

## **EXHIBIT 4**

**THE STATE OF TEXAS**

**COUNTY OF DENTON**

**AGREEMENT FOR COLLECTION SERVICES  
RFP# 6133 (SECTION A)  
COLLECTION SERVICES FOR UTILITIES, FIRE/EMS AND MUNICIPAL COURTS**

THIS AGREEMENT is made and entered into as of the \_\_\_\_\_ day of \_\_\_\_\_ 2017, by and between the City of Denton, Texas, a Texas Municipal Corporation, with its principal office at 215 East McKinney Street, Denton, Texas 76201 (hereafter "CITY"); and Credit Systems International, Inc., with its corporate office at 1277 Country Club Lane, Fort Worth, Texas 76112, (hereafter "COLLECTOR"); each acting herein, by and through their duly authorized representative or officer.

WITNESSETH, that in consideration of the covenants and agreements herein contained, the parties hereto do mutually agree as follows:

**ARTICLE 1**  
**EMPLOYMENT**

The CITY hereby contracts with COLLECTOR, as an independent contractor; and the COLLECTOR hereby agrees to perform the services herein in connection with the Project as stated in the Articles to follow, with diligence and in accordance with the professional standards customarily obtained for such services in the State of Texas. The professional services set out herein are in connection with the following described Project, to wit:

To provide collection services for miscellaneous accounts receivable held by the City of Denton, Texas. This includes accounts receivable that are owed to, but have not been collected by the CITY, and may include services for utilities, ambulance and other miscellaneous accounts. The object of this Agreement is to increase revenue collections efficiently and at the same time maintain a professional approach when managing "bad debt" accounts of the CITY that are assigned to COLLECTOR.

**ARTICLE 2**  
**SCOPE OF SERVICES**

The COLLECTOR shall perform the following services in a professional manner:

- A. The COLLECTOR shall perform those services as are necessary, and as described in the CITY'S "Request for Sealed Proposal for Utility Collection Services for Utilities, Fire/EMS & Municipal Courts " which is attached hereto, incorporated by reference and made a part hereof as Exhibit "A."

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- B. Referral of Accounts - COLLECTOR agrees to accept all first placement accounts receivable referred to COLLECTOR for collection (hereafter the "Accounts") by the CITY. It is expressly agreed that any and all account information disclosed to COLLECTOR through placement of Accounts will remain confidential and be kept by COLLECTOR in the strictest confidence and will not be disclosed to any other party without the CITY's express written authorization and within the legal requirements of the Health Insurance Portability and Accountability Act (HIPAA), the federal Fair Credit Reporting Act ("FCRA") and any other applicable legislation.
- C. Collection Efforts – COLLECTOR's services and collection efforts shall include the sending of demand letters; attempting telephone contact with debtors; attempting to locate debtors; obtain updated financial and credit information with respect to debtors; and arranging payment arrangements from the debtors in order to satisfy the indebtedness to be collected on behalf of the CITY. For each Account, COLLECTOR shall make these collection efforts for the life of the Account (which for purposes of this Agreement means three years). At the end of that period, all inactive uncollected Accounts must be promptly returned to the CITY, along with its findings and recommendations. Active Accounts (those who have a payment pending or are actively on a payment plan) may be retained by COLLECTOR for an additional 180 days, or returned sooner if an Account becomes inactive. If COLLECTOR has not succeeded in collecting any part of the Account during that time period, then COLLECTOR shall promptly submit its findings and recommendations to the CITY.
- D. Collections and Settlement - COLLECTOR shall in all cases attempt to collect the total sum of outstanding receivables on accounts assigned to it and all charges owed by the debtor on an Account.
- E. Notification of Claims - COLLECTOR agrees to immediately notify and advise CITY within 72 hours of receiving notice of any claims or causes of action asserted against the CITY by any debtor.
- F. Return of Accounts - Unless this Agreement shall be terminated as hereinafter provided, and unless CITY expressly agrees otherwise, in advance, for each Account, COLLECTOR shall cease its activities and return the Account to the CITY if (i) no collection arrangement has been made within the life of the Account, or (ii) after having made a collection arrangement for a particular Account, no amounts are collected by the Collector for a continuous period of 365 days. These Accounts may not be held by COLLECTOR for a period longer than eighteen (18) months.
- G. Withdrawal of Referred Accounts - CITY has the right to and may withdraw any Account assigned to COLLECTOR at any time for any reason.
- H. Reporting - COLLECTOR shall submit to the CITY, activity reports and such other information relative to the Accounts as is requested and as stated in the "Request for Sealed Proposal for Utility Collection Services for Utilities, Fire/EMS & Municipal Courts" document attached hereto as Exhibit "A."
- I. If there is any conflict between the terms of this Agreement and the Exhibits attached to this Agreement the terms and conditions of this Agreement will control over the terms and conditions of the attached Exhibits.

## **EXHIBIT 4**

### **ARTICLE 3** **PERIOD OF SERVICE**

- A. This Agreement shall become effective on the date it is approved by the Denton City Council. The term of this Agreement shall be for a period of one (1) year. It shall be renewable for up to two (2) additional consecutive one-year periods, with all the terms and conditions remaining unchanged. The renewal of this Agreement for each of the two (2) additional consecutive one-year periods, shall be automatic unless the CITY provides a minimum of thirty (30) days written notice provided to COLLECTOR that it elects to terminate this Agreement, before the Agreement term expires or any such renewal term expires.
- B. CITY may terminate this Agreement immediately by written notice if: (i) COLLECTOR violates or breaches any term or condition of the Agreement; or if (ii) CITY reasonably determines that there has been a material adverse change in COLLECTOR's financial condition, or for (iii) any reasonable cause whatsoever. COLLECTOR shall still be entitled to receive its earned fee as of the date of termination as provided in Article IV hereof. In case of termination hereunder this paragraph (i) all accounts and file materials shall be returned immediately to the CITY within fifteen (15) days and (ii) COLLECTOR shall immediately cease all collection efforts on CITY Accounts.

### **ARTICLE 4** **COMPENSATION**

COLLECTOR as full compensation for its services performed hereunder shall receive a fee on all monies collected on Accounts in the COLLECTOR'S possession from the date of account placement with COLLECTOR. The fees described in this Article 4 are more particularly set forth in the "Hybrid Price Proposal" that is attached hereto as Exhibit "B" and is incorporated herewith by reference. It is understood that no legal action will be taken or initiated by the COLLECTOR without the express advance written approval of the CITY.

### **ARTICLE 5** **REMITTANCES**

COLLECTOR shall instruct debtors to send their payment(s) directly to the COLLECTOR. COLLECTOR shall include payment instructions, as specified in the "COLLECTION SERVICES FOR UTILITIES, FIRE/EMS AND MUNICIPAL COURTS" (Exhibit "A" hereto), in all correspondence or other materials sent to each debtor. The COLLECTOR will remit monthly, by the fifteenth (15<sup>th</sup>) day of each month, to the CITY payment(s) received by debtors with a report of payments received from debtors on Accounts during the previous month. The CITY shall remit monthly, by the fifteenth (15<sup>th</sup>) day of each month, the agreed fee to COLLECTOR based solely upon the reported information.

## **EXHIBIT 4**

### **ARTICLE 6** **INDEPENDENT COLLECTOR**

The COLLECTOR shall provide services to the CITY as an independent collector, not as an employee of the CITY. COLLECTOR shall not have or claim any right arising from employee status.

### **ARTICLE 7** **INDEMNITY AGREEMENT**

THE COLLECTOR SHALL INDEMNIFY AND SAVE AND HOLD HARMLESS THE CITY AND ITS OFFICERS, AGENTS, AND EMPLOYEES FROM AND AGAINST ANY AND ALL LIABILITY, CLAIMS, DEMANDS, DAMAGES, LOSSES AND EXPENSES, INCLUDING BUT NOT LIMITED TO COURT COSTS AND REASONABLE ATTORNEY FEES INCURRED BY THE CITY, AND INCLUDING WITHOUT, LIMITATION DAMAGES FOR BODILY AND PERSONAL INJURY, DEATH AND PROPERTY DAMAGE, RESULTING FROM THE NEGLIGENT ACTS OR OMISSIONS OF THE COLLECTOR OR ITS OFFICERS, SHAREHOLDERS, AGENTS, OR EMPLOYEES IN THE EXECUTION, OPERATION, OR PERFORMANCE OF THIS AGREEMENT.

NOTHING IN THIS AGREEMENT SHALL BE CONSTRUED TO CREATE A LIABILITY TO ANY PERSON WHO IS NOT A PARTY TO THIS AGREEMENT AND NOTHING HEREIN SHALL WAIVE ANY OF THE PARTY'S DEFENSES, BOTH AT LAW OR EQUITY, TO ANY CLAIM, CAUSE OF ACTION OR LITIGATION FILED BY ANYONE NOT A PARTY TO THIS AGREEMENT, INCLUDING THE DEFENSE OF GOVERNMENTAL IMMUNITY, WHICH DEFENSES ARE HEREBY EXPRESSLY RESERVED.

### **ARTICLE 8** **RIGHT TO AUDIT**

A. The City shall have the right to audit and make copies of the books, records and computations pertaining to the Contract. The COLLECTOR shall retain such books, records, documents and other evidence pertaining to the Contract period and five years thereafter, except if an audit is in progress or audit findings are yet unresolved, in which case records shall be kept until all audit tasks are completed and resolved. These books, records, documents and other evidence shall be available, within ten (10) business days of written request. Further, the COLLECTOR shall also require all Subcontractors, material suppliers, and other payees to retain all books, records, documents and other evidence pertaining to the Contract, and to allow the City similar access to those documents. All books and records will be made available within a 50 mile radius of the City of Denton. The cost of the audit will be borne by the City unless the audit reveals an overpayment of 1% or greater. If an overpayment of 1% or greater occurs, the reasonable cost of the audit, including any travel costs, must be borne by the COLLECTOR which must be payable within five (5) business days of receipt of an invoice.

B. Failure to comply with the provisions of this section shall be a material breach of the Contract and shall constitute, in the City's sole discretion, grounds for termination thereof. Each of the terms "books", "records", "documents" and "other evidence", as used above, shall be construed to include drafts and electronic files, even if such drafts or electronic files are subsequently used to generate or prepare a final printed document.

## **EXHIBIT 4**

### **ARTICLE 9** **ARBITRATION AND ALTERNATE DISPUTE RESOLUTION**

The CITY and COLLECTOR may agree to settle any dispute under this Agreement by submitting the dispute to arbitration or other means of alternate dispute resolution such as mediation. No arbitration or alternate dispute resolution arising out of or relating to this Agreement involving one party's disagreement may include the other party to the disagreement without the other's approval.

### **ARTICLE 10** **INSURANCE**

During the performance of the professional services under this Agreement, the COLLECTOR shall maintain the following insurance coverage with an insurance company licensed to do business in the State of Texas; and in a form approved by the City Attorney:

- Professional liability insurance with limits not less than \$2,000,000 annual aggregate with respect to negligent acts, errors or omissions in connection with professional services is required under this Agreement.
- Provides coverage for the theft or disappearance of cash or checks, robbery inside/outside the premises, burglary of the premises, and employee fidelity. The employee fidelity portion of this coverage should be written on a "blanket" basis to cover all employees, including new hires. This type insurance should be required if the collector has access to City funds. Limits of not less than \$50,000 for each occurrence are required.

COLLECTOR agrees to keep these policies in force and in good standing for the duration of this Contract and further agrees that CITY will be provided at least thirty (30) days' notice of cancellation of any such coverage. To the extent legally possible, COLLECTOR will cause the CITY to be named as an Additional Insured regarding such insurance coverage. COLLECTOR agrees to furnish CITY a certificate of insurance evidencing such insurance coverage at the time this Contract is entered into by COLLECTOR and CITY.

### **ARTICLE 11** **RESPONSIBILITY FOR CLAIMS AND LIABILITIES**

Approval by the CITY shall not constitute nor be deemed a release of the responsibility and liability of the COLLECTOR, its employees, associates, agents, subcontractors and sub-consultants for the competency of their work; nor shall such approval be deemed to be an assumption of such responsibility by the CITY for any work by the COLLECTOR, its employees, associates, agents, subcontractors, and sub-consultants.

## **EXHIBIT 4**

### **ARTICLE 12** **NOTICES**

All notices, communications, and reports required or permitted under this Agreement shall be personally delivered or mailed to the respective parties by depositing same in the United States mail at the address shown below, certified mail, return receipt requested unless otherwise specified herein. Mailed notices shall be deemed communicated as of three (3) days mailing:

***\*(To Collector)***

Credit Systems International, Inc.  
Attn: Laura Emmons-Beam  
1277 Country Club Lane  
Fort Worth, Texas 76112

***\*(City) For Contractual Notices***

City of Denton – Customer Service  
Attn: Tiffany Thomson  
Asst. Customer Svc. Manager  
601 E. Hickory St., Ste. F  
Denton, TX 76205

**For Legal Notices**

City of Denton  
Attn: City Manager Office  
215 E. McKinney  
Denton, TX 76201

***\*(Invoices)***

City of Denton – Customer Service  
Attn: Autumn Perkins  
Revenue Assurance Coordinator  
601 E. Hickory St., Ste. F  
Denton, TX 76205

All notices shall be deemed effective upon receipt by the party to whom such notice is given or within three days mailing. CITY and COLLECTOR may enter into a separate written agreement regarding the subject of electronic notification which agreement will be incorporated by reference, if entered into.

### **ARTICLE 13** **ENTIRE AGREEMENT**

This Agreement consisting of ten (10) pages and four (4) Exhibits, totaling eighteen (18) pages, constitutes the complete and exclusive statement of the terms of their agreements and supersedes all prior contemporaneous offers, promises, representations, negotiations, discussions, communications and agreements which may have been made in connection with the subject matter hereof.

### **ARTICLE 14** **SEVERABILITY**

If any provision of this Agreement is found or deemed by a court of competent jurisdiction to be invalid or unenforceable, it shall be considered severable from the remainder of this Agreement and shall not cause the remainder to be invalid or unenforceable. In such event, the party shall reform this Agreement to replace such stricken provision with a valid and enforceable provision which comes as close as possible to expressing the intention of the stricken provision.

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### **ARTICLE 15** **COMPLIANCE WITH LAWS**

The COLLECTOR shall undertake commercially reasonable efforts to remain in compliance with all applicable federal, state, local laws, rules, regulations, and ordinances regarding Fair Debt Collections practices which are applicable to the work covered hereunder, as they may now read or hereinafter be amended.

### **ARTICLE 16** **DISCRIMINATION PROHIBITED**

In performing the services required hereunder, the COLLECTOR shall not discriminate against any person on the basis of race, color, religion, sex, national origin or ancestry, age, or physical handicap.

### **ARTICLE 17** **PERSONNEL**

- A. The COLLECTOR represents that it has or will secure at its own expense all personnel required to perform all the services required under this Agreement. Such personnel shall not be employees or officers of, or have any contractual relations with the CITY. COLLECTOR shall promptly inform the CITY in writing of any conflict of interest or potential conflict of interest that may arise during the term of this Agreement.
- B. All services required hereunder will be performed by the COLLECTOR or under its care, custody, and supervision. COLLECTOR shall ensure that all personnel engaged in work are duly qualified, and permitted under State and local laws to perform such services.

### **ARTICLE 18** **ASSIGNABILITY**

The COLLECTOR shall not assign any interest in this Agreement and shall not transfer any interest in this Agreement (whether by assignment, novation or otherwise) without the prior written consent of the CITY.

## **EXHIBIT 4**

### **ARTICLE 19** **MODIFICATION**

No waiver or modification of this Agreement or of any covenant, condition, limitation herein contained shall be valid unless in writing and duly executed by the party to be charged therewith. No evidence of any waiver or modification shall be offered or received in evidence in any proceeding arising between the parties hereto out of or affecting this Agreement, or the rights or obligations of the parties hereunder, unless such waiver or modification is in writing, and is duly executed. The parties further agree that the provisions of this Article will not be waived unless as herein set forth.

### **ARTICLE 20** **MISCELLANEOUS**

- A. The following Exhibits are attached to, incorporated herewith, and are made a part of this Agreement:
1. City of Denton Insurance Requirements for Contractors
  2. Exhibit "A" – RFP #6133– Request for Sealed Proposal for COLLECTION SERVICES FOR UTILITIES, FIRE/EMS AND MUNICIPAL COURTS (on file in the City of Denton Purchasing Office).
  3. Exhibit "B" – City of Denton – Price Proposal for Section A
  4. Exhibit "C" – Conflict of Interest Questionnaire
  5. Exhibit "D" – Conflict of Interested Parties Electronic Filing
  - 6.
- A. Venue of any suit or cause of action under this Agreement shall lie exclusively in Denton County, Texas. This Agreement shall be construed in accordance with the laws of the State of Texas.
- B. COLLECTOR will promptly advise CITY of any Account on which it receives a notice of bankruptcy. CITY will promptly advise COLLECTOR of any account on which it receives a notice of bankruptcy. At the CITY's written request, COLLECTOR will file a proof of claim on behalf of the CITY in CITY's name, as its agent.
- C. If COLLECTOR's efforts result in collateral, securing an Account, being returned to the CITY, then COLLECTOR shall be entitled to receive the standard fee that otherwise would have been paid under Article IV herein, based upon the net amount of money that the CITY receives from the sale of the collateral. The cost to the CITY of repossession, of storing, and of selling the collateral shall be first deducted from the amount of sale proceeds COLLECTOR is paid a fee on. CITY shall promptly report to COLLECTOR when the collateral is sold, the applicable costs of repossession, of storage, of selling the collateral, and the sale price. CITY shall then remit COLLECTOR's fee hereunder within thirty (30) days from receipt of payment from the Purchaser of the property at the sale.



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- D. COLLECTOR will accurately, lawfully, and fairly report Accounts to the three (3) national Credit Reporting agencies after a minimum of thirty-seven (37) days in the collection process upon receipt of relevant account information on the Accounts.
- E. COLLECTOR will provide technical support to enable electronic placement of Accounts. COLLECTOR will also provide regular, periodic software or electronic reports to the CITY to enable Account balance review by the CITY, and COLLECTOR comments regarding review of Accounts held by COLLECTOR, each in order to comply with the specifications of the "Request for Sealed Proposal" attached hereto as Exhibit "A."
- F. The captions of this Agreement are for informational purposes only and shall not in any way affect the substantive terms or conditions of this Agreement.

**EXHIBIT 4**

IN WITNESS HEREOF, the City of Denton, Texas has executed this Agreement by and through its duly authorized undersigned City Manager; and COLLECTOR has executed this Agreement by and through its duly authorized undersigned officer, on this the \_\_\_\_\_ day of \_\_\_\_\_, 2017

**COLLECTOR**

BY:   
67C95ED250B24AF...  
AUTHORIZED SIGNATURE

Date: 2/6/2017

Name: Laura Emmons-Beam

Title: Account Executive / Implementation

817-496-6800  
PHONE NUMBER

LBeam@CreditSystemsIntl.com  
EMAIL

TBD  
TEXAS ETHICS COMMISSION  
CERTIFICATE NUMBER

**CITY OF DENTON, TEXAS**

ATTEST:  
JENNIFER WALTERS, CITY SECRETARY

By: \_\_\_\_\_  
TODD HILEMAN  
CITY MANAGER

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

APPROVED AS TO LEGAL FORM:  
AARON LEAL, CITY ATTORNEY

By:   
C821996C2A2B439...

## EXHIBIT 4

### CITY OF DENTON INSURANCE REQUIREMENTS FOR CONTRACTORS

*Bidder's attention is directed to the insurance requirements below. It is highly recommended that bidders confer with their respective insurance carriers or brokers to determine in advance of Bid submission the availability of insurance certificates and endorsements as prescribed and provided herein. If an apparent low bidder fails to comply strictly with the insurance requirements, that bidder may be disqualified from award of the contract. Upon bid award, all insurance requirements shall become contractual obligations, which the successful bidder shall have a duty to maintain throughout the course of this contract.*

#### STANDARD PROVISIONS:

*Without limiting any of the other obligations or liabilities of the Contractor, the Contractor shall provide and maintain until the contracted work has been completed and accepted by the City of Denton, Owner, the minimum insurance coverage as indicated hereinafter.*

*As soon as practicable after notification of bid award, Contractor shall file with the Purchasing Department satisfactory certificates of insurance, containing the bid number and title of the project. Contractor may, upon written request to the Purchasing Department, ask for clarification of any insurance requirements at any time; however, Contractors are strongly advised to make such requests prior to bid opening, since the insurance requirements may not be modified or waived after bid opening unless a written exception has been submitted with the bid. **Contractor shall not commence any work or deliver any material until he or she receives notification that the contract has been accepted, approved, and signed by the City of Denton.***

*All insurance policies proposed or obtained in satisfaction of these requirements shall comply with the following general specifications, and shall be maintained in compliance with these general specifications throughout the duration of the Contract, or longer, if so noted:*

- Each policy shall be issued by a company authorized to do business in the State of Texas with an A.M. Best Company rating of at least **A or better**
- Any deductibles or self-insured retentions shall be declared in the bid proposal. If requested by the City, the insurer shall reduce or eliminate such deductibles or self-insured retentions with respect to the City, its officials, agents, employees and volunteers; or, the contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.
- Liability policies shall be endorsed to provide the following:
  - Name as additional insured the City of Denton, its Officials, Agents, Employees and volunteers.

#### EXHIBIT 4

- That such insurance is primary to any other insurance available to the additional insured with respect to claims covered under the policy and that this insurance applies separately to each insured against whom claim is made or suit is brought. The inclusion of more than one insured shall not operate to increase the insurer's limit of liability.
- ***Cancellation: City requires 30 day written notice should any of the policies described on the certificate be cancelled or materially changed before the expiration date.***
- Should any of the required insurance be provided under a claims-made form, Contractor shall maintain such coverage continuously throughout the term of this contract and, without lapse, for a period of three years beyond the contract expiration, such that occurrences arising during the contract term which give rise to claims made after expiration of the contract shall be covered.
- Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit providing for claims investigation or legal defense costs to be included in the general annual aggregate limit, the Contractor shall either double the occurrence limits or obtain Owners and Contractors Protective Liability Insurance.
- Should any required insurance lapse during the contract term, requests for payments originating after such lapse shall not be processed until the City receives satisfactory evidence of reinstated coverage as required by this contract, effective as of the lapse date. If insurance is not reinstated, City may, at its sole option, terminate this agreement effective on the date of the lapse.

**EXHIBIT 4****SPECIFIC ADDITIONAL INSURANCE REQUIREMENTS:**

*All insurance policies proposed or obtained in satisfaction of this Contract shall additionally comply with the following marked specifications, and shall be maintained in compliance with these additional specifications throughout the duration of the Contract, or longer, if so noted:*

**[X] A. General Liability Insurance:**

General Liability insurance with combined single limits of not less than **\$1,000,000.00** shall be provided and maintained by the Contractor. The policy shall be written on an occurrence basis either in a single policy or in a combination of underlying and umbrella or excess policies.

If the Commercial General Liability form (ISO Form CG 0001 current edition) is used:

- Coverage A shall include premises, operations, products, and completed operations, independent contractors, contractual liability covering this contract and broad form property damage coverage.
- Coverage B shall include personal injury.
- Coverage C, medical payments, is not required.

If the Comprehensive General Liability form (ISO Form GL 0002 Current Edition and ISO Form GL 0404) is used, it shall include at least:

- Bodily injury and Property Damage Liability for premises, operations, products and completed operations, independent contractors and property damage resulting from explosion, collapse or underground (XCU) exposures.
- Broad form contractual liability (preferably by endorsement) covering this contract, personal injury liability and broad form property damage liability.

**[X] Automobile Liability Insurance:**

Contractor shall provide Commercial Automobile Liability insurance with Combined Single Limits (CSL) of not less than **\$500,000.00** either in a single policy or in a combination of basic and umbrella or excess policies. The policy will include bodily injury and property damage liability arising out of the operation, maintenance and use of all automobiles and mobile equipment used in conjunction with this contract.

- any auto, or
- all owned, hired and non-owned autos.

**EXHIBIT 4****[X] Workers Compensation Insurance**

Contractor shall purchase and maintain Worker's Compensation insurance which, in addition to meeting the minimum statutory requirements for issuance of such insurance, has Employer's Liability limits of at least \$100,000 for each accident, \$100,000 per each employee, and a \$500,000 policy limit for occupational disease. The City need not be named as an "Additional Insured" but the insurer shall agree to waive all rights of subrogation against the City, its officials, agents, employees and volunteers for any work performed for the City by the Named Insured. For building or construction projects, the Contractor shall comply with the provisions of Attachment 1 in accordance with §406.096 of the Texas Labor Code and rule 28TAC 110.110 of the Texas Worker's Compensation Commission (TWCC).

**[ ] Owner's and Contractor's Protective Liability Insurance**

The Contractor shall obtain, pay for and maintain at all times during the prosecution of the work under this contract, an Owner's and Contractor's Protective Liability insurance policy naming the City as insured for property damage and bodily injury which may arise in the prosecution of the work or Contractor's operations under this contract. Coverage shall be on an "occurrence" basis, and the policy shall be issued by the same insurance company that carries the Contractor's liability insurance. Policy limits will be at least combined bodily injury and property damage per occurrence with a \_ aggregate.

**[ ] Fire Damage Legal Liability Insurance**

Coverage is required if Broad form General Liability is not provided or is unavailable to the contractor or if a contractor leases or rents a portion of a City building. Limits of not less than \_\_\_\_ each occurrence are required.

**[X] Professional Liability Insurance**

Professional liability insurance with limits not less than \$2,000,000 annual aggregate with respect to negligent acts, errors or omissions in connection with professional services is required under this Agreement.

**[ ] Builders' Risk Insurance**

Builders' Risk Insurance, on an All-Risk form for 100% of the completed value shall be provided. Such policy shall include as "Named Insured" the City of Denton and all subcontractors as their interests may appear.

**[X] Commercial Crime/Employee Dishonesty**

Provides coverage for the theft or disappearance of cash or checks, robbery inside/outside the premises, burglary of the premises, and employee fidelity. The employee fidelity portion of this coverage should be written on a "blanket" basis to cover all employees, including new hires. This type insurance should be required if the contractor has access to City funds. Limits of not less than \$50,000 for each occurrence are required.

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### **[ ] Additional Insurance**

Other insurance may be required on an individual basis for extra hazardous contracts and specific service agreements. If such additional insurance is required for a specific contract, that requirement will be described in the "Specific Conditions" of the contract specifications.

EXHIBIT 4

RFP 6133-Collection Services for Utilities, Fire/EMS and Municipal Courts

Respondent's Business Name                      Credit Systems  
International, Inc.

Principal Place of Business (City and State)                      Ft. Worth, TX

ITEM	SERVICES	Est Quantities No. of Accts.	Est Quantities Amount	Recovery Rate	Perecentage Fee ONLY*
SECTION A - Utilities including active drainage accounts and miscellaneous receivables					
1	Outstanding Accounts (January 2012 to April 2016)	10,240	\$2,247,311	30%	17.90%
2	Monthly collections (Avg. age: 120 days)	360	\$104,400	30%	<120 Days = 14.9% >121 Days = 17.9%



**EXHIBIT 4**

**CREDIT SYSTEMS<sup>®</sup>**  
**INTERNATIONAL, INC.**  
 PROFESSIONAL DEBT RECOVERY SOLUTIONS

**ATTACHMENT D-CONFLICT OF INTEREST QUESTIONNAIRE****CONFLICT OF INTEREST QUESTIONNAIRE -****FORM CIQ****For vendor or other person doing business with local governmental entity**

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local government entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

1 Name of vendor who has a business relationship with local governmental entity.  
 CREDIT SYSTEMS INTERNATIONAL, INC.

2 ☐ Check this box if you are filing an update to a previously filed questionnaire.

(The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7<sup>th</sup> business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

3 Name of local government officer about whom the information in this section is being disclosed.

\_\_\_\_\_  
 Name of Officer

This section, (item 3 including subparts A, B, C & D), must be completed for each officer with whom the vendor has an employment or other business relationship as defined by Section 176.001(1-a), Local Government Code. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer named in this section receiving or likely to receive taxable income, other than investment income, from the vendor?

☐ Yes ☐ No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer named in this section AND the taxable income is not received from the local governmental entity?

☐ Yes ☐ No

C. Is the filer of this questionnaire employed by a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership of one percent or more?

☐ Yes ☐ No

D. Describe each employment or business and family relationship with the local government officer named in this section.

4 ☒ X I have no Conflict of Interest to disclose.

5

*Laura Bean*

Signature of vendor doing business with the governmental entity

August 30, 2016

Date

## EXHIBIT 4

### Exhibit D

#### Certificate of Interested Parties Electronic Filing

In 2015, the Texas Legislature adopted House Bill 1295, which added section 2252.908 of the Government Code. The law states that the City may not enter into this contract unless the Contractor submits a disclosure of interested parties (Form 1295) to the City at the time the Contractor submits the signed contract. The Texas Ethics Commission has adopted rules requiring the business entity to file Form 1295 electronically with the Commission.

**Contractor will be required to furnish an original notarized Certificate of Interest Parties before the contract is awarded, in accordance with Government Code 2252.908.**

The contractor shall:

1. Log onto the State Ethics Commission Website at :  
[https://www.ethics.state.tx.us/whatsnew/elf\\_info\\_form1295.htm](https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm)
2. Register utilizing the tutorial provided by the State
3. Print a copy of the completed Form 1295
4. Enter the Certificate Number on page 2 of this contract.
5. Sign and notarize the Form 1295
6. Email the notarized form to [purchasing@cityofdenton.com](mailto:purchasing@cityofdenton.com) with the contract number in the subject line. (EX: Contract 1234 – Form 1295)

The City must acknowledge the receipt of the filed Form 1295 not later than the 30th day after Council award. Once a Form 1295 is acknowledged, it will be posted to the Texas Ethics Commission's website within seven business days.

# EXHIBIT 4



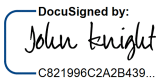
## Certificate of Completion

Envelope Id: 696339A091FC457CA588DE7791858890	Status: Sent
Subject: City Council Docusign Item -6133 (Section A)	
Source Envelope:	
Document Pages: 19	Signatures: 2
Supplemental Document Pages: 0	Initials: 0
Certificate Pages: 6	
AutoNav: Enabled	Envelope Originator:
Envelopeld Stamping: Enabled	Jody Word
Time Zone: (UTC-08:00) Pacific Time (US & Canada)	jody.word@cityofdenton.com
	IP Address: 129.120.6.150

## Record Tracking

Status: Original	Holder: Jody Word	Location: DocuSign
2/6/2017 10:47:51 AM	jody.word@cityofdenton.com	

## Signer Events

Signature	Timestamp
<b>Completed</b>  Using IP Address: 129.120.6.150	Sent: 2/6/2017 10:53:04 AM Viewed: 2/6/2017 10:53:15 AM Signed: 2/6/2017 10:57:46 AM
Jody Word jody.word@cityofdenton.com Buyer City of Denton Security Level: Email, Account Authentication (Optional) Electronic Record and Signature Disclosure: Not Offered via DocuSign ID:	
Laura Emmons-Beam LBeam@CreditSystemsIntl.com Account Executive / Implementation Director Laura Emmons-Beam Security Level: Email, Account Authentication (Optional) Electronic Record and Signature Disclosure: Accepted: 2/6/2017 10:05:17 AM ID: 71b4493f-b79f-46bd-99d9-a353a8103c83	Sent: 2/6/2017 10:57:48 AM Viewed: 2/6/2017 11:17:32 AM Signed: 2/6/2017 11:21:31 AM
 Using IP Address: 12.168.158.194	
John Knight john.knight@cityofdenton.com Deputy City Attorney City of Denton Security Level: Email, Account Authentication (Optional) Electronic Record and Signature Disclosure: Not Offered via DocuSign ID:	Sent: 2/6/2017 11:21:34 AM Viewed: 2/6/2017 11:26:24 AM Signed: 2/6/2017 11:26:31 AM
 Using IP Address: 129.120.6.150	
Julia Winkley julia.winkley@cityofdenton.com Contracts Administration Supervisor City of Denton Security Level: Email, Account Authentication (Optional) Electronic Record and Signature Disclosure: Not Offered via DocuSign ID:	Sent: 2/6/2017 11:26:33 AM Viewed: 2/7/2017 4:52:00 AM

## EXHIBIT 4

Signer Events	Signature	Timestamp
Todd Hileman todd.hileman@cityofdenton.com Security Level: Email, Account Authentication (Optional) Electronic Record and Signature Disclosure: Not Offered via DocuSign ID:		
Jennifer Walters jennifer.walters@cityofdenton.com Security Level: Email, Account Authentication (Optional) Electronic Record and Signature Disclosure: Not Offered via DocuSign ID:		
In Person Signer Events	Signature	Timestamp
Editor Delivery Events	Status	Timestamp
Agent Delivery Events	Status	Timestamp
Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp
Carbon Copy Events	Status	Timestamp
Julia Winkley julia.winkley@cityofdenton.com Contracts Administration Supervisor City of Denton Security Level: Email, Account Authentication (Optional) Electronic Record and Signature Disclosure: Not Offered via DocuSign ID:	<b>COPIED</b>	Sent: 2/6/2017 11:21:33 AM
Sherri Thurman sherri.thurman@cityofdenton.com Security Level: Email, Account Authentication (Optional) Electronic Record and Signature Disclosure: Not Offered via DocuSign ID:	<b>COPIED</b>	Sent: 2/6/2017 11:21:33 AM Viewed: 2/6/2017 11:51:06 AM
Jane Richardson jane.richardson@cityofdenton.com Security Level: Email, Account Authentication (Optional) Electronic Record and Signature Disclosure: Not Offered via DocuSign ID:		
Robin Fox Robin.fox@cityofdenton.com Security Level: Email, Account Authentication (Optional) Electronic Record and Signature Disclosure: Accepted: 10/9/2015 11:39:51 AM ID: 04463961-03db-4c4d-9228-d660d6146ed6		

## EXHIBIT 4

Carbon Copy Events	Status	Timestamp
Jennifer Bridges jennifer.bridges@cityofdenton.com Security Level: Email, Account Authentication (Optional) Electronic Record and Signature Disclosure: Not Offered via DocuSign ID:		
Jane Richardson jane.richardson@cityofdenton.com Security Level: Email, Account Authentication (Optional) Electronic Record and Signature Disclosure: Not Offered via DocuSign ID:		
Autumn Perkins Autumn.Perkins@cityofdenton.com Security Level: Email, Account Authentication (Optional) Electronic Record and Signature Disclosure: Not Offered via DocuSign ID:		
Tiffany Thomson tiffany.thomason@cityofdenton.com Security Level: Email, Account Authentication (Optional) Electronic Record and Signature Disclosure: Not Offered via DocuSign ID:		
Notary Events		Timestamp
Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	2/6/2017 11:26:33 AM
Payment Events	Status	Timestamps
Electronic Record and Signature Disclosure		

## **EXHIBIT 4**

### **ELECTRONIC RECORD AND SIGNATURE DISCLOSURE**

From time to time, City of Denton (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through your DocuSign, Inc. (DocuSign) Express user account. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to these terms and conditions, please confirm your agreement by clicking the 'I agree' button at the bottom of this document.

#### **Getting paper copies**

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. For such copies, as long as you are an authorized user of the DocuSign system you will have the ability to download and print any documents we send to you through your DocuSign user account for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

#### **Withdrawing your consent**

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

#### **Consequences of changing your mind**

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. To indicate to us that you are changing your mind, you must withdraw your consent using the DocuSign 'Withdraw Consent' form on the signing page of your DocuSign account. This will indicate to us that you have withdrawn your consent to receive required notices and disclosures electronically from us and you will no longer be able to use your DocuSign Express user account to receive required notices and consents electronically from us or to sign electronically documents from us.

#### **All notices and disclosures will be sent to you electronically**

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through your DocuSign user account all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

## EXHIBIT 4

### How to contact City of Denton:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: kevin.gunn@cityofdenton.com

### To advise City of Denton of your new e-mail address

To let us know of a change in your e-mail address where we should send notices and disclosures electronically to you, you must send an email message to us at kevin.gunn@cityofdenton.com and in the body of such request you must state: your previous e-mail address, your new e-mail address. We do not require any other information from you to change your email address..

In addition, you must notify DocuSign, Inc to arrange for your new email address to be reflected in your DocuSign account by following the process for changing e-mail in DocuSign.

### To request paper copies from City of Denton

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an e-mail to kevin.gunn@cityofdenton.com and in the body of such request you must state your e-mail address, full name, US Postal address, and telephone number. We will bill you for any fees at that time, if any.

### To withdraw your consent with City of Denton

To inform us that you no longer want to receive future notices and disclosures in electronic format you may:

- i. decline to sign a document from within your DocuSign account, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;
- ii. send us an e-mail to kevin.gunn@cityofdenton.com and in the body of such request you must state your e-mail, full name, IS Postal Address, telephone number, and account number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

### Required hardware and software

Operating Systems:	Windows2000? or WindowsXP?
Browsers (for SENDERS):	Internet Explorer 6.0? or above
Browsers (for SIGNERS):	Internet Explorer 6.0?, Mozilla FireFox 1.0, NetScape 7.2 (or above)
Email:	Access to a valid email account
Screen Resolution:	800 x 600 minimum
Enabled Security Settings:	<ul style="list-style-type: none"><li>•Allow per session cookies</li><li>•Users accessing the internet behind a Proxy Server must enable HTTP 1.1 settings via proxy connection</li></ul>

\*\* These minimum requirements are subject to change. If these requirements change, we will provide you with an email message at the email address we have on file for you at that time providing you with the revised hardware and software requirements, at which time you will have the right to withdraw your consent.

## EXHIBIT 4

### **Acknowledging your access and consent to receive materials electronically**

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please verify that you were able to read this electronic disclosure and that you also were able to print on paper or electronically save this page for your future reference and access or that you were able to e-mail this disclosure and consent to an address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format on the terms and conditions described above, please let us know by clicking the 'I agree' button below.

By checking the 'I Agree' box, I confirm that:

- I can access and read this Electronic CONSENT TO ELECTRONIC RECEIPT OF ELECTRONIC RECORD AND SIGNATURE DISCLOSURES document; and
- I can print on paper the disclosure or save or send the disclosure to a place where I can print it, for future reference and access; and
- Until or unless I notify City of Denton as described above, I consent to receive from exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to me by City of Denton during the course of my relationship with you.