

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

**IN THE MATTER OF:**

ELECTRONIC APPLICATION FOR	)	
A DECLARATORY ORDER OF	)	CASE NO.
MORGAN COUNTY WATER DISTRICT	)	2025-00006

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**VERIFIED APPLICATION**

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Comes now Morgan County Water District (“Morgan County”), by and through the undersigned counsel, pursuant to 807 KAR 5:001 Section 19 and other applicable law, and does hereby submit its Application for the Commission to declare a contract with Payment Service Network, Inc. does not require approval pursuant to KRS 278.300. Morgan County respectfully requests the Commission issue its **decision by February 13, 2025** so that it may execute the contract. As grounds for this Application, Morgan County respectfully states as follows:

**Introduction and Filing Requirements**

1. Morgan County is a water utility organized pursuant to KRS Chapter 74. Morgan County owns and operates a distribution system through which it provides retail water service to approximately 2,863 residential customers and 121 commercial that reside in Morgan County, Kentucky. Morgan County is a “utility” as that term is defined in KRS 278.010(3)(d), and subject to the rates and service jurisdiction of the Commission.

2. Pursuant to 807 KAR 5:001 Section 14(1), Morgan County’s business and mailing address is 1009 U.S. Highway 172, West Liberty, Kentucky 41471. Morgan County’s email address is morganwater@gmail.com and its web address is <https://morgankywaterdistrict.com/>. Morgan County’s telephone number is 606-743-1204 and its fax number is 606-743-9585.

Morgan County requests that the following individuals be included on the service list:

Andy Legg, Morgan County's Manager – andy.legg@morgankywater.org;

L. Allyson Honaker – allyson@hloky.com;

Heather S. Temple – heather@hloky.com

**Request for Declaratory Relief**

3. Morgan County seeks this declaratory order from the Commission that entering a contract with Payment Service Network, Inc. (“PSN”) to provide eServices for payment processing, billing, and customer communication does not need approval pursuant to KRS 278.300.

4. KRS 278.300 requires a utility to receive authorization from the Commission before it issues any evidences of indebtedness.

5. Morgan County is in the process of reorganizing how its business office operates.<sup>1</sup> As part of this process, Morgan County has contacted PSN to provide support for processing payments from customers. The agreement would also include a customer mobile app, call center for customers, email notifications for Morgan County, and many other benefits. A copy of the Pricing Proposal and Contract are attached as Exhibit A to this Motion.

6. Per the agreement with PNS, Morgan County will not pay any money for the services provided. All service fees, support fees, and all security fees would be waived for the contract term of five (5) years and the successive three (3) year renewal terms.

7. Customers would pay transaction fees to cover the costs of processing the payments. The fees would be dependent on the type of payment and how the payment is made. PNS would be able to accept online/mobile/virtual payments with a \$0.95 transaction fee for

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<sup>1</sup> Case No. 2024-00325, *Investigation of the Financial and Operating Capacity of Morgan County Water District*, Morgan County Water District Response to Commission Order (filed January 13, 2025).

checking/savings or a 2.95% fee for credit cards. PNS would be able to accept automated phone payments with a \$1.90 transaction fee for checking/savings or a 2.95% plus \$0.95 transaction fee for credit cards. PNS would be able to accept live call center payments with a \$3.90 transaction fee for checking/savings or a 2.95% plus \$0.95 transaction fee for credit cards.

**Conclusion**

8. Morgan County believes approval of the contract pursuant to KRS 278.300 is not necessary because Morgan County is not required to pay any fees or take on any debt to use PNS for its payment processing services. Even though customers will be charged transactional fees, Morgan County believes this is the best way to move forward for processing payments. Morgan County will still accept payments at its offices for customers who want to avoid the fees. Alternatively, if the Commission believes this contract does require approval, Morgan County is requesting the Commission grant Morgan County the authority to enter into the contract.

This the 13<sup>th</sup> of January, 2025

Respectfully submitted,

*Heather S. Temple*

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Heather S. Temple  
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*Counsel for Morgan County Water District*

**CERTIFICATE OF SERVICE**

This is to certify that foregoing electronic filing was transmitted to the Commission on January 13, 2025; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that pursuant to the Commission's July 22, 2021 Order in Case No. 2020-00085, no paper copies of the filing will be made.

*Heather S. Temple*

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*Counsel for Morgan County Water District*



## **Exhibit A**



Simplifying your customer's life and your business day

## **Pricing Proposal for Morgan County Water District, KY**

Payment Service Network, Inc.  
2901 International Lane  
Madison Wisconsin 53704

[www.PaymentServiceNetwork.com](http://www.PaymentServiceNetwork.com)

Nick Photos

Phone: 203-305-1127

[nphotos@invoicecloud.com](mailto:nphotos@invoicecloud.com)



Thank you for allowing me to submit this proposal. Payment Service Network (PSN) provides a vast range of eServices for payment processing, billing and customer communication. After discussing your needs, I have developed the following proposal of services. Please let me know if there is any additional information you require. The staff at PSN looks forward to providing you with personalized service.

This proposal quotes costs for the services that are marked below. If you would like quotes on any additional services, please let me know.

**PAYMENT METHODS**

Included	Not Included	
✓		Credit and Debit Card Payments
✓		Checking and Savings Payments

**PAYMENT CHANNELS**

Included	Not Included	
✓		Online
✓		Virtual Terminal (any Internet-connected device)*
✓		Automated Phone (IVR) and PSN Call Center
	x	Credit Card Terminal
	·	Backoffice Auto-Pay (recurring set up by staff)
	<	Customers' Banks' Bill Payment System

*\*Come standard with Online payment services*

**ADDITIONAL SERVICES**

Included	Not Included	
✓		Web Customization with your Logo
✓		Data Sharing (System Integration)



## Implementation and Service Fees

Following are non-transactional fees which are either one-time, monthly or annual costs. If you need additional information on these costs, please let me know.

<p><b>Service Implementation Fee</b>  <b>Includes, as applicable:</b> Implementation Team • Training • Online Portal Setup • Standard Customer Payment App Setup • IVR Setup • PSN Call Center Training Specific to Your Account • Merchant Application Processing • Marketing Support</p>	<p>One-time fee</p>	<p><del>\$3,000</del> Waived</p>
<p><b>Support, Maintenance Fee</b>  <b>Includes, as applicable:</b> Online Portal, Standard Customer Mobile App, IVR System Upgrades and Maintenance • Call Center Support for Your Customers • Email Notifications to Payers and Staff • Service Account Manager for Your Staff • Interface/Integration Support (Storage and Maintenance of Customer Data) • Reports • Online Account Management Center • System and Account Monitoring (24/7) • And More</p>	<p>Monthly fee</p>	<p><del>\$500</del> Waived</p>
<p><b>PCI Security Compliance Fee</b>  <b>Includes:</b> Required PCI Certification • Compliance with Credit Card Security Requirements • Auditing</p>	<p>Annual fee Charged each December</p>	<p><del>\$89.95</del> Waived</p>

## Transaction Fees Paid by Customers

To cover costs of processing payments through the network of financial institutions, the following fees will apply to each transaction. The fees are based on the type of payment (check, credit card, cash) and/or how the payment is made.

<i>Payment Channel</i>	<i>Check/Savings</i>	<i>Credit/Debit Card*</i>
Online • Mobile • Virtual	\$0.95	2.95%
IVR – Automated Phone Payments (Optional)	\$1.90	2.95% + \$0.95
Live Call Center Payments(Optional)	\$3.90	2.95% + \$2.95

*\*Credit cards include your choice of VISA, MasterCard, Discover and American Express*

**NOTE:** A \$15 fee is charged to you for any disputed credit/debit card.  
 The Customer is charged \$35 for NSF returns.

*\*If payment is less than \$100, the Customer will be charged 2.95% plus 50¢.*

## Payment Service Network, Inc. Service Agreement

This SERVICE AGREEMENT, including any and all exhibits attached hereto (the "Agreement"), is entered into as of the 10th day of December, 2024 (the "Effective Date"), by and between Morgan County Water District (the "Biller"), and Payment Service Network, Inc. ("PSN"). Biller and PSN may be referred to herein individually as a "Party" and collectively as the "Parties." Capitalized terms used herein shall have the meanings ascribed to them in Exhibit A attached hereto, unless otherwise expressly defined in this Agreement.

WHEREAS, PSN is in the business of providing and implementing electronic bill presentment and payment services (the "Services" as more fully defined in Exhibit A below); and

WHEREAS, Biller desires to contract with PSN for the provision of the Services upon the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the above recitals and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

**1. License Grant and Restrictions.** Subject to execution by Biller of this Agreement, PSN hereby grants to Biller a non-exclusive, non-transferable, worldwide right to use the Services selected by Biller on the Biller Order Form attached hereto as Exhibit B, until the termination of this Agreement as provided herein, solely for the purposes authorized herein, and specifically to bill and receive payment from Biller's own Customers. All rights not expressly granted to Biller are reserved by PSN and its licensors. The license granted to Biller hereunder does not transfer to Biller any ownership or proprietary rights in PSN's Site, PSN Technology or the Services or any part thereof, and all right, title and interest in and to PSN's Site, PSN Technology and the Services will remain solely with PSN. Biller shall not: (i) license, sublicense, sell, resell, lease, transfer, assign, distribute or otherwise commercially exploit or make available to any third party PSN's Site, PSN Technology or the Services in any way; (ii) modify or make derivative works based upon PSN's Site, PSN Technology or the Services; (iii) recreate, "frame" or "mirror" any portion of PSN's Site, PSN Technology or the Services on any other server or wireless or Internet-based device; (iv) reverse engineer PSN's Site, PSN Technology or the Services; (v) copy any features, functions or graphics of PSN's Site, PSN Technology or the Services; or (vi) access PSN's Site, PSN Technology or the Services in order to build a competitive product or service, or to build a product using similar ideas, features, functions or graphics of PSN's Site, PSN Technology or the Services.

**2. General Service Terms.** Biller will provide to PSN all Biller Data generated for Biller's Customers. Unless otherwise expressly agreed to in writing by PSN to the contrary, PSN will process all of Biller's Transactions related to the Biller Data and will do so via electronic data transmission according to PSN's formats and procedures for each electronic payment type Biller selects on the Biller Order Form. Biller understands and acknowledges that PSN is party to agreements with various processors and card associations pursuant to which PSN is being provided with certain payment processing services by a member (a "Provider") of Mastercard, Visa, Discover and/or similar entities (collectively, "Associations"), and that at times, Biller is a sub-merchant under such merchant services agreements between PSN and Providers. Where requested by PSN, and as a conditional precedent to PSN performing its obligations under this Agreement, Biller shall enter into such agreements with the Provider (on Provider's current form) as necessary for the provision of Services to satisfy the card associations' requirement that Biller have a direct contractual relationship with a member of the card association (including without limitation sub-merchant agreements). In addition, Biller will execute all third-party applications and enter into all agreements required for the Services without unreasonable delay, including without limitation Payment Processing Agreements and merchant agreements that may be required upon implementation, or later at such time as the Services operate with different or multiple payment processors.

**3. Exclusivity.** During the Term of this Agreement, PSN shall be the exclusive provider of the Services selected by Biller on the Biller Order Form. Biller shall not seek or accept similar services from other providers unless prior written approval is obtained from PSN.

**4. Privacy and Security.** PSN's privacy policy may be viewed at <https://www.info.paymentservicenetwork.com/privacy-policy>. PSN reserves the right to modify its privacy policy in its reasonable discretion from time to time which such modifications shall not materially adversely impact such policy. PSN will maintain compliance with current required Payment Card Industry (PCI) standards and Cardholder Information Security standards. PSN agrees to maintain commercially reasonable and appropriate administrative, physical and technical safeguards designed to protect the security, confidentiality and integrity of Customer Data while in PSN's possession and control.

**5. Account Access, Information and Data.** Biller shall be provided with real-time access to all account information via PSN's administrative logon. Such access will be provided to all Biller authorized representatives designated in writing by Biller. The account information available to Biller will include Transaction totals, specification by account, and specification by Transaction/account type (e.g., utilities, taxes, etc.). For each Customer who sets up a profile within the PSN system, PSN will provide such Customer with real-time access to their account information (but not the information of any other Customer) through PSN's Site. If applicable, PSN will inform each Customer of the charge and amount of any fees for the Services that will be charged to the Customer directly. PSN does not and will not own any Customer Data in the course of providing the Services. Biller, not PSN, shall have sole responsibility for the accuracy, quality, integrity, legality, and reliability of, and obtaining the intellectual property rights to use and process, all Customer Data. In the event that this Agreement is terminated, PSN will make available to Biller a file of the Customer Data (to the extent that PSN is permitted to provide such file pursuant to applicable law and PCI-DSS standards), within thirty (30) days of termination of this Agreement (or at a later time if required by applicable law), if Biller so requests at the time of termination. PSN reserves the right to remove and/or delete Customer Data from its records no less than sixty (60) days after the termination or expiration of this Agreement, except as prohibited by applicable law or in the event of exigent circumstances.

**6. Biller and Customer Support.** PSN shall be responsible for providing customer support in connection with the Services and Biller may redirect to PSN any customer support inquiries specific to the Services. PSN shall not be responsible for providing customer support regarding any aspect of Biller's business not specifically related to the Services, for example, issues related to the products or services offered by Biller

## Payment Service Network, Inc. Service Agreement

to Customers, or any Customer disputes regarding the amount charged or invoiced by Biller for Biller's products or services. Biller understands and acknowledges that the processing of payments as directed by PSN live agents is not part of customer support unless specifically indicated with an associated price in Exhibit B attached hereto.

**7. Confidentiality.** Biller understands and acknowledges that during the course of using or gaining access to the Services (or components thereof), it may be furnished with or otherwise have access to information or materials that PSN considers to be confidential, including but not limited to PSN Technology, the Services, the terms of this Agreement, PSN customer and/or prospective customer information, product features and plans, marketing and sales collateral, and pricing and financial information which are hereby deemed to be PSN Confidential Information, or any other information that by its very nature constitutes information of a type that any reasonable business person would conclude was intended by PSN to be treated as proprietary, confidential, or private ("PSN Confidential Information"). Biller agrees to secure and protect the PSN Confidential Information in a manner consistent with the maintenance of PSN's rights therein, using at least as great a degree of care as it uses to maintain the confidentiality of its own confidential information, but in no event use less than a reasonable degree of care. Biller will not sell, transfer, publish, disclose, or otherwise make available any portion of the PSN Confidential Information to any third party (and will ensure that its employee and agents abide by the requirements hereof), except as expressly authorized in this Agreement or otherwise required by applicable law.

PSN understands and acknowledges that it may be furnished with or otherwise have access to Customer Data that Biller's Customers consider confidential ("Customer Confidential Information"). PSN agrees to secure and protect the Customer Confidential Information in a manner consistent with the maintenance of PSN's own Confidential Information, using at least as great a degree of care as it uses to maintain the confidentiality of its own Confidential Information, but in no event use less than a reasonable degree of care. PSN will not sell, transfer, publish, disclose, or otherwise make available any portion of the Customer Confidential Information to any third party, except as permitted under this Agreement, required to perform the Services, or otherwise required by applicable law.

**8. Intellectual Property Ownership.** PSN (and its licensors, where applicable) owns all right, title and interest, including all related Intellectual Property Rights, in and to: (i) the PSN Technology, the Content and the Services, (ii) all Integration Components and application programming interfaces related to or used in connection with the Services, and (iii) any enhancement requests, feedback, suggestions, ideas, recommendations and other information provided by Biller, Customers or any other party relating to the Services. In the event any such intellectual property rights in the PSN Technology, the Content or the Services do not fall within the specifically enumerated works that constitute works made for hire under applicable copyright laws or are deemed to be owned by PSN, Biller hereby irrevocably, expressly and automatically assigns all right, title and interest worldwide in and to such intellectual property rights to PSN. The PSN name, the PSN logo, and the product names associated with the Services are trademarks of PSN or third parties, and no right or license is granted to use them.

**9. Billing, Fees and Fee Modifications.** PSN's fees for the Service are provided on the Biller Order Form attached hereto as Exhibit B. The Biller Order Form specifies those fees payable by Biller directly and those fees payable by Biller's Customers. Biller agrees to: (i) pay the Setup/Equipment Fees set forth in Exhibit B upon execution of this Agreement; (ii) pay Monthly Fees set forth in Exhibit B on or about the first day of each month; and (iii) pay the Transaction Fees and Other Fees as designated in Exhibit B. PSN's fees are exclusive of all taxes, levies, or duties imposed by taxing authorities. PSN may assess and/or collect such taxes, levies, or duties against Biller and Biller shall be responsible for payment of all such taxes, levies, or duties, excluding only United States (federal or state) taxes based solely on PSN's income. At PSN's option, all payment obligations are either: (a) auto debited from the Biller Bank Account; or (b) deducted from Customer payments before such payments are deposited into the Biller Bank Account. All payment obligations are non-cancellable, and all amounts or fees paid are non-refundable. Unless PSN in its discretion determines otherwise, all fees will be billed in U.S. dollars. If Biller believes Biller's bill or payment is incorrect, Biller must provide written notice to PSN within sixty (60) days of the earlier of the invoice date, or the date of payment, with respect to the amount in question in order to be eligible to receive an adjustment or credit; otherwise such bill or payment is deemed correct. PSN shall endeavor to deliver Customer payments to the Biller Bank Account within three (3) banking days of payment, however, Biller acknowledges that it may take up to five (5) banking days to complete such deposits due to bank notification times and different deposit frequencies from the credit card processors to PSN. A "banking day" is a day of the week on which a bank or financial institution is open to the public for carrying on all of its banking functions (*i.e.*, Monday through Friday, excluding Saturday, Sunday and legal holidays). PSN's failure to deduct or auto-debit any Setup/Equipment Fees, Monthly Fees, Transaction Fees or Other Fees listed on the Biller Order Form ("Unpaid Fees") does not forfeit PSN's right to collect such Unpaid Fees from Biller at a later date, and Biller agrees to pay such Unpaid Fees to PSN.

PSN will charge the Biller and/or Customer payment transaction and other fees as provided in the Biller Order Form. In addition, PSN will charge the fees set forth on the Biller Order Form for the initial platform setup, configuration, implementation and integration of PSN's Services with Biller's system(s) (the "Implementation"). PSN reserves the right to also charge for changes and additions to the Implementation, and for any requests by Biller following the completion of the Implementation which are agreed to in writing by the Parties, including without limitation for the following services, at PSN's then standard rates:

- Custom development and features which are not stated in the Biller Order Form, and change requests and modifications to existing platform functionality not stated in the Biller Order Form;
- Additional integrations or integration modifications requested after the Go Live Date that are not provided for in the Biller Order Form;
- Changes to bill presentment (web or PDF templates), billing system integrations, or other Service components coded or configured to Biller's specifications made after Biller has signed off on the relevant specification or Services are live;
- Custom data extracts and file requests that are not part of the Implementation signed off on by both Parties; and

## Payment Service Network, Inc. Service Agreement

- Data conversion not listed in the Biller Order Form, or repetitive re-loading of data due to Biller error.

PSN reserves the right to modify the fees charged to Biller and/or Biller's Customers in its sole discretion from time to time. PSN will notify Biller of such fee modifications by written notice (email is sufficient) at least thirty (30) days prior to the effective date of any such modifications. PSN's right to modify its fees hereunder includes any modifications made necessary due to increases incurred by PSN on Network Fees from credit card processors, bank card issuers, payment associations, ACH and check processors, and similar entities. From time-to-time PSN may offer Biller new Payment Methods, and, in such event, PSN will provide Biller with notice by email disclosing the pricing under which the added Payment Methods are made available. Biller will have at least thirty (30) days after the date of the notice to opt-out of the additional Payment Methods in the manner provided in the notice. If Biller does not opt-out in such time frame, then on introduction of the additional Payment Methods, Biller will be bound by the additional terms as disclosed in the notice, and the Biller Order Form will be deemed amended to reflect the changes.

**10. Term and Termination.** The initial term of this Agreement shall commence as of the Effective Date and continue for a period of five (5) years from the Go Live Date ("Initial Term"), and will automatically renew for each of additional successive three (3) year terms (each, a "Renewal Term") unless terminated as set forth herein. "Term" as used herein shall mean the Initial Term and any Renewal Term. This Agreement may be terminated by either Party effective at the end of the Initial Term or any Renewal Term then in effect by such Party providing written notice to the other Party of its intent not to renew this Agreement no less than ninety (90) days prior to the expiration of the Initial Term or Renewal Term then in effect. Additionally, this Agreement may be terminated by either Party with cause in the event of a material breach of the terms of this Agreement by the other Party and the breach remains uncured for a period of thirty (30) days following receipt of written notice by the breaching Party. Upon any early termination of this Agreement by PSN as a result of Biller's breach, Biller shall remain liable for all fees and charges incurred, and all periodic fees owed through the end of the calendar month following the effective date of termination. Upon any termination or expiration of this Agreement, Biller's password and access will be disabled and Biller will be obligated to pay the balance due on Biller's account. Biller agrees that PSN may debit such unpaid fees and charges from the Biller Bank Account, charge Biller's credit card for the unpaid fees and charges, or otherwise invoice Biller for such unpaid fees and charges, such fees and charges including, without limitation, Chargebacks, the reversal of any Customer payments deposited by PSN into the Biller Bank Account for which there are insufficient funds, and any other Disputed Transactions specified in Section 23 of this Agreement. PSN will direct the processing of all Customer payments received prior to the date of termination. No Customer payments will be directed by PSN for processing after the date of termination. All obligations of Biller arising from Transactions involving Customer payments received by PSN prior to termination shall survive the termination of this Agreement. Biller will notify all Customers registered on the Site as to the termination of this Agreement and inform such Customers that future payments are to be made directly to Biller.

**11. PSN's Representations, Warranties, and Responsibilities.** PSN represents and warrants that it has the legal power and authority to enter into this Agreement. PSN warrants that the Services will materially perform the functions that Biller has selected on the Biller Order Form under normal use and circumstances, and that PSN shall maintain commercially reasonable and appropriate administrative, physical and technical safeguards designed to protect the security, confidentiality and integrity of Customer Data while in PSN's possession and control; *provided that* Biller shall maintain immediately accessible backups of the Customer Data (to the extent that Biller is permitted to do so pursuant to applicable law and PCI-DSS standards). In addition, PSN will, at its own expense, as the sole and exclusive remedy with respect to performance of the Services hereunder, correct any Transactions to the extent that such errors have been caused by PSN or by malfunctions of PSN's processing systems.

**12. LIMITED WARRANTY AND DISCLAIMERS.** EXCEPT AS PROVIDED IN SECTION 11 IMMEDIATELY ABOVE, THE SERVICES, THE SITE, PSN TECHNOLOGY AND ALL CONTENT AND TRANSACTION DATA IS PROVIDED WITHOUT ANY EXPRESS OR IMPLIED WARRANTY, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NON-INFRINGEMENT, AND ALL OTHER WARRANTIES ARE HEREBY DISCLAIMED TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW BY PSN AND ITS LICENSORS, PAYMENT PROCESSORS AND SUBCONTRACTORS. PSN AND ITS LICENSORS, PAYMENT PROCESSORS AND SUBCONTRACTORS DO NOT REPRESENT OR WARRANT THAT: (A) THE USE OF THE SERVICES WILL BE UNINTERRUPTED OR ERROR-FREE, OR OPERATE IN COMBINATION WITH ANY OTHER HARDWARE, SOFTWARE, SYSTEM OR DATA; (B) THAT THE SERVICES WILL NOT EXPERIENCE DELAYS IN PROCESSING OR PAYING, OR (C) THE SERVICES WILL MEET REQUIREMENTS WITH RESPECT TO SIZE OR VOLUME. PSN AND ITS LICENSORS, PAYMENT PROCESSORS AND SUBCONTRACTORS DO NOT GUARANTEE THE ACCURACY OF, AND SPECIFICALLY DISCLAIM LIABILITY FOR, INFORMATION OR DATA THAT IS SUPPLIED OR KEY-ENTERED BY BILLER, BILLER'S CUSTOMERS OR BILLER'S EMPLOYEES OR AGENTS. PSN AND ITS LICENSORS, PAYMENT PROCESSORS AND SUBCONTRACTORS DO NOT WARRANT THE ACCURACY, RELIABILITY, COMPLETENESS OR TIMELINESS OF THE CONTENT OF INTERNET WEB SITES OR OTHER DATA RECEIVED BY BILLER OR BILLER'S CUSTOMERS VIA THE INTERNET. PSN'S SERVICES MAY BE SUBJECT TO LIMITATIONS, DELAYS, AND OTHER PROBLEMS INHERENT IN THE USE OF THE INTERNET AND ELECTRONIC COMMUNICATIONS. PSN IS NOT RESPONSIBLE FOR ANY DELAYS, DELIVERY FAILURES, OR OTHER DAMAGE RESULTING FROM SUCH PROBLEMS. PSN IS NOT RESPONSIBLE FOR ANY BILLER POSTINGS IN ERROR DUE TO DELAYED NOTIFICATION FROM CREDIT CARD PROCESSORS, ACH, BANK AND OTHER RELATED CIRCUMSTANCES.

**13. Biller's Representations, Warranties, and Responsibilities.** Biller represents and warrants that: (a) it has the legal power and authority to enter into this Agreement and to perform its obligations set forth herein; (b) it will provide all reasonable assistance to PSN and PSN's subcontractors as required for PSN to provide the Services set forth herein; (c) Biller and its authorized users will only use the Services for lawful purposes and in compliance with the rules and regulations of the applicable payment processors (including, without limitation,

## Payment Service Network, Inc. Service Agreement

MasterCard, Visa, Discover and American Express), credit card issuers, and depository account institutions (collectively, the "Rules and Regulations"), and in accordance with PSN's account documentation, policies, specifications, and operating procedures, and will not violate any law of any country or the intellectual property rights of any party; (d) it shall timely provide all required disclosures to its Customers and obtain any required authorizations pursuant to the Rules and Regulations; (e) it shall maintain or destroy, as applicable, checks, receipts, and/or payer authorizations in accordance with applicable law and/or retention periods; (f) Biller and its authorized users will not (1) engage in spamming, mail-bombing, spoofing or any other fraudulent, illegal or unauthorized use of the Services, or (2) introduce, send, store or transmit through the Site, PSN Technology or the Services, including without limitation via any portion of Biller's computer system that interfaces with the Site, PSN Technology or the Services, or otherwise, any virus, worm, software lock, drop dead device, trojan-horse routine, trap door, back door, timer, time bomb, clock, counter or other limiting routine, instruction or design or any other codes, files, scripts, agents, programs or instructions that may be used to access, modify, delete, damage, disable or prevent the use of the Site, PSN Technology, the Services or any other computer systems of PSN or its subcontractors; and (g) should Biller receive notice of any claim regarding the Site or Services, Biller shall promptly provide PSN with written notice of such claim.

Furthermore, as to all Transactions that Biller submits to PSN for processing, Biller represents and warrants that:

- (1) The Transactions represent payment or refund of payment, for a bona fide transaction;
- (2) The Transactions represent an obligation of the Customer for the amount of the Transaction, and that the Transaction is valid and accurate;
- (3) The Transactions are not for any other purpose than payment for a current transaction and future payments as agreed upon by the Customer;
- (4) The Transactions are free from any material alteration not authorized by the Customer;
- (5) The amount charged for the Transaction is not subject to any known dispute, setoff, or counterclaim;
- (6) Neither Biller nor its employees have advanced any cash to the Customer in connection with the Transaction, nor have Biller or its employees accepted payment for effecting credits to a Customer, excepting those transactions expressly permitted by this Agreement;
- (7) Biller has made no representation or agreement for the issuance of refunds except as it states in Biller's return/cancellation policy, which has been previously submitted to PSN in writing, and which is available to the Customer;
- (8) Any Transaction submitted to PSN to credit a Customer's account represents a valid refund or adjustment to a Transaction previously submitted to PSN;
- (9) The Transactions, including but not limited to total due fields, are complete, accurate and in compliance with all Network rules, applicable laws, ordinances, and regulations. The Transactions are originated in compliance with this Agreement and any applicable agreements;
- (10) For a Transaction in which the Customer pays in installments or on a deferred payment plan, a Transaction record has been prepared separately for each installment transaction or deferred payment on the date(s) the Customer agreed to be charged. All installments and deferred payments, whether or not they have been submitted to PSN for processing, shall be deemed to be a part of the original Transaction; and
- (11) Biller has not submitted any Transaction that it knows or should have known to be unauthorized, fraudulent, illegal, or otherwise in violation of any provision of this Agreement or other applicable agreements.

Biller agrees to provide PSN with timely, complete, and accurate billing and contact information. This information includes Biller's legal company name, street address, e-mail address, and name and telephone number of an authorized billing contact and license administrator. Biller agrees to update this information within thirty (30) days of any change to it. Biller is responsible for all activity occurring under Biller's accounts and shall abide by all applicable laws and regulations in connection with Biller's and/or its Customers' use of the Services, including those related to data privacy, communications, export or import of data and the transmission of technical, personal or other data. Biller shall abide by all applicable card association rules, NACHA rules and Payment Processing Agreements entered into by Biller, in connection with Biller's and/or its Customers' use of the Services. Biller shall not: (i) impersonate another PSN user or provide false identity information to gain access to or use the Services; (ii) interfere with or disrupt the integrity or performance of the Services or the data contained therein; or (iii) attempt to gain unauthorized access to the Services or its related systems or networks. Biller represents and warrants that Biller has not falsely identified itself nor provided any false information to gain access to the Services and that Biller's billing information is correct. Biller shall: (i) notify PSN immediately of any unauthorized use of any password or account or any other known or suspected breach of security; (ii) report to PSN and immediately stop any copying or distribution of Content that is known or suspected to be unauthorized by Biller or Biller's users; and (iii) obtain consent from Biller's Customers to receive notifications and invoices from PSN. Biller agrees and acknowledges that in the event that Biller has access to, receives from, creates, or receives protected health information, or Biller has access to, creates, receives, maintains or transmits on behalf of electronic protected health information (as those terms are defined under the privacy or security regulations issued pursuant to the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and Subtitle D of the Health Information Technology

## Payment Service Network, Inc. Service Agreement

for Economic and Clinical Health Act provisions of the American Recovery and Reinvestment Act of 2009 (“ARRA”), during the performance under this Agreement, it will comply with all such laws, regulations and rules related thereto.

Billor is required to ensure that it maintains a fair policy with regard to the refund, return or cancellation of payment for services and adjustment of Transactions. Billor is also required to disclose all refund, return and cancellation policies to PSN and any applicable payment processors and Billor’s Customers, as requested. Any change in a return/cancellation policy must be submitted to PSN, in writing, not less than twenty-one (21) days prior to the effective date of such change. If Billor allows or is required to provide a price adjustment or cancellation of services in connection with a Transaction previously processed, Billor will prepare and deliver to PSN Transaction data reflecting such refund/adjustment within two (2) days of resolution of the request resulting in such refund/adjustment. The amount of the refund/adjustment cannot exceed the amount shown as the total on the original Transaction data. Billor may not accept cash or any other payment or consideration from a Customer in return for preparing a refund to be deposited to the Customer’s account; nor may Billor give cash/check refunds to a Customer in connection with a Transaction previously processed by credit card, debit card, ACH, or other electronic payment method, unless required by applicable law.

Billor shall fully cooperate with PSN to effect a timely Implementation by Billor allocating sufficient and properly trained personnel to support the Implementation process, by securing the cooperation of Billor’s software and service providers, and by providing to PSN all information required to integrate with Billor’s billing systems, customer information systems (CIS) and other applicable systems. PSN and Billor will collaborate to develop compatibility of the reporting and accounting information with Billor’s management, CIS and accounting software; *provided, however*, that PSN shall have no obligation to develop such compatibility where it would adversely affect, alter or change PSN’s Services.

**14. Processing of Transactions and Authorizations.** Billor must designate on the Billor Order Form at least one bank account for the deposit and settlement of funds and the debit of any Chargebacks, fees and costs, including but not limited to Network Fees and Network Liabilities, associated with the Services or the Transactions (all such designated bank accounts and all bank accounts substituted for accounts listed on the Billor Order Form shall be collectively referred to herein as the “Billor Bank Account”). Billor may only change its designated Billor Bank Account upon not less than fifteen (15) days prior written notice to PSN, provided that Billor completes and timely delivers to PSN all forms required by PSN to complete the change in designated Billor Bank Account. Billor hereby authorizes PSN to: (i) direct payments from the Customers for which Billor provides PSN the required information; and (ii) instruct PSN’s processors to initiate electronic credit entries, debit entries, and adjustments to the Billor Bank Account for amounts due to or from Billor in connection with this Agreement. PSN will not be liable for any delays in receipt of funds or errors in Billor Bank Account entries caused by third parties, including but not limited to delays or errors by the Networks, payment processors, merchant acquirors or the bank.

So as to enable PSN to process Transactions for Billor, Billor hereby authorizes and directs PSN, its affiliates, the Payment Method providers, and the payment processors: (1) that, with respect to any Transactions processed by the payment processor, the payment processor will disburse funds to and collect funds from the Billor in accordance with instructions provided to the payment processor by PSN, and as otherwise permitted pursuant to any applicable Payment Processing Agreement that Billor has entered into; (2) that undisputed and outstanding sums due and owing to PSN pursuant to the terms of this Agreement and/or any applicable Payment Processing Agreement agreed to by Billor, including, but not limited to Chargebacks and Network Fees, will automatically be debited from the Billor Bank Account for such purpose on a daily or monthly basis at PSN’s sole discretion. Billor shall maintain sufficient funds in the Billor Bank Accounts to pay all periodic fees, Chargebacks, Network Fees and other fees due hereunder; and non-sufficient funds for these debits, or blocking or otherwise rendering inaccessible any Billor Bank Account, are grounds for suspension of the Services, and/or termination of this Agreement if, after written notice and opportunity to cure is provided to Billor, Billor fails to cure within thirty (30) days of receiving said notice.

In the event that more than One Million Dollars (\$1,000,000) in Visa Transactions, and/or One Million Dollars (\$1,000,000) in MasterCard Transactions (or such other amount provided by the Operating Regulations) (“Benchmark Amount”) is processed through and on behalf of Billor in any 12-month period, Billor will automatically be deemed to have accepted, and will be bound by, the “Merchant Services Agreement for Sub-Merchants” with Vantiv, LLC and its designated Member Bank (collectively “Acquirer”), the terms of which will be independently enforceable by Acquirer. For purposes of this Section 14:

- (a) “Operating Regulations” means, collectively, the Associations’ and other payment network’s by-laws, operating regulations and/or all other rules, policies and procedures, including but not limited to the Payment Card Industry Data Security Standard, the VISA Cardholder Information Security Program, the MasterCard Site Data Protection Program, and any other program or requirement that may be published and/or mandated by the Associations or payment networks;
- (b) “Associations” means MasterCard International Inc. (“MasterCard”), VISA U.S.A. Inc. (“VISA”), Discover (“Discover”), and certain similar entities; and
- (c) “Member Bank” means a member of VISA, MasterCard and/or Discover, as applicable, that provides sponsorship services in connection with the Merchant Services Agreement for Sub-Merchants. As of the commencement of this Agreement, Member Bank shall be Fifth Third Bank, an Ohio Banking Corporation, located in Cincinnati, OH 45263.

**15. Indemnification.** PSN shall indemnify and hold Billor and Billor’s employees, attorneys, and agents harmless from and against any third-party claims and/or Customer claims (“Claims”), including any losses, liabilities, and damages (including, without limitation reasonable attorneys’ fees) incurred by Billor resulting from such Claims, to the extent such Claims arise from: (i) PSN’s failure to implement and maintain commercially reasonable and appropriate administrative, physical and technical safeguards against the theft of Customer Data; or (ii) PSN’s total failure to direct the delivery of funds to Billor as required hereunder, to the extent such funds comprise payments due from PSN for Transactions processed hereunder. PSN’s indemnification obligations as set forth in this Section 15 do not apply to any Claim relating to: (a)

## Payment Service Network, Inc. Service Agreement

Billers failure to resolve a payment dispute concerning debts owed to Biller; (b) Biller's negligence, willful misconduct, or violation of any applicable agreement or law; (c) any inaccuracy in or breach of Biller's representations or warranties contained in this Agreement; (d) Biller's breach of any covenant or obligation contained in this Agreement; or (e) any dispute caused in whole or in part by the information or directions provided to PSN by Biller or its agents.

**16. Limitation of Liability.** IN NO EVENT SHALL PSN'S AGGREGATE AND CUMULATIVE LIABILITY RELATING TO OR ARISING FROM THIS AGREEMENT OR THE SERVICES PROVIDED HEREUNDER EXCEED THE TOTAL AMOUNT OF FEES PAID TO PSN BY BILLER IN THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRECEDING THE FIRST EVENT GIVING RISE TO SUCH LIABILITY. IN NO EVENT SHALL PSN AND/OR ITS LICENSORS BE LIABLE TO ANYONE FOR ANY INDIRECT, PUNITIVE, SPECIAL, EXEMPLARY, INCIDENTAL, OR CONSEQUENTIAL DAMAGES (INCLUDING LOSS OF DATA, REVENUE, PROFITS, USE OR OTHER ECONOMIC ADVANTAGE) ARISING OUT OF, OR IN ANY WAY CONNECTED WITH THE SERVICES, EVEN IF PSN OR ITS LICENSORS HAVE BEEN PREVIOUSLY ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. Certain states and/or jurisdictions do not allow the exclusion of implied warranties or limitation of liability for incidental, consequential or certain other types of damages, in which such case the exclusions set forth above may not apply to Biller.

**17. Export Control.** Biller agrees to comply with United States export controls administered by the U.S. Department of Commerce, the United States Department of Treasury Office of Foreign Assets Control, and other U.S. agencies.

**18. Notice.** Either Party may give notice by electronic mail to the other Party's email address. For PSN, that email address is: SAM@paymentservicenetwork.com. For Biller, that email address is the one designated by Biller on the Biller Order Form. Either Party may also give notice by written communication sent by first class mail or pre-paid post to the other Party's address as set forth below:

PSN: Payment Service Network, Inc.  
2901 International Lane, Suite 300  
Madison, WI 53704  
Attention: Legal Department

Biller: MORGAN COUNTY WATER DISTRICT  
1009 KENTUCKY 172  
WEST LIBERTY, KY 41472  
Attention: Chris Adams

Such notice shall be deemed to have been given upon the expiration of forty-eight (48) hours after mailing or posting (if sent by first class mail or pre-paid post) or twelve (12) hours after sending (if sent by email). Biller consents to receiving from PSN any federal tax statements or other notices required by federal, state or local law in an electronic format.

**19. Assignment.** This Agreement may not be assigned by either Party without the prior written approval of the other Party, but may be assigned without the other Party's consent to: (i) a parent or subsidiary; (ii) an acquirer of assets; or (iii) a successor by merger; *except that* in no instance will this Agreement be assignable by Biller to a competitor of PSN, or a provider of services similar to the Services provided by PSN hereunder. Any purported assignment in violation of this Section shall be void.

### 20. Insurance.

PSN agrees to maintain in full force and effect during the Term of the Agreement, at its own cost, the following insurance coverages:

- a. Commercial General or Business Liability Insurance with minimum combined single limits of One Million Dollars (\$1,000,000) each occurrence and Two Million Dollars (\$2,000,000) general aggregate.
- b. Umbrella Liability Insurance with minimum combined single limits of Five Million Dollars (\$5,000,000) each occurrence and Five Million Dollars (\$5,000,000) general aggregate.
- c. Automobile Liability Insurance with minimum combined single limits for bodily injury and property damage of not less than One Million Dollars (\$1,000,000) for any one occurrence, with respect to each of PSN's hired or non-owned vehicles assigned to or used in performance of the Services.
- d. Errors and Omissions Insurance (Professional Liability and Cyber Insurance) with limits of liability of at least One Million Dollars (\$1,000,000) per claim and in the aggregate.

**21. Immigration Laws.** PSN represents and warrants that it has complied with, and will comply with, all applicable immigration laws with respect to the personnel assigned to perform Services for Biller.

**22. Beta Products.** In the event that there is any functionality labeled "Beta" on the Biller Order Form, such functionality is provided "AS IS" WITHOUT ANY EXPRESS OR IMPLIED WARRANTY, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND ALL OTHER WARRANTIES ARE HEREBY

DISCLAIMED TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW BY PSN AND ITS LICENSORS AND PAYMENT PROCESSORS. PSN'S AGGREGATE LIABILITY WITH RESPECT TO SUCH FUNCTIONALITY SHALL BE UP TO AND NOT EXCEED TEN DOLLARS (\$10).

**23. Chargebacks, Disputes and Reserve Account.** If Biller incurs excessive Chargebacks, in PSN's sole determination, or otherwise fails to pay fees or charges, or there are insufficient funds for PSN to debit amounts for which Biller is responsible hereunder, in addition to other remedies under this Agreement, PSN (or the payment processor) may take the following actions: (i) notify Biller of a new rate that will be charged to process Chargebacks; (ii) collect from Biller an amount reasonably determined by PSN (or the payment processor) to be sufficient to cover anticipated Chargebacks and all related fees, penalties, expenses, and fines, or increase a reserve amount; (iii) require Biller to promptly establish a Reserve Account as determined by PSN; or (iv) terminate the Agreement. Biller shall be responsible to PSN for, and shall promptly pay to PSN, such charges required to be paid by Biller and any Chargebacks, by any party, including without limitation Chargebacks claimed by any payment and credit card processors, bank, or other financial services organization.

To the extent permitted by applicable law, Biller shall indemnify, defend, and hold PSN and its licensors, subsidiaries, affiliates, officers, directors, employees, attorneys, agents, and payment processors harmless from and against any and all claims, costs, damages, losses, liabilities and expenses (including attorneys' fees and costs) arising out of or relating to: (i) any charge against any reserves required by payment or credit card processors; (ii) Chargebacks, Network Fees or insufficiency of funds in any Biller Bank Account, by any party, including without limitation Chargebacks claimed by any payment or credit card processors, bank, or other financial services organization; (iii) any claims or allegations that PSN's use of any Customer Data infringes the rights of a third party; (iv) a violation by Biller of Biller's representations and warranties or the breach by Biller or Biller's users or Customers of this Agreement, including without limitation incomplete or inaccurate Transactions; (v) Biller's violation of any third party payment or credit card processing agreement or merchant agreement, or (vi) Biller's or its authorized users' use of the Services. Biller represents and warrants that the Biller Bank Account will contain sufficient funds to cover any estimated financial exposure based on reasonable criteria for Chargebacks, ACH rejects or reversals, credits, returns, and all additional liabilities anticipated under this Agreement, including, but not limited to Chargebacks, fines, fees and penalties. PSN may, at its sole discretion, collect fees related to Chargebacks and ACH rejects and reversals, or other refunds or credits from Biller's Customers.

Biller agrees to cooperate with PSN in resolving any disputes between Biller and Customers in a timely manner, reaffirming that PSN is only an intermediary and does not hold the funds in dispute and that PSN does not represent Biller or Customer in such disputes. Disputed Transactions and Chargebacks ("Disputed Transactions") will be handled in the following manner:

(1) Credit Card Transactions:

PSN will notify Biller via electronic mail of any disputed credit card payments or Chargebacks from Biller's Customers. Biller agrees to follow its standard operating procedures to resolve such disputed or charge-backed credit card payments and work with PSN, the credit card company, or its agents to investigate any such cases and assist in resolving any such claims. For all Chargebacks, Biller will be charged a fee as set forth in the Biller Order Form and will automatically debit Biller's account for the total of the original Transaction plus such Chargeback fee for the purpose of charging it back to the Customer.

(2) ACH – Checking and Savings Account Transactions, Bank Bill Pay and Check 21 Transactions:

*Problem Transactions:* NSF, Invalid Account, Receiver's Account Closed, No Account, Stopped Payment, Account Frozen, Customer Does Not Authorize Payment, RDFI Not ACH Member and/or any other Return Reason Codes as labeled in NACHA Processing Guidelines will be resolved in the following manner:

- (i) PSN will notify Biller and Customer of said problem;
- (ii) PSN will stop payment if funds have not already been deposited or, if directed by Customer, process another Transaction for Customer; and
- (iii) In the event that funds from said Transaction have been deposited into Biller's account, PSN will debit Biller's account for a total sum of the original deposit for said Transaction.

**24. Independent Contractors.** PSN and Biller are independent contractors and this Agreement does not establish any relationship of partnership, joint venture, employment, franchise or agency between PSN and Biller. Neither PSN nor Biller will have the power to bind the other Party or incur obligations on the other Party's behalf without the other Party's prior written consent, except as otherwise expressly provided in this Agreement.

**25. Communications with Customers and Permissions.** Individual Customers and users, when they initially log in to make payments using the Services, may be asked whether or not they wish to receive marketing and other non-critical Service-related communications from PSN from time to time. Such Customers and users may opt out of receiving such communications at that time or at any subsequent time by changing their account or email subscription preferences. Biller understands and acknowledges that because the Services are a hosted, online application, PSN occasionally may need to notify all users of the Services (whether or not they have opted out as described above) of important announcements regarding the operation of the Services.

Biller hereby grants to PSN and its providers a worldwide, non-exclusive, assignable, perpetual, and royalty-free license and right to copy, use, publish and distribute Customer names, physical addresses, and email addresses as well as obtain email addresses of Biller's Customers by using data Biller has provided or made accessible to PSN or any of its affiliates, *solely for the purposes of:* (i) communicating or sending to Customers (and/or their agents) information designed to inform, promote, and encourage Customers (and/or their agents) to use the Services including, without limitation, paying bills online, enrolling in autopay, and enrolling in paperless billing, and (ii) in conjunction with



information relating to feedback and response regarding such communications, creating and using aggregated and anonymized data and analysis for purposes of improving the Services. Biller hereby grants to PSN and its providers a worldwide, non-exclusive, assignable, and royalty-free license and right during the Term, to copy, use, modify, and publish the Biller's name, logos, trade dress, photographs, website materials, and other works of authorship for the purpose of implementing and providing the Services and performing their obligations under this Agreement. Biller represents and warrants it has all necessary rights, permissions, and licenses to grant and provide to PSN and its service providers the license, rights, and permissions described in this Section and will comply with all applicable laws and regulations with respect to any personal information of any of its Customers. For purposes of clarity, the license, rights, and permission grants described in this Section are part of the "Services" under the Agreement.

**26. American Express Compliance (this Section only applies if Biller accepts American Express as a Payment Method).**

- (1) Biller agrees to comply with all applicable laws, rules and regulations, including the American Express Merchant Operating Guide requirements, which are incorporated into this Agreement by reference as if they were fully set forth in the Agreement. The American Express Merchant Operating Guide may be viewed at: [www.americanexpress.com/merchantopguide](http://www.americanexpress.com/merchantopguide). To the extent of any conflict arising between the terms of this Agreement and the American Express Merchant Operating Guide, the terms of this Agreement shall control.
- (2) *Processing Restrictions.* Biller is prohibited from processing Transactions itself once such Transactions have been submitted to American Express or receiving payments on behalf of, or (unless required by law) re-directing payments to any other party.
- (3) *Third Party Beneficiary Rights.*
  - Biller confers on American Express the third-party beneficiary rights, but not obligations, to the Agreement between Biller and PSN and, as such, American Express has the express right to enforce the terms of the Agreement against the Biller.
  - Biller agrees and warrants that it does not hold third party beneficiary rights to any agreements between PSN and American Express and at no time will attempt to enforce any such agreements against American Express.
- (4) *AMERICAN EXPRESS LIMITATION OF LIABILITY.* BILLER ACKNOWLEDGES AND AGREES THAT IN NO EVENT SHALL AMERICAN EXPRESS, ITS AFFILIATES, AGENTS, SUCCESSORS, OR ASSIGNS BE LIABLE TO BILLER FOR ANY DAMAGES, LOSSES, OR COSTS INCURRED, INCLUDING INCIDENTAL, INDIRECT, SPECULATIVE, CONSEQUENTIAL, SPECIAL, PUNITIVE, OR EXEMPLARY DAMAGES OF ANY KIND (WHETHER BASED ON CONTRACT, TORT, INCLUDING NEGLIGENCE, STRICT LIABILITY, FRAUD, OR OTHERWISE, OR STATUTES, REGULATIONS, OR ANY OTHER THEORY), ARISING OUT OF OR IN CONNECTION WITH THE AGREEMENT.
- (5) *American Express Addendum.* Biller acknowledges that it must agree to the terms of the PSN American Express Addendum before accessing or using the Services, and Biller must at all times comply with the terms of the PSN American Express Addendum. The PSN American Express Addendum is hereby incorporated herein, and made a part hereof, by this reference.

**27. Interactive Voice Response Functionality and Outbound Communications ("IVR").**

- a. *License.* For and in consideration of the payment of all fees and charges paid to PSN, as provided in the Biller Order Form, PSN hereby licenses to Biller non-exclusive access to its proprietary IVR for Biller's internal use only.
- b. *Indemnification.* Biller agrees it will not use the IVR in any manner, shape or form that violates any local, state or federal law or regulation (including without limitation violations of Fair Debt Collection Practices Act, 15 U.S.C. § 1692 –1692p ). Biller shall defend and hold PSN and its licensor harmless from and against, and will indemnify PSN and its licensor for, any and all costs, fines, penalties, causes of action, allegations, suits, and claims, including reasonable attorney's fees and expenses, arising from or relating to Biller's use of the IVR in violation of any local, state or federal law or regulation.
- c. *Legal Compliance.* Notwithstanding any other provision in this Agreement to the contrary, Biller shall be responsible for compliance with all applicable laws and regulations related to the call flows, content, prompts, and data flows and the Biller's benefits and uses of the IVR. Although neither PSN nor its licensor provides legal advice to Biller, Biller understands and acknowledges and shall comply with all laws, rules, and regulations regarding do not call lists, legal calling times, and dialing cellular numbers, and shall abide by all applicable laws, rules, and regulations while implementing or using IVR.
- d. *No Warranty.* NEITHER PSN NOR ITS LICENSOR MAKES ANY WARRANTY OR ANY REPRESENTATION, EXPRESS OR IMPLIED, WRITTEN OR ORAL, RELATING TO THE IVR UNDER THIS AGREEMENT OR OTHERWISE, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTY THAT THE IVR SERVICES ARE FIT FOR ANY PARTICULAR PURPOSES OR OF MERCHANTABILITY, AS THE IVR IS PROVIDED "AS IS". BILLER AGREES THAT NEITHER PSN NOR LICENSOR WARRANTS THAT THE IVR OR ITS SERVICES WILL BE ERROR FREE OR OPERATE UNINTERRUPTED, AND THAT NEITHER PSN NOR LICENSOR WILL BE HELD RESPONSIBLE IN ANY MANNER, SHAPE OR FORM FOR ANY FAILURE OF THE IVR OR ITS SERVICES TO PERFORM ANY PARTICULAR FUNCTION. Biller acknowledges that the IVR services are provided through telephone and electronic devices and shall not hold PSN or any licensor responsible for any failure due to technical or electronic failures which are not attributed to PSN's negligence. Further, neither PSN nor its licensor is responsible for any poor result as a result of judgments and choices made by Biller in using the IVR services.

**28. Point of Sale Devices (Applicable where Point of Sale Devices are selected on the Biller Order Form).**

Point of Sale Devices are provided to the Biller for their use under license fees provided in the Biller Order Form. PSN provides to Biller all Point of Sale Devices on a license basis. Biller will be fully responsible for all Point of Sale Devices including without limitation all risk of loss and damage to Point of Sale Devices while in Biller's possession or control, save normal wear and tear.

Where PSN provides Point of Sale Devices, the following additional terms apply:

- a. PSN and the Point of Sale Device manufacturer warrant that the Point of Sale Devices provided pursuant to this Agreement will perform in accordance with the manufacturer's published specifications. Should a Point of Sale Device fail to conform to applicable manufacturer's specifications, repair parts and replacement products will be furnished on an exchange basis and will be either reconditioned or new as specified below. This limited warranty does not include service to repair damage to the Point of Sale Device resulting from accident, disaster, unreasonable use, misuse, abuse, customer's/reseller's/any other third party's negligence, or non-manufacturer modification of the Point of Sale Device. PSN reserves the right to examine the alleged defective product to determine whether the warranty is applicable. Without limiting the generality of the foregoing, PSN and the Point of Sale Device manufacturer specifically disclaim any liability or warranty for any Point of Sale Device resold in other than manufacturer's original packages, and for Point of Sale Devices modified, altered, repaired, maintained, or treated by Biller, its customers, and/or any third party. Service on a defective Point of Sale Device may be obtained by delivering the Point of Sale Device during the warranty period as instructed by PSN.
- b. The following is the repair and replacement policy for a defective Point of Sale Device:

Replacement Requests – Biller shall promptly notify PSN that the Point of Sale Device is not working, via email, phone call or help desk ticket. PSN will update and/or open a new help desk ticket for the Point of Sale Device swap replacement request. Biller must provide the serial number of the Point of Sale Device that is not working.

Replacement Point of Sale Devices will be shipped to the Biller as noted on the help desk ticket issued by PSN.

Shipping Method: Replacement Point of Sale Devices will be shipped via a commercial shipping service at no charge to the Biller. If Biller needs the device sent via overnight shipping there is an additional cost of \$35.00 per device.

Biller has 14 business days to return a Point of Sale Device that is not working to an address specified by PSN on the return help desk ticket, delivery or postage pre-paid. Failure to return the non-working device may result in additional fees and charges to Biller.

PSN shall use reasonable efforts to provide the Point of Sale Device services in an uninterrupted, continuous manner. Biller understands and agrees that services may be periodically off line or otherwise inoperable in order for PSN to perform maintenance, install or test software, or for other commercially reasonable business purposes and that during such time the Point of Sale Device services may not be provided. Biller further understands and agrees that from time to time Point of Sale Device services may be off line or otherwise inoperable as a result of the failure of equipment or services provided to the manufacturer by third parties (for example, public or private telecommunications services or internet nodes or facilities, overall Internet congestion, unavailability of internet services, such as DNS services), and that during such time the Point of Sale Devices services may not be provided. Furthermore, Biller understands and agrees that the provisions of any services and other performances hereunder will be excused for any of the reasons set forth herein. In the event of unforeseen network or equipment failure, manufacturer will use commercially reasonable efforts to restore the Point of Sale Devices services in a reasonable prompt fashion. Manufacturer may from time to time, in its sole discretion, modify the manner in which it provides Point of Sale Device services, and modify its software and systems, all of which may result in a change in the manner in which manufacturer provides the software and systems, *provided, however*, that such modifications and/or changes do not degrade the level of, or have a material adverse impact upon the features and functionality of the Point of Sale Device services.

- c. EXCEPT AS PROVIDED IN THIS SECTION 28, PSN AND THE POINT OF SALE DEVICE MANUFACTURER MAKE NO OTHER WARRANTY, EXPRESS OR IMPLIED, AND PSN AND THE POINT OF SALE DEVICE MANUFACTURER DISCLAIM ANY WARRANTY OF ANY OTHER KIND INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. BILLER AGREES AND ACKNOWLEDGES THAT ALL PRODUCTS AND POINT OF SALE DEVICES ARE OFFERED AND PROVIDED ON AN "AS IS" BASIS.
- d. Responsibilities of Biller. Biller is responsible for the following: (i) providing PSN with a static IP address or a specific range of static IP addresses, and (ii) protecting the confidentiality of each end user's Data. Biller is solely responsible for ensuring the secure transmission of any data that Biller transmits to PSN ("Biller Transmitted Information"), and PSN and the Point of Sale Device manufacturer will have no liability therefore (provided that the manufacturer will use Biller Transmitted Information only for purposes of this Agreement). Biller is solely responsible for: (a) adopting, implementing, and maintaining appropriate and effective security measures, procedures, policies, and standards and any other best practices available to protect the confidentiality of Biller Data, (b) protecting the confidentiality of any information stored on Biller's servers, and (c) using the Point of Sale Device services in the manner instructed by PSN and the manufacturer and otherwise in the manner intended.
- e. Network Security. Biller shall be solely responsible for ensuring that authorized Biller employees and contractors are not security risks. Upon PSN's request, Biller will promptly provide PSN with any information reasonably necessary for PSN to evaluate security issues and/or concerns relating to any authorized Biller employee and/or contractor. Each party will be solely responsible for the selection, implementation, and maintenance of security procedures and policies that are sufficient to ensure that (a) such

## Payment Service Network, Inc. Service Agreement

party's use of any network or internet connection is secure and is used only for authorized purposes, and (b) such party's business records and data are protected against improper access, use, loss, alteration, and/or destruction.

- f. Biller shall provide PSN with physical access to the Point of Sale Devices upon request after reasonable advance notice. Biller shall not, nor allow any third party to, modify, repair, replace, relocate, sell, lease, assign, encumber, or otherwise tamper with any of the Point of Sale Devices without PSN's express written consent. Any change of the location of any Point of Sale Device may warrant that Biller pay PSN any additional installation and related charges associated with such relocation, charged by PSN's third-party vendors. At the end of the term, Biller shall be responsible to promptly return all Point of Sale Devices, freight prepaid by PSN, to PSN at the place from which the Point of Sale Device was shipped (or as otherwise designated by PSN) in as good condition as exists at the commencement of the term, reasonable wear and tear, and casualty, in respect thereto excepted. Biller shall use each Point of Sale Device at all times in a proper, diligent, and workmanlike manner and in such manner as will not damage or injure the Point of Sale Device except by the ordinary wear and tear of such Point of Sale Device. In the event of damage to any Point of Sale Device, Biller shall notify PSN who shall replace or repair the Point of Sale Device at Biller's expense.
- g. Point of Sale Devices and all parts and components thereof shall retain their character as personal property and all right, title and interest in and to shall not pass to Biller or any third party, but title and ownership shall remain exclusively with PSN. Biller shall be and shall have the duties of a bailee of the Point of Sale Devices. Biller shall not remove, conceal, or otherwise interfere with the title or ownership plate of PSN affixed to any Point of Sale Device until and unless such Point of Sale Device is purchased, and full payment is made as herein provided. If Biller sells, assigns, pledges, or attempts to sell or assign Point of Sale Devices or any interest therein, or if Biller defaults in any of the covenants, conditions or provisions of this Agreement, it is agreed that PSN may immediately and without notice take possession of the Point of Sale Devices where found and remove and keep or dispose of the same and any unpaid fees shall at once become due and payable by Biller. If any step is taken by legal action or otherwise by PSN to recover possession of any Point of Sale Device or otherwise enforce this Agreement or to collect moneys due hereunder, Biller shall promptly reimburse PSN for all expenses and charges incurred by PSN, including reasonable attorney's fees.

**29. Biller Agents.** Biller will certify to PSN the identity of any person that Biller has authorized to act as its agent with respect to the Services. Any such person is authorized to, without limitation, take any action on behalf of Biller as it relates to any Services. PSN shall be able to conclusively presume that such agency continues until PSN receives written notice to the contrary. PSN may rely on instructions received from such persons and need not make any inquiries to confirm that the instructions are within the scope of the agency.

**30. Captions.** Captions/section headings contained in this Agreement are included only for convenience of reference and do not define, limit, explain or modify this Agreement or its interpretation, instruction or meanings and are in no way intended to be construed as part of this Agreement.

**31. Data Privacy.** All capitalized terms used in this Section, not otherwise defined, shall have the meaning established by Applicable Laws. For purposes of this Section, "Applicable Laws" means all applicable state privacy and data protection laws, including, without limitation, the California Consumer Privacy Act of 2018 ("CCPA"), Cal. Civ. Code Section 1798.100, *et seq.*, as may be amended from time to time (including but not limited to those amendments enacted by the California Privacy Rights Act of 2020 ("CPRA")); the Virginia Consumer Data Protection Act ("VCDPA"); the Colorado Privacy Act ("CoPA"); the Utah Consumer Privacy Act ("UCPA"); Connecticut's Personal Data Privacy Act ("CTPDPA"); and other analogous state data privacy and security laws or regulations. Regardless of Biller's status as a Business or Controller under Applicable Laws, PSN is a "Service Provider" under the CCPA/CPRA, and a "Processor" under the VCDPA, CoPA, UCPA, and CTPDPA, to the extent such Applicable Laws are applicable to PSN. PSN, as a Service Provider/Processor, agrees to the following as applicable:

- a. PSN will not sell Personal Information.
- b. PSN will not retain, use, or disclose Personal Information for any purpose other than for the specific purpose of providing the Services, as set out in the Agreement, or as otherwise permitted by Applicable Laws.
- c. PSN will not retain, use, or disclose Personal Information for any commercial purpose other than providing the Services.
- d. PSN shall provide reasonable assistance to Biller in facilitating compliance with Consumer rights requests.
- e. Upon direction by Biller, and with a commercially reasonable amount of time, PSN shall delete Personal Information in its possession.
- f. PSN shall not be required to delete any Personal Information in order to comply with a Consumer's request or as directed by Biller if it is necessary for PSN to maintain such information in accordance with Applicable Laws. PSN shall promptly inform Biller of the exceptions relied upon under Applicable Laws and PSN shall not use the Personal Information retained for any other purpose than provided for by the applicable exception or as otherwise permitted by Applicable Laws.
- g. PSN certifies it understands the prohibitions in this Section and will comply with them.
- h. If PSN, in its sole discretion, uses a Service Provider to provide the Services, PSN will enter into written agreements with such Service Providers requiring the Service Provider to abide by terms substantially similar to those set forth in this Section.

## 32. General.

(a) With respect to agreements with municipalities, localities or governmental authorities, this Agreement shall be governed by the law of the state wherein such municipality, locality or governmental authority is established, without regard to the choice or conflicts of law provisions of any jurisdiction. With respect to Billers that are *not* municipalities, localities or governmental authorities: (i) this Agreement shall be governed by the laws of the State of Wisconsin and controlling United States federal law, without regard to the choice or conflicts of law provisions of any jurisdiction; and (ii) for the purpose of any dispute arising under, or related in any way to, the subject matter of this Agreement,

## Payment Service Network, Inc. Service Agreement

the Parties agree that such dispute shall be heard exclusively by the federal or state courts situated in Dane County, Wisconsin, and the Parties agree not to raise any objection to or defense based upon the venue of said courts. No text or information set forth on any other purchase order, preprinted form or document (other than a Biller Order Form and any add-on Biller Order Form, if applicable), and no documentation (including any implementation planning documents) except as specifically referenced in this Agreement, shall modify, add to or vary the terms and conditions of this Agreement. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, then such provision(s) shall be construed, as nearly as possible, to reflect the intentions of the invalid or unenforceable provision(s), with all other provisions remaining in full force and effect. The failure of either Party to enforce any right or provision in this Agreement shall not constitute a waiver of such right or provision unless acknowledged and agreed to by PSN in writing. All rights and obligations of the Parties in Sections 7, 8, 10, 15, 16, 18, 22 and 31 shall survive termination of this Agreement. This Agreement, including all exhibits attached hereto, comprises the entire agreement between Biller and PSN and supersedes all prior or contemporaneous negotiations, discussions or agreements, whether written or oral between the Parties regarding the subject matter contained herein. Biller agrees that PSN may disclose the fact that Biller is a paying customer and the version of the Services that Biller is using. Where this Agreement is incorporated into, embedded in or otherwise made a part of a separate agreement between PSN, Biller and a third party service provider ("Third Party Agreement"), and such Third Party Agreement is terminated or expires, Biller and PSN agree that the terms and conditions of this Agreement shall survive and remain in effect as between Biller and PSN until this Agreement expires or is otherwise terminated by either Biller or PSN in accordance with the terms herein.

(b) By executing this Agreement, Biller ratifies its authorization for PSN to execute debit/credit entries to the Biller Bank Account specified in the Biller Order Form at the depository financial institution(s) named in the Biller Order Form, and to debit/credit the same such account(s). Biller acknowledges that the origination of ACH transactions to its account(s) must comply with the provisions of U.S. law. This authority is to remain in full force and effect until: (i) PSN has received written notification (by electronic or U.S. mail) from Biller of its revocation in such time and manner as to allow PSN a reasonable opportunity to act on it, but not less than ten (10) business days' notice; and (ii) all obligations of Biller to PSN that have arisen under the Agreement and all other agreements have been paid in full. Biller must also notify PSN as set forth in this Agreement when a change in Biller Bank Account number(s) or bank has occurred, at which time this authorization shall apply to such new/changed Biller Bank Account. A fee will be charged for any returned or rejected ACH debits. In the event of non-payment of any sums due to PSN by Biller, PSN reserves the right to withdraw such sums from the Biller Bank Account at any time to ensure payment of the same.

(c) Standard data rates and text messaging rates may apply based on the Customer's plan with their mobile phone carrier. Customers can opt out of text messaging at any time with PSN. Partial payment or overpayment is not supported. Biller may not use the Services for activities that violate any law, statute, ordinance or regulation.

**33. Certifications, Attestation and Execution.** By executing this Agreement, Biller: (i) certifies to PSN that the individual signing this Agreement on Biller's behalf is authorized by Biller to sign this Agreement; (ii) certifies to PSN that all information and documents submitted by Biller in connection with this Agreement are true and complete; and (iii) authorizes PSN or its agent to verify any of the information given, including credit references, and to obtain credit reports.

By signing below, Biller attests and agrees that: (i) all information, documentation, and materials submitted to PSN by Biller in connection with Biller's submerchant application are true, accurate and complete; and (ii) Biller will at all times comply with the terms, conditions and requirements of this Agreement and the Merchant Services Agreement for Sub-Merchants.

This Agreement may be executed in several counterparts, each of which may be deemed an original, but all of which together shall constitute one and the same instrument. Executed copies hereof may be delivered by facsimile or email of a PDF document, and, upon receipt, shall be deemed originals and binding upon the signatories hereto, and shall have the full force and effect of the original for all purposes, including the rules of evidence applicable to court proceedings.

[SIGNATURE PAGE FOLLOWS]

Payment Service Network, Inc. Service Agreement

IN WITNESS WHEREOF, the Parties have executed this Agreement effective as of the Effective Date first set above. By the signature of its representative below, each Party affirms that it has taken all necessary action to authorize said representative to execute this Agreement.

**PAYMENT SERVICE NETWORK, INC.**

**MORGAN COUNTY WATER DISTRICT**

By: Kevin W O'Brien

By: \_\_\_\_\_

Name: Kevin O'Brien \_\_\_\_\_

Name: \_\_\_\_\_

Title: CEO \_\_\_\_\_

Title: \_\_\_\_\_

Date: 12/5/2024 \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT A TO THE SERVICE AGREEMENT**

**DEFINITIONS**

The following definitions apply as used in the Agreement and in any exhibit thereto, now or hereafter:

"Biller Data" means invoices and bills of the Biller as well as the Content of such invoices and bills;

"Biller Order Form" means the order form contained in Exhibit B attached hereto that references the Services to be performed by PSN and any add-on Services under any add-on Biller Order Form, and which also specifies Biller's initial subscription for the Services, the applicable transactional fees, service fees and other fees charged by PSN, the billing period, and other charges, terms and conditions as agreed to between the Parties;

"Chargeback" is a reversal of a Transaction initiated by a credit card company, processor, bank or other financial institution including chargebacks, ACH rejects or reversals, disputes and other refunds or credits, that Biller previously presented to PSN under this Agreement and includes, but is not limited to, instances where: (i) Biller fails to issue a refund to a Customer as required; (ii) PSN did not receive Biller's response to a retrieval request within seven (7) days or any shorter time period required by the Payment Brand Rules; (iii) a Customer disputes the Transaction or claims that the Transaction is subject to a set-off, defense or counterclaim; or (iv) the Biller Bank Account designated by the Customer for an ACH transaction is invalid, or has insufficient funds to complete a Transaction;

"Content" means the information and documents provided or made available to Biller by PSN in the course of Biller accessing or using the Services;

"Customer" shall include customers, payers, taxpayers and users of services of Biller;

"Customer Data" means name, address and contact information of Customers and associated credit card numbers and bank account numbers, excluding any data that PSN acquired other than from the Biller or Customers;

"Go Live Date" means the date that the first payment transaction is processed by PSN for any Customer under this Agreement;

"Integration Components" means software which integrates the Services with any third party software, and any updates or revisions thereto;

"Intellectual Property Rights" means unpatented inventions, patent applications, patents, design rights, copyrights, trademarks, service marks, trade names, domain name rights, mask work rights, know-how and other trade secret rights, and all other intellectual property rights, derivatives, Integration Components and application programming interfaces thereof, and forms of protection of a similar nature anywhere in the world;

"IVR" means the software as a service which provides interactive voice and communication response functionality, automated payments by voice and text, text (SMS) messaging, and related functionality, including inbound and outbound communications;

"Network" is any Payment Method provider whose payment method is accepted by Biller from Customers and which is accepted by PSN for processing, including, but not limited to, Visa, Inc., MasterCard International, Inc., American Express, PayPal (including Pay Pal, Venmo, Pay In 4 and PayPal Credit), Discover Financial Services, LLC, and any other Payment Methods, digital wallets, credit and debit card providers, and debit network providers. Network also includes the National Automated Clearing House Association ("NACHA"), with respect to Transactions involving any credit or debit entry processed over the ACH network, and any other network or clearinghouse over which any electronic check processing Transactions may be processed;

"Network Fees" means all pass-through costs including interchange, PayPal brand fees, dues, assessment fees, processing fees, and similar fees, assessed by any Network, credit card or payment processors, bank card issuers, payment associations, or ACH or check processors;

"Network Liabilities" means any and all fines, fees, penalties, liabilities, charges and other amounts which may be imposed or assessed by the Networks or payment processors as a result of Biller's actions, omissions, Transactions or Chargebacks, including without limitation, Biller's failure to comply with the Network Rules, or this Agreement and/or any agreement with any payment processor;

"Payment Methods" means credit and debit cards, ACH, EFT and Check 21 transactions, digital wallets including but not limited to Visa, MasterCard, Amex and Discover, PayPal, Venmo, Apple Pay, Google Pay, credit instruments including PayPal Credit and PayPal Pay in 4, stored value cards, loyalty cards, electronic gift cards, authorized account or access numbers, paper certificates and credit accounts that are used for Transactions and listed on the Biller Order Form;

"Payment Processing Agreement(s)" means the payment and card processing agreements and merchant agreements which PSN has directed the Biller to enter into to enable PSN to provide the Services;

"PSN Technology" means all of PSN's proprietary technology (including software, hardware, products, processes, algorithms, user interfaces, know-how, techniques, designs and other tangible or intangible technical material or information) made available to Biller or otherwise

## Payment Service Network, Inc. Service Agreement

developed by PSN in providing the Services;

“Reserve Account” means a Biller account which is maintained in order to protect PSN against the risk of, among other things, existing, potential, or anticipated Chargebacks and to satisfy the other obligations under the Agreement;

“Service(s)” means PSN’s billing and payment service, the Content, PSN Technology and other services identified on the Biller Order Form, developed, operated, provided, and/or maintained by PSN, accessible via the Site or another designated website or IP address, or ancillary online and/or offline products and services provided to Biller by PSN, to which Biller is being granted access under this Agreement;

“Site” means <https://www.info.paymentservicenetwork.com/> and its subdomains; and

“Transaction(s)” means a transaction conducted between Biller and its Customers with respect to an account, or evidence of an account, utilizing Payment Methods for payment in connection with the sale, lease, financing or provision of goods and/or services by Biller and/or payment of taxes (either directly or through PSN). “Transaction(s)” may also be used to refer to the written or electronic record of such a transaction, including, without limitation, an authorization code, settlement record, ECP file, or a credit or debit entry pursuant to and consistent with NACHA Rules or card association rules which is submitted to a processor to initiate or evidence a Transaction.

EXHIBIT B TO THE SERVICE AGREEMENT

**BILLER ORDER FORM**





Payment Service Network, Inc. Service Agreement  
**EXHIBIT B TO THE SERVICE AGREEMENT**  
**BILLER ORDER FORM – INVOICE PARAMETER**

Invoice Type Parameters must be completed for each invoice type

<b>Service Description</b>	Utility
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<b>PAYMENT METHODS</b>	[Credit Card] [Debit Card Only] [VISA] [Mastercard] [Discover] [American Express] [PayPal] [PayPal Credit] [Venmo] [ACH]
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<b>SETUP/EQUIPMENT FEES</b>			
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Fee Type	Fee Notes	Fee Amount	Paid By
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<b>MONTHLY FEES</b>			
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Fee Type	Fee Notes	Fee Amount	Paid By
----------	-----------	------------	---------

<b>TRANSACTION FEES (all fees are per item; unless otherwise noted, only one fee will be charged per Transaction)</b>					
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Payment Method	Fee Type	Deposit Type	Fee Amount	Paid By	Fee Notes
Credit Card Payments	Automated Phone	Net Deposit	2.95%* + \$0.95	Paid by Customer	IVR Surcharge Fee of \$0.95
Credit Card Payments	Online/Mobile	Net Deposit	2.95%*	Paid by Customer	
Credit Card Payments	Live PSN Rep	Net Deposit	2.95%* + \$2.95	Paid by Customer	Live PSN Rep Surcharge Fee of \$2.95
eChecking/eSavings Payment	Automated Phone	Net Deposit	\$1.90	Paid by Customer	IVR Surcharge Fee of \$0.95
eChecking/eSavings Payment	Online/Mobile	Net Deposit	\$0.95	Paid by Customer	



Payment Service Network, Inc. Service Agreement  
**EXHIBIT B TO THE SERVICE AGREEMENT**  
**BILLER ORDER FORM – INVOICE PARAMETER**

eChecking/eSavings Payment	Live PSN Rep	Net Deposit	\$3.90	Paid by Customer	Live PSN Rep Surcharge Fee of \$2.95
PayPal Brands	Online/Mobile	Net Deposit	2.95%*	Paid by Customer	

OTHER FEES			
Fee Type	Fee Notes	Fee Amount	Paid By
Chargeback (for credit cards that are disputed)		\$15 per dispute	Paid by Customer
eChecks returned due to NSF		\$35.00	Paid by Customer

Fee Schedule Footnotes	-If payment is less than \$100, the Customer will be charged 2.95% plus 50¢.
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Net Deposits are Customer payment deposits less Transaction Fees.

Gross Deposits are Customer payment deposits including Customer paid Transaction Fees, if any.



Payment Service Network, Inc. Service Agreement  
**EXHIBIT B TO THE SERVICE AGREEMENT**  
**BILLER ORDER FORM – INVOICE PARAMETER**



Payment Service Network, Inc. Service Agreement  
**EXHIBIT B TO THE SERVICE AGREEMENT**  
**BILLER ORDER FORM**

SALES INFORMATION			
IC Sales Rep	Nick Photos	Vertical	Utility
Order Date	12/5/2024	Software Integration	Ampstun

BILLER INFORMATION			
Ownership Type	Government	Phone	(606) 743-1204 Fax
Legal Name	Morgan County Water District, KY	Website URL	
Address 1	1009 Kentucky 172	Bus. Open Date	
Address 2		Federal Tax ID	
City	West Liberty	*Federal Tax ID and Legal Name must match on all documents	
State	KY	ZIP	41472

BILLER CONTACT	
Primary Contact Name	Donna Bailey
Phone	(606) 743-1204
Email Address	donna.bailey@morgankywater.org

SIGNING AUTHORITY			
Name	Chris Adams	Title	Board of Directors Chairman
Phone	(606) 743-1204	Fax	Email Address chris.adams@morgankywater.org

LIST OF ADDITIONAL PROPERTIES, ACCOUNTS, OR SERVICES							
Total Number Potential Payers	Service Description	Address	Tax ID	Contact Person	Email	Phone Number	Last 4 Account #
3,021	Utility	1009 Hwy 172 West Liberty, KY 41472		Donna Bailey	donna.bailey@morgankywater.org	(606) 743-1204	

BILLER BANK ACCOUNT

Note: Must include voided business check or bank letter for each unique account

Billing Method	Direct Debit	Routing #	
		Last 4 Acct #	

**BILLER BANK ACCOUNT FOR DEBITING FEES (if different from above)**

Note: Must include voided business check or bank letter for each unique account

Bank Account used to Debit Fees		Routing #	
Billing Method		Last 4 Acct #	

**BILLER PRICING (see Invoice Type Parameter Sheet(s) for invoice-type-specific pricing)\***

Fee Type	Fee Notes	Fee Amount	Paid By
Annual Security Compliance (billed annually)	WAIVED	\$0.00	NA
One-time Setup	WAIVED	\$0.00	NA
Training	WAIVED	\$0.00	NA
Custom Programming	WAIVED	\$0.00	NA
Monthly Fee	WAIVED	\$0.00	NA

- Attach to this Agreement an actual voided check(s) for the bank account that PSN will deposit funds into and, if applicable, a voided check of the account from which PSN will debit its fees. It must be a printed voided check and not a starter check, a deposit slip or other substitute. If it is not possible to attach a voided check(s), then Biller may attach a letter from its bank(s) on bank letterhead that is legally signed by a bank representative, verifying Biller's checking/savings account number and the bank's routing number. NOTE: If using more than one bank account, mark each voided check to clearly identify which account it represents.
- In order for PSN to debit fees from Biller's account(s), Biller may have to inform its bank(s) that Payment Service Network, Inc. (PSN) is an approved vendor. Once Biller has signed and returned this Agreement, PSN will provide Biller with its official NACHA vendor number to provide to Biller's bank(s).

[signature page follows]

In WITNESS WHEREOF, the parties have executed this Agreement as of this day

Accepted by Biller:

X

Corporate Officer/Authorized Official

Chris Adams

Printed Name

Board of Directors Chairman

Title

Accepted by Invoice Cloud, Inc.:

X

*Kevin W. O'Brien*

Corporate Officer

Kevin W. O'Brien

Printed Name

CEO

Title