
Meeting Date: August 19, 2026
Staff Contact: Marta Ortiz, Chief Financial Officer

TITLE: C-26-19 – Approval of Increase to Contract with Paymentus Corporation for Merchant Payment Services

ACTION: Recommend Approval

SUMMARY:

An increase to the purchase order (PO) with Paymentus Corporation for Merchant Payment Services is requested.

If approved by the Board, an amended PO will be issued by the Albuquerque Bernalillo County Water Utility Authority to enable Paymentus Corporation to continue to provide Merchant Payment Services.

Approval of this item shall also serve as delegation of authority for the Executive Director to approve all future amendments to this contract, if any.

FISCAL IMPACT:

The funding is expected to exceed the \$500K threshold.

MASTER SERVICES AGREEMENT

Client:	Albuquerque Bernalillo County Water Utility Authority (aka ABCWUA)
Client Address:	PO Box 568, Albuquerque NM 87103
Contact for Notices to Client:	Jeff Li
Estimated Number of Yearly Payments:	1,272,000

This Master Services Agreement ("Agreement") is entered into as of the date of the last of the signatures set forth below ("Effective Date"), by and between the Client identified above and Paymentus Corporation, a Delaware Corporation, with a principal place of business at 11605 N. Community House Road, Suite 300, Charlotte, North Carolina 28277. Client and Paymentus are also referred to as "Party" and collectively as the "Parties".

STATEMENT OF PURPOSE

Paymentus desires to provide, Client desires to receive electronic bill payment services as more particularly described in this Agreement under the terms, and conditions set forth herein.

AGREEMENT

In consideration of the mutual covenants hereinafter set forth, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, hereby covenant and agree as follows. This Agreement consists of the following documents:

- (i) this signature page
- (ii) the General Terms and Conditions; and
- (iii) the following Schedules:

Schedule A: Paymentus Service Fee Schedule

Schedule B: Client Payment Data

This Agreement represents the entire agreement between the parties with respect to its subject matter, supersedes all prior written or oral agreements or understandings related to the subject matter hereof, and may be changed only by agreements in writing signed by the authorized representatives of each of the parties.

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

CLIENT: ABCWUA

By: Mark S. Sanchez

NAME: Mark Sanchez

TITLE: Executive Director

DATE: 6/26/25 10:24 MDT

PAYMENTUS CORPORATION

By: Jerry Portocalis

NAME: Jerry Portocalis

TITLE: Chief Commercial Officer

DATE: 6/26/25 10:01 MDT

CONFIDENTIAL AND PROPRIETARY

Paymentus

GENERAL TERMS AND CONDITIONS BY AND BETWEEN PAYMENTUS CORPORATION AND ABCWUA

1 **Definitions:**

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

- 1.1 **"Affiliates"** means (i) any entities that control, are controlled by, or are under common control with a Party.
- 1.2 **"Agent Dashboard"** means a web based portal that enables Client to manage and monitor its' customers' payments and accounts including such features as the ability to add and manage users, look up payment schedules, make payments manually on behalf of the customers, and generate payment reports.
- 1.3 **"Agreement" or "Master Agreement"** means the Master Services Agreement between the parties, as amended from time to time, including the Signature Page, these General Terms and Conditions and all Schedules.
- 1.4 **"Average Bill Amount"** means the total amount of Payments processed through Paymentus in a given month divided by the number of the Payments for the same month.
- 1.5 **"Custom Enhancement(s)"** means one or more enhancements to the Services which is either unique to Client, or which was expedited prior to being developed pursuant to a Statement of Work entered into by the Parties in which Client agrees to pay Professional Services Fees for the Work done in connection therewith.
- 1.6 **"Customer Information Files" or "CIF"** means a computerized file used by a company that stores all customer data such as the customer's personal and account information.
- 1.7 **"Custom Implementation"** means implementation of Client's Custom Integration and Custom Enhancements in accordance with the applicable SOW.
- 1.8 **"Custom Integration"** customization of the Platform to integrate with Client's billing system using non-standard file specifications or application programming interfaces ("APIs") supported by Client's billing system
- 1.9 **"Effective Date"** has the meaning set forth on the signature page above, unless the Agreement is submitted to Client for acceptance in a manner that does not call for Paymentus to execute it, in which event the Effective Date shall be the date that Client signs the Agreement.
- 1.10 **"Excess Payment Amount"** means the Payment Amounts from Non-Qualified Transactions processed in a calendar month.
- 1.11 **"Fee Assumptions"** means information used to calculate the Paymentus Fee (as defined in Section 3.2) as provided by Client in good faith, including (i) the projected Average Bill Amount, and (ii) the projected payment method mix (credit vs debit vs e-check) of all card Payments processed that month.
- 1.12 **"IPN" or "Instant Payment Network"™** means the network developed by Paymentus to enable customer engagement, bill presentment and receipt of payments by businesses through multiple channels as enabled from time to time by Paymentus.
- 1.13 **"Launch Date"** means the date on which Client completes the introduction to Users of all of the Services set forth on Schedule A or in any applicable SOW as of the Effective Date of this Agreement.
- 1.14 **"Minimum Monthly Commitment"** means a fixed amount agreed to by the Parties that is based upon the expected number of transactions to occur each month during the Term times the Average Bill Amount.
- 1.15 **"Non-Qualified Transaction"** means any payment where the Paymentus Fee is lower than the cost of processing such payment (including the cost of Third Party Fees).
- 1.16 **"Payment"** means payment by a User through the Platform for Client's services, Client's bills, or other amounts owed to Client.
- 1.17 **"Payment Amount"** means the amount of a Payment.
- 1.18 **"Paymentus Authorized Processor"** means a Paymentus authorized merchant account provider or payment processing intermediary or gateway.

- 1.19 **"Paymentus Fee"** is the amount charged for the Services as set forth on Schedule A.
- 1.20 **"Platform"** is defined in Section 2.1.
- 1.21 **"Professional Services"** means the work to be performed for Client by Paymentus as described in the Statement of Work, which may be changed from time to time in accordance with the Change Order process described in the SOW.
- 1.22 **"Professional Services Fees"** means the fees charged for the Professional Services described on a Statement of Work.
- 1.23 **"Reversed or Chargeback Transactions"** means cancelled transactions due to User error, a User's challenge to Payment authenticity, or action by a financial institution or a Paymentus Authorized Processor (commonly referred to as ACH or eCheck returns or credit/debit card chargebacks).
- 1.24 **"Services"** means the performance by Paymentus of the payment and related services selected by Client as set forth in Schedule A and as provided in Section 2.2.1.
- 1.25 **"Standard Implementation"** means (i) the initial integration between the information systems of both parties so that Paymentus can receive Client's customer data to be used in the provision of the Services, and Client can receive payment and other related data from Paymentus, (ii) the setup of the payment processor and bank deposit accounts, (iii) the setup of the payment channels described on Schedule A to this Agreement and (iv) the creation of business rules to be applied to the acceptance of payments, all as further described in the applicable SOW or Paymentus documentation. Any changes following the initial integration will be handled through the Change Order process.
- 1.26 **"Statement of Work" or "SOW"** means the statement of work entered into between the Parties, which shall be substantially in the form attached as Schedule C, which is attached hereto and incorporated herein by reference.
- 1.27 **"System Availability"** means that date on which Paymentus notifies Client's that the Platform is ready process User data.

- 1.28 **"Term"** means the Initial Term and any renewal term as defined in Section 7.1 of this Agreement.
- 1.29 **"Third Party Fees"** is defined in Section 2.1 of this Agreement.
- 1.30 **"User"** means a Client customer who uses the Services to pay its Client bills.
- 1.31 **"Work" or "Work Product"** means the customizations that are performed by Paymentus as part of the Professional Services described in the SOW.

2 Description of Services to be Performed

2.1 Scope of Services

When selected on Schedule A, Paymentus will provide Users the opportunity to view and receive bills, make Payments using the payment methods provided under Schedule A and other payment methods and wallets as offered by Paymentus from time to time. The payment methods and other services provided may be used within the channels described on Schedule A or on other websites or mobile/web apps or chatbots or voice assistants that are part of the Instant Payment Network, (collectively referred to as the "Platform"). Paymentus will provide a mechanism by which Client may select the channels and payment methods Client wishes to offer Users. Paymentus will be the exclusive provider to Client of all electronic bill payment and related services substantially similar to the Services.

2.2 Professionalism

Paymentus will perform the Services in a professional and commercially reasonable manner.

2.3 New or Enhanced Services

From time to time Paymentus may offer Client new or enhanced services, such as new functionality within the IPN, the ability to accept other payment methods, methods of bill presentment, the ability to access alternative payment processors or other service providers or Paymentus Authorized Processors or otherwise modify the terms and conditions under which the Services are provided ("Service Enhancements"). Paymentus will provide Client with notice through the Agent Dashboard disclosing the terms, including any contracts or contract amendments, under which the Service Enhancements will be made available. If the Service Enhancements will result in additional fees to or impose additional material obligations on Client or Users, Client will have thirty (30) days after the date

the notice is posted on the Agent Dashboard to opt-out of the Service Enhancements in the manner provided in the notice. If Client does not opt-out in a timely manner, then when the Service Enhancements are introduced they will form part of the Services and Client will be bound by the additional terms as disclosed in the notice, and the Paymentus Service Fee (Schedule A) will be deemed amended to reflect changes in the Services and fees in connection with the Service Enhancements.

3 Compensation and Payment Terms

3.1 Implementation

3.1.1 Charge for Standard Implementation. Paymentus will charge the fees related to Standard Implementation that are set forth on the applicable Statement of Work.

3.1.2 Custom Implementation. If Client requests customizations during the implementation process, the SOW will contain an estimate of the amount of custom Work that will be required to be performed on a time and materials basis, which Work will be performed at a blended hourly rate set forth therein in accordance with the payment terms set forth in the SOW. If there are changes following the execution of the Statement of Work, the parties will follow the change order process detailed in the SOW. Custom implementation shall be billed as set forth in the SOW.

3.2 Paymentus Fee

3.2.1 Party to be charged the Paymentus Fee. The party to be charged the Paymentus Fee is identified on Schedule A.

3.2.1.1 Where the "User Box" is checked on Schedule A, User will be charged the Paymentus Fee.

3.2.1.2 If the "User Box" is not checked on Schedule A, Client will be charged the Paymentus Fee.

3.2.2 Third Party Payments. Paymentus will pay the corresponding processing and related fees to the applicable third parties out of the Paymentus Fee ("Third Party Fees"), except for fees related to Reversed or Chargeback Transactions.

3.2.3 Adjustments to the Paymentus Fee. The Paymentus Fee may be adjusted thirty (30) days following the date of delivery by Paymentus' of prior written notice to Client due to one of the following:

3.2.3.1 Mistake in connection with the Fee Assumptions. A mistake by either of the parties with respect to the Fee Assumptions, including but not limited to changes in (a) the average Payment Amount made by the Users, (b) the mix of payment methods utilized by the Users or (c) the interchange rates applied to transactions.

3.2.3.2 Charges for Non-qualified Transactions. Client will be billed additional Paymentus Fees equal to 2.95% of the Excess Payment Amount for each month.

3.2.3.3 Changes in Third Party Fees. Changes in the card or payment system rules, changes in payment processing fees or other changes in Third Party Fees that are outside of Paymentus' control that increase Paymentus' cost of processing transactions.

3.2.3.4 Changes due to increases in the Consumer Price Index. Beginning on the first anniversary of the Launch Date, and continuing on each anniversary of the Launch Date thereafter during the initial term and any renewal terms, the Paymentus Fee may be increased annually by a percentage equal to the increase in the Consumer Price Index, "U.S. City Average/All Items for All Urban Consumers (CPI-U) (1982-84 = 100)".

3.3 Payment Terms.

3.3.1 User Paid Invoices. When User pays the Paymentus Fees (as designated on Schedule A), User will pay the Paymentus Fees together with the corresponding Payment at the time of the transaction.

3.3.2 Client Paid Invoices. When Client is obligated to pay the Paymentus Fee (as shown on Schedule A), Paymentus will invoice Client promptly following the end of each full or partial calendar month during the Term and Client's bank account will be debited for Paymentus Fees. In addition, Client will be billed for applicable Professional Services Fees as described in the SOW in accordance with the terms set forth therein. Client shall notify Paymentus in writing of any alleged errors or discrepancies detected by Client in Paymentus' calculation of the Paymentus Fees, or Professional Services Fees contained in the applicable invoice(s) within thirty (30) days from the invoice date ("Due Date"). To the extent that any portion of an invoice is disputed in good faith ("Disputed Amount"), Client shall timely pay on or prior to the Due Date the undisputed portion of any invoice, and promptly notify Paymentus in writing of the Disputed Amount, providing a reasonably detailed explanation for such Disputed Amount ("Invoice Dispute Notice"). The parties shall work together in

good faith to resolve all issues identified in the Invoice Dispute Notice within ten (10) days of Paymentus' receipt thereof. Charges on invoices which are not disputed within thirty (30) days of the invoice date shall be deemed accepted and Paymentus shall have no obligation to correct any calculation errors identified after such period. Invoices that are not timely paid shall be subject to interest from the Due Date at the higher of 18% per annum or the then current legal rate of interest.

4 Payment Processing

4.1 Integration with Client's Billing System

Paymentus will provide implementation services to Client in accordance with the terms of Schedule C, which is attached hereto and incorporated herein by reference.

4.2 PCI Compliance

To the extent that either party receives payment card information subject to the Payment Card Industry Data Security Standards ("PCI-DSS") in connection with providing the Services, such party will comply with all requirements of the PCI-DSS with respect to storage, transmission and disclosure of payment card information.

4.3 Explicit User Confirmation

Paymentus will electronically confirm to the User the dollar amount of all Payments, and when paid by the User, the corresponding Paymentus Fee to be charged for the transaction, and electronically obtain the User's approval of the charges prior to initiating payment authorizations transaction.

4.4 Merchant Account

If described as part of implementation services in the applicable SOW, Paymentus will assist Client in setting up a merchant account directly with the Paymentus Authorized Processor for processing and settlement of transactions.

4.5 Payment Authorization

For authorization purposes, Paymentus will electronically transmit all card or other payment transactions to the appropriate processing center, in real time as the transactions occur or as provided in applicable rules. In its sole discretion, Paymentus may refuse to process any transaction that it reasonably believes is (i) submitted in violation of its terms of use or (ii) necessary to protect Client, Users, itself or others from actual or potentially illegal, fraudulent or harmful activity.

4.6 Settlement

Paymentus together with a Paymentus Authorized Processor will forward the payment transactions, to the appropriate organizations for settlement directly to Client's depository bank account previously designated by Client ("Client Bank Account") as a positive amount of payment processing funds, net of any User paid Paymentus Fee and any Reversed or Chargeback Transactions (described below). When Client pays the Paymentus Fee, Paymentus will invoice Client and debit the fees from the Client Bank Account on a monthly basis.

Paymentus together with the Paymentus Authorized Processor will continuously review its settlement and direct debit processes for its simplicity and efficiencies. Client and Paymentus agree to fully co-operate with each other if Paymentus were to change its settlement and invoicing processes.

4.7 Reversed or Chargeback Transactions

With respect to all Reversed or Chargeback Transactions, Client authorizes Paymentus and Paymentus Authorized Processor (and/or the respective payment organizations) to debit the Client Bank Account for the Payment Amount and/or offset the Payment Amount against future payouts and Paymentus will refund the applicable amount to the payment organization for credit back to the User the corresponding Paymentus Fee, if any.

Paymentus together with Paymentus Authorized Processor will continuously review its processes for Reversed or Chargeback Transactions for simplicity and efficiencies. Client and Paymentus agree to fully cooperate with each other if Paymentus requires any change to its settlement and invoicing processes for these transactions.

5 General Conditions of Services

5.1 Service Reports

Paymentus will provide Client with reports summarizing use of the Services by Users for a given reporting period, which period shall be designated by Client during the Standard Implementation process. Such standard reports are available through the Agent Dashboard.

5.2 User Adoption Communication by Client

Client will prominently communicate the Services as a primary payment option to its customers wherever Client usually communicates its other payment options.

Client will make the Services known or available to its customers by different means of customer communication including (i) on the face of bills, invoices and other notices; (ii) on any marketing or advertising materials that include payment options; (iii) if direct payments have been activated, by providing Interactive Voice Response ("IVR") and Web payment details prominently on Client's website including a "Pay Now" or similar link on a mutually agreed prominent place on the web site; (iv) if IVR payments have been activated, through Client's general IVR/Phone system; and (v) other channels or means available to Client or reasonably suggested by Paymentus.

Paymentus will provide Client with logos, graphics and other marketing materials solely for Client's use in its communications with its customers regarding the Services and/or Paymentus.

5.3 Independent Contractor

Paymentus is an independent contractor. Paymentus is not acting as an agent or fiduciary of the Client or its Users.

5.4 Client's Responsibilities

In order for Paymentus to provide the Services, Client will fully cooperate with Paymentus by:

- (i) Entering into (and authorizing Paymentus to do so on its behalf) all applicable merchant processing, cash management, ACH origination, or kiosk agreements, provided that Client is given notice of and approves any additional fees associated with those agreements, and providing information and consents reasonably requested in connection with the agreements.
- (ii) Maintaining throughout the duration of the Agreement during which direct payments via the web is activated, a bill payment link connecting to the Paymentus Platform at a prominent and mutually agreed location on Client's website. If the IVR channel is activated, the phone number for IVR payments will also be added to the web site and as an option as part of Client's general phone system.
- (iii) Sharing User Adoption Communication as described in Section 5.2 (User Adoption Communication by Client).
- (iv) Providing Customer Information to Paymentus. As part of the information transfer required for implementation, Client will provide Paymentus with CIF on all Client customers serviced by

Client. The CIF shall also identify customers by payment type.

- (v) Launching the Service within 30 days of System Availability. Paymentus will notify Client in writing of System Availability. Client will have five (5) days following such notification to confirm that there are no material defects in the System ("Testing Period"). If material defects in the System are identified, Client shall provide reasonable detail to Paymentus about such defects, and the System Availability date will be extended until Paymentus notifies Client again of System Availability, and following an additional Testing Period, Client confirms there are no material defects in the System. If the Launch Date does not occur by the earlier of (i) thirty (30) days following final System Availability or (ii) 120 days following the Effective Date (as adjusted for any time required for Paymentus to cure applicable defects), Client shall be obligated to pay seventy-five percent (75%) of the Minimum Monthly Commitment Fees commencing the following month.
- (vi) Dedicating sufficient properly trained and fully engaged personnel to support the implementation process and its use of the Services in compliance with all laws applicable to its use of the Services.
- (vii) Providing Paymentus with the file format specification currently used to post payments to the billing system to allow Paymentus to provide Client with a posting file for posting to Client's billing system.
- (viii) Fully cooperating with Paymentus and securing the cooperation of its software and service providers and providing the information required to integrate with Clients' billing system.
- (viii) Fully cooperating with Paymentus to integrate its systems with the Paymentus Platform through the use of Paymentus' APIs to enable Client's access to the IPN, if selected.
- (ix) Promptly provide Paymentus notice within a reasonable time (not to exceed 48 hours) if Client encounters a cyber-incident or a data security breach which could reasonably be expected to compromise Paymentus data.

6 Indemnification and Limitation of Liability

6.1 Paymentus Indemnification and Hold Harmless

Paymentus agrees to defend, hold harmless and indemnify Client and its directors, officers or governing officials, and employees (collectively, the "Client Indemnitees") from and against all liabilities, demands, losses, damages, costs or expenses (including reasonable attorney's fees and costs), incurred by any Client Indemnatee arising from a claim or demand brought by a third party to the extent such claim or demand alleges that the Services provided under this Agreement infringe the intellectual property rights of the third-party.

6.2 Indemnification Procedure

The indemnified party will give the indemnifying party prompt written notice of any claim for which indemnification is sought. The indemnifying party will have the right to control the defense and settlement of any claim, provided that any settlement that admits liability on behalf of the indemnified party, or adversely affects the indemnified party shall (i) require the indemnified party's prior written consent, which consent will not be unreasonably conditioned, delayed or withheld and (ii) to the extent legally permitted, shall remain confidential.

6.3 Warranty Disclaimer

EXCEPT AS EXPRESSLY SET FORTH IN THE AGREEMENT, PAYMENTUS MAKES NO OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED AND DISCLAIMS ALL OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, MADE TO CLIENT OR ANY OTHER PERSON, INCLUDING WITHOUT LIMITATION, ANY WARRANTIES REGARDING QUALITY, SUITABILITY, MERCHANTABILITY, FITNESS, FOR A PARTICULAR PURPOSE OR OTHERWISE OF ANY SERVICES OR ANY GOOD PROVIDED INCIDENTAL TO THE SERVICES PROVIDED UNDER THE AGREEMENT.

6.4 Limitation of Liability

IF AND TO THE EXTENT PERMITTED BY APPLICABLE LAW, NOTWITHSTANDING THE FOREGOING, PAYMENTUS WILL NOT BE LIABLE FOR ANY LOST PROFITS, LOST SAVINGS OR OTHER SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES, EVEN IF IT HAS

BEEN ADVISED OF OR COULD HAVE FORESEEN THE POSSIBILITY OF THESE DAMAGES. IN NO EVENT WILL PAYMENTUS BE LIABLE FOR ANY LOSSES OR DAMAGES RESULTING FROM THE ACTS, OMISSIONS OR ERRORS OF THIRD PARTIES OR OF CLIENT OR FOR PROVIDING AGREEMENTS, INSTRUCTIONS OR INFORMATION TO USERS AS INSTRUCTED BY CLIENT. PAYMENTUS' TOTAL LIABILITY FOR DAMAGES FOR ANY AND ALL ACTIONS ASSOCIATED WITH THE AGREEMENT OR THE SERVICES WILL IN NO EVENT EXCEED (I) FOR AN ERROR OR OTHER ACTION AFFECTING THE PROCESSING OF ONE OR MORE PAYMENTS, THE AMOUNT OF THE PAYMENTUS FEE ASSOCIATED WITH EACH PAYMENT, (II) FOR ALL OTHER CLAIMS, THE AMOUNT OF THE PAYMENTUS FEE (NET OF DIRECT PROCESSING AND OTHER FEES PAID BY PAYMENTUS) PAID TO PAYMENTUS ("NET FEES") IN THE SIX (6) MONTHS BEFORE THE EVENTS GIVING RISE TO THE CLAIM OR CLAIMS ARISING FROM THE SAME CIRCUMSTANCES; AND (III) IN NO EVENT, MORE THAN THE LESSER OF \$500,000.00 OR THE NET FEES UNDER THE AGREEMENT.

Neither party shall be responsible for liability incurred as a result of the other party's acts or omissions in connection with this Agreement. As between the parties under this Agreement, each party shall be responsible for liability arising from personal injury, loss or damage to person or property occasioned by its own agents or employees in the performance of this Agreement, subject in all cases to the immunities and limitations of the New Mexico Tort Claims Act (NMSA 1978, Sections 41-4-1 et seq.) and any amendments thereto. This paragraph is intended only to define the liabilities between the Contractor and the ABCWUA and it is not intended to modify in any way the parties' liabilities as governed by applicable law. For the sake of clarity, either Party may challenge the applicability of a referenced law and /or utilize any exception under such law. None of the provisions contained within this Agreement are intended to create in the public or any member thereof a third-party beneficiary or to authorize anyone not a party to the Agreement to maintain a suit(s) for wrongful death(s), bodily and/or personal injury(ies) to person(s), damage(s) to property(ies), and/or any other claim(s) whatsoever, pursuant to the provisions of this Agreement."

7 Term and Termination

7.1 Term

The term of the Agreement will commence on the Effective Date and continue for a period of 5 (five) years ("Initial Term") from the Launch Date.

At the end of the Initial Term, the Agreement will automatically renew for successive three (3) year periods unless either Client or Paymentus provides the other party with not less than 6 (six) months prior written notice before the automatic renewal date that it elects not to automatically renew the term of the Agreement.

7.2 Material Breach

A material breach of the Agreement will be cured within 90 (ninety) business days ("Cure Period") after a party notifies the other in writing of the breach in accordance with the Notice Provisions of this Agreement and with reasonable details regarding the material breach. In the event a material breach has not been cured within the Cure Period, the non-breaching party can terminate the Agreement by providing the other party with a 30 business days' written notice.

7.3 Upon Termination

Upon termination of the Agreement, the parties agree to cooperate with one another to ensure that all Payments are accounted for and all refundable transactions have been completed. During any period between the date of the notice of non-renewal or termination, if applicable, and the termination date set forth therein, Client shall maintain transaction volumes materially consistent with historical usage of Paymentus' Platform. Upon termination, Paymentus will cease all Services being provided hereunder unless otherwise agreed in writing.

Termination Provisions: The Water Authority will have the right to terminate the contract upon the occurrence of any one or more of the following events: (a) if sufficient appropriations are not made by the Water Authority Board. Such event will not be an event of default and the contract may be terminated at the end of the Water Authority's then current fiscal year upon written notice given by the Water Authority to Vendor; Notwithstanding the forgoing, Client agrees that prior to giving notice of termination, it will engage in discussions with Paymentus to explore the opportunity of changing to an alternative fee payment model. (b) without notice to Vendor, upon receipt of a notice of debarment of or ineligibility to receive

funds by Vendor from any agency of the federal government or the State of New Mexico or a local public body of the State. (c) if Vendor is found to have engaged or is engaging in Unfair Business Practices as described in Section 2-376 of the Water Authority Procurement Ordinance;. In such event, Vendor will be paid under the terms of the contract for all goods, services or construction provided to and accepted by the Water Authority prior to the effective date of termination.

8. Confidentiality

The parties agree that notwithstanding anything in this Agreement to the contrary, they will each abide by the terms of the Mutual Confidentiality Agreement or other mutual non-disclosure agreement signed by the parties in connection with the commencement of the negotiation of this Agreement ("NDA"), which NDA shall be incorporated herein by reference, with the exception that the Term of the NDA shall be extended from the Effective Date of the NDA for three years following the termination or earlier expiration of this Agreement (the Confidentiality Period"). Furthermore, during the Confidentiality Period, Client will not for any purpose inconsistent with the Agreement disclose to any third party or use any Paymentus confidential or proprietary non-public information that Client has obtained during the procurement process or during the term of the Agreement about Paymentus' business, including the terms of the Agreement, operations, financial condition, technology, systems, know-how, products, Services, suppliers, clients, marketing data, plans, and models, and personnel. Except as required by law, Paymentus will not for any purpose inconsistent with the Agreement or its privacy policy in effect from time to time disclose to any third party or use any confidential User information it receives in connection with its performance of the Services other than as required in connection with the third parties described in Section 5.4(i) (applicable merchant processing, cash management, ACH origination, or kiosk agreements) above.

Inspection of Public Records Provision to Confidentiality Requirements: Inspection of Public Records Act: Any obligation by the Water Authority to maintain confidentiality is subject to the requirements of the New Mexico Inspection of Public Records Act, codified at NMSA 1978 Sec. 14-2-1 et seq. (2017)

9. FOIA Requests

If a request for information is made to Client under any federal, state or other governmental freedom of information act or similar law, rule or regulation seeking disclosure of any of the confidential information of Paymentus, this Agreement or other information provided to Client before and after the Effective Date in connection with or pursuant to this Agreement, Client shall (i) promptly provide Paymentus written notice of (email shall suffice) such request (along with a copy of the request) so that Paymentus may seek, at Paymentus' sole expense, a protective order or other appropriate remedy to protect the requested information to the extent legally permitted and (ii) provide reasonable cooperation (at Paymentus' request and sole expense, including but not limited to Client's legal fees reasonably incurred to protect the requested information) to resist or limit any disclosure pursuant to this paragraph.

10. Intellectual Property

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

11. Miscellaneous

11.1 Authorized Representative

Each party will designate an individual to act as its representative, with the authority to transmit instructions and receive information. The parties may from time to time designate and notify the other party of other individuals or change the individuals.

11.2 Notices

All notices of any type hereunder ("Notices") will be in writing and sent to the addresses indicated on the

signature page and except as otherwise provided in these Terms and Conditions will be given by certified mail, a national courier or by hand delivery. Notices will be considered to have been given or received on the date the notice is physically received. Any party by giving notice in the manner set forth herein (or by electronic mail) may unilaterally change the name of the person to whom notice is to be given or the address at which the notice is to be received, by sending Notice to the other party. Notices to Paymentus shall also be copied to the attention of the Legal Department at the Paymentus address.

11.3 Interpretation

It is the intent of the parties that no portion of the Agreement will be interpreted more harshly against either of the parties as the drafter.

11.4 Governing Law

The Agreement will be governed by the laws of the state of New Mexico, without giving effect to any principles of conflicts of law.

11.5 Severability

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

11.6 Attorney's Fees

Should any litigation or other dispute requiring the involvement of attorneys arise between the parties concerning the Agreement, the parties agree to bear their own costs and attorney's fees.

11.7 Force Majeure

Each of the Party's will be excused from performing the Services or other non-monetary obligations to the extent such Party's performance is directly delayed, impaired or rendered impossible due to acts of God or other events that are beyond such Party's reasonable control and without its fault or judgment, including without limitation, natural disasters, war, terrorist acts, riots, acts of a governmental entity (in a sovereign or contractual capacity), fire, storms, floods, labor strikes, labor walk-outs, pandemics or other wide-scale health crisis, quarantine and related restrictions, explosions, extra-ordinary loss of utilities (including telecommunications services), or external computer "hacker" attacks and/or delays of common carrier.

11.8 No Third Party Beneficiaries.

Nothing in this Agreement, express or implied, is intended to confer rights, benefits, remedies, obligations or liabilities on any person (including Users or customers of the parties) other than the parties or their respective successors and permitted assigns.

11.9 Entire Agreement

The Agreement represents the entire agreement between the parties with respect to its subject matter and supersedes all prior written or oral agreements or understandings related to its subject matter and except as provided in the Agreement may be changed only by agreements in writing signed by the authorized representatives of the parties. Paymentus may amend this Agreement as reasonably necessary to comply with laws, regulations or rules applicable to the Services provided under this Agreement.

11.9 Counterparts

The Agreement and any amendment or other document related to the Agreement may be executed in counterparts, each of which will constitute an original, and all of which will constitute one agreement. The Agreement and any amendment or other document related to the Agreement may be signed electronically. A photographic or facsimile copy of the signature evidencing a party's execution of the Agreement will be effective as an original signature.

Paymentus Instant Payment Network® Solution Components

(Checkbox indicates feature is included. All features are available on the platform)

Paymentus processes payments using our secure PCI and Nacha compliant platform with simplified reconciliation, streamlined funding and next day deposits.

[Proprietary & Confidential]

☒		Responsive Web/Mobile View and pay online with guest (one-time) and enrolled/registered options.	☒		Agent Dashboard Real-time, single point of access to manage system and view analytics and reporting.
☒		Hosted IVR Phone payments with a multilingual and highly configurable call flow.	☒		Secure Service® CSRs capture payments with PCI-compliant technology.
☒		eBill Presentment Opt-in/out of paper bill delivery with multiple options for eBill delivery and images.	☐		Bill Print and Mail Full print and mail services for paper bills, inserts, imaging and other documents.
☒		Digital Wallets Pay with PayPal, Venmo, PayPal Credit, Apple Pay, Google Pay and more.	☒		Pay-by-Text Automated interactions via SMS for payments that are quick and secure.
☒		Outbound Messaging Deliver timely notifications by email, text and phone.	☒		Secure PDF Payment Receive and pay eBills in a secure PDF via email.
☒		Chatbot & AI Automation Use AI to help with common customer FAQs, payments and interactions.	☐		Kiosk Solutions Ease burden on staff via self-service in-person payments.
☒		Point of Sale & Cashiering Accept in-person payments EMV/P2P/NFC/Cash/Check for over the counter and mobile devices.	☒		Walmart Bill Pay Accept debit and cash payments at Walmart stores. Consumer fees apply.
☒		Digital Disbursements Streamline refunds, payouts, rebates by eliminating paper checks and delivery delays.	☒		Usage and Analytics Superior analytics and programmatic solutions for meter and data needs.
☒		PayPal Super App Reach customers through this widely used global app.	☒		Scan-to-Pay Accept cash payments at 90,000 retailers. Consumer fees apply.

Pricing Description – Inclusive of Paymentus Processing and Technology

Setup, Subscription and Implementation	\$0.00
Integration Costs from Paymentus with Oracle	\$0.00
Annual/Monthly Support and Maintenance	\$0.00
Gateway Fees, Nacha and PCI Compliance	\$0.00
Use of Real-Time API, File and SSO Integration Options	\$0.00
Data and Profile Migration Services	\$0.00
Persistent Test Environment(s)	\$0.00
24/7 Security Monitoring and Network Operations	\$0.00
Real-Time Payment Processing	\$0.00
Branded eBills, Automated Notifications and Communication Tools	\$0.00
Telecom Charges for IVR and Automated Notifications	\$0.00
Encryption and Tokenization Services	\$0.00
Fraud Detection, Aggregator and Mitigation Services	\$0.00
Comprehensive Reporting and Lookup: All Pay Channels/Methods	\$0.00
Real-time System Performance and Analytics Dashboard	\$0.00
Ongoing Product Feature Releases and Payment Methods	\$0.00
Account Management Support and Training	\$0.00
Customer Adoption Success Team Marketing Services (CAST)	\$0.00

Schedule A – Paymentus Service Fee Schedule

This contract is in conjunction with Allied States Contract # (25-7520).

The Paymentus Fee will be as specified below, and will be paid by the user. (User Fee Model)

Channel	Channels	Services	Payment Methods & Channels	User will make payments
☒	Instant Payment Network™	Ebill Presentment and Customer Engagement	All payment channels and methods offered under IPN such as PayPal, Venmo, PayPal Credit, Secure PDF Push, Chatbot, Advanced Notification Service (ECM), Text 2 Pay, Voice Assistants, Mobile Apps and others as offered by Payments from time to time	☒
☒	Direct Payments (Web, IVR, Scheduled)	Ebill Presentment and Customer Engagement	Credit, Debit, ACH	☒

Convenience Fee Model with No Fee ACH-Option 1

All ACH/eCheck One Time & AutoPay Includes Account Validation for Nacha compliance in addition to full migration of all AutoPay to Paymentus	\$0.00 per item
Residential Credit Cards, Debit Cards and Digital Wallets Flat Fee for qualified transactions (Visa, Mastercard, Discover, American Express, PayPal, PayPal Credit Venmo, Google Pay, Apple Pay) Includes Account Updater	\$1.95 per item
Commercial / Industrial Credit, Debit Cards & Digital Wallets (Non- Qualified) (Visa, Mastercard, Discover, American Express, PayPal, PayPal Credit Venmo, Google Pay, Apple Pay) Includes Account Updater	2.95% of payment amount per item

Absorbed Fee Model-Option 2-Go live with absorbed model in 2025

All ACH/eCheck One Time & AutoPay Includes Account Validation for Nacha compliance in addition to full migration of all AutoPay to Paymentus	\$0.20 per item
Qualified Residential Credit Cards, Debit Cards and Digital Wallets Flat Fee for qualified transactions (Visa, Mastercard, Discover, American Express, PayPal, PayPal Credit Venmo, Google Pay, Apple Pay) Includes Account Updater	\$1.63 per item

Non-Qualified Commercial / Industrial Credit, Debit Cards & Digital Wallets (Visa, Mastercard, Discover, American Express, PayPal, PayPal Credit Venmo, Google Pay, Apple Pay) Includes Account Updater	<i>2.95% of payment amount per item</i>
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Note:

- ACH: Max Payment Amount: \$100,000.00
- Residential: Max Payment Amount \$1200.00 for user fee models, Absorb model to have a \$1200.00 cap to mitigate cost and risk.
- Commercial: Max Payment Amount \$100,000.00 User Fee Model, Absorb model to have a \$100,000 cap to mitigate cost and risk.
- POS Card Devices: 8 devices at no charge
- Average Bill Amount: \$87.70 for residential payments. Commercial accounts variable.
- Chargebacks and returned checks will be billed at \$5.95 per item.

Schedule B Client Data

SUMMARY BY CARD TYPE			
Card Type	Average Ticket	Total Gross Sales You Submitted	
		Items	Amount
Mastercard	\$246.38	18,064	\$4,450,573.72
VISA	\$162.96	28,472	\$4,645,362.11
Discover	\$109.74	863	\$94,703.59
American Express	\$298.34	1,729	\$515,833.13
Total		49,128	\$9,706,472.55

30 Day Picture for Credit/Debit Web Payments

SUMMARY BY CARD TYPE			
Card Type	Average Ticket	Total Gross Sales You Submitted	
		Items	Amount
Mastercard	\$142.20	21	\$2,986.30
VISA	\$568.87	71	\$40,389.49
Discover	\$221.52	3	\$664.57
American Express	\$626.99	5	\$3,134.96
Debit/Atm	\$260.32	172	\$44,775.37
Total		272	\$91,950.69

30 Day Picture for Credit/ Debit Cards – POS

Payment Me	Account Typ	Payment Co	Payment Amount
ACH	BC	5382	2,228,749.94
ACH	BS	17	2,082.70
ACH	PC	42290	4,372,965.68
ACH	PS	732	74,109.77
Card	AX	1664	473,347.10
Card	DI	830	91,453.32
Card	MC	16980	4,278,493.56
Card	VI	26853	4,392,643.14
Grand Totals		94748	15,913,845.21

Same 30-day window with ACH for a totals summary. Additional Adoption expected and accounted for in Bills Expected Annually. Client Data is used for resource planning only