Purchase of Services and/or Materials (Short form)
Form No.
Revised __, 2014

EXHIBIT A

City's specifications, as described in the City's Solicitation

City of Flagstaff Specific Terms and Conditions (specific to this Contract)

Contractor's response to Solicitation as accepted by City

Price Schedule

EXHIBIT B

City of Flagstaff Standard Terms and Conditions

EXHIBIT C

City insurance requirements

BACKGROUND/SCOPE

The City of Flagstaff is looking to partner with a Harris Computer Systems/Innoprise integrated payment partner as part of the City's implementation of Innoprise CIS (Customer Information Systems) and Innoprise CCR (Centralized Cash Receipts). The City currently utilizes the Sungard family of products on the AS400 platform. The City is looking to maintain current levels of service while greatly enhancing services for customers. Customers are requesting the newest and often easiest to use service methods that the City can currently not provide.

PAYMENT PROCESSING INFORMATION

General: The City is looking to both replace current customer payment options and enhance customer payment options for the locations noted in the table below. Additional locations may be added in the future. The City is looking to have one rate structure for all services and payment locations in order to more easily account for charges City wide. For example, the City prefers to have one rate for credit/debit, whether the payment is made online, at the counter, on the IVR, or with the mobile application.

The City also requires that all websites, phone options, etc., be specific to Flagstaff and for the use of Flagstaff customers only. No other utilities, jurisdictions, etc. should be able to utilize the website, phone options, etc.

The Counter payment locations noted in this document require credit/debit card terminals. The City expects to purchase 5-10 counter credit/debit terminals for operations. The terminals must meet all new EMV chip guidelines that the City is required to implement prior to October 2015. The City does not have a preferred terminal setup and will explore all options (I.E.- standalone terminals, swipe systems that attach to a computer monitor, swipe systems that attach to a computer keyboard, etc.). Most likely, each counter location will determine its preferred method of credit/debit processing.

The City uses Wells Fargo as its depository institution. The City requests that the selected vendor makes next day deposits to the City's Wells Fargo checking account.

In addition, it is expected that all vendors are PCI compliant across all payment platforms.

Online Payments (Utility): The City currently accepts online payments (credit/debit) for utility bills through the Sungard Click2Gov application. The City would like to continue to accept online utility payments via credit/debit but expand the online payment options to include e-checks and other payment options that might be available. The volume of online utility payments via credit/debit is provided in the Utility Web Payments section of the table below. Given that the City does not currently accept other online payment methods, staff estimates 500 monthly e-check payments per month.

Online Payments (Other): The City does not currently offer any other online payment options for non-utility services but would like to accept credit, debit, e-check, and other payment methods for Harris/Innoprise integrated programs (CIS - miscellaneous receivables (MR)) and non-Harris/Innoprise integrated programs such as the City water load station database and other items not billed through CIS. Given that the City does not currently accept any of these

payment methods, staff estimates 250 other payments will be processed online through these methods.

Mobile Application Payments The City does not currently accept payments for any service via a mobile application. The City would like to accept payments for Harris/Innoprise integrated programs as well as other payment types listed in the Online Payments area above. Given that the City does not currently accept any of these payment methods, staff estimates 250 other payments will be processed online through these methods.

Phone Payments (Utility and Miscellaneous Receivables): The City does not currently offer any sort of phone payment option but would like to accept phone payments for Harris/Innoprise integrated programs (CIS – utility billing and miscellaneous receivables) via a dedicated IVR system that is hosted by the vendor. The dedicated IVR should be available for customers to use 24 hours a day, 7 days per week. There is no historical data for this service but staff estimates a total of 500 phone payments a month.

Counter payments (All): The City uses card swipe technology at all counter locations for credit/debit card payment processing. The City would like to utilize credit/debit card swipe machines that integrate with Harris/Innoprise CCR. The total estimated number of counter payments that the City processes monthly across all counter operations is 2,100. The table titled Merchant Breakdown contains more detail on the number of payments at each merchant location. Please note that pricing should include the acceptance of American Express cards. The City does not currently accept American Express but plans on accepting it in the future.

Autopay Payments (Utility and Miscellaneous Receivables): The City currently processes autopay payments for utility bills and miscellaneous receivable bills. The City would like to turn over autopay maintenance and processing to the selected vendor. The current estimated monthly volume of autopay payments is 4,000 accounts.

Bank Online Checks: The City currently processes bank online checks with a manual paper check submitted by the bank. The City would like to have the selected payment processor process the bank online checks on behalf of the City. The City estimates that there are approximately 500 bank online checks processed monthly.

Payment Options with Estimates

Service (Payment Area)	Current Service?	Estimated # of Monthly Transactions
Online Payments (Utility- Credit Debit)	YES	2,700
Online Payments (Utility – e-Check/Other)	NO	500
Online Payments (Other)	NO	250
Mobile Application Payments (All)	NO	250
Phone Payments (Utility/MR)	NO	500
Counter Payments (All)	YES	2,100. See breakdown below.
Autopay Payments (Utility/MR)	YES	4,000
Bank Online Checks (All)	YES (Manual)	500

Payment Area Breakdown (Items, Amounts, Average)

Payment Area Description	Average # of Monthly Items Processed from July 2013 to June 2014	Average Monthly Amount Processed	Average Ticket
Customer Service Counter	924	\$ 183,353	\$ 198
Utility Web Payments	2,687	\$ 335,182	\$ 125
Comm. Development Counter	87	\$ 36,864	\$ 425
Municipal Court Counter	764	\$ 134,070	\$ 175
Public Works Counter	276	\$ 15,625	\$ 57
TOTAL:	4,738	\$ 705,094	\$ 149

Payment Breakdown*

Merchant	% of All Payments	% of Credit Card Payments
MasterCard	13%	15%
Visa	73%	83%
Discover	2%	2%
ATM/Debit	13%	N/A

*The City does not currently accept American Express payments. Please price American Express payments into the bid as the City is planning to accept American Express cards in the future.

BILL PRESENTMENT, E-BILLING, AND ONLINE ACCOUNT MANAGEMENT INFORMATION

General: The City is looking to enhance its bill presentment, e-Billing, and online account management services. Currently, the City is only able to provide minimal services in these areas. Details of current service levels are detailed in the descriptions below.

Bill Presentment (Utility Bills): The City can currently only display bill information through the Sungard Click2Gov application. The information displayed online does not match the utility bill that is actually sent to the customer. The City would like to display all bills online in exactly the same format as the customer would see if he or she received a paper bill in the mail. The City utilizes Infosend as its utility bill print vendor and will utilize an Infosend file as the source file for upload into the selected vendor's system. As noted in the table below, the City estimates a total of 20,500 utility bills are generated each month.

Bill Presentment (MR Bills): The City does not currently have the ability to display MR bill information. The City would like MR customers to view reproductions of actual paper bills online in the same manner noted under the utility bills section above. The City will eventually utilize Infosend as its MR bill print vendor and will utilize an Infosend file as the source file for upload into the selected vendors system. The City estimates that a total of 500 MR bills are sent each month.

Bill Presentment Information

Bill Type	Current Service?	Estimated # of Monthly Transactions
Utility	YES	20,500
MR	NO	500

E-Billing (Utility Bills): The City currently offers e-billing for utility bills, however, the City would like to enhance e-billing for customers. Currently, the City sends an email with text information in

the body of the email. The City would like to send an e-bill notification with an attached reproduction of the actual paper bill or with an embedded link that will allow the customer to view the electronic bill. The selected vendor should also be able to manage utility e-billing requests/notifications on behalf of the City. The City estimates there are 3,800 utility e-bill customers at this time.

E-Billing (MR Bills): The City does not currently have the ability to send e-bill notifications for MR bills. The City would like to send an e-bill notification with an attached reproduction of the actual paper bill or with an embedded link that will allow the customer to view the electronic bill. The selected vendor should also be able to manage MR e-billing requests/notifications on behalf of the City. The City estimates that 100 MR billing customers will opt into an e-billing notification method.

E-Bill Type	Current Service?	Estimated # of Monthly Transactions
Utility	YES	3,800
MR	NO	100

Online Account Management (Online and Mobile): As noted in the descriptions above in this section, the City is looking to greatly enhance its online account management functionality. The table below highlights some of the current service replacements and requested enhancements the City is looking to receive from the selected vendor for Harris/Innoprise integrated programs (CIS – utility billing and MR billing)

Services Proposed/Requested
Autopay/Bankdraft Management with Notifications (Amount not Processed, expiring credit card, etc.)
E-Billing Management
Account Update (Phone, address, etc.) Management with Harris/Innoprise Integration
New Service Requests (Utility Only) Management with Manual City Staff Review and Harris/Innoprise Integration
Service Termination Requests with Manual City Staff Review and Harris/Innoprise Integration
Confirmation Emails for Changes Made on the Vendor’s System (passwords, mailing addresses, etc.)

NOTIFICATION INFORMATION

General: The City does not currently utilize any automated outbound call, email, or text services for account delinquencies, expiring credit cards, unprocessed autopay transactions, etc. Any notifications are done on a manual basis at the discretion of staff if there is available time. The City would like to greatly enhance notification services for customers.

Delinquent Account Notifications: The City would like the ability to notify delinquent customers through email, phone, text, or other means that accounts are past due and should be paid immediately. The City would also like to give staff the ability to provide this information on a selective basis that fits the requirements and schedule of staff. Staff currently estimates that 1,000 notifications will be sent each month to delinquent customers.

Other Account Notifications: As noted above, the City would like to send notifications to customers for unprocessed autopay transactions, expiring credit cards, etc. Staff estimates that 50 of these notifications may be sent in a month.

REPORTING INFORMATION

The City has the need to produce reports on the information contained in the selected vendor's system. Please be sure to include and describe samples of key reports that the City may run for daily needs or that the City may run for beneficial customer information/trends that the City is currently unable to review.

PROPOSED TIMELINE

Below is a proposed timeline for the implementation of the requested services contained in this RFP. This timeline is tentative and will be solidified once the selected vendor is approved by Council.

Date	Payment Processing Area	Estimated # of Monthly Transactions
1/15/15	Community Development Counter (Credit/Debit Swipe). Integrated with Harris/Innoprise CCR.	100
2/1/15	Water Load Station Online Payments (Online Credit/Debit and e-Check, etc.). Standalone system, no Harris/Innoprise integration required.	50
2/15/15	Public Works Counter (Credit/Debit Swipe). Standalone payments, no Harris/Innoprise integration at this time.	276
3/1/15	Municipal Court Counter (Credit/Debit Swipe). Standalone system, no Harris/Innoprise integration required.	764
4/1/15	Customer Service Counter (Credit/Debit Swipe) and Utility Web (Credit/Debit, e-Check, etc.), phone payments (Utility and MR) and Utility and MR Bill Presentment, e-Bill, and Online Account Management.	4,000 payments. 21,000 bill images. 3,900 e-bills
5/1/15	Other online payments options, mobile applications, and other service enhancements.	N/A

Scoring:

Qualifications (30%)

Project Personnel (15%)

Presented Approach (25%)

Price/Fee Structure (30%)

Utility Payment, Bill Presentment, and Notification Services Proposal

Prepared for:

City of Flagstaff

Bid Number 2015-45

Wednesday, November 26, 2014
3:00 p.m.



Payment Options



Communication



Customer Self-Service



E-billing



Business Intelligence

Paymentus



Exhibit 1

November 20, 2014

Candace Schroeder, CPPB
Senior Procurement Specialist
Purchasing Division, City of Flagstaff
211 West Aspen Avenue
Flagstaff, AZ 86001

Dear Candace:

Paymentus Corporation is pleased to submit our proposal to the City of Flagstaff in response to your Request for Utility Payment, Bill Presentment, and Notification services. We are confident that our solution will not only meet, but exceed the City's key business requirements:

- To offer an all-inclusive E-Bill Presentment and Payment platform (EBPP) to its residents;
- To ensure a PCI compliant and highly secure service offered in an ASP model. The City will not store or retain any personally identifiable information;
- To offer a solution that will support the City's current vendors of Infosend and the Innoprise CIS. (Please see recommendation letters within)

What makes Paymentus unique is that a single vendor is able to provision, service and manage your entire real time e-payments environment end-to-end, including 24 hour funds settlement and revenue flows.

We will demonstrate how Paymentus will provide an easy-to-use, yet powerful platform for all City of Flagstaff customers. They will appreciate using a modern system that supports all payment channels and all payment methods - IVR, web, mobile/tablet and agent-assisted counter payments. Paymentus is proud to maintain a stellar track record of 99.9% uptime in the past five years. As a PCI Level-1 certified solution, we are equally proud to state that Paymentus has never experienced a security breach.

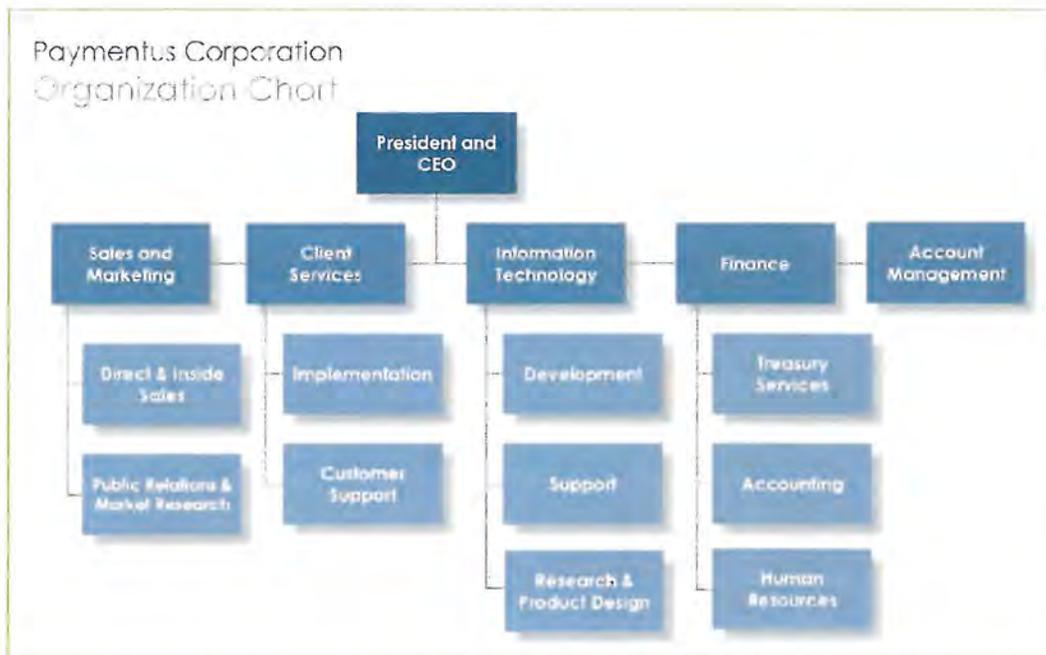
Leveraging our experience and expertise, we have architected our platform to easily and effectively integrate with our clients' billing systems to provide automated updates and absolutely accurate reconciliations. Typical integration usually takes 6-8 weeks. The integration with City of Flagstaff's billing systems will be fast and straightforward, and there will be no need to tie up your IT and business resources with complex and stressful data integration projects, as we'll do most of the integration effort ourselves. Paymentus will also share best practices gained through over 750 utility implementations to ensure an enhanced user experience.



Company Information

Paymentus Corporation
13024 Ballantyne Corporate Place
Suite 450
Charlotte, NC 28277

Paymentus was founded in 2004, is incorporated in the State of Delaware and headquartered in Charlotte, North Carolina. Regional offices are located in Atlanta; Blacksburg, VA; Chicago; Toronto and Vancouver. We have 187 employees.



In summary, we are confident that Paymentus will deliver a superior payment solution with the lowest risk and highest return on investment for City of Flagstaff and your customers. The Paymentus team looks forward to our continued discussions.

Sincerely,

Nicole Haskins
Director of Sales

nhaskins@Paymentus.com; (540)951-6462





November 14th, 2014
Flagstaff, AZ

To whom it may concern:

We understand that Flagstaff is currently evaluating companies for automated billing, payment and notifications services that will potentially integrate to the Innoprise CIS. Paymentus has a long standing partnership with Harris and we wanted to take the time to recommend their consideration in the evaluation process.

Strategic partnerships are a cornerstone for Harris / Innoprise. Our practice is to create add-on applications where we possess domain expertise and partner where there is a clear advantage for our customers. In the case of payment processing, the strength and flexibility of Paymentus' software made partnering perfect sense.

Harris has a successful history of working with Paymentus dating back to 2001, and we now have more than 100 joint customers significantly benefitting for the partnership and cooperative integration of our products.

Dennis Asbury
Executive Vice President



InfoSend wholeheartedly endorses Paymentus for payment processing, IVR, and Electronic Bill Presentment. Our integration of our archive with Paymentus has proved to be an excellent partnership and feature for our print and mail clients and the level of service that Paymentus offers has always been the highest in quality and service. We highly recommend to the City of Flagstaff that they seriously consider contracting with Paymentus for your payment and technology needs.

J. D. McNaul
Vice President of Sales
InfoSend, Inc.





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Portions of this proposal are proprietary and confidential and contain part of Paymentus trade secrets. Please refer to the "Confidential Materials" form included as part of this submission for more detail. If information needs to be published as part of the open records, Paymentus requires a written notice of the same. Paymentus will then provide a redacted version which will exclude the confidential, non-public information including the trade-secrets.





B. Qualifications and Experience

Company History

Paymentus was founded in 2004, is incorporated in the State of Delaware and headquartered in Charlotte, North Carolina. Regional offices are located in Atlanta; Blacksburg, VA; Chicago; Toronto and Vancouver. Recognized by Deloitte as "One of the fastest growing companies in North America," Paymentus works hard to maintain 100% customer reference-ability and a 99.2% retention rate since 2004. Nearly 1,000 clients appreciate the e-bill presentment and payment services delivered on a single platform.



Financial Strength

Processing more than 300 million customer transactions annually, Paymentus Corporation's next-generation platform provides real-time, multi-channel payment processing, and the industry's fastest and most simplified implementation experience. Founded by one of the pioneers of the e-payment/e-presentment industry, Paymentus is incorporated in the State of Delaware. Cash flow positive, Paymentus has operated as a private corporation since its inception. In September 2011, growth investment was provided from Silicon Valley-based Accel KKR a technology-focused private equity investment firm that invests primarily in software and IT-enabled businesses and has over \$2.0 billion of capital under management. The investment is being used by Paymentus to accelerate development, expand organic growth, and enhance the footprint of its real-time payment network.

Paymentus was acknowledged by Deloitte in 2013 as one of the 100 Fastest Growing Technology Companies in America. Growth has been organic, with approximately 90 new client agency customers each of the last three years.

Paymentus does not use subcontractors in implementing or running our platform and services for our clients. Paymentus has no conditions of bankruptcy, pending litigation, planned office closures, or impending mergers.

"Paymentus is a strong fit for Accel-KKR; it offers advanced payment technology, and a complete revenue management solution that billers have been challenged to access at an affordable price point. The company's truly unified technology solution provides billers unmatched flexibility, payment visibility and cost of deployment. We are pleased to partner with the team to further the company's leadership position."

- Jason Klein, Managing Director of Accel-KKR





C. Project Personnel

Paymentus takes great pride in our highly skilled team — all with extensive experience in the electronic bill presentment and payment industry.

<p>Nicole Haskins, Director of Sales</p>	<p>For over ten years Nicole has been dedicated in advancing service and automation through the use of technology; Nicole has worked with hundreds of the top counties and utilities in the country to implement successful streamlined revenue collection processes and procure payment solutions that evolve and transform these high volume payment centers. Nicole holds her degree and educational credentials in eCommerce, Marketing, and Business Administration.</p>
<p>Moana Araki, Executive Account Manager</p>	<p>Moana Araki provides account management and support for key accounts. Moana specializes in payment services across several Government industries including Municipalities and Utilities. Moana brings over a decade of sales relationship management experience.</p>
<p>Michael Hughes, Director Client Services</p>	<p>For the past six years, Mike has led the customer implementation and service functions within Paymentus. He has been actively involved in implementations for customers across North America including City Water & Light, Conway Corporation, Birmingham Water Works Board (AL), Clayton County Water Authority (GA), City of Pittsburgh (PA) and many other strategic accounts. Mike has a 15+-year track record of success in building solid, long-term business relationships within a wide variety of business environments.</p> <p>Previous experience includes business development and product management roles at Novell and Markham Computer Corp (IBM Distributor). Mike holds a degree in Business Administration.</p>
<p>Greg Leeves, Senior Technical Implementation Manager</p>	<p>As Senior Technical Implementation Manager, Greg leads, manages and coordinates customer implementations from project kick-off to delivery and customer training. Greg communicates directly with clients, manages client expectations, and delivers service within delivery timelines and budget. Greg also manages ongoing customer operational requirements such as change requests, configuration updates, technical and operational inquiries.</p> <p>Prior to joining Paymentus, Greg held roles in Systems Architecture, Operations and Project Management. He holds a Bachelor of Business Administration degree in Business Computer Information Systems.</p>
<p>Karla Wobito Client Services Manager</p>	<p>Karla is responsible as the key contact for onboarding. Karla has extensive experience with various and complex implementations. CSMs assist with banking coordinate set-up, organization of meetings involving multiple staff, marketing (web/IVR/inserts/outbound messaging).</p>
<p>Eugene Abramov, Director Technology & Operations</p>	<p>As the Director of Technology and Operations, Eugene leads the technology team and assigns technical project management staff for individual client implementations. He further ensures that all configurations are compliant to PCI, user accessibility, NACHA and Credit Card Regulatory requirements, and oversees the quality assurance process for new clients.</p> <p>Eugene has over 15 years of designing and developing e-commerce, e-billing, and e-payment enterprise applications. Most recently, Eugene has been involved in application architecture and software development on J2EE e-commerce platforms in the finance and telecom industries.</p> <p>Eugene specialized in the Object Oriented Design of open systems using J2EE/Java Web based applications. He has been directly involved in</p>





	<p>leading the ground-up architecture, design and development of mission critical, e-commerce applications for clients like Metavante Corporation, J.P Morgan Chase, Wells Fargo, Sprint and Virgin Mobile.</p> <p>He holds an Honors Bachelor of Science degree in Mathematics and Computer Science and a Bachelors of Education degree.</p>
David Simpson, Senior Operations Manager	<p>As the Senior Operations Manager, David leads the operations team in ensuring that all systems meet uptime requirements, are secure, and provide a quality service. David has 12 years experience developing applications, and building and maintaining infrastructure for large North American clients.</p>
Adalbert Homa, Lead Developer	<p>As acting manager and Lead Architect, Adalbert guides the development team in implementing new solutions and client implementations. Adalbert has over 15 years of experience in building and architecting payment solutions for various organizations in North America.</p>
Mark Solan, Vice President, Account Management	<p>Each of our clients are assigned to a specific Account Manager from our Account Management Team —accountable for the overall client experience and client satisfaction, and responsible for engaging the appropriate solutions and resources, as needed, to ensure a productive and mutually beneficial long-term relationship with our clients.</p> <p>Mark Solan has over 25 years of technology and business management experience and has invested the past 18 years in senior management and technology leadership roles in the payments and financial services industry. Mark held the role of SVP/CTO at both Princeton e-Com and Online Resources; now ACI — a company that provides innovative electronic billing and payment solutions for both banks and billers.</p>
Jairius S. McClendon, Senior Account Manager	<p>As Senior Account Manager, Jairius serves as the lead relationship contact and trusted advisor for Paymentus clients. He is responsible for developing account management strategy, facilitating contract renewals, overseeing the end-to-end client experience and ensuring overall client satisfaction. Jairius brings more than 20 years of diverse financial services experience, and has held key positions with several industry leaders, including PNC Bank, Vanguard Group of Investments, Wachovia, and Bank of America. Prior to joining Paymentus, he worked within the Electronic Payments Division of Fiserv, where he was responsible for institutional client relationship management and contact center strategy for both the biller solutions and bank solutions business channels.</p> <p>He studied Electrical Engineering and Computer Science at Drexel University and has held Financial Industry Regulatory Authority (FINRA) Series 6 and 63 licenses, Pennsylvania Life Insurance Producer license, and the Chartered Retirement Planning Counselor (CRPC®) designation through the College for Financial Planning.</p>
Theresa Bentley, Senior Account Manager	<p>Theresa Bentley serves as Senior Account Manager for Paymentus and is responsible for managing key client relationships, contract renewals, promoting product enhancements and ensuring overall client satisfaction. Theresa brings over 25 years of business experience in Account Management, Training and Sales. Most recently, Theresa held the position of National Senior Client Business Executive servicing financial institutions with assets above \$5B.</p>





D. Presented Approach

As an early pioneer in the electronic payments industry, Paymentus follows clear objectives. We maintain an intense focus on electronic payment solutions. We rigorously serve this market and we execute with precision. From the early days of interactive voice response solutions to current complex web services projects, Paymentus continues to stay ahead by dedicating the resources required to maintain or exceed the level of quality our premier clients have come to expect. *Our offering for the City of Flagstaff is based on these key essentials:*

1. **Electronic Bill Presentment** – 100% of your customers have the ability to view their bills electronically, suppressing the paper and printing, and reducing costs for the City.
2. **All Payment Options & Channels** – an intuitive platform that accepts payments from online, via IVR, through a mobile or tablet device or in-person.
3. **Customer Self Service Portal** – Customers can access a powerful Customer Portal to view billing and payment history, make a one-time or recurring payment and manage account details. This can be accessed online or through the mobile app.
4. **Business Intelligence & Reporting** – City staff has real-time visibility to view and track payments, as well as manage reports that will influence customer behavior through a powerful Agent Portal
5. **Outbound Notifications**– By leveraging the Outbound Notifications Platform, the City can remind customers of upcoming or late payments, accept automated payments on the spot via IVR (“Press Option 2 to make a payment now”), and keep customers informed of the latest news and events.
6. **E-Lockbox Payment Services** – Through our Enterprise Payment Aggregator, Paymentus provides clients with a simplified, secure and cost-effective means to receive electronic remittances from payments made by your customers through their online banks. Combining this service with our complete payment platform will provide simplicity in streamlining the City’s payment services and will simplify the reconciliation process.

1. Electronic Bill Presentment

Paymentus takes billing organizations of all sizes to the next level with a fully customized electronic payment solution. We provide a fully integrated service for Electronic Bill Presentment and Payment (EBPP), from data acquisition and bill presentment to payment and remittance. As part of our partnership with Infosend, Paymentus will work directly with Infosend during the implementation of E-bill. Our user-friendly interfaces and automated consumer notification tools help organizations to maximize paperless billing adoption while also lowering their cost of collections.

The Paymentus EBPP solution is based on two fundamental principles that drive what is delivered to our clients. The first is maximizing paperless billing adoption by simplifying the user experience



and by use of best practices to drive customers to adopt. During implementation, Paymentus will share our Roadmap to Adoption strategies with the City, to help maximize customer participation and adoption. The second is creating a business model and cost structure that allows our clients to maximize cost savings as they reduce the number of paper bills that are mailed monthly.

Paymentus offers a flexible platform for both bill presentment and payments that allows our clients to configure the solution to best address their business requirements as well as meet specific goals and metrics. Using our EBPP model, Paymentus e-bills can:

- Be seen by all of your customers (not just the ones enrolled in e-bill)
- Be a digitally rendered version of your paper bill, allowing your customers to view and print their e-bill with a look and page count that matches the paper bill it would be replacing – through all channels
- Be a summarized e-bill presentment in all channels
- Have different e-bill styles and formats based on biller’s preferences
- Include usage and consumption charts
- Have user-selected notification methods

E-bill Presentation Options

When a registered customer adds a new account to their Customer Portal view, they have three secure options for viewing and paying their bill, including:

1. Secure PDF e-bills to securely view and pay their bill directly from a PDF attachment in their email inbox.
2. Pay-By-Text to securely review a bill summary and pay via text message.
3. Basic Bill Ready Email Notifications to view and pay their bill on-line via a web link which takes customers to the Customer Portal.

The “Add a New Account Screenshot” demonstrates how a user elects to use one or more of these bill-pay options.

The screenshot shows a web form titled "Add Account". It has several sections:

- Select Account Type:** A dropdown menu with "Utility" selected and a green checkmark.
- Account Number:** A text input field.
- ZIP:** A text input field.
- Go Paperless (Yes/No):** Radio buttons for "Yes" (selected) and "No".
- View E-Bill Notification Preferences:** A section with three radio buttons: "Email" (selected), "Text", and "None".
- Footer:** A red button labeled "Print the Terms & Conditions" and a yellow button labeled "Next".



Secure PDF e-bills: The customer will receive an email with an attached PDF bill summary when a new bill is loaded into our system.

When the customer opens the PDF they are prompted to enter their PDF password. The PDF displays the account number, amount due, due date, masked payment method to be used, and a field where the user can enter a payment amount.



The customer can review the information in the PDF, they can enter a payment amount (if enabled), and click Pay Now to make a payment.



Full, multi-page e-bill rendered digitally and available online: Accessible through both the one-time payment portal and the customer portal, users can view a full version of their bill online.

Sewer Bill Summary		Water Bill Summary	
Customer Name:		Billing Date 06-18-2011	
Account#		Regular Bill	
SEWER CHARGE TCCF @ \$7.40	51.80	BASE SERVICE CHARGE	15.21
WATERING CREDIT 15%	7.77	WATER CHARGE TCCF @ \$2.61	18.27
TOTAL SEWER CHARGES	44.03	4% UTILITY TAX	1.34
		TOTAL WATER CHARGES	34.82
TOTAL ACCOUNT BALANCE 78.85			
Meter Number	Current Reading	Previous Reading	Consumption (100 CCF)
510	08-12-11	573	07-12-11
Account History			
This water use this period		638 gallons	
This water use this period last year		2102 gallons	
Average water usage		344 gallons	
View Water Usage During the Previous 12 Months			
Did you know that 50 percent of all high water bills are caused by leaks? Leaks in your home can waste 11,000 gallons of water every year - enough water to fill a backyard swimming pool! Taking simple steps to detect, prevent and repair leaks can save you as much as 10 percent on your water bill. Check your toilets and faucets for leaks, replace worn out toilet flappers and use water wisely to avoid throwing money down the drain. For more information, view the "Water Wise Tips" page at			
Bill Summary By Percentage			

Billing Summary	
Billing Date	06-18-2011
Account Number	
PAST DUE AMOUNT	0.00
Current Charges	78.85
Total	78.85
Print Date	09-01-2011



Pay by Text: The text will show a summary with the account number, amount due, due date, and some instructions. The customer can reply PAY to pay the full amount, PAY \$\$cc to pay a different amount, or STOP to opt out of SMS bill summary notifications.



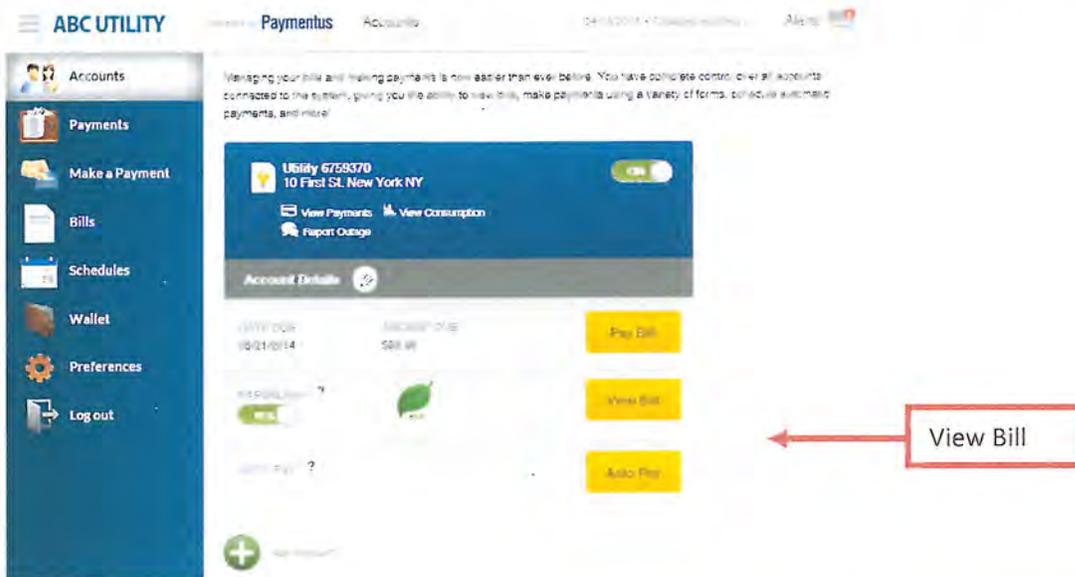
Basic Bill-Ready Notification:

Paymentus offers your consumers multiple options for notification when e-bill is ready to view. All e-bill notifications include ability for the user to make a secure payment electronically, with password controls, duplicate payment controls, verifications and validations, error notices and real-time confirmations.

Through email (or text) notification, users can follow a link to view their bill online.



Delivery Preferences: Customers can opt in and out of e-bill preferences at any time by updating their profile within the menu-driven options that are found in the Customer Portal.





Additional Options for E-bill

Consumption History: Smart meter data or water consumption data can be presented inside the utility's e-bill in the form of bar, pie, or other usage chart. Technology charts of usage and smart meter data will be available to both the enrolled consumer and also to your customer service reps.

Our system can be configured so as to offer a one-time payment user the ability to view their current e-bill rich with usage and smart meter data, without forcing them to enroll, thus increasing adoption.

Virtual Inserts: We can include electronic versions of your bill inserts along with the e-bill. Inserts can be presented as a page two or a separate PDF depending on your configuration.

2. All Payment Options & Channels

Regardless of which channel the customer chooses, Paymentus offers comprehensive end-to-end payment solutions customized for our clients' unique needs and integration into their core systems. Included, at no cost are:

- Integrated, multi-channel payment options including online web, IVR, mobile, and counter payments.
- Simplified one-time payment option
- Recurring and scheduled payments
- Scheduled payments with notification



The benefit to the City of a fully unified suite of payment options ensures that your customers can pay their bill when they want, where they want, with whatever method they want! Customers are not limited to one payment channel – they can pay online in the comfort of home, on the phone during the day, or even via a mobile device or tablet while on the road.

Online Payments

The Paymentus online payment channel has been designed for simplicity of use, reduction of user errors, maximum security, compliance and ease of integration. The payment channel is designed to meet our clients' needs, including branding, specialized fields, layout and flow. It also includes any programming requirements for integration with a site/return pages and customized page design.

One-time payment or enrolled (with single sign on if requested), this convenient payment access maximizes customer satisfaction and confidence while powerful authorization tools collect payment information. Customers find our systems easy to use as they follow prompts and step-by-step instructions supplemented with pictures to help the user locate necessary pay account information.

All secure and sensitive data is shielded and/or encrypted. Paymentus is Payment Card Industry (PCI) Level 1 certified.



"PAY NOW" – A Simple 3-Step Process to Making a One-Time Payment (Without registering)

ABC UTILITY Payments 10/21/2012 • Sign up to our Customer Dashboard Alerts

Step 1 of 3 | Account Information

Bill Type

Utility

Water

Account Number

ZIP Code

[Continue](#)

Find your Account Number

Account Number 200011-10305	Bill Date 05/31/2013	Service Address 123 First New York	OB Number 12345678
--------------------------------	-------------------------	---------------------------------------	-----------------------

10/21/2012 • Sign up to our Customer Dashboard Alerts

Did you know?

Signup for Customer Portal

- Manage one or all of your accounts
- Pay bills and manage payment history
- View e-Bills and e-Bill history for up to 13 months
- Setup and manage AutoPay
- Setup and manage your e-Wallet

[Explore](#) [Sign Me](#)

ABC UTILITY Payments 10/21/2012 • Sign up to our Customer Dashboard to make paying easier Alerts

< Back Step 2 of 3 | Contact Information

Email ?

smorgan@paymentus.com

Re-enter Email

smorgan@paymentus.com

[Sign up for Extra Features](#)

[Continue](#)

Bill Summary

Name	Samuel McCurdy
Account #	0750010
Service Address	101 Humpstead Ln Charlotte NC 28215
Due Date	08/15/13
Total Amount Due	\$49.95

[Continue](#) [Pay Bill](#)



< Back **Step 3 of 3 | Payment Information**

Due Date: 10/21/13

Amount: \$69.86

Payment Date ?

Now

Later

Continue

Bill Summary

Name: Samuel McCurley

Account #: 6759370

Service Address: 101 Hummingbird Ln, Charlotte NC 28215

Due Date: 08/14/13

Total Amount Due: \$69.86

Confirmation **Full Bill**

< Back **Step 3 of 3 | Payment Information**

Payment Method

Last used payment method

VISA
**** * 4448
05/16
JOHN DOE

VISA

VISA

Continue

Bill Summary

Name: Samuel McCurley

Account #: 6759370

Service Address: 101 Hummingbird Ln, Charlotte NC 28215

Due Date: 08/14/13

Total Amount Due: \$69.86

Confirmation **Full Bill**

Payment Receipt

Your payment has been accepted.

Confirmation #	2013086
Account #	6759370
Refuse	400000
Payment Date	08/14/13
Payment Method	VISA** 1386
Payment Amount	\$69.86
Service Job #	6208
Total Amount	\$69.86

Print **Make another Payment**





Interactive Voice Response (IVR) Payments

Paymentus provides a fully integrated IVR payment channel with customized greetings and customizable prompts, payment options, flows and trees. Customers can dial a toll-free number, dedicated to the City to make self-service payments 24x7. Paymentus supports multiple languages including English, French and Spanish on its IVR. Paymentus offers industry leading flexibility to customize payment options, flows and trees, for example: Press “1” to make a residential payment, press “2” to make a commercial payment or press “1” to make a utility payment, press “2” to make pay a security deposit.

Paymentus IVR has achieved an industry-leading 90% success ratio for completed calls and payment transactions. This tremendous success can be attributed to the significant investment that Paymentus makes in simplifying the voice user interface for end-users, also balancing security and compliance requirements for IVR payment transactions. The IVR processes payments in the following manner:

- User accesses bill payment system via IVR or IWR
- User enters contact information, account information manually, via an automated transfer of information from a Customer Information File, or via a web transfer
- User enters payment information and confirms payment
- The system sends a real-time request to the payment processor who validates credit card number, expiration date, card security code and amount left on card
- Confirmation is sent back to user
- Confirmation is sent to Agent Portal for viewing and reporting
- Standard Funds settlement is 24-48 hrs. As per the City’s requirements, Paymentus is pleased to offer the City 24 hour funds settlement.

We support the use of TTY devices as part of our IVR channel. Our system has:

- Clear instructional prompts
- Gives sufficient response time for relay service assistance
- Gives auditory instructions that when typed are understandable when read by TTY users
- Our system maintains the integrity of TTY data.

The Paymentus application has been built to support multiple channels and multi-languages. Our IVR channel is designed to support different sets of voice prompts with different language preferences. We also offer the option to provide a separate access number for TTY subscribers.

Paymentus can integrate with most call center systems. One of the key drivers for such integration is in order to alleviate the biller of PCI compliance responsibilities. When a user is speaking to a customer service representative at the call center and then is ready to make a payment by phone, the agent can simply switch the user to Paymentus IVR in order to complete the payment process in a completely secure and PCI compliant environment. In this way neither the biller nor the call center agent can access the card or e-check payment data. Paymentus does not charge for the integration service.



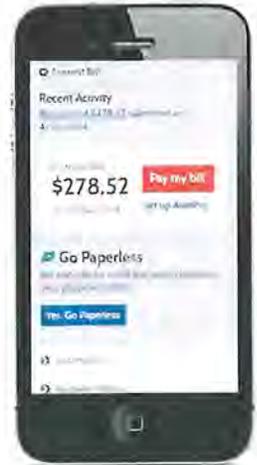


Mobile Payments

Mobile Web. Building off the exceptional experience we deliver via the web, the Paymentus technology and design teams have developed an online experience that is equally as enjoyable on a mobile device as it is on a PC. Our responsive design optimizes the web experience for smartphones or tablets, providing an ideal viewing experience and leading to more electronic payments.

Paymentus uses responsive web design (RWD) technology for all of our interfaces. RWD is an approach aimed at crafting web sites for easy reading and navigation with a minimum of resizing, panning, and scrolling across a wide range of devices, from mobile phones to tablets. Our web sites work great on any device, allowing users to have consistent payment experience every time.

All functionality available via the web payment channel is available through the mobile channel as well.



3. Customer Self Service Portal

The Customer Portal provides ultimate self-service capability for your customers. Customers can easily and conveniently make one-time payments or enroll online into a highly secure customer self-service portal to view bill details, due date, usage & history, make a payment, schedule payments, and view payment history.

The navigation bar helps them to easily choose the options available to them:

Accounts: The accounts screen gives a high-level overview of all accounts with amount due, due date and other details. From this screen, customers can choose either a paper bill or decide to go paperless at any time.

Payments: The payments screen shows historical payments made on the account(s), date payment was made, payment type and gives the option to view more detail of each payment.

Make a Payment: Customers can see a list of accounts and choose which account to pay. At this screen, customers can also add a new account.

Bills: Customers will see a list of bills along with bill status – due, past due, paid, etc. From this screen, customers can view the full bill or pay any of the bills.

Schedules: The schedules screen allows customers to schedule future payments or set up recurring payments.

Wallet: Customers can manage their payment types from the wallet screen. They can add new credit cards, debit cards or ACH methods as well as edit or delete existing payment types.

Preferences: Preferences screen allows customers to manage account information such as name, email address, phone number and change or reset passwords.





AutoPay

The Customer Portal allows your customers to enroll in AutoPay, a recurring payment option that allows customers to automatically pay by credit card, debit card, or e-check. Payment information is kept secure within the Paymentus PCI-certified platform. As part of our standard implementation, Paymentus will seamlessly transfer the City's 4,000 customers currently enrolled in the ACH program, to the Paymentus AutoPay program.

Scheduled and recurring payments encourage and enable the customer to pay on time, and reduce the possibility of their being delinquent should they be away. Customers can schedule payments before or on the due date. Our system allows flexibility as to how often payments are made and the amount they wish to pay to avoid late payments. Customers can be encouraged to set-up scheduled payments by City staff. City staff can also set-up scheduled payments on the customer's behalf utilizing the Agent Portal. Customers also have the ability to change the payment method or frequency schedule at any time.

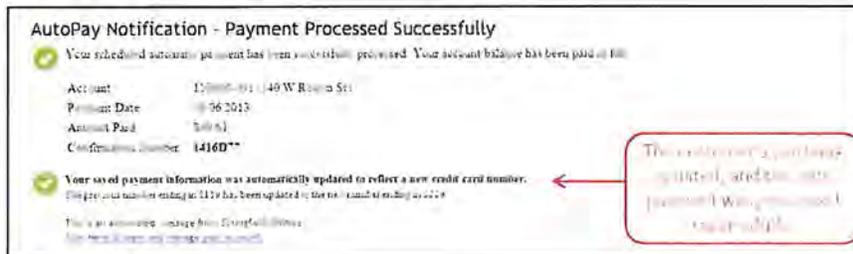


Decline Minimizer Service for auto-updating credit cards

Also standard to Paymentus customers is our optional Decline Minimizer product. If the customer's saved credit/debit card number changes due to a lost or stolen card or expiration date change, our system will automatically update the saved credit card information when the next payment is processed. If this service is activated, then the customer will receive an email notice after their next scheduled payment informing them that their card has been updated and their payment processed (see example below).

Without Decline Minimizer, payments will be declined and customers could be charged unnecessary late fees for non-payment. Decline Minimizer allows us to keep those payments going, keep customers happy, and avoid angry calls.

Snip of an AutoPay Confirmation w/ Decline Minimizer





4. Business Intelligence & Reporting

Agent Portal

The Paymentus Agent Portal is a 24/7 web-based portal specifically designed and dedicated for the agents at the City to support to your customers. The Agent Portal can be easily deployed across the City's customer service, collections and finance teams as access is role and permissions based. The Agent Portal is easily self-administered by the City through an intuitive and powerful administration interface. The Agent Portal allows your staff the ability to:

- View payments in real-time
- Accept resident payments (such as phone call payments and mailed-in-credit card payments)
- View and access reports
- Cancel payments in real-time (such as customer errors or reservation cancellations)
- Control resident and agent access

Types of Reports

- All reports are provided in a modular technology environment, so that the various City departments can choose the reports that they require specifically. The descriptions below illustrate our menu of real-time reports, our dashboard approach to individual reports, and the ability to drill down to see the details behind all of the data in each report. This is a sampling of our capabilities and by no means an exhaustive list of reports available.

AGENT PORTAL: Payments by Date Range

Confirmation Number	Pledged Payment	Amount	Government Fee	Payment Type	Account Number	Customer	Payment Date/Time	Payment Method	Origin	Channel	Origination	Status	Status Description	Final Status	Action
2015012	\$10.00	\$7.50	\$2.50	RENT	2015012	John Doe	04/20/2015 10:00 AM	Credit Card	Online	Online	Success	Success	Success	Success	View Details
2015013	\$10.00	\$7.50	\$2.50	RENT	2015013	John Doe	04/20/2015 10:00 AM	Credit Card	Online	Online	Success	Success	Success	Success	View Details
2015014	\$10.00	\$7.50	\$2.50	RENT	2015014	John Doe	04/20/2015 10:00 AM	Credit Card	Online	Online	Success	Success	Success	Success	View Details
2015015	\$10.00	\$7.50	\$2.50	RENT	2015015	John Doe	04/20/2015 10:00 AM	Credit Card	Online	Online	Success	Success	Success	Success	View Details
2015016	\$10.00	\$7.50	\$2.50	RENT	2015016	John Doe	04/20/2015 10:00 AM	Credit Card	Online	Online	Success	Success	Success	Success	View Details
2015017	\$10.00	\$7.50	\$2.50	RENT	2015017	John Doe	04/20/2015 10:00 AM	Credit Card	Online	Online	Success	Success	Success	Success	View Details
2015018	\$10.00	\$7.50	\$2.50	RENT	2015018	John Doe	04/20/2015 10:00 AM	Credit Card	Online	Online	Success	Success	Success	Success	View Details
2015019	\$10.00	\$7.50	\$2.50	RENT	2015019	John Doe	04/20/2015 10:00 AM	Credit Card	Online	Online	Success	Success	Success	Success	View Details
2015020	\$10.00	\$7.50	\$2.50	RENT	2015020	John Doe	04/20/2015 10:00 AM	Credit Card	Online	Online	Success	Success	Success	Success	View Details



User Management - Assign Roles and Permissions in Granular Detail

Search Users +

User Id	First Name	Last Name	Parent Group	Date Created	Creator Id	Status	Email Status	Action
Thomas	Johann	Esch	System Administrators	Oct 28, 2011 7:09:40 PM	6036561784	Active		View
Wolfgang	Wolfgang	Mischart	System Administrators	Oct 29, 2011 4:09:40 PM	6036566765	Active		View
Ludwig	Ludwig	Beemster	City Administrators	Oct 28, 2011 3:58:39 PM	6036561784	Active		View
Alysa	Alysa	Pate	Admin	Dec 28, 2012 4:02:21 PM	6036561784	Active		View
Suzanne	Suzanne	Neenan	Esac	Dec 27, 2012 4:10:13 PM	6036561784	Active		View

Account Management - Block a Payment Method to Ensure Good Funds

Authorized Agent clicks on appropriate check box of a particular account to restrict customer to pay by method preferred: credit card, debit card. Or, Agent can suspend an account from using part or all of the Paymentus platform (web, IVR, etc.) to make a payment.

Reporting

We provide a flexible reporting structure with CSV export capability for further analysis, support for Boolean search, and allow for easy customizability. The system is fully able to schedule pre-defined reports to run at user-defined intervals. Scheduled reports can be emailed automatically to pre-defined recipients. We also provide an efficient and seamless automatic transfer of files via secure FTP. We provide ad hoc/query reporting capabilities and are able to create new reports based on our clients' requirements. In fact, very often, we will develop reports or functionality for our customers to incorporate in our standard offering.

Standard Reporting Structures Include:

- Payments made today, Payments for other time periods
 - 7 days, 30 days, custom reports between any user defined times up to 13 months in the past (or longer as per the City's business rules)
- Deposits and returns
 - Net deposit summary report, Deposits previous 24 hours, Returns previous 24 hours, Custom reports between any user defined times
- Posting file report – all payments made previous day up to business day close
- Paper suppression reports



- Bill Lifecycle reports – late payer report
- Outbound Notification status reports
- Search for any payments in real time by: Confirmation number, Account number or other specific identifier set by the City, Payment Date or Date Range, Payment Status, Agent ID, Payment Amount Range, Payment Method (Visa, MC, Discover, Amex, ATM, Debit and ACH)

Standard Payment Reports: View upon Login



- **Report Totals Sub Tab:** See the number of transactions and revenue totals with just one click.
- **Posting File Report:** View transactions from previous 24 hour payment period to see daily posted payments. Billing systems may be updated in three ways – real-time, automated batch posting or manual batch posting (for departments with very few payments). Posting times are based on customer's preference.
- **Detailed Payment Reports, by Date Range:** Detailed payment reports. Download to CSV and analyze the data in Excel. View any payment in greater detail. Cancel a payment (rules-based).
- **View Details of an Individual Payment:** Agent sees exact details as customer sees in the original, automated payment confirmation email message sent from One-Time Payment or Customer Portal or Agent Portal Web Payment channels. Agent with assigned permissions can cancel a payment in real time (the Payer *cannot* do this). Once cancelled, Paymentus notifies the appropriate Credit Card vendor in real time to credit the bill payer.
- **Real-Time Payment Reversal:** Once the payment is cancelled, the transaction immediately appears in the Payments Made Today Report with the Bill Amount shown as negative. Customer gets email confirmation of the cancelled payment and the transaction is accurately posted for the Posting File.





- **Query Capabilities:** Each transaction carries a unique confirmation number generated by Paymentus which is noted to the customer (audibly on IVR, via email receipt for web payments). This unique verification number is maintained in all transaction information, and can be looked up via custom query. Paymentus provides the capability for users with permissions to do so to run ad hoc reports by querying the database.
 - In Agent Portal, Under Payments, ‘Find a Payment’ hyperlink is chosen
 - User selects criteria, and selects ‘Search’. Searchable fields include Staff ID, Transaction Confirmation Number, Account Number, Payment Type, Dollar Range, Date Range, Payment Method and Status of Payment (of any combination).
 - Data is revealed with Download .csv capability (as with all reports)
- **Bill Payer Analytics:** Online pie charts to instantly understand all of your customers’ automated bill payment profile. View how many payments are made by channel (web, IVR, Home Banking, Agent Assisted, etc.)
 - View method of payment details (Visa, Amex, Debit, cash, etc.)
 - View payment volumes, deposits and returns and much more detail.
 - View payments by date in the month – see potential late payment trends
- **Bill Lifecycle Reports:** Now you can really understand the payment behavior and patterns of your customers. Especially useful for monthly or regular interval bill categories, the Lifecycle Report compares the customer’s bill payment date and the amount paid with the:
 - Issue date of your bill, Due date of your bill, Date that your billing data was sent to Paymentus
 - You will be able to leverage the information to get full value from our automated outbound notification in order to encourage trending late-payers to make their payments sooner!

Next Generation Reconciliation Reporting

The challenges associated with multiple conventional and non-enterprise payment systems that do not recognize the complexity of reconciliation can effectively lead to many cases where the cost to process an electronic payment becomes significantly higher than a mailed paper check.

Paymentus provides an industry leading automated reconciliation process to ensure and simplify reconciliation including the reconciliation of number of credit card payments and correct dollars processed. Paymentus provides powerful reconciliation features available through the Paymentus Agent Portal.

Reports included in the “Deposits and Returns” tab include:

- Net Deposit Summary
- Returns
- Customized Deposit Reports



Real-time detailed and summary reports are available through the Paymentus Agent Portal to accurately view every transaction, payment and reconcile with the associated bank deposit.

Paymentus AGENT PORTAL: Deposits and Returns

Deposits and Returns

Select a Report

Net Deposit Summary - Nov 3, 2013
Deposit transfer summary (cash deposits, credit transfers) received within the last 24 hours.

Deposits - Nov 3, 2013
Deposits: 0, Deposit Amount: \$0.00, Returns: 0, Return Amount: \$0.00, Net Deposit: \$0.00
Cash transfers, deposits returned after business hours, deposits before last business day.

Returns - Nov 3, 2013
Returns: 0, Return Amount: \$0.00, Deposits: 0, Deposit Amount: \$0.00, Net Deposit: \$0.00
Returns: Deposits returned within 15 hours immediately before last business day.

Deposit Transfer Summary Elected
Deposit transfer summary for selected date range and entity.

Discontinued Deposits
Deposits received within the last 24 hours (pending).

Conditional Returns
Returns received within the last 24 hours (pending).

Outstanding Financial Report
Financial Summary Report over Paymentus account history.

Reconciliation – Daily Deposits and Returns Reports

View all daily deposits information at a glance by clicking on the **Deposits and Returns** link. See the number of deposits for that date, total dollar amount of deposits, number of returns, total dollar amount of returns and the net deposit amount. By clicking on the Returns report, you can see a grid array of all return items for that date.

Financial Summary Report

Successful Deposits	Return Count	Return Amount	Return Count	Return Amount	Total Deposit Count	Total Net Deposit Amount	Final Transfer Date
Total Successful Deposits	66039	197,227.72	0	0.00	66039	197,227.72	
Settled Deposits							
USA Cash	78,194	32,460.00	0	0.00	78,194	32,460.00	
Instantiated	6809	20,960.70	0	0.00	6809	20,960.70	
4-Week Deposits	4,704	10,019.00	0	0.00	4,704	10,019.00	
Bank-Related	10,000	28,330.70	0	0.00	10,000	28,330.70	
Business Check	6,500	1,270.70	0	0.00	6,500	1,270.70	
Surge Deposits	20,836	187,057.72	0	0.00	20,836	187,057.72	
Conditional Deposits							
Conditional Deposits	0	0.00	0	0.00	0	0.00	
Financial Activity Summary							
Total Settled Deposits Net Amount						197,227.72	
Total Assignment						0.00	
Net Financial Activity						197,227.72	



5. Communication - Outbound Notifications

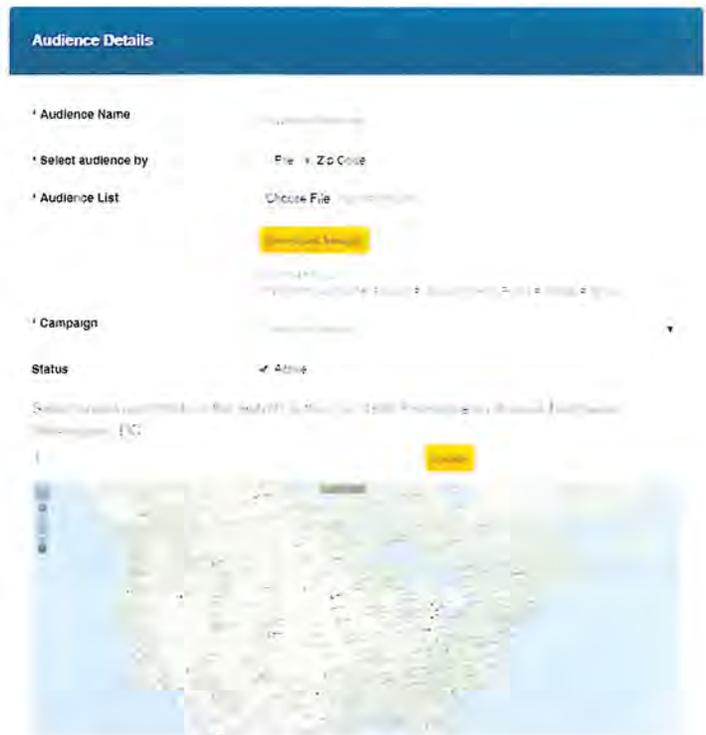


Leveraging the technologies available with the Paymentus IVR, email and text technologies, Paymentus offers an automated outbound notifications tool, which was developed to address requests from clients to be able to send out automated communications to customers to alleviate time and cost incurred by sending out late notices, and having CSRs make outbound calls to customers for reasons such as payment reminders, service interruption messaging and emergency messaging.

Outbound Notifications

With written or pre-recorded messages, you can send your customers automated billing notices, payment reminders and service alerts by e-mail, IVR, and by SMS text messaging. The outbound IVR notification will significantly reduce the City's current 1,000 average monthly delinquent payments, as late payers will be prompted to make a payment on the spot ("Press Option 2 to make a payment now").

You create and select the message content, assign the targets through your customer database and upload the file to Paymentus through the Agent Portal. Target audiences may also be chosen via a GIS mapping interface.



Online channel broadcast messages

Using our online payment channel, authorized staff can create custom broadcast messages that will appear in the "Pay Now" payment portal, Customer Portal or Agent Portal. It's easy to learn and easy to implement!

Alerts

- 07/20/2015
Sign up to our Customer Dashboard to make paying your bills faster and more convenient.
- 07/20/2015
There is currently a service outage at Rexanne & Kerg. Power will be back up shortly.
- 07/20/2015
We have upgraded our service to serve you better.



6. E-Lockbox Payment Services

The Challenge: Payments through Personal Banking

Your customers make payments through their online bank. You receive a paper check from every bank for every payment. The convenience and efficiency gains of electronic payments have been extended to your customers. Meanwhile, it can take as much as seven business days before funds are actually remitted to your bank account, and the burden and cost of paper check processing have been re-introduced to you.

The Solution: The Paymentus Enterprise Payment Aggregator

Paymentus provides utilities with a simplified, secure and cost-effective means to receive electronic remittances from payments made by your customers through their online banks.

In partnership with MasterCard and other financial networks, Paymentus delivers a simplified and aggregated electronic remittance for online payments that come from various sources, including online bank payments.

Benefits

- Simplified and aggregated remittance and reconciliation for online bank payments
- Remittances deposited into your bank account in 24 hours Single posting process for CIS/Billing system reconciliation
- Fully integrated within the Paymentus next-generation bill payment platform
- Reduction of paper check collections
- Reduction of handling time and the cost of paper checks processed by bank's lockbox
- Reduction of NSF exceptions and returns

Home Banking & Paymentus Automated Payments: Aggregated in a Single View

Amount	Utility Bill	Account	Name	Date	Time	Payment Method	Processor	Status	Action
\$148.00	Utility Bill	15038	SCHONER CHERILE	Apr 13, 2011	12:00:00 AM	MasterCard RPPS External Payment	MasterCard RPPS Notification Process	Accepted	View Details
\$134.12	Utility Bill	381692	STANISHAM MEGAN	Apr 13, 2011	12:00:00 AM	MasterCard RPPS External Payment	MasterCard RPPS Notification Process	Accepted	View Details
\$80.00	Utility Bill	739684	WILLIAMS EMILY	Apr 13, 2011	12:00:00 AM	MasterCard RPPS External Payment	MasterCard RPPS Notification Process	Accepted	View Details
\$1.16	Utility Bill	723512	COOK TIFALYN	Apr 13, 2011	12:00:00 AM	MasterCard RPPS External Payment	MasterCard RPPS Notification Process	Accepted	View Details
\$52.15	Utility Bill	915064	AKER BRYAN	Apr 13, 2011	12:00:00 AM	MasterCard RPPS External Payment	MasterCard RPPS Notification Process	Accepted	View Details
\$100.00	Utility Bill	83964	Kyle M. Crilly	Apr 12, 2011	12:18:13 PM	Checking Account	Customer One Time Payments	Approved	View Details
\$54.00	Utility Bill	10390		Apr 12, 2011	10:08:31 PM	Visa	IVR Interface	Accepted	View Details
\$127.00	Utility Bill	32384		Apr 12, 2011	9:58:13 PM	Visa (Check)	IVR Interface	Accepted	View Details
\$47.71	Utility Bill	31554	Erin Mowbr	Apr 12, 2011	7:01:30 PM	Visa (Check)	Customer One Time Payments	Approved	View Details
\$36.00	Utility Bill	66320	Brook South	Apr 12, 2011	1:31:03 PM	Visa	Customer One Time Payments	Approved	View Details





Security and Compliance

Paymentus follows all security measures required through Visa and MasterCard guidelines and is PCI level 1 compliant.

Our service is supported in multiple data centers that are highly secure and reliable; and meet SSAE16 compliance. There are no single points of failure and every component of our service is built in an n+1 architecture.

Access Control to Servers. Two-factor authentication is used for administration and maintenance access to all servers. All access to the Paymentus applications are secured through the SSH protocol.

Monitoring. Paymentus has an Intrusion Detection System IDS which involves five layers of security on our servers, monitored 24/7. The IDS has both host-based and network-based components. Any unauthorized attempt to access the system initiates alerts to Paymentus Technology staff.

Authorization Processing. Paymentus uses industry standard conventions to enable authorizations. These include end user identification information such as Name, Account Number, Address / Zip Code, Phone Number, and Email Address.

We apply several methods to validate and authorize a user at the Account level:

1. The account number entered by the user must correspond with the format accepted by the Biller. For example, if the user enters a 7-digit account number and the Biller uses an 8-digit number, our system immediately displays a pop-up message highlighted in red text asking for a correction to be made.
2. Our IVR phone system alerts the user that the account number is incorrect and asks for the correct number to be entered.





Customer Care & Client Support

Live Customer Care. Paymentus live customer/consumer support hours are 7:30 am to 8:00 p.m. to support your consumers with any payment related questions/issues. This service is provided at no additional charge to you or your customers.

Client Support. Paymentus maintains a sophisticated case management system with all metrics managed and monitored daily, weekly and monthly by our client services team and senior management. Support requests generate a ticket and are responded to by Paymentus Client Services within the following timeframes:

Support Channel	Average Response Time
Paymentus Client Services	Within 2 hours during business hours Extended business hours
Email support	Within 2 hours during business hours Within 4 hours non-business hours
Phone Support	24x7 (including holidays)

System Overview/Network Configuration

We offer multiple options such as file delivery via secure FTP, real time web services and API interfaces. Essentially, our client-centric approach means we can communicate with your organizations in your desired formats.

Posting File Creation: Receipt of specifications of your existing settlement file allow us to configure/build the code to create a file that can be processed by your accounting system.

Customer Information File: The specifications of an existing customer information file (CIF) that details the tokens to be used for authenticating an end user, invoice number, payment amount due, etc.

Schedule Payments File: If you have an existing system with payment schedule data, we have a migration process to convert your data to our internal format. We would need to know the file format of the file.

Web service APIs: Paymentus offers extensive XML over HTTPS Web service API set. It includes but is not limited to making a payment, performing a pre-auth, submitting a recurring payment and Payment Notification Service (PNS) to post notification of payments to our clients' web services server applications. Our service has been designed to be extensible and customizable to allow for integration with our clients' existing services. If you have a web service for account validation and account retrieval, we can use it to verify and present account information to the citizens. Also, we can send a payment notification to the City's web service. We have a standard payment notification service which can be used for payment notification purposes as well.

**Innoprise offers Paymentus a real-time web-service API to utilize for all our clients*





Implementation/Training

Paymentus follows a formal Project Management process consisting of five high level phases.

Paymentus has already pre-implemented the payment platform for the City in a pre-production environment. This step is designed to reduce the overall implementation timeline, allowing for a much quicker launch of our services. There will be no charge for the implementation of this system and our experience shows minimal time needed from your staff. Paymentus currently averages a 56 day 'go-live' time frame from date of gathering business requirements to go-live date.

Paymentus will have you complete an account setup worksheet upon declaration of the partnership. Through this worksheet and meetings, your needs will be assessed and a detailed project proposal will be drafted. Paymentus will not start development until this project proposal passes your approval. Implementation timeline is as follows:

Week	Activity	Resources Required
Week 1	Paymentus Relationship Manager works with the client to confirm implementation requirements	Paymentus, City of Flagstaff
Week 2	Project kick-off meeting is conducted	Paymentus, City of Flagstaff
Week 3	Paymentus project manager finalizes technical requirements and project development cycle begins	Paymentus, City of Flagstaff
Week 4	Paymentus project development cycle continues	Paymentus, City of Flagstaff
Week 5	Paymentus project development cycle concludes; Internal testing is conducted	Paymentus
Week 6	The client conducts testing.	Paymentus, City of Flagstaff
Week 6	Training session	Paymentus, City of Flagstaff
Week 6-7	Launch Date	Paymentus

Detailed milestone dates for each phase of the Paymentus Implementation are mutually agreed upon between Paymentus and the client.





E. Proposed Fee Schedule

In order to extend the most competitive transaction costs to the City, it is most advantageous to provide pricing per payment type (qualified, non-qualified, e-checks, e-lock box), rather than a single fee. The simplified per payment transaction fees noted below are all-inclusive of our complete e-bill and payment solution, including: payment processing, 24-hour funds settlement, Decline Minimizer, implementation and ongoing support and maintenance.

Online Payment Processing: <u>Qualified Credit/Debit Cards</u>	UNIT PRICE	\$	<u>1.59</u>
Online Payment Setup Fees: _____	UNIT PRICE	\$	<u>0</u>
In-Person Payment Processing: <u>Qualified Credit/Debit Cards</u>	UNIT PRICE	\$	<u>1.59</u>
In-Person Payment Setup Fees: _____	UNIT PRICE	\$	<u>0</u>
EMV Enable Swipe Devices: <u>1-5 Devices no charge</u>	UNIT PRICE	\$	<u>0</u>
IVR Payment Processing: <u>Qualified Credit/Debit Cards</u>	UNIT PRICE	\$	<u>1.59</u>
IVR Payment Setup Fees: _____	UNIT PRICE	\$	<u>0</u>
Mobile Application Payments: <u>Qualified Credit/Debit Card</u>	UNIT PRICE	\$	<u>1.59</u>
Mobile Application Setup Fees: _____	UNIT PRICE	\$	<u>0</u>
Online Bank Check Payment Processing: <u>(E-Checks)</u>	UNIT PRICE	\$	<u>0.40</u>
Online Bank Check Setup Fees: _____	UNIT PRICE	\$	<u>0</u>
Other: <u>Online Banking Payments (E-Lockbox)</u>	UNIT PRICE	\$	<u>0.09</u>
Other: <u>Non-Qualified Credit/Debit Cards (Multi-Channels)</u>	UNIT PRICE	\$	<u>2.65%</u>
Other: <u>American Express Credit Card</u>	UNIT PRICE	\$	<u>AMEX Fees+ \$0.75</u>
Other: _____	UNIT PRICE	\$	<u> </u>
Miscellaneous charges: <u>Additional Swipe Devices (6+ count) \$150.00 ea.</u>			
	FREIGHT	\$	<u>0</u>
	TAX (0) %	\$	<u>0</u>
	TOTAL UNIT PRICE	\$	<u>0</u>





Bill Presentment Services

3 months of electronic PDF bills: _____	UNIT PRICE	\$	<u>0</u>
6 months of electronic PDF bills: _____	UNIT PRICE	\$	<u>0</u>
12 months of electronic PDF bills: _____	UNIT PRICE	\$	<u>0</u>
Other time period for electronic bills: _____	UNIT PRICE	\$	<u>0</u>
Electronic PDF bills setup fees: _____	UNIT PRICE	\$	<u>0</u>
E-mail notifications with attachment: _____	UNIT PRICE	\$	<u>0</u>
E-mail notification with bill link: _____	UNIT PRICE	\$	<u>0</u>
E-mail notifications Setup Fee: _____	UNIT PRICE	\$	<u>0</u>
Other: _____	UNIT PRICE	\$	<u>0</u>
Other: _____	UNIT PRICE	\$	<u>0</u>
Miscellaneous charges: <u>No other fees to be charged.</u>			

Notification Services

Outbound Call: <u>1,000 monthly combined messages incl.</u>	UNIT PRICE	\$	<u>Overage 0.12</u>
Outbound Call Setup Fees: _____	UNIT PRICE	\$	<u>0</u>
Outbound Text: <u>1,000 monthly combined messages incl.</u>	UNIT PRICE	\$	<u>Overage: \$0.05</u>
Outbound Text Setup Fees: _____	UNIT PRICE	\$	<u>0</u>
Outbound Email: <u>1,000 monthly combined messages incl.</u>	UNIT PRICE	\$	<u>Overage: \$0.05</u>
Outbound Email Setup Fees: _____	UNIT PRICE	\$	<u>0</u>
Other: _____	UNIT PRICE	\$	<u>0</u>
Other: <u>1,000 Outbound Messages (IVR,SMS,Email)</u>	UNIT PRICE	\$	<u>0</u>
	FREIGHT	\$	<u>0</u>
	TAX ()%	\$	<u>0</u>
	TOTAL UNIT PRICE	\$	<u>0</u>

Miscellaneous charges: No other fees to be charged.



OFFER (FORM)

TO THE CITY OF FLAGSTAFF:

The undersigned hereby offers and agrees to furnish materials and/or services in compliance with the Solicitation, including Addenda, and as described in this offer made to the City.

Representative or Contact Person's Name: Nicole Haskins

Telephone: (540) 951-6462

Fax: (704) 909-7228

Offeror (Vendor): Paymentus Corporation

Address: 13024 Ballantyne Corporate Place, Suite 450

City, State, Zip: Charlotte, NC 28277

Nicole J. Haskins

Signature of Person Authorized to Sign Offer

Director of Sales

Title

Nicole Haskins

Printed Name

11/20/14

Date

Attach: Addenda signed by vendor (if addenda were issued).

VENDOR QUESTIONNAIRE (FORM)

Vendor:

Company Name: Paymentus Corporation

Doing Business As (if different than above): _____

Address: 13024 Ballantyne Corporate Place Suite 450

City: Charlotte State: NC Zip: 28277 -

Phone: (540) 951-6462 Fax: (704) 909-7228

E-Mail Address: nhaskins@paymentus.com Website: www.paymentus.com

Taxpayer Identification Number: 46-0523150

Mailing Address (if different than above):

Address: _____

City: _____ State: _____ Zip: _____ -

Vendor Contact for Questions about Offer:

Name: Nicole Haskins Fax: (704) 909-7228

Phone: (540) 951-6462 E-Mail Address: nhaskins@paymentus.com

Transaction Privilege (Sales)Tax/Use Tax Information (check one):

Vendor is located outside Arizona (The City will pay use tax directly to the AZ Dept of Revenue)

OR

Vendor is located in Arizona (The vendor must invoice the applicable state and local tax to City, and remit taxes.)

Arizona Department of Revenue TPT License Number: _____
(Attach proof of registration)

Business License Information (check one):

Vendor does not have a business location within the City of Flagstaff

OR

CITY OF FLAGSTAFF PURCHASING DIVISION
211 WEST ASPEN AVE.
FLAGSTAFF, ARIZONA 86001

Solicitation No. 2015-45
Buyer: Candace Schroeder, CPPB
PH: (928) 213-2278 FX: (928) 213-2209

_____ Vendor has a business location (uses a building) within the City of Flagstaff

Flagstaff Business License Number: _____

Other Licenses (list any existing licenses you have required for work, e.g. Arizona Registrar of Contractor licenses, and attach copies):

Insurance (who will provide required coverages):

Insurance Company Name See the following page for our insurance certificate.

Contact & Phone Number _____

Subcontractors:

List any subcontractors to be utilized, if any.

Not applicable.

REFERENCES (FORM)

REFERENCES. Please submit at least three (3) and no more than five (5) references for projects your company has performed in the last five (5) years demonstrating your experience with providing materials and/or services comparable to the Solicitation. The project description should include sufficient detail for the City to evaluate your experience. You should also include the name, title, and telephone number of both the current project owner and the project owner at time of work.

Firm/Government Agency Name: City of Casa Grande, AZ	
Contact Person: Doug Sandstrom	Phone: (520) 421-8696
Title: Finance Director	Fax:
Address: 510 East. Florence Boulevard Casa Grande, AZ 85122	E-Mail Address: dsandstrom@ci.casa-grande.az.gov
	Reason for Selecting as Reference: Harris Innoprise integration, AZ client
Project Date, Size, Complexity, Scope and Duration: Client since 2014, Harris Innoprise, 15,000 bills per month	
Firm/Government Agency Name: Eagle River, CO	
Contact Person: John McCaulley	Phone: (970) 477-5452
Title: Customer & Metering Services Supervisor	Fax:
Address:	E-Mail Address: jmccaulley@erwsd.org
	Reason for Selecting as Reference: Harris integration
Project Date, Size, Complexity, Scope and Duration: Client since 2014, Harris Advanced, 10,000 bills per month	
Firm/Government Agency Name: City and County of Broomfield, CO	
Contact Person: Dianne Cooper	Phone: (303) 438-6319
Title: Billing and Accounts Administrator	Fax:
Address: One DesCombes Dr. Broomfield, CO 80020	E-Mail Address: dcooper@broomfield.org
	Reason for Selecting as Reference: Harris integration, comparable size

Project Date, Size, Complexity, Scope and Duration: Client since 2013, Harris Innoprise integration, 32,000 bills per month	
Firm/Government Agency Name: City of Toledo, OH	
Contact Person: Bret Telecsan	Phone: (419) 245-1529
Title: Operations	Fax:
Address: 420 Madison Ave. Ste. 200 Toledo, OH 43604	E-Mail Address: bret.telecsan@toledo.oh.gov
	Reason for Selecting as Reference: Long term client, utility payments
Project Date, Size, Complexity, Scope and Duration: Client since 2008, 127,000 bills per month	
Firm/Government Agency Name: City of Buford, GA	
Contact Person: Jeff Dobbs	Phone: (678) 889-4605
Title: Accounting Manager	Fax:
Address: 2300 Buford Highway Buford, GA 30518	E-Mail Address: jdobbs@cityofbuford.com
	Reason for Selecting as Reference: Long term client, similar size, utility payments
Project Date, Size, Complexity, Scope and Duration: Client since 2008, 35,000 bills per month	

EXCEPTIONS (FORM)

Notations. Any strikeouts, notes or modifications to the Solicitation documents shall be initialed in ink by the authorized person who signs the offer. If notations are made, they must be submitted with your offer and are considered Exceptions.

Exceptions: In addition to any notations on the Solicitation documents, please identify and list any exceptions to the Solicitation, by section/paragraph, on this Exceptions Form. The City reserves the right to reject, accept or further negotiate Exceptions. Exceptions may render the offer non-responsive.

Exceptions to Form of Contract: You may request changes to the form of contract (including any Standard or Special Terms and Conditions) on the Exceptions Form. You may also submit your own form of contract. The City will consider these in the same manner as any other exceptions.

You must indicate any and all exceptions taken to the requirements, specifications, and/or terms and conditions of this Solicitation, including the contract.

Exceptions (INITIAL ONE):

No exceptions

Exceptions taken (describe). Attach additional pages if needed.

CONFIDENTIAL MATERIALS (FORM)

If you believe part of your offer is confidential, mark the page(s) "CONFIDENTIAL" and isolate the pages as an attachment to this form. Also include an explanation why they are confidential.

Requests to deem the entire offer as confidential will not be considered.

If you want confidential information returned to you after contract award (and you are not selected for contract award), then note this below. You will be responsible for pick up.

Generally, information submitted in response to a Solicitation is subject to disclosure pursuant to the Arizona Public Records Law after contract award.

The information identified as confidential shall not be disclosed until the City makes a written determination whether the information may be treated as confidential. If the City determines it is necessary to disclose the information, the City will inform you in writing.

Confidential/Proprietary Materials (INITIAL ONE):

No confidential/proprietary materials have been included with this offer

Confidential/Proprietary materials are included in this offer. See attached.

SECTION/TITLE	PAGE #'s	REASON(S) FOR WITHHOLDING FROM DISCLOSURE
Electronic Bill Presentment screen images	10-12	Trade secrets
All Payment Options & Channels screen images	17-18	Trade secrets
Business Intelligence & Reporting screen images	19-21, 23	Trade secrets
Communication screen images	24	Trade secrets
E-lockbox Payment Services screen images	25	Trade secrets

COOPERATIVE PURCHASES (FORM)

The City of Flagstaff is a member of Flagstaff Alliance for the Second Century, along with the Coconino County Community College District, Northern Arizona University, Coconino County and Flagstaff Unified School District.

The City is also a member of S.A.V.E. (Strategic Alliance for Volume Expenditures), which consists of numerous municipalities, counties, universities, colleges, schools and other Arizona State agencies.

Cooperative purchasing arrangements such as the above are sanctioned by state law and allow a vendor to sell services and materials to any member of a cooperative group under the same pricing, terms and conditions of contract awarded to the vendor by any other member, following a competitive procurement process.

Is your company willing to offer the goods and services solicited under the terms and conditions of this solicitation to other members of the Flagstaff Alliance for the Second Century and S.A.V.E. under the same pricing, terms and conditions?

Yes No (INITIAL ONE)

If you answered No, that is acceptable. The City will not reject your offer or consider it to be non-responsive.

If you answered Yes, and a contract is approved, others may seek to do business with you under the same terms and conditions, subject to your approval.

DISCLOSURE (FORM)

Any offer must include this completed form. For any item checked YES, you must provide an explanation, including dates, company name(s), enforcing authority, court, agency, etc. Answering YES to one or more questions does not necessarily mean that you will be disqualified from this Solicitation. **FAILURE TO PROVIDE TRUE AND COMPLETE INFORMATION MAY RESULT IN DISQUALIFICATION FROM THIS SOLICITATION.**

Has your company or any affiliate* in the past 5 years: (i) had a permit revoked or suspended, (ii) been required to pay a fine, judgment or settlement of more than \$100,000, (iii) been convicted of a criminal offense (including a plea of guilty or *nolo contendere*), or (iv) been found in contempt of court, as a result of or in connection with any of the following:

1. Any offense indicating a lack of business integrity or honesty, including fraud, bribery, embezzlement, false claims, false statements, falsification or destruction of records, forgery, obstruction of justice, receiving stolen property, theft, price fixing, proposal rigging, restraint of trade or other antitrust law violation? YES _____ NO X _____
2. Violation of the terms of any public contract? YES _____ NO X _____
3. Failure to pay any uncontested debt to any government agency? YES _____ NO X _____
4. Violation of any law or regulation pertaining to the protection of public health or the environment? YES _____ NO X _____

*An "affiliate" of your company means any person, company or other entity that, either directly or indirectly (for example, through stock ownership by family members), controls, is controlled by, or is under common control with, your company.

Has your company or any affiliate of your company in the past 5 years been named as a party in any lawsuit related to performance of a contract (you do not need to list subcontractor lien claims which have been fully paid/satisfied)?

YES _____ NO X _____

If yes, provide the case name and number, brief description, and disposition or current status.

Has your company or any affiliate of your company in the past 5 years been debarred, disqualified or suspended from submitting proposals on public contracts?

YES _____ NO X _____

I hereby verify that the foregoing information, and any explanation attached are to the best of my knowledge, true and complete.

Nicole J. Hashine
Signature

Director of Sales
Title

11/20/14
Date

DECLARATION RELATED TO SOLVENCY (FORM)

Is your firm currently involved in an ongoing bankruptcy as a debtor, or in a reorganization, liquidation, or dissolution proceeding, or has a trustee or receiver been appointed over all or a substantial portion of the property of your firm under federal bankruptcy law or any state insolvency law?

 Yes X No (INITIAL ONE)

DECLARATION RELATED TO GRATUITIES (FORM)

I hereby verify and declare that, to the best of my knowledge, neither the vendor nor anyone associated with the vendor has given, offered to give, or intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the offer ("Gratuities").

Nicole J. Hashine
Signature of Person Authorized to Sign Offer

Director of Sales
Title

DECLARATION OF NON-COLLUSION (FORM)

I hereby verify and declare that:

The pricing for this offer has been arrived at independently and without consultation, communication or agreement with any other vendor who may submit an offer.

The pricing for this offer has not been disclosed to any other vendor who may submit an offer, and will not be, prior to the Closing Date and Time.

No attempt has been made or will be made to induce any firm or person to refrain from submitting an offer, or to submit an offer with higher pricing than this offer, or to submit an intentionally high or noncompetitive offer or other form of complementary offer.

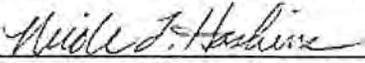
This offer is made in good faith and not pursuant to any agreement or discussion with, or inducement from, any firm or person to submit a complementary or other noncompetitive bid.

Offeror, its affiliates, subsidiaries, officers, directors, and employees are not currently under investigation by any governmental agency and have not in the last four years been convicted or

CITY OF FLAGSTAFF PURCHASING DIVISION
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Solicitation No. 2015-45
Buyer: Candace Schroeder, CPPB
PH: (928) 213-2278 FX: (928) 213-2209

found liable for any act prohibited by state or federal law in any jurisdiction, involving conspiracy or collusion with respect to bidding on any jurisdiction, involving conspiracy or collusion with respect to bidding on any public contract.



Signature of Person Authorized to Sign Offer

Director of Sales

Title

Exhibit B
CITY OF FLAGSTAFF
STANDARD TERMS AND CONDITIONS

IN GENERAL

NOTICE TO PROCEED: Contractor shall not commence performance until after City has issued a Notice to Proceed.

LICENSES AND PERMITS: Contractor its expense shall maintain current federal, state, and local licenses, permits and approvals required for performance of the Contract, and provide copies to City upon request.

COMPLIANCE WITH LAWS: Contractor shall comply with all applicable federal, state and local laws, regulations, standards, codes and ordinances in performance of this Contract.

NON-EXCLUSIVE: The City's proposed form of contract is exclusive and is included as part of this procurement process for your review. The final form of contract will be conformed to match this Solicitation prior to Contract award.

SAMPLES: Any sample submitted to the City by the Contractor and relied upon by City as representative of quality and conformity, shall constitute an express warranty that all materials and/or service to be provided to City shall be of the same quality and conformity.

MATERIALS

PURCHASE ORDERS: The City will issue a purchase order for the materials covered by the Contract, and such order will reference the Contract number.

QUALITY: Contractor warrants that all materials supplied under this Contract will be new and free from defects in material or workmanship. The materials will conform to any statements made on the containers or labels or advertisements for the materials, and will be safe and appropriate for use as normally used. City's inspection, testing, acceptance or use of materials shall not serve to waive these quality requirements. This warranty shall survive termination or expiration of the Contract.

ACCEPTANCE: All materials and services provided by Contract are subject to final inspection and acceptance by the City. Materials and services failing to conform to the Contract specifications may be rejected in whole or part. If rejected, Contractor is responsible for all costs associated arising from rejection.

MANUFACTURER'S WARRANTIES: Contractor shall deliver all Manufacturers' Warranties to City upon City's acceptance of the materials.

PACKING AND SHIPPING: Contractor shall be responsible for industry standard packing which conforms to requirements of carrier's tariff and ICC regulations. Containers shall be clearly marked as to lot number, destination, address and purchase order number. All shipments shall be F.O.B. Destination, City of Flagstaff, 211 West Aspen Avenue, Flagstaff, Arizona 86001, unless otherwise specified by the City. C.O.D. shipments will not be accepted.

TITLE AND RISK OF LOSS: The title and risk of loss of material shall not pass to the City until the City actually receives the material at the point of delivery, and the City has completed inspection and has accepted the material, unless the City has expressly provided otherwise in the Contract.

NO REPLACEMENT OF DEFECTIVE TENDER: Every tender of materials shall fully comply with all provisions of the Contract. If a tender is made which does not fully conform, this shall constitute a breach and Contractor shall not have the right to substitute a conforming tender without prior written approval from the City.

DEFAULT IN ONE INSTALLMENT TO CONSTITUTE TOTAL BREACH: Contractor and may not substitute nonconforming materials, or services. Delivery of nonconforming materials, and/or services, or a default of any nature, at the option of the City, shall constitute shall deliver conforming materials, or services, in each installment or lot of the contract a breach of the contract as a whole.

SHIPMENT UNDER RESERVATION PROHIBITED: Contractor is not authorized to ship materials under reservation and no tender of a bill of lading shall operate as a tender of the materials.

LIENS: All materials and other deliverables supplied to the City shall be free of all liens other than the security interest held by Contractor until payment in full is made by the City. Upon request of the City, Contractor shall provide a formal release of all liens.

CHANGES IN ORDERS: The City reserves the right at any time to make changes in any one or more of the following: (a) methods of shipment or packing; (b) place of delivery; and (c) quantities. If any change causes an increase or decrease in the cost of or the time required for performance, an equitable adjustment may be made in the price or delivery schedule, or both. Any claim for adjustment shall be evidenced in writing and approved by the City Purchasing Director prior to the institution of the change.

PAYMENT

INVOICES: A separate invoice shall be issued for each shipment and each job completed. Invoices shall include the Contract and/or Purchase Order number, and dates when goods were shipped or work performed. Invoices shall be sent within 30 days following performance. Payment will only be made for satisfactory materials and/or services received and accepted by City.

LATE INVOICES: The City may deduct up to 10% of the payment price for late invoices. The City operates on a fiscal year budget, from July 1 through the following June 30. Except in unusual circumstances, which are not due to the fault of Contractor, City will not honor any invoices or claims submitted after August 15 for materials or services supplied in the prior fiscal year.

TAXES: Contractor shall be responsible for payment of all taxes including federal, state, and local taxes related to or arising out of Contractor's performance of this Contract. Such taxes include but are not limited to federal and state income tax, social security tax, unemployment insurance taxes, transaction privilege taxes, use taxes, and any other taxes or business license fees as required.

Exception: The City will pay any taxes which are specifically identified as a line item dollar amount in the Contractor's bid, proposal, or quote, and which were considered and approved by the City as part of the Contract award process. In this event, taxes shall be identified as a separate line item in Contractor's invoices.

FEDERAL EXCISE TAXES: The City is exempt from paying certain Federal Excise Taxes and will furnish an exemption certificate upon request.

FUEL CHARGES: Contractor at its own expense is liable for all fuel costs related to performance. No fuel surcharges will be accepted or paid by City.

DISCOUNTS: If the Contract provides for payment discounts, payment discounts will be computed from the later date of the following: (a) when correct invoice is received by the City; or (b) when acceptable materials and/or materials were received by City.

AMOUNTS DUE TO THE CITY: Contractor must be current and remain current in all obligations due to the City during performance. Payments to Contractor may be offset by any delinquent amounts due to City or fees and charges owed to City under this Contract.

OFAC: No City payments may be made to any person in violation of Office of Foreign Assets Control regulations, 31 C.F.R. Part 501.

SERVICES

INDEPENDENT CONTRACTOR: Contractor shall be an independent contractor for purposes of all laws, including but not limited to the Fair Labor Standards Act, Federal Insurance Contribution Act, Social Security Act, Federal Unemployment Tax Act, Internal Revenue Code, Immigration and Naturalization Act; Arizona revenue and taxation, workers' compensation, and unemployment insurance laws.

CONTROL: Contractor shall be responsible for the control of the work.

WORK SITE: Contractor shall inspect the work site and notify the City in writing of any deficiencies or needs prior to commencing work.

SAFEGUARDING PROPERTY: Contractor shall responsible for any damage to real property of the City or adjacent property in performance of the work.

QUALITY: All work shall be of good quality and free of defects, performed in a diligent and professional manner.

ACCEPTANCE: If work is rejected by the City due to noncompliance with the Contract, The City, after notifying Contractor in writing, may require Contractor to correct the

deficiencies at Contractor's expense, or cancel the work order and pay Contractor only for work properly performed.

WARRANTY: Contractor warrants all work for a period of one (1) year following final acceptance by the City. Upon receipt of written notice from the City, Contractor at its own expense shall promptly correct work rejected as defective or as failing to conform to the Contract, whether observed before or after acceptance, and whether or not fabricated, installed or completed by Contractor, and shall bear all costs of correction. If Contractor does not correct deficiencies within a reasonable time specified in the written notice from the City, the City may perform the work and Contractor shall be liable for the costs. This one-year warranty is in addition to, and does not limit Contractor's other obligations herein. This warranty shall survive termination or expiration of the Contract.

INSPECTION, RECORDS, ADMINISTRATION

RECORDS: The City shall have the right to inspect and audit all Contractor books and records related to the Contract for up to five (5) years after completion of the Contract.

RIGHT TO INSPECT BUSINESS: The City shall have the right to inspect the place of business of the Contractor or its subcontractor during regular business hours at reasonable times, to the extent necessary to confirm Contract performance.

PUBLIC RECORDS: This Contract and any related materials are a matter of public record and subject to disclosure pursuant to Arizona Public Records Law, A.R.S. § 39-121 et seq. If Contractor has clearly marked its proprietary information as "confidential", the City will endeavor to notify Contractor prior to release of such information.

CONTRACT ADMINISTRATION: Contractor will be required to participate in the City's Contract Administration Process. Contractor will be closely monitored for contract compliance and will be required to promptly correct any deficiencies.

INDEMNIFICATION, INSURANCE

GENERAL INDEMNIFICATION: Contractor shall indemnify, defend and hold harmless the City, its council, boards and commissions, officers, employees from all losses, claims, suits, payments and judgments, demands, expenses, attorney's fees or actions of any kind resulting from personal injury to any person, including employees, subcontractors or agents of Contractor or damages to any property arising or alleged to have arisen out of the negligent performance of the Contract, except any such injury or damages arising out of the sole negligence of the City, its officers, agents or employees. This indemnification provision shall survive termination or expiration of the Contract. This indemnification clause shall not apply, if a different indemnification clause is included in the City's Specific Terms and Conditions.

INSURANCE: Contractor shall maintain all insurance coverage required by the City, including public liability and worker's compensation.

INTELLECTUAL PROPERTY INDEMNIFICATION: Contractor shall indemnify and hold harmless the City against any liability, including costs and expenses, for infringement of any patent, trademark or copyright or other proprietary rights of any third parties arising out of contract performance or use by the City of materials furnished or work performed under this Contract. Contractor shall promptly assume full responsibility for the defense of any suit or proceeding which is, has been, or may be brought against the City and its agents for alleged infringement, or alleged unfair competition resulting from similarity in design, trademark or appearance of goods, and indemnify the City against any and all expenses, losses, royalties, profits and damages, attorneys fees and costs resulting from such proceedings or settlement thereof. This indemnification provision shall survive termination or expiration of the Contract.

CONTRACT CHANGES

PRICE INCREASES: Except as expressly provided for in the Contract, no price increases will be approved.

COMPLETE AGREEMENT: The Contract is intended by the parties as a complete and final expression of their agreement.

AMENDMENTS: This Contract may be amended by written

SEVERABILITY: If any term or provision of this Contract is found by a court of competent jurisdiction to be illegal or unenforceable, then such term or provision is deemed deleted, and the remainder of this Contract shall remain in full force and effect.

NO WAIVER: Each party has the right insist upon strict performance of the Contract, and the prior failure of a party to insist upon strict performance, or a delay in any exercise of any right or remedy, or acceptance of materials or services, shall not be deemed a waiver of any right to insist upon strict performance.

ASSIGNMENT: This Contract may be assigned by Contractor with prior written consent of the City, which will not be unreasonably withheld. Any assignment without such consent shall be null and void. Unless expressly provided for in a separately executed Consent to Assignment, no assignment shall relieve Contractor (Assignor) from any of its obligations and liabilities under the Contract with respect to City. The Purchasing Director shall have authority to consent to an assignment on behalf of City.

BINDING EFFECT: This Contract shall be binding upon and inure to the benefit of the parties and their successors and assigns.

EMPLOYEES AND SUBCONTRACTORS

SUBCONTRACTING: Unless expressly prohibited in the Contract, Contractor may subcontract work in whole or in part with the City's advance written consent. City reserves the right to withhold consent if subcontractor is deemed irresponsible and/or subcontracting may negatively affect performance. All subcontracts shall include all the terms and conditions set forth in the Contract which shall apply with equal force to the subcontract. Contractor is responsible for contract performance whether or not subcontractors are used.

NONDISCRIMINATION: Contractor shall not discriminate against any employee or applicant for employment or person to whom it provides services because of race, color, religion, sex, national origin, disability, genetic information, veteran's status, pregnancy, familial status and represents and warrants that it complies with all applicable federal, state and local laws and executive orders regarding employment. In addition any Contractor located within City of Flagstaff limits shall comply with the City Code, Chapter 14-02 Civil Rights which also prohibits discrimination based on sexual orientation, or gender identity or expression.

DRUG FREE WORKPLACE: The City has adopted a Drug Free Workplace policy for itself and those doing business with the City to ensure the safety and health of all persons working on City contracts and projects. Contractor shall require all its personnel to abstain from use or possession of illegal drugs while engaged in performance of this Contract.

IMMIGRATION LAWS: Pursuant to A.R.S. § 41-4401, Contractor hereby warrants to the City that the Contractor and each of its subcontractors will comply with, and are contractually obligated to comply with, all State and Federal Immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A) (hereinafter "Contractor Immigration Warranty"). A breach of the Contractor Immigration Warranty shall constitute a material breach of this Contract and shall subject the Contractor to penalties up to and including termination of this Contract at the sole discretion of the City. The City retains the legal right to inspect the papers of any Contractor or subcontractor employee who works on this Contract to ensure compliance with the Contractor Immigration Warranty. Contractor agrees to assist the City in regard to any such inspections. The City may, at its sole discretion, conduct random verification of the employment records of the Contractor and any subcontractors to ensure compliance with Contractor's Immigration Warranty. Contractor agrees to assist the City in regard to any random verification performed. Neither Contractor nor any subcontractor shall be deemed to have materially breached the Contractor Immigration Warranty if Contractor or subcontractor if Contractor or subcontractor establishes that it has complied with the employment verification provisions prescribed by sections 274A and 274B of the Federal Immigration and Nationality Act and the E-verify requirements prescribed by A.R.S. § 23-214(A).

DEFAULT AND TERMINATION

TERMINATION FOR DEFAULT: Prior to terminating this Contract for a material breach, the non-defaulting party shall give the defaulting party written notice and reasonable opportunity to cure the default, not to exceed thirty (30) days unless a longer period of time is granted by the non-defaulting party in writing. In the event the breach is not timely cured, or in the event of a series of repeated breaches the non-defaulting party may elect to terminate Contract by written notice to Contractor, which shall be effective upon receipt. In the event of default, the parties may execute all remedies available at law in addition Contract remedies provided for herein.

CITY REMEDIES: In the event of Contractor's default, City may obtain required materials and/or services from a substitute contractor, and Contractor shall be liable to the City to pay for the costs of such substitute service. City may deduct or offset the cost of substitute service from any balance due to Contractor, and/or seek recovery of the costs of substitute service against any performance security, and/or collect any liquidated damages provided for in the Contract. Remedies herein are not exclusive.

CONTRACTOR REMEDIES: In the event of City's default, Contractor may pursue all remedies available at law, except as provided for herein.

SPECIAL DAMAGES: In the event of default, neither party shall be liable for incidental, special, or consequential damages.

TERMINATION FOR NONAPPROPRIATION OF FUNDS: The City may terminate all or a portion of this Contract due to budget constraints and non-appropriation of funds for the following fiscal year, without penalty or liability to Contractor.

TERMINATION FOR CONVENIENCE: Unless expressly provided for otherwise in the Contract, this Contract may be terminated in whole or part by the City for convenience upon thirty (30) days written notice, without further penalty or liability to Contractor. If this Contract is terminated, City shall be liable only for payment for satisfactory materials and/or services received and accepted by City before the effective date of termination.

TERMINATION DUE TO INSOLVENCY: If Contractor becomes a debtor in a bankruptcy proceeding, or a reorganization, dissolution or liquidation proceeding, or if a trustee or receiver is appointed over all or a substantial portion of the property of Contractor under federal bankruptcy law or any state insolvency law, Contractor shall immediately provide the City with a written notice thereof. The City may terminate this Contract, and Contractor is deemed in default, at any time if the Contractor becomes insolvent, or is a party to any voluntary bankruptcy or receivership proceeding, makes an assignment for a creditor, or there is any similar action that affects Contractor's ability to perform under the Contract.

PAYMENT UPON TERMINATION: Upon termination of this Contract, City will pay Contractor only for satisfactory performance up until the effective date of termination. City shall make final payment within thirty (30) days from receipt of the Contractor's final invoice.

CANCELLATION FOR GRATUITIES: The City may cancel this Contract at any time, without penalty or further liability to Contractor, if City determines that Contractor has given or offered to give any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant ("Gratuities") in connection with award or performance of the Contract.

CANCELLATION FOR CONFLICT OF INTEREST (A.R.S. § 38-511): The City may cancel this Contract within three (3) years after its execution, without penalty or further liability to Contractor.

MISCELLANEOUS

ADVERTISING: Contractor shall not advertise or publish information concerning its Contract with City, without the prior written consent of the City.

NOTICES: All notices given pursuant to this Contract shall be delivered at the addresses as specified in the Contract, or updated by Notice to the other party. Notices may be: (a) personally delivered, with receipt effective upon personal delivery; (b) sent via certified mail, postage prepaid, with receipt deemed effective four (4) days after being sent; (c) or sent by overnight courier, with receipt deemed effective two (2) days after being sent. Notice may be sent by email as a secondary form of notice.

THIRD PARTY BENEFICIARIES: This Contract is intended for the exclusive benefit of the parties. Nothing herein is intended to create any rights or responsibilities to third parties.

GOVERNING LAW: This Contract shall be governed by and construed in accordance with the laws of the State of Arizona.

FORUM: In the event of litigation relating to this Contract, any action at law or in equity shall be filed in Coconino County, Arizona.

ATTORNEYS FEES: If any action at law or in equity is necessary to enforce the terms of this Contract, the prevailing party shall be entitled to recover its reasonable attorney's fees, costs, professional fees and expenses.

EXHIBIT C
INSURANCE

1. In General. Contractor shall maintain insurance against claims for injury to persons or damage to property, arising from performance of or in connection with this Contract by the Contractor, its agents, representatives, employees or contractors.
2. Requirement to Procure and Maintain. Each insurance policy required by this Contract shall be in effect at, or before, commencement of work under this Contract and shall remain in effect until all Contractor's obligations under this Contract have been met, including any warranty periods. The Contractor's failure to maintain the insurance policies as required by this Contract or to provide timely evidence of renewal will be considered a material breach of this Contract.
3. Minimum Scope and Limits of Insurance. The following insurance requirements are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The City does not represent or warrant that the minimum limits set forth in this Contract are sufficient to protect the Contractor from liabilities that might arise out of this Contract, and Contractor is free to purchase such additional insurance as Contractor may determine is necessary.

Contractor shall provide coverage at least as broad and with limits not less than those stated below.

a. Commercial General Liability - Occurrence Form

General Aggregate	\$2,000,000
Products/Completed Operations	\$1,000,000
Each Occurrence	\$1,000,000

b. Umbrella Coverage \$2,000,000

c. Automobile Liability –
Any Automobile or Owned, Hired
and Non-owned Vehicles
Combined Single Limit Per Accident
for Bodily Injury & Property Damage \$1,000,000

d. Workers' Compensation and Employer's Liability

Workers' Compensation	Statutory
Employer's Liability: Each Accident	\$500,000
Disease - Each Employee	\$500,000
Disease - Policy Limit	\$500,000

4. Self-insured Retention. Any self-insured retentions must be declared to and approved by the City. If not approved, the City may require that the insurer reduce or eliminate such self-insured retentions with respect to the City, its officers, agents,

employees, and volunteers. Contractor shall be solely responsible for any self-insured retention amounts. City at its option may require Contractor to secure payment of such self insured retention by a surety bond or irrevocable and unconditional letter of credit.

5. Other Insurance Requirements. The policies shall contain, or be endorsed to contain, the following provisions:

- a. Additional Insured. In Commercial General Liability and Automobile Liability Coverages, the City of Flagstaff, its officers, officials, agents and employees shall be named and endorsed as additional insureds with respect to liability arising out of this Contract and activities performed by or on behalf of the Contractor, including products and completed operations of the Contractor, and automobiles owned, leased, hired or borrowed by the Contractor.
- b. Broad Form. The Contractor's insurance shall contain broad form contractual liability coverage.
- c. Primary Insurance. The Contractor's insurance coverage shall be primary insurance with respect to the City, its officers, officials, agents, employees and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, agents and employees, shall be in excess of the coverage of the Contractor's insurance and shall not contribute to it.
- d. Each Insured. The Contractor's insurance shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- e. Not Limited. Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of this Contract.
- f. Waiver of Subrogation. The policies shall contain a waiver of subrogation against the City, its officers, officials, agents and employees for losses arising from work performed by Contractor for the City.

6. Notice of Cancellation. Each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be suspended, voided, cancelled, reduced in coverage or in limits unless prior written notice has been given to the City. Notices required by this section shall be sent directly to the Buyer listed in the original Solicitation and shall reference the Contract Number:

Attention: TBD
Contract No. TBD
Purchasing Department
City of Flagstaff,
211 W. Aspen Avenue
Flagstaff, Arizona 86001.

7. Acceptability of Insurers. Contractor shall place insurance hereunder with insurers duly licensed or approved unlicensed companies in the State of Arizona and with a "Best's" rating of not less than A-: VII. The City does not represent or warrant that the above required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

8. Certificates of Insurance. The Contractor shall furnish the City with certificates of insurance (ACORD form) as required by this Contract. The certificates for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. Any policy endorsements that restrict or limit coverage shall be clearly noted on the certificate of insurance. The City project/contract number and project description shall be noted on the certificates of insurance. The City must receive and approve all certificates of insurance before the Contractor commences work.

9. Policies. The City reserves the right to require, and receive within ten (10) days, complete, certified copies of all insurance policies and endorsements required by this Contract at any time. The City shall not be obligated, however, to review any insurance policies or to advise Contractor of any deficiencies in such policies and endorsements. The City's receipt of Contractor's policies or endorsements shall not relieve Contractor from, or be deemed a waiver of, the City's right to insist on strict fulfillment of Contractor's obligations under this Contract.

10. Modifications. Any modification or variation from the insurance requirements in this Contract must have the prior approval of the City's Attorney's Office in consultation with the City's Risk Manager, whose decision shall be final. Such action will not require a formal Contract amendment but may be made by their handwritten revision and notation to the foregoing insurance requirements.