

PayGOV.US, LLC.
5144 E. Stop 11 Road, Suite #17
Indianapolis, IN 46237

AGENCY SERVICE AGREEMENT

This agreement is by and between **PayGOV.US LLC (PGV)**, with its principal address at 5144 E. Stop 11 Road, Suite #17, Indianapolis IN 46237, and San Bernardino County, by and through its included Sheriff/Coroner/Public Administrator (**AGENCY**), with its principal address at 655 East Third Street, San Bernardino, CA 92415 (**Agreement**). **PGV** and the **AGENCY** mutually agree as follows:

1. This Agreement is effective for a period of three (3) years, beginning May 5, 2026 and expiring on May 4, 2029, but may be extended for an additional one (1) year term upon written agreement of the parties or terminated earlier in accordance with provisions of this Agreement.
2. The **AGENCY** reserves the right to terminate the Agreement, for its convenience, with or without cause, with a thirty (30) day written notice of termination. Such termination may include all or part of the services described herein. Upon such termination, payment will be made to **PGV** for services rendered and expenses reasonably incurred prior to the effective date of termination. Upon receipt of termination notice Contractor shall promptly discontinue services unless the notice directs otherwise. Contractor shall deliver promptly to County and transfer title (if necessary) all completed work, and work in progress, including drafts, documents, plans, forms, data, products, graphics, computer programs and reports.
3. **PGV** reserves the right to terminate the Agreement, for its convenience, with or without cause, with a ninety (90) day written notice of termination.
4. **PGV** has designed and developed a payment processing system for government agencies, to include operator-assisted and Internet processing services, to enhance the collection of payments or other obligations to the government agency on a 24/7 basis. A person or entity wanting to pay an obligation to the **AGENCY**, or any of its departments, by credit or debit card may do so by calling the **PGV** toll-free number or logging on to the designated website link (where applicable), at no cost to the **AGENCY**. **PGV** will also provide equipment to swipe credit or debit cards, at no cost to the **AGENCY** or its departments.
5. **PGV** will assess the person or entity wanting to pay an obligation to the **AGENCY** a convenience fee, equal to 4.19% of the transaction amount, for all point-of-service, online, mobile, and over-the-phone (in-office) transactions. A minimum flat convenience fee of \$1.00 will apply to any transaction under \$24.00. Service includes timely and accurate transaction processing, next business day reconciliation, and funds transfer via ACH transfer from **PGV** to the **AGENCY**.
 - a. **PGV** will send daily to the **AGENCY**'s bank account the amounts collected on behalf of the **AGENCY**, with a file of transactions showing a detail by End User and corresponding amount(s) to reconcile the day's collections. **PGV** will provide the **AGENCY** with the ability to generate ad hoc detailed reports.
 - b. Convenience fees, chargebacks and any discrepancies for End User's payments will remain in **PGV**'s bank account.
6. **PGV** agrees the **AGENCY** is not responsible for any compensation for this service, nor shall the **AGENCY** pay any associated operational costs, or any state, local, federal or Federal Insurance Contribution Act taxes, on behalf of **PGV**. **PGV** shall pay all federal, state, local, and Federal Insurance Contribution Act taxes for all its employees participating in the provision of services under this Agreement.
7. **PGV** accepts and agrees to perform all services associated with this Agreement as an independent contractor and not as an employee of the **AGENCY**. Nothing herein shall be construed as creating a partnership or joint venture between the parties; nor shall any employee of **PGV** be construed as an employee, agent, or principal of the **AGENCY**.
8. **PGV** shall cooperate with the **AGENCY**, and with any other person or agency acting at the direction of the **AGENCY**, in the **AGENCY**'s efforts to monitor, audit, or investigate activities related to this Agreement. **PGV** shall provide any auditors retained by the **AGENCY** with access to any records or files related to the provision of services under this Agreement upon reasonable notice. The **AGENCY** agrees that its auditors will maintain the confidentiality of any trade secrets of **PGV** that may be accessed during an audit conducted under this Agreement.
9. **PGV** agrees that all records, data, personnel records, and/or other confidential information that come within **PGV**'s possession in the course of providing services to the **AGENCY** under this Agreement (hereinafter Confidential

Information) shall be subject to the confidentiality and disclosure provisions of all applicable federal and state statutes and regulations, as well as any relevant policies of the **AGENCY**. All data and/or records provided by the **AGENCY** to **PGV** shall be presumed to be Confidential Information subject to the terms of this section unless the **AGENCY** specifically indicates in writing that the requirements of this section do not apply to a particular document or group of documents. **PGV** agrees to receive and hold Confidential Information, whether transmitted orally, in writing, or in any other form, and whether prepared by a party or its representatives, in strict confidence, and to use the Confidential Information solely for the purpose of facilitating the **AGENCY**'s use of **PGV** products and/or services. Except as essential to **PGV**'s obligations to the **AGENCY**, **PGV** shall not copy any of the Confidential Information, or remove any Confidential Information, or proprietary property or documents from the **AGENCY**'s premises without written authorization of the **AGENCY**. **PGV** acknowledges its understanding that any unauthorized disclosure of Confidential Information may result in penalties and other damages.

10. PGV represents and warrants that all documents and information provided to **PGV** by or on behalf of the **AGENCY** including, but not limited to, Confidential Records, shall be stored and maintained by **PGV** with the utmost care and in conformity with standards generally accepted in **PGV**'s industry for the types of records being stored and maintained. **PGV** further represents and warrants that any online access to the **AGENCY**'s records by authorized persons pursuant to this Agreement shall be safe, secure, and password-protected, and provided with the utmost care and in conformity with standards generally accepted in **PGV**'s industry for the types of records being stored and maintained, and that no person shall be permitted to obtain unauthorized access to any of the **AGENCY**'s records. Without limiting the foregoing, **PGV** specifically warrants that:

10.1. All servers, computers, and computer equipment used to provide services pursuant to this Agreement shall be maintained in good working order in compliance with generally accepted industry standards in light of the confidential nature of the documents in question and shall be located in a safe, controlled, and environmentally-stable environment (including moisture and temperature controls), and adequately protected against fires, hurricanes, flooding, or similar occurrences;

10.2. Facilities where services are provided shall be secure, and access shall be limited to employees trained in security protocols with a legitimate business need to access such facilities (with access removed immediately upon termination of employment), and shall be protected from unauthorized access by commercially reasonable security systems;

10.3. All websites, file transfer protocols, and any other online electronic system used to provide services pursuant to this Agreement shall be protected from security breaches by commercially reasonable firewalls and other intrusion detection systems and antivirus software, which shall be kept updated at all times. Access shall be limited to those agents and employees of **PGV** assigned to the project and any individuals identified in writing by the **AGENCY** or the **AGENCY**'s designee as authorized to obtain access.

10.4. **PGV** has technical controls in place that ensure the security, availability, and confidentiality of the **AGENCY** data.

10.5. All information provided to **PGV** pursuant to this Agreement shall be encrypted while in transit over an open network.

11. Notwithstanding anything in this Agreement to the contrary, **PGV** represents and warrants that the services provided by **PGV** shall be performed by qualified and skilled individuals in a timely and professional manner with the utmost care and in conformity with standards generally accepted in **PGV**'s industry for the types of services and records governed by this Agreement.

12. **PGV** agrees to indemnify, defend (with counsel reasonably approved by the **AGENCY**), and hold harmless the **AGENCY** and its authorized officers, employees, agents, and volunteers from any and all claims, actions, losses, damages, and/or liability arising out of the Agreement from any cause whatsoever, including the acts, errors, or omissions of any person and for any costs or expenses incurred by the **AGENCY** on account of any claim except where such indemnification is prohibited by law. This indemnification provision shall apply regardless of the existence of degree of fault of indemnities. The **AGENCY** indemnification obligation applies to the **AGENCY**'s "active" as well as "passive" negligence but does not apply to the **AGENCY**'s "sole negligence" or "willful misconduct" within the meaning of Civil Code section 2782.

13. The **AGENCY** agrees to assist **PGV** with (i) collection of funds from any cardholder to include reinstatement of the obligation owed the **AGENCY**; (ii) all cardholder information pertinent to any inquiry or dispute regarding payment made to the **AGENCY** via the services of **PGV**.

14. **PGV** and the **AGENCY** agree that the Insurance Requirements Addendum, attached hereto, is hereby incorporated into and fully made part of this Agreement by this reference.

15. The Agreement is not assignable by **PGV**, either in whole or in part, without the prior written consent of the **AGENCY**.
16. **PGV** represents it is qualified to perform the aforementioned services as outlined in this Agreement, and that all work shall be accomplished in a workmanlike manner. **PGV** agrees to observe and comply with all federal, state, and local law in performing the services agreed to herein.
17. This Agreement shall be governed by the laws of the State of California. The parties acknowledge and agree that this Agreement was entered into and intended to be performed in San Bernardino, County, California. The parties agree that the venue of any action or claim brought by any party to the Agreement will be the Superior Court of California, San Bernardino County, San Bernardino District. Each party hereby waives any law or rule of the court which would allow them to request or demand a change of venue. If any action or claim concerning the Agreement is brought by any third party and filed in another venue, the parties hereto agree to use their best efforts to obtain a change of venue to the Superior Court of California, San Bernardo County, San Bernardino District.
18. The parties agree that any alterations, variations, modifications, or waivers of the provisions of this Agreement, shall be valid only when reduced to writing, executed and attached to the original Agreement, and approved by the person(s) authorized to do so on behalf of **PGV** and the **AGENCY**.
19. **PGV** specifically acknowledges that it will comply with all applicable policies of the **AGENCY**, all of which are publicly available on the **AGENCY**'s website.
20. Any notice or other communication provided for herein as given to a party hereto shall be in writing, shall refer to this Agreement by parties, Agreement number 080221, and date, and shall be delivered by registered mail, return receipt required, postage prepaid to the person listed below or his successor.

If to **PGV**:
 PayGOV.US, LLC.
 5144 E. Stop 11 Road, Suite #17
 Indianapolis, IN46237

If to the **AGENCY**:
 San Bernardino County Sheriff's Department
 Bureau of Administration-Contracts Unit
 655 East Third Street
 San Bernardino, CA 92415

21. This Agreement, including the incorporated and attached Insurance Requirements Addendum, constitutes and expresses the entire agreement and understanding between the parties concerning the subject matter of this Agreement and supersedes all prior and contemporaneous discussions, promises, representations, agreements, and understandings relative to the subject matter of this Agreement.
22. This Agreement and, if applicable, all subsequent amendments, may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall together constitute one and the same Agreement. The parties shall be entitled to sign and transmit an electronic signature of this Agreement (whether by facsimile, PDF, or other mail transmission), which signature shall be binding on the party whose name is contained therein. Each party providing an electronic signature agrees to promptly execute and deliver to the other party an original signed Agreement upon request.
23. **IN WITNESS WHEREOF**, the **AGENCY** and **PGV** have each caused this Agreement to be subscribed by its respective duly authorized officer, on its behalf.

PayGOV.US LLC

San Bernardino County

 Name: Mike Hiatt, Chief Executive Officer

 Name: Dawn Rowe, Chair, Board of Supervisors

Date: _____

Date: _____

INSURANCE REQUIREMENTS ADDENDUM

A. INSURANCE REQUIREMENTS

A.1 Additional Insured

All policies, except for Worker's Compensation, Errors and Omissions and Professional Liability policies shall contain additional endorsements naming the **AGENCY** and its officers, employees, agents and volunteers as additional named insured with respect to liabilities arising out of the performance of services hereunder. The additional insured endorsements shall not limit the scope of coverage for the County to vicarious liability but shall allow coverage for the **AGENCY** to the full extent provided by the policy. Such additional insured coverage shall be at least as broad as Additional Insured (Form B) endorsement form ISO, CG 2010.11 85.

A.2 Waiver of Subrogation Rights

PGV shall require the carriers of required coverages to waive all rights of subrogation against the **AGENCY**, its officers, employees, agents, volunteers, contractors and subcontractors. All general or auto liability insurance coverage provided shall not prohibit **PGV** and **PGV's** employees or agents from waiving the right of subrogation prior to a loss or claim. **PGV** hereby waives all rights of subrogation against the **AGENCY**.

A.3 Policies Primary and Non-Contributory

All policies required herein are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by the **AGENCY**.

A.4 Severability of Interests

PGV agrees to ensure that coverage provided to meet these requirements is applicable separately to each insured and there will be no cross-liability exclusions that preclude coverage for suits between **PGV** and the **AGENCY** or between the **AGENCY** and any other insured or additional insured under the policy.

A.5 Proof of Coverage

PGV shall furnish Certificates of Insurance to the **AGENCY** evidencing the insurance coverage at the time the Contract is executed, additional endorsements, as required shall be provided prior to the commencement of performance of services hereunder, which certificates shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to the **AGENCY**, and **PGV** shall maintain such insurance from the time **PGV** commences performance of services hereunder until the completion of such services. Within fifteen (15) days of the commencement of the Contract, **PGV** shall furnish a copy of the Declaration page for all applicable policies and will provide complete certified copies of the policies and endorsements immediately upon request.

A.6 Acceptability of Insurance Carrier

Unless otherwise approved by the **AGENCY's** Risk Management, insurance shall be written by insurers authorized to do business in the State of California and with a minimum "Best" Insurance Guide rating of "A- VII".

A.7 Deductibles and Self-Insured Retention

Any and all deductibles or self-insured retentions in excess of \$10,000 shall be declared to and approved by the **AGENCY's** Risk Management.

A.8 Failure to Procure Coverage

In the event that any policy of insurance required under the Contract does not comply with the requirements, is not procured, or is canceled and not replaced, the **AGENCY** has the right but not the obligation or duty to cancel the contract or obtain insurance if it deems necessary and any premiums paid by the **AGENCY** will be promptly reimbursed by the **PGV** or County payments to **PGV** will be reduced to pay for the **AGENCY** purchased insurance.

A.9 Insurance Review

Insurance requirements are subject to periodic review by the **AGENCY**. the **AGENCY's** Director of Risk Management or designee is authorized, but not required, to reduce, waive or suspend any insurance requirements whenever Risk Management determines that any of the required insurance is not available, is unreasonably priced, or is not needed to protect the interests of the **AGENCY**. In addition, if the **AGENCY's** Department of Risk Management determines that heretofore unreasonably priced or unavailable types of insurance coverage or coverage limits become reasonably priced or available, the Director of Risk Management or designee is authorized, but not required, to change the above insurance requirements to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against the **AGENCY**, inflation, or any other item reasonably related to the **AGENCY's** risk.

Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to the Contract. **PGV** agrees to execute any such amendment within thirty (30) days of receipt.

Any failure, actual or alleged, on the part of the **AGENCY** to monitor or enforce compliance with any of the insurance and indemnification requirements will not be deemed as a waiver of any rights on the part of the **AGENCY**.

A.10 **PGV** agrees to provide insurance set forth in accordance with the requirements herein. If **PGV** uses existing coverage to comply with these requirements and that coverage does not meet the specified requirements, **PGV** agrees to amend, supplement or endorse the existing coverage to do so.

Without in anyway affecting the indemnity herein provided and in addition thereto, **PGV** shall secure and maintain throughout the contract term the following types of insurance with limits as shown:

A.10.1 Workers' Compensation/Employer's Liability – A program of Workers' Compensation insurance or a state-approved, self-insurance program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability with \$250,000 limits covering all persons including volunteers providing services on behalf of **PGV** and all risks to such persons under the Contract.

If **PGV** has no employees, it may certify or warrant to the **AGENCY** that it does not currently have any employees or individuals who are defined as "employees" under the Labor Code and the requirement for Workers' Compensation coverage will be waived by the **AGENCY's** Director of Risk Management.

With respect to Contractors that are non-profit corporations organized under California or Federal law, volunteers for such entities are required to be covered by Workers' Compensation insurance.

A.10.2 Commercial/General Liability Insurance – **PGV** shall carry General Liability Insurance covering all operations performed by or on behalf of **PGV** providing coverage for bodily injury and property damage with a combined single limit of not less than one million dollars (\$1,000,000), per occurrence. The policy coverage shall include:

- . Premises operations and mobile equipment.
- . Products and completed operations.
- . Broad form property damage (including completed operations).
- . Explosion, collapse and underground hazards.
- . Personal injury.
- . Contractual liability.
- . \$2,000,000 general aggregate limit.

A.10.3 Automobile Liability Insurance – Primary insurance coverage shall be written on ISO Business Auto coverage form for all owned, hired and non-owned automobiles or symbol 1 (any auto). The policy shall have a combined single limit of not less than one million dollars (\$1,000,000) for bodily injury and property damage, per occurrence.

If **PGV** is transporting one or more non-employee passengers in performance of contract services, the automobile liability policy shall have a combined single limit of two million dollars (\$2,000,000) for bodily injury and property damage per occurrence.

If **PGV** owns no autos, a non-owned auto endorsement to the General Liability policy described above is acceptable.

A.10.4 Umbrella Liability Insurance – An umbrella (over primary) or excess policy may be used to comply with limits or other primary coverage requirements. When used, the umbrella policy shall apply to bodily injury/property damage, personal injury/advertising injury and shall include a "dropdown" provision providing primary coverage for any liability not covered by the primary policy. The coverage shall also apply to automobile liability.

A.10.5 Professional Liability – Professional Liability Insurance with limits of not less than one million (\$1,000,000) per claim and two million (\$2,000,000) aggregate limits

or

Errors and Omissions Liability Insurance – Errors and Omissions Liability Insurance with limits of not less than one million (\$1,000,000) and two million (\$2,000,000) aggregate limits

or

Directors and Officers Insurance coverage with limits of not less than one million (\$1,000,000) shall be required

for Contracts with charter labor committees or other not-for-profit organizations advising or acting on behalf of the County.

If insurance coverage is provided on a “claims made” policy, the “retroactive date” shall be shown and must be before the date of the state of the contract work. The claims made insurance shall be maintained or “tail” coverage provided for a minimum of five (5) years after contract completion.

A.10.6 Cyber Liability Insurance - Cyber Liability Insurance with limits of no less than \$1,000,000 for each occurrence or event with an annual aggregate of \$2,000,000 covering privacy violations, information theft, damage to or destruction of electronic information, intentional and/or unintentional release of private information, alteration of electronic information, extortion, and network security. The policy shall protect the involved County entities and cover breach response cost as well as regulatory fines and penalties.

A.10.7 This addendum shall govern any conflicting provisions.



ATTACHMENT A

Levine Act – Campaign Contribution Disclosure

(formerly referred to as Senate Bill 1439)

The following is a list of items that are not covered by the Levine Act. A Campaign Contribution Disclosure Form will not be required for the following:

- Contracts that are competitively bid and awarded as required by law or County policy
- Contracts with labor unions regarding employee salaries and benefits
- Personal employment contracts
- Contracts under \$50,000
- Contracts where no party receives financial compensation
- Contracts between two or more public agencies
- The review or renewal of development agreements unless there is a material modification or amendment to the agreement
- The review or renewal of competitively bid contracts unless there is a material modification or amendment to the agreement that is worth more than 10% of the value of the contract or \$50,000, whichever is less
- Any modification or amendment to a matter listed above, except for competitively bid contracts.

DEFINITIONS

Actively supporting or opposing the matter: (a) Communicate directly with a member of the Board of Supervisors or other County elected officer [Sheriff, Assessor-Recorder-Clerk, District Attorney, Auditor-Controller/Treasurer/Tax Collector] for the purpose of influencing the decision on the matter; or (b) testifies or makes an oral statement before the County in a proceeding on the matter for the purpose of influencing the County's decision on the matter; or (c) communicates with County employees, for the purpose of influencing the County's decision on the matter; or (d) when the person/company's agent lobbies in person, testifies in person or otherwise communicates with the Board or County employees for purposes of influencing the County's decision in a matter.

Agent: A third-party individual or firm who, for compensation, is representing a party or a participant in the matter submitted to the Board of Supervisors. If an agent is an employee or member of a third-party law, architectural, engineering or consulting firm, or a similar entity, both the entity and the individual are considered agents.

Otherwise related entity: An otherwise related entity is any for-profit organization/company which does not have a parent-subsidary relationship but meets one of the following criteria:

- (1) One business entity has a controlling ownership interest in the other business entity;
- (2) there is shared management and control between the entities; or
- (3) a controlling owner (50% or greater interest as a shareholder or as a general partner) in one entity also is a controlling owner in the other entity.

For purposes of (2), "shared management and control" can be found when the same person or substantially the same persons own and manage the two entities; there are common or commingled funds or assets; the business entities share the use of the same offices or employees, or otherwise share activities, resources or personnel on a regular basis; or there is otherwise a regular and close working relationship between the entities.

Parent-Subsidiary Relationship: A parent-subsidiary relationship exists when one corporation has more

than 50 percent of the voting power of another corporation.

Contractors must respond to the questions on the following page. If a question does not apply respond N/A or Not Applicable.

1. Name of Contractor: Paygov.US, LLC

2. Is the entity listed in Question No.1 a nonprofit organization under Internal Revenue Code section 501(c)(3)?
 Yes If yes, skip Question Nos. 3-4 and go to Question No. 5 No

3. Name of Principal (i.e., CEO/President) of entity listed in Question No. 1, if the individual actively supports the matter and has a financial interest in the decision:
Michael Hiatt Member

4. If the entity identified in Question No.1 is a corporation held by 35 or less shareholders, and not publicly traded ("closed corporation"), identify the major shareholder(s):
N/A

5. Name of any parent, subsidiary, or otherwise related entity for the entity listed in Question No. 1 (see definitions above):

Company Name	Relationship
N/A	N/A

6. Name of agent(s) of Contractor:

Company Name	Agent(s)	Date Agent Retained (if less than 12 months prior)
N/A	N/A	

7. Name of Subcontractor(s) (including Principal and Agent(s)) that will be providing services/work under the awarded contract if the subcontractor (1) actively supports the matter and (2) has a financial interest in the decision and (3) will be possibly identified in the contract with the County or board governed special district.

Company Name	Subcontractor(s):	Principal and/or Agent(s):
N/A	N/A	N/A

8. Name of any known individuals/companies who are not listed in Questions 1-7, but who may (1) actively support or oppose the matter submitted to the Board and (2) have a financial interest in the outcome of the decision:

Company Name	Individual(s) Name
N/A	N/A

9. Was a campaign contribution, of more than \$500, made to any member of the San Bernardino County Board of Supervisors or other County elected officer involved with this Contract within the prior 12 months, by any of the individuals or entities listed in Question Nos. 1-8?

No

Yes If **yes**, please provide the contribution information in Question 11.

10. Has an agent of Contractor made a campaign contribution of any amount to any member of the San Bernardino County Board of Supervisors or other elected officer involved with this Contract while award of this Contract is being considered?

No If no, please skip question 11.

Yes If **yes**, please provide the contribution information in Question 11.

11. Name of Board of Supervisor Member or other County elected officer: N/A

Name of Contributor: _____

Date(s) of Contribution(s): _____

Amount(s): _____

Please add an additional sheet(s) to identify additional Board Members or other County elected officers to whom anyone listed made campaign contributions.

By signing the Contract, Contractor certifies that the statements made herein are true and correct. Contractor acknowledges that agents are prohibited from making any campaign contributions, regardless of amount, to any member of the Board of Supervisors or other County elected officer involved with this Contract, while award of this Contract is being considered and for 12 months after a final decision by the County. Contractor understands that the other individuals and entities (excluding agents) listed in Question Nos. 1-8 are prohibited from making campaign contributions of more than \$500 to any member of the Board of Supervisors or other County elected officer involved with this Contract, while award of this Contract is being considered and for 12 months after a final decision by the County.