



## **LOCKBOX SERVICES AGREEMENT**

between

**Catalis Payments, LLC**

**("Provider")**

having its principal place of business at:

3025 Windward Plaza, Suite 200 Alpharetta,  
Georgia 30005

and

**City of Clearwater**

**("Merchant")**

having its principal address at:

100 So Myrtle Ave  
Clearwater, FL 33756

THIS LOCKBOX SERVICES AGREEMENT (this “**Agreement**”) is made and entered into as of the 1st day of July 2025 (“**Effective Date**”) by and between Catalis Payments, LLC (“**Provider**”) and the City of Clearwater (“**Merchant**”). Merchant and Provider may each be referred to individually as a “**Party**” and together as the “**Parties**.”

## EXHIBITS

The attached Exhibits are incorporated by reference:

1. Exhibit A. Lockbox Processing
2. Exhibit B. Lockbox Service Terms and Conditions
3. Request for Proposal 13-25 Utility Billing and Lockbox Services: Standard Terms and Conditions

## TERM

This Agreement will commence upon the Effective Date and continue for three (3) years, at which point in time the SOW will automatically renew for successive with two (2), two (2) year renewal options unless either party, at least sixty (30) days prior to the expiration of the then applicable term, provides the other with written notice of its desire to terminate this Agreement.

## STRATEGY

Provider agrees to provide remittance processing, mail opening, scanning, lookups, decisioning, exception handling, and other enumerated related services for Merchant in accordance with the procedures listed below.

## SCOPE

For good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties agree as follows:

1. **Post Office Box:** A Post Office service box (caller vs. non-caller to be determined by scope) will be opened by Merchant at the Tampa Regional Airport Post Office facility in Tampa, Florida. The actual post office box will be in the name of and owned by Merchant and Merchant will grant Provider exclusive use of the post office box for the term of this Agreement. Provider will pay for the cost of the lockbox at the Tampa Airport and pass through this cost to Merchant on an annual basis. Mail addressed to the box will be picked up each business day (Monday through Saturday), opened, and the envelope contents reviewed and processed in accordance with the terms of the Agreement.
2. **Mail Processing:** Provider will open all mail and prepare the remittance coupons and payment checks for processing. Provider shall not process those items documented in the Lockbox Information Sheet not to be processed. Unless otherwise agreed upon, all processed checks will be endorsed:  
For Deposit Only: City of Clearwater  
Bank Name: \_\_\_\_\_  
Bank Account No.: \_\_\_\_\_
3. **Authorization:** Provider is hereby authorized to accept for deposit into Merchant demand deposit accounts at Merchant’s designated bank of deposit, drafts and other items made payable to or endorsed in favor of Merchant or a reasonable variation thereof. Merchant has designated their demand deposit accounts to be used by Provider for lockbox deposits and adjustments hereunder. The funds associated with Merchant will be deposited into the demand deposit account on the date that such checks and remittance coupons are processed by Provider, or the next business banking day when such items are processed on a Saturday, Sunday, or holiday.
4. **Exceptions:** Merchant will notify Provider daily by a mutually agreed upon method the exception items that need to be pulled for further review by Merchant or rejection to Merchant. Provider will deliver by designated method and speed to Merchant within commercially reasonable timeframe. This delivery will include daily hard copy reports (if applicable) and correspondence (if applicable).
5. **Delivery:** Provider will deliver by courier or overnight express to Merchant on the same day the check and remittance mail is opened and processed such documents together with items not processed for reasons set forth in the Lockbox Information Sheet. This delivery will include daily hard copy reports (if applicable) of all processed remittances, correspondence, and a copy of the deposit slip.
6. **Record Retention:** Merchant will maintain an image record of all checks, which are processed by Provider for a period of one (1) year. Upon request, these records will be sent to Merchant within five (5) days of the request.
7. **Payment Amount Discrepancy:** If the handwritten amount on a payment differs from the numeric amount, the amount which agrees to the invoice will be accepted.
8. **Client Changes:** Merchant will notify Provider at least sixty (60) days in advance of any change in the form of its customer payments, invoices, and envelopes or in the regular monthly mailing schedule of such documents.
9. **Fees:** The below pricing is for the receipt, extraction, scanning, data entry, reject processing, providing a posting file, and depositing checks collected via image cash letter to the Merchants bank account for all mailed in payments.

9.1. **Processing Fees**

Estimated processing volume, as marked (☒):

Service	Fee Per Item	Monthly Fee
Items Processed	\$000.26	\$000.00

9.2. **Additional Services**

Processing and pass-through services to be funded by Merchant, as marked (☒):

Service	Fee Per Item	Monthly Fee
<input type="checkbox"/> Implementation		\$000.00
<input checked="" type="checkbox"/> Returns / Correspondence	Same as per item fee	
<input checked="" type="checkbox"/> Checks Only	Same as per item fee	
<input checked="" type="checkbox"/> Multiples	Same as per item fee	
<input checked="" type="checkbox"/> Online Image Access	Ninety (90) day access for checks and remittances processed	\$0.00
<input checked="" type="checkbox"/> Interactive Exceptions	Exception checks hosted on interactive website; Merchant provides Provider with posting instructions	\$0.00
<input type="checkbox"/> ICL Check Conversion Fee		\$000.00
<input checked="" type="checkbox"/> Third Party Electronic	\$0.12 per occurrence	\$000.00
<input checked="" type="checkbox"/> Cash Payment	N/A	\$000.00
<input checked="" type="checkbox"/> Client Bag Delivery	Pass Through	\$000.00
<input checked="" type="checkbox"/> Annual P.O. Box Fee	Pass Through	\$000.00
<input checked="" type="checkbox"/> Data Transmission		\$000.00
<input type="checkbox"/> Contract Monthly Minimum	N/A	\$000.00

**SIGNATURES**

*In witness whereof, the Parties have executed this Agreement by their duly authorized representatives as of the date first above written.*

City of Clearwater:

Catalis Payments, LLC:

\_\_\_\_\_  
Jennifer Poirrier  
City Manager

Signed: Brian Downs  
Name: Brian Downs  
Title: CFO  
Date: 6/11/25

Approved as to form:

\_\_\_\_\_  
Michael P. Fuino  
Senior Assistant City Attorney

Attest:

\_\_\_\_\_  
Rosemarie Call  
City Clerk

## **EXHIBIT A: Lockbox Processing**

### **1. Processing Exceptions**

Most payments processed in the Lockbox contain a coupon and a correctly matched check payment. However, exceptions to the standard workflow exist and are to be processed in the lockbox.

Those exceptions include but are not limited to:

1. Check received without a coupon – account number is on check or check stub.
2. Checks received with a list of account numbers
3. Out of balance multiples – more than one coupon with one check
4. Multiples with more than one coupon and more than one check

Exceptions should be processed according to the business rules defined during implementation. The Lockbox Information Sheet will be finalized during the implementation process.

### **2. Posting File**

Provider will generate a daily posting file that matches the specifications provided by the Merchant for posting to the Merchant's receivable system. **3. Reports**

Provider will provide the Merchant with a daily summary by batch and daily detail report of all lockbox transactions processed.

### **4. Deposit File**

Provider will generate a daily deposit file in the form of an image cash letter and will deliver the file securely to the Merchant's bank account in accordance with the Merchant's bank of deposit procedures and deadlines.

Provider will retain the original checks for a period of fourteen (14) business days and will pull original checks that are rejected by the bank for image quality. Provider will re-deposit the checks for the Merchant.

### **5. Image View Portal**

Provider will host all payment images on a secure web portal for the Merchant to perform research and customer inquiry tasks.

### **6. Research**

Provider will assist Merchant with research and communications with the Merchant's bank account on any lockbox deposit adjustments as needed.

## **EXHIBIT B: Lockbox Service Terms and Conditions**

### **1. LOCKBOX SERVICES.**

#### **1.1. Lockbox Payment System.**

Subject to the terms of this Agreement, during the Term, Provider will process lockbox payments to Merchant (“Payments”) from Merchant’s citizens and/or customers (“Customers”) via a lockbox software platform that is provided by Provider and is described in more detail in Exhibit A (the “Lockbox Payment System”). Merchant will promptly provide Provider with information reasonably required by Provider in order to promptly and accurately perform the services contemplated by this Agreement.

#### **1.2. Modification of Lockbox Payment System.**

Provider may modify the features and functionality of the Lockbox Payment System at any time and from time to time; provided, however, that Provider will not modify the Lockbox Payment System in a manner that would significantly adversely affect the use thereof, without providing at least ten (10) days prior notice to Merchant of any such modification.

#### **1.3. Fees.**

In consideration for the provision of the Lockbox Payment System, Customers will pay to Provider, in respect of each Payment, the Processing Fees that are detailed in the Agreement.

#### **1.4. Reporting.**

Provider will provide its standard daily transaction reports.

### **2. GENERAL.**

#### **2.1. Merchant Obligations.**

Merchant acknowledges and agrees:

1. it is responsible for the actions of its employees and agents;
2. it will comply with all applicable laws and regulations and all applicable parts of the Operating Regulations; including those parts regarding the ownership and use of an Association’s mark including but not limited to names, logos, trade names, logotypes, trademarks, service marks, trade designations, and other designations, symbols (“Association Marks”);
3. Provider or an Association is authorized to research Merchant’s background including, but not limited to, credit background checks, banking relationships, and its financial history;
4. notwithstanding any provisions in the agreement to the contrary, information obtained in connection with Merchant’s processing relationship may be shared with Association for any legitimate purpose; and
5. Associations may conduct, or direct another party to conduct, an audit of Merchant at any time, and Merchant must comply in all material respects with such audit until its completion.

#### **2.2. Compliance with Law.**

Each party will comply, at such party’s own expense, with all laws, policies, guidelines, regulations, ordinances, orders, and rules of all governmental authorities and/or regulatory bodies having jurisdiction over such party and/or the subject matter of this Agreement, including, without limitation, Provider shall comply with applicable laws and regulations governing electronic check processing, check conversion, and/or the initiation of preauthorized electronic debit entries, including but not limited to the Electronic Fund Transfer Act of 1978, Federal Reserve Regulation E, the Electronic Signatures in Global and National Commerce Act, and all FTC.

#### **2.3. Nondisclosure.**

Each party agrees to keep confidential and to use only for purposes of performing under this Agreement, any proprietary or confidential information of the other party disclosed pursuant to this Agreement which is appropriately marked as confidential or which could reasonably be considered of a proprietary or confidential nature (“Confidential Information”), and, except as otherwise permitted by this Agreement, the terms of this Agreement and all negotiations relating thereto (but not the existence of this Agreement generally). The obligation of confidentiality does not apply to information which is: 1) required by law to be disclosed (including public right-to-know laws and Florida’s Public Records Act codified at Chapter 119, Florida Statutes), 2) publicly available through authorized disclosure, 3) known by the receiving party at the time of disclosure, or 4) rightfully obtained from a third party that has the right to disclose it. All Confidential Information will remain the property of the disclosing party.

#### **2.4. Privacy and Security.**

Merchant is solely responsible for the security of data residing on servers owned or operated by Merchant and all third parties (other than Provider) designated by Merchant (e.g., a Web hosting Merchant, processor and other service providers), and for data transmitted to Provider. Merchant will not use, disclose, sell, and/or disseminate any cardholder information obtained in connection with a Payment (including the names, addresses and card account numbers of cardholders) except for purposes of authorizing, completing, and settling a Payment and resolving any Chargebacks, retrieval requests, or similar issues involving a Payment, other than pursuant to a court or governmental agency request, subpoena, or order. Merchant will use proper

controls for and limit access to, and render unreadable prior to discarding, all records containing card account numbers and card imprints. Merchant agrees that it will comply with all Provider security protocols and security advisories in effect during the Term. Merchant is responsible for verifying the accuracy and completeness of all Payments submitted and processed by Provider associated with Merchant's account and verifying that all corresponding funds are accurately processed.

**2.5. System Breach.**

Merchant warrants that Merchant has taken such precautions as are necessary to ensure that Merchant server and electronic systems are secure from breach or intrusion by unauthorized third parties. In the event that Merchant system is breached, or is suspected of having been breached, and an unauthorized third party has access to or has accessed end-user data or Payment data, Merchant will notify Provider promptly of such breach and will take such precautions as may be necessary to prevent such breaches from occurring in the future.

**2.6. Intellectual Property.**

Provider represents that it owns, licenses or has the right to use and will retain during the Term all proprietary rights in and to the Lockbox Payment System and related materials that Provider may use in connection with implementation and operation of the Lockbox Payment System. Merchant acknowledges that, as between Merchant and Provider, Provider owns, licenses and/or has the right to use, all right, title and interest, including without limitation any and all rights existing under patent law, copyright law, moral rights law, trade secret law, trademark law, unfair competition law, publicity rights law, privacy rights law, and any and all other proprietary rights in and to all of the intellectual property developed, owned, used and/or licensed by Provider in connection with its performance under this Agreement, including the Lockbox Payment System (the "Provider IP") and that Merchant will not acquire any right, title, or interest in or to the Provider IP, including the Lockbox Payment System. There are no implied licenses granted under this Agreement, and any rights not expressly granted to Merchant hereunder are reserved by Provider. Merchant will not take any action inconsistent with Provider's property rights in and to the Lockbox Payment System, and/or any other intellectual property right of Provider.

**2.7. Change Control Process.**

The Parties agree to use the Provider organizational standard change process "Change Control Process" for all changes requested by Merchant and agreed to by Provider. Provider may, in its sole discretion, change, modify and/or update the Change Control Process at any time provided that Provider provides at least ten days prior notice to Merchant.

**2.8. Billing Terms.**

All pricing is contained in the Agreement and any Amendments or Addendums that may be executed by the Parties. The proposed pricing model may contain no transaction related or recurring costs for the Merchant and could result in Merchant incurring no charges during a billing cycle. Provider will send Merchant a monthly invoice for any charges incurred. The invoices will include detail for volumes and the number of transactions processed.

Merchant shall pay invoices within thirty (30) days of issue. Invoices not paid within this period shall be charged interest which compounds daily. The interest rate shall be the lower of 18% simple interest, or the highest amount allowable under applicable law. This interest shall accrue from the issue date and shall continue until invoice is paid in full.

Merchant is additionally liable for any applicable federal, state, or local Taxes (exclusive of income or gross receipts Taxes properly payable by Provider) and other fees or assessments incurred as a result of the use of the Lockbox Payment System by Merchant.

**3. DISCLAIMER OF WARRANTIES.**

**3.1. AVAILABILITY.**

PROVIDER MAKES NO WARRANTIES REGARDING THE QUALITY, RELIABILITY, TIMELINESS OR SECURITY OF THE WORLD WIDE WEB OR TELEPHONE LINES, THE INTERNET AND OTHER GLOBALLY LINKED COMPUTER NETWORKS, OR THE WEBSITES ESTABLISHED THEREON INCLUDING THE LOCKBOX PAYMENT SYSTEM, WILL BE UNINTERRUPTED OR ERROR FREE AND PROVIDER WILL IN NO WAY BE LIABLE TO MERCHANT OR CUSTOMER DUE TO ANY DISRUPTION OF PROVIDER'S LOCKBOX PAYMENT SYSTEM OR NON-AVAILABILITY OF THE LOCKBOX PAYMENT SYSTEM DURING WHICH CUSTOMERS ARE UNABLE TO ACCESS OR USE THE LOCKBOX PAYMENT SYSTEM DUE TO A CONFIRMED PROBLEM THEREIN.

**3.2. THIRD PARTY PRODUCTS.**

MERCHANT UNDERSTANDS AND AGREES THAT PROVIDER MAY USE THIRD PARTY PRODUCTS IN CONNECTION WITH THE LOCKBOX PAYMENT SYSTEM OFFERED HEREUNDER. THESE PRODUCTS MAY INCLUDE FIREWALL SECURITY, WEB SERVER SOFTWARE AND ENCRYPTION SOFTWARE. PROVIDER MAKES NO REPRESENTATION OR WARRANTY REGARDING THE PERFORMANCE OF SUCH THIRD-PARTY SOFTWARE, SPECIFICALLY INCLUDING ANY WARRANTY THAT PERFORMANCE WILL BE UNINTERRUPTED OR ERROR-FREE.

### **3.3. NO IMPLIED WARRANTIES.**

EXCEPT FOR ANY EXPRESS WARRANTIES CONTAINED IN THIS AGREEMENT, NEITHER PROVIDER NOR ANY THIRD PARTY MAKES ANY WARRANTY OF ANY KIND, WHETHER EXPRESS OR IMPLIED, REGARDING THE LOCKBOX PAYMENT SYSTEM OR SERVICES PROVIDED HEREUNDER AND SPECIFICALLY DISCLAIMS THE WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND AGAINST INFRINGEMENT, TO THE MAXIMUM EXTENT POSSIBLE BY LAW.

### **4. NO CONSEQUENTIAL DAMAGES.**

IN NO EVENT WILL A PARTY BE LIABLE TO THE OTHER PARTY, OR TO ANY THIRD PARTY, FOR CONSEQUENTIAL, EXEMPLARY, INDIRECT, SPECIAL, OR INCIDENTAL DAMAGES, INCLUDING, WITHOUT LIMITATION, LOST PROFITS, EVEN IF THE PARTY THAT WOULD OTHERWISE HAVE BEEN LIABLE HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

### **5. LIMITATION OF LIABILITY.**

IN NO EVENT WILL PROVIDER'S LIABILITY EXCEED THE CONVENIENCE FEES PAID TO PROVIDER UNDER THIS AGREEMENT DURING THE 12 MONTH PERIOD PRIOR TO THE ACCRUAL OF THE CLAIM REGARDLESS OF THE FORM OF THE CLAIM (INCLUDING, WITHOUT LIMITATION, ANY CONTRACT, PRODUCT LIABILITY, OR TORT CLAIM).

### **6. INDEMNIFICATION.**

Subject to the limitations of Section 768.28, Florida Statutes, Provider shall hold harmless, indemnify, and defend Merchant, and all of its officers, employees, and/or officials from any and all liability, actions, claims, losses, damages, or other costs of whatsoever nature that may be asserted by any THIRD PARTY arising from or in connection with the collection of payments by credit or debit card or through internet transactions pursuant to the terms of this Agreement. Nothing herein shall be construed as consent by Merchant to be sued by third parties, or as a waiver or modification of the provisions or limits of Section 768.28, Florida Statutes or the Doctrine of Sovereign Immunity.

### **7. TERMINATION.**

#### **7.1. Termination for Cause.**

Either party may terminate this Agreement at any time upon written notice to the other party as a result of any of the following events:

1. any noncompliance with this Agreement which is not cured within thirty (30) days of notice thereof from the other party (except that no cure period is allowed for termination based on fraud); and/or
2. any voluntary or involuntary bankruptcy or insolvency proceeding involving the other party.

#### **7.2. Effect of Termination.**

Termination of this Agreement will not relieve either party of any obligation to pay the other party any amounts due and owing to the other party prior to such termination, including, without limitation any amounts owing in respect of Disputed Amounts.

#### **7.3. Survival.**

The following Sections will survive any termination or expiration of this Agreement: General, Disclaimer of Warranties, No Consequential Damages, Limitation of Liability, Indemnification, & Miscellaneous.

### **8. MISCELLANEOUS.**

#### **8.1. Governing Law; Waiver of Jury Trial.**

This Agreement will be governed by and construed in accordance with the laws of the State of Florida without reference to conflict of law provisions. Any action, proceeding, litigation, or mediation relating to or arising from this Agreement must be brought exclusively in Florida. THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVE ANY RIGHTS EITHER OF THEM MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED ON, ARISING OUT OF, OR IN CONNECTION WITH THIS AGREEMENT.

#### **8.2. Binding Upon Successors and Permitted Assigns.**

This Agreement will be binding upon and inure to the benefit of the parties, their successors and permitted assigns. Neither this Agreement nor any right, license, privilege or obligation provided herein may be assigned or transferred by a party without the other party's prior written consent, which consent will not be unreasonably withheld, and any attempted assignment or transfer without such consent is void; provided, however, that each party may, without the consent of the other party, assign this Agreement (and its rights hereunder) in connection with any reorganization, consolidation, merger, sale of stock, sale of substantially all assets and/or similar type of transaction(s), if the successor in interest to such assigning party assumes the obligations of the assigning party under this Agreement in writing, is properly licensed to conduct the business contemplated hereunder, and otherwise agrees to be bound by all of the terms of this Agreement.

**8.3. Relationship of Parties.**

The relationship of Provider to Merchant under this Agreement will be that of an independent contractor and nothing contained in this Agreement will create or imply an agency relationship between Merchant and Provider, nor will this Agreement be deemed to constitute a joint venture or partnership between Merchant and Provider.

**8.4. Limited Agent.**

Notwithstanding anything to the contrary in this Agreement, Merchant hereby appoints Provider as its lawful agent to receive and process Payments and acknowledges and agrees that: (a) a Customer payment to Provider constitutes delivery of such payment to Merchant; and (b) Merchant will not hold Customer responsible for Provider's failure to deliver payment, but rather Merchant will seek redress only from Provider.

**8.5. Notices.**

All notices required or permitted under the Agreement will be in writing and sent to the other party at the address specified on the signature page below or to such other address as either party may substitute from time to time by written notice to the other and will be deemed validly given upon receipt of such notice given by mail (postage prepaid), electronic mail, or personal or courier delivery to such address.

**8.6. Captions and Headings.**

The captions and headings appearing in this Agreement are for reference only and will not be considered in construing this Agreement.

**8.7. Waiver.**

No term or condition of this Agreement may be waived except pursuant to a written waiver executed by the party against whom such waiver is sought to be enforced.

**8.8. Severability.**

If any provision of this Agreement, or the application thereof, is found invalid or unenforceable, that provision will be amended to achieve as nearly as possible the same economic effect as the original provision and the remainder of this Agreement will remain in full force.

**8.9. Publicity.**

The parties agree that they will not use the other party's name, trademark or service mark, or the existence of the contractual relationship in any press release, marketing, promotional, advertising, or any other materials without the other party's prior written consent.

**8.10. Amendment and Changes.**

This Agreement or any provision hereof may not be changed, amended, supplemented, discharged, terminated, or otherwise altered except by a statement in writing signed by the party against whom enforcement of same is sought.

**8.11. Force Majeure.**

Neither party will be liable for delays in processing or other nonperformance caused by such events as fires, telecommunications, utility, or power failures, equipment failures, labor strife, riots, war, nonperformance of our vendors or suppliers, acts of God, or other causes over which the respective party has no reasonable control, except that nothing in this clause will affect or excuse a party's liabilities and obligations for Disputed Amounts.

**8.12. Entire Agreement.**

This Agreement, including the Exhibits contains the entire understanding and agreement between the parties with respect to its subject matter, superseding all prior or contemporaneous representations, understandings, and any other oral or written agreements between the parties with respect to such subject matter.

**8.13. Facsimile Signature and Counterparts.**

An SOW or Amendment to this Agreement may be executed by exchange of signature pages by facsimile, e-mail and in any number of counterparts, each of which will be an original as against any party whose signature appears thereon and all of which together will constitute one and the same instrument.