

**RESOLUTION APPROVING CENTRAL BANK'S
ELECTRONIC LOCKBOX PAYMENT SERVICES
FOR CITY CUSTOMERS**

THE STATE OF TEXAS

COUNTY OF HARRIS

WHEREAS, the City council of City of Hilshire Village (the "City") desires to permit additional forms of payment for City water and sewer bills as a convenience to its customers, including but not limited to, electronic funds transfers from customers' accounts and internet payments using a customer's financial institution's on-line bill payment system, (the "Electronic Lockbox Services", a/k/a ELB Services); and

WHEREAS, the City desires to secure the ELB Services through Central Bank; and WHEREAS, the City desires to contract with Central Bank, pursuant to the terms of a processing agreement ("Processing Agreement"), for Central Bank to perform for the City certain processing services related to the ELB Services; and

WHEREAS, the City desires to have certain of the ELB Services available from Central Bank, through third party vendors, specifically, online check and internet bill payment services available at a City's customer's financial institution (the "Check Elimination Services"); and

WHEREAS, the Check Elimination Services are currently made available under a Third Party Electronic Payment Delivery Agreement ("Third Party EPDA") between Fiserv Solutions, Inc. ("Fiserv"), FIS Biller Direct, others and Central Bank; and

WHEREAS, the Processing Agreement also details (i) the City's obligations to Central Bank with respect to the ELB Services and, (ii) the City's authorization of Central Bank to perform certain functions in connection with the ELB Services; and

WHEREAS, the City acknowledges that Central Bank may offer the ELB Services through various third party vendors so long as the City's obligations with respect thereto will not differ from its obligations with respect to the ELB Services as detailed in the Processing Agreement;

WHEREAS, the City also desires to appoint Central Bank to act as its agent with respect to execution of an Agent Authorization Agreement with FiServ, which approves FiServ sending the payment(s) settlement by ACH to the City's Central Bank checking account and instructs FiServ to send the remittance data to Central Bank in accordance with the Electronic Payment Delivery Agreement between Central Bank and FiServ; and

WHEREAS, Central Bank, subject to the terms of the various agreements associated with the ELB Services that are to be entered or have been entered into by Central Bank, as listed above, has represented and agreed that the ELB Services will be available to the City and its customers

for a one (1) year term, and may be renewed, by mutual agreement among Central Bank, the City and/or third party vendors, as applicable, for successive one year periods; and

WHEREAS, Central Bank has represented to the City that the cost to the City (“City Fees”) and its customers (“Customer Fees”) for the various ELB Services are as set forth on Schedule One to these resolutions, subject to amendment from time to time as provided in the agreements associated with each of the ELB Services; and

WHEREAS, Central Bank has represented that all Customer Fees shall be separate from City receipts and that City receipts will not be diminished by Customer Fees; and

WHEREAS, Central Bank has represented that funds collected utilizing the ELB Services (separate from any Customer Fees) on behalf of the City must be deposited in an active Central Bank account which will be governed by all relevant provisions of Texas law applicable to public funds; and

WHEREAS, the City has engaged Inframark, LLC (the “Operator”) to provide monthly billing, collection, and other services (“Collection Services”) for the City pursuant to a service agreement and Operator will continue to provide Collection Services in conjunction with the ELB Services and will coordinate as necessary with Central Bank and other third party vendors; and

WHEREAS, the City has assumed certain obligations regarding provision of the ELB Services, which obligations the Operator will assume as part of its Collection Services for the City pursuant to an Addendum to Operator Service Agreement (“Operator Addendum”) with the City.

NOW THEREFORE:

BE IT RESOLVED BY THE CITY COUNCIL OF City of Hilshire Village THAT:

Section 1: The City council of the City (the “Council”) hereby approves the offering of the ELB Services to its customers through Central Bank, FiServ Solutions f/k/a CheckFreeDirect, and other third party vendors that are acceptable to Central Bank, and their respective authorized agents, vendors, retailers and/or processors, and the City hereby authorizes the payment of City Fees to Central Bank for the ELB Services, and consents to Central Bank and FiServ conditioning a City’s customer’s access and use of the ELB Services on the customer paying the Customer Fees associated with any ELB Services selected by the City customer; provided, however, that neither Central Bank, FiServ, nor any other third party shall have any lien or security interest whatsoever on any City accounts, funds, or property as a result of the ELB Services provided.

Section 2: The Council hereby appoints Central Bank to act as its agent in the procurement of the ELB Services and authorizes and directs Central Bank to perform all other necessary actions to provide the ELB Services to the City and City customers; provided, however, that Central Bank shall have no authority to bind the City to any terms contrary to representations made by Central Bank to the City and recited herein.

Section 3: The Council hereby authorizes and directs its officers and consultants to provide the necessary Central Bank account information to Central Bank and, if the City does not have a depository operating account at Central Bank, to open a depository operating account or a non-interest bearing clearing account with Central Bank with a balance minimum to cover return items prior to the commencement of the ELB Services. If the Central Bank checking account is used as a “clearing account”, then the clearing account must be governed by the same terms and conditions of all Central Bank public fund checking accounts and in accordance with Texas law governing the use of public funds.

Section 4: The Council hereby authorizes the execution and delivery of the Processing Agreement and Operator Addendum, the form, terms and provisions of which and the documents referenced therein being hereby authorized and approved, and authorizes and directs its officers to execute and deliver the Processing Agreement and Operator Addendum on behalf of the Council.

Section 5: The Council hereby authorizes and directs the City’s officers to provide Central Bank from time to time with the names and titles of the City’s officers, attorneys and other consultants who are authorized to act for the City in the City’s performance of its obligations to Central Bank under the terms of the Processing Agreement, including but not limited to, the authorization of the Operator to act for the City in the resolution of any discrepancies that may arise between City and customer records.

Section 6: The Council hereby authorizes and directs the City's officers to execute all other documents and authorizes and directs its officers, attorneys, and other consultants to take all actions necessary to accomplish the purposes of this Resolution.

Section 7: This Resolution constitutes official action by the City council of the City concerning the foregoing matters and shall take effect and be in full force and effect upon and after its passage.

PASSED AND APPROVED this 17th day of January, 2023.

City of Hilshire Village

BY: _____

Robert F. Buesinger, Mayor

Name & Title

ATTEST:

Name & Title

Cassie Stephens, City Secretary

**Central Bank – Electronic Lockbox Service Fees
Schedule One**

CITY FEES:

ELB Services Return Item Processing Fee

- \$7.50 per return item processed, subject to future increase.
- Fees may be amended from time to time with 30 days written notice.

CUSTOMER FEES:

Check Elimination

Online Check and Internet Bill Payment Through Customer's Financial Institution

- No fee

ADDENDUM TO OPERATOR SERVICE AGREEMENT

This Addendum to Operator Service Agreement (“Operator Addendum”) is entered into as of this 17 day of January, 20_23, by and between the City of Hilshire Village, a political subdivision of the State of Texas (“City”) and INFRAMARK, LLC. (“Operator”), a Texas limited liability company duly organized under the laws of and authorized to do business in the State of Texas.

WHEREAS, Central Bank (“Central Bank”) has entered into Vendor Agreements with FiServ Solutions Inc. (“FiServ”) to provide means by which residents of the City (“Customers”) can pay their water and sewer bills, including but not limited to, “Check Elimination Services” (online check and internet payments using a customer’s financial institution’s on-line bill payment system), (the “ELB Services”); and

WHEREAS, the City has entered into a Processing Agreement with Central Bank, whereby (i) the City agrees to perform certain functions in connection with the ELB Services, and (ii) Central Bank will perform for the City certain processing services in connection with the ELB Services that would otherwise be required of the City in connection with the ELB Services; and

WHEREAS, the City acknowledges that Central Bank may offer the ELB Services through various third party vendors so long as the City’s obligations with respect thereto will not differ from its obligations as detailed in the Processing Agreement; and

WHEREAS, the Operator currently provides monthly billing, collection, and other services (“Collection Services”) for the City pursuant to a professional services agreement and will continue to do so; and

WHEREAS, pursuant to the Processing Agreement, the City has assumed certain obligations regarding provision of the ELB Services, which obligations the Operator will assume as part of its Collection Services for the City; and

WHEREAS, the City and the Operator agree that the Operator will benefit from the City’s provision of the ELB Services to its Customers through more efficient performance of its Collection Services; and

WHEREAS, the Operator is willing to assume certain of those obligations on the terms and conditions set forth in this Operator Addendum.

NOW, THEREFORE, in consideration of the representations, promises, covenants and obligations contained herein, the receipt and sufficiency of such consideration being hereby acknowledged, the parties hereto agree as follows:

ARTICLE I. PROCESSING AGREEMENT WITH CENTRAL BANK

Section 1.1 Pursuant to the terms of the Processing Agreement, Operator agrees:

(1) To review promptly all reports provided by Central Bank pursuant to the Processing Agreement and to promptly report to Central Bank any errors identified by Operator in any such report;

(2) To develop and implement procedures to insure the Operator's compliance with all laws and regulations applicable to the Operator in its performance of processing services on behalf of the City pursuant to this Operator Addendum; and

Section 1.2 In connection with the ELB Services, specifically, check elimination (online check and internet bill payment) services available at a Customer's financial institution, and the City's related duties as described in the Processing Agreement, Operator agrees to:

(1) Process payments and the relevant data associated with the payment as soon as reasonably possible after the funds and relevant data have been transmitted by Central Bank to the Operator on behalf of the City;

(2) To verify the Customer's relevant data prior to conversion to an electronic transaction;

(3) Notify Central Bank as soon as reasonably possible if the data file fails to post; and

(4) Notify Central Bank in the event any Customer payment received is not credited to the applicable account.

ARTICLE II. GENERAL TERMS

Section 2.1 *Term.* This Operator Addendum shall continue in force and effect so long as the Processing Agreement remains in force and effect unless (i) terminated by mutual written agreement of the City and the Operator or, (ii) the Operator is replaced by another operator pursuant to a new service agreement with the City.

Section 2.2 *Modification.* This Operator Addendum shall be subject to change or modification only with the written mutual consent of the City and the Operator.

Section 2.3 *Severability.* The provisions of this Operator Addendum are severable, and if any provision or part of this Operator Addendum or the application thereof to any person or circumstances shall ever be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Operator Addendum and the application of such provision or part of this Operator Addendum to other persons or circumstances shall not be affected thereby.

IN WITNESS WHEREOF, the City and the Operator have executed this Operator Addendum in multiple counterparts, each of which shall be deemed to be an original, as of the date and year first written above.

City of Hilshire Village

INFRAMARK, LLC.

BY:

BY:

Robert F. Buesinger, Mayor

Print Name & Title

Print Name & Title

ATTEST BY:

Cassie Stephens, City Secretary

Name & Title

PROCESSING AGREEMENT WITH CENTRAL BANK

This Processing Agreement is executed on January 17, 20²³ (“Effective Date”), by and between the City of Hilshire Village, a political subdivision of the State of Texas (the “City”), and Central Bank (“Central Bank”), a Bank organized and existing under the laws of the State of Texas. The City and Central Bank are in good standing with the State of Texas, and are authorized to enter into and engage in this Processing Agreement.

WHEREAS, the City desires to have available from Central Bank, through third party vendors, (i) “Check Elimination Services” (online check and internet bill payment services available at a City’s customer’s financial institution) (the “ELB Services”); and

WHEREAS, the ELB Services are currently made available under a Third Party Electronic Payment Delivery Agreement (“TPE Agreement”) between FiServ Solutions, Inc. (“FiServ”), and Central Bank; and

WHEREAS, in connection with the ELB Services, the City will assume certain obligations and authorize Central Bank to perform certain functions, as detailed herein; and

WHEREAS, the City acknowledges that Central Bank may offer the ELB Services through various third party vendors so long as the City’s obligations with respect thereto will not differ from its obligations detailed hereinafter with respect to the ELB Services.

NOW, THEREFORE, in consideration of the representations, promises, covenants and obligations contained herein, the receipt and sufficiency of such consideration being hereby acknowledged, the parties hereto agree as follows:

ARTICLE I. DELIVERY OF DOCUMENTS

SECTION 1.1 *Delivery*. The City shall deliver to Central Bank original executed copies of each of the following documents as soon as possible following the execution of this Processing Agreement by the City:

- (a) This Processing Agreement;
- (b) Operator Addendum; and
- (c) City council’ Resolution(s) certified by the Secretary of the City authorizing: the execution and delivery of this Processing Agreement and the provision of the names and specimen signatures of the individuals specifically authorized to act on behalf of the City in connection with matters arising under this Processing Agreement.

Until the documents listed in this Section 1.1 are delivered to the Bank, Central Bank has no obligation to perform ELB Services for the City under the terms of this Processing Agreement.

SECTION 1.2 *The City to Furnish Documents*. The City agrees to furnish Central Bank, from time to time, copies of all amendments of and supplements to, or otherwise current versions of all City council’ resolutions modifying the resolutions affecting this Processing Agreement delivered to Central Bank pursuant to Section 1.1 hereof, and Central Bank is authorized to act on the most recent

versions of the City council' resolutions provided to Central Bank until Central Bank receives a copy of any amendments, modifications and/or supplements to such resolutions.

ARTICLE II. EXPENSES

SECTION 2.1 *Fees Paid to Central Bank.* For the ELB Services, the City will pay to Central Bank the fees set forth in Schedule A — Processing Agreement City Fees attached to this Processing Agreement.

SECTION 2.2 *Expenses Paid by the City.* All expenses of the City incurred by the City in carrying out its responsibilities under this Processing Agreement shall be paid by the City, including but not limited to the following:

- (a) Taxes, if any, and any preparation of documents incidental or related to taxes; and
- (b) Legal, audit, and accounting expenses.

ARTICLE III. ELB SERVICES

SECTION 3.1 *Instructions and Reliance.* For purposes of this Processing Agreement, the term "Entries" shall have the meaning provided in the National Automated Clearing House Association Rules and shall also mean the data received from the City under this Processing Agreement from which Entries are prepared and processed. For purposes of this Processing Agreement, the term "instructions" means written directions given to Central Bank by or on behalf of the City council of the City, concerning the ELB Services Entries. Central Bank shall be deemed to have received instructions from the City council upon receipt of written directions (including receipt by telecopier, telegram, cable, facsimile or telex), which may be continuing directions adopted by the City council of the City or by a person listed in Section 3.2 of this Processing Agreement whom the City council shall have authorized to give the particular class of instructions in question. Different persons may be authorized in Section 3.2 to give instructions for different purposes, and instructions may be general or specific in terms; however, if instructions are given in general terms, and a dispute arises as to actions taken by Central Bank and reasonable reliance upon such instructions then, as between the City and Central Bank, any ambiguity in instructions shall be construed against the City.

SECTION 3.2 *Authorized Individuals.* The following individuals listed, as amended from time to time, are authorized to initiate, correct, and/or delete Entries related to the ELB Services and/or instruct Central Bank to take other actions with respect to the matters governed by this Processing Agreement. City may amend authorized individuals by providing Central Bank with a new list of authorized individuals signed by the City. Such amendment becomes effective upon receipt by Central Bank.

CHECKING ACCOUNT: 0

	AUTHORIZED NAME	AUTHORIZED SIGNATURE	PHONE NUMBER/EMAIL
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____
4.	_____	_____	_____
5.	_____	_____	_____

SECTION 3.3 *Duties of City.* In connection with the offering of ELB Services through Central Bank, the City agrees to perform certain functions:

In connection with check elimination services (online check and internet bill payment services available at a City's customer's financial institution), the City agrees:

- i. to maintain sufficient funds to effect electronic debits for the reversal of any payment;
- ii. to process payments and the relevant data associated with the payment as soon as reasonable possible after the funds and relevant data have been transmitted by Central Bank to the City;
- iii. to notify Central Bank as soon as reasonably possible if the data file fails to post; and
- iv. to notify Central Bank in the event any customer payment received is not credited to the applicable account.

SECTION 3.4 *Central Bank Authorization.* In connection with the ELB Services, the City hereby authorizes Central Bank to perform certain functions:

With respect to the check elimination services at a City customer's financial institution, Central Bank is authorized to:

- i. provide a service that permits the on-line check vendor to convert a customer authorized debit payment from a paper transaction to an electronic ACH credit transaction to post to the City's account at Central Bank;
- ii. convert payment record information to an electronic posting file;
- iii. provide service providers deposit account and transaction information;
- iv. conduct general business pertinent to facilitate electronic delivery and settlement of ACH checks and/or payment records;
- v. accept receipt of the data file and ACH funds file; and
- vi. have authority related to deposits and reversibility of the ACH file and/or any transactions specific to online check and internet bill payment including, to receive ACH credits on behalf of the City from vendors and, in the event of a non-payment item, to debit the City's account for the prior deposit of such item.

ARTICLE IV. INDEMNITIES

SECTION 4.1 *INDEMNITIES.*

(a) Subject to Sections 4.2 and 4.3 hereof and to the fullest extent allowed by law, the City agrees to defend, indemnify and hold harmless Central Bank, and its directors, officers, employees and/or agents ("Central Bank Indemnified Parties") from and against any and all claims, liabilities, demands, actions, suits, costs, fees, attorneys' fees, collection costs, court costs, expenses, losses, and damages of any and every kind arising out of, resulting from or attributed, directly or indirectly, to the City's breach of its obligations under this Processing Agreement.

(b) Subject to Sections 4.2 and 4.3 hereof and to the fullest extent allowed by law, Central Bank agrees to defend, indemnify and hold harmless the City, and its directors, officers, employees and/or agents ("City Indemnified Parties") from and against any and all claims, liabilities, demands, actions, suits, costs, fees, attorneys' fees, collection costs, court costs, expenses, losses, and damages of any and every kind arising out of, resulting from or attributed, directly or indirectly, to Central Bank's breach of its obligations under this Processing Agreement.

(c) Nothing contained herein shall be interpreted or construed as a waiver of the City's rights to governmental immunity.

Section 4.2. *Damages.* Central Bank and City agree that each party will exercise reasonable care in the performance of their respective obligations under this Processing Agreement and that each party will comply with all applicable law and regulations. A party shall be liable only for loss due to its breach of its obligations under this Processing Agreement. Neither party, however, shall be liable for loss due to inaccurate or untimely information provided by the other.

Section 4.3. *Limitations of Warranties.* EXCEPT AS PROVIDED IN THIS PROCESSING AGREEMENT, NEITHER CENTRAL BANK NOR CITY MAKES ANY OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT WILL EITHER PARTY BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL, SPECIAL OR EXEMPLARY DAMAGES RESULTING FROM THE PERFORMANCE OR NONPERFORMANCE OF ANY OF THEIR DUTIES HEREUNDER, WHETHER IN CONTRACT, TORT, OR OTHERWISE.

ARTICLE V. TERM AND TERMINATION

SECTION 5.1 *Term.* Except as provided in Section 5.2 hereof, this Processing Agreement is for a term of one (1) year from the Effective Date hereof. This Processing Agreement shall renew at the expiration of the initial term and shall renew automatically for additional one (1) year terms, unless not less than sixty (60) days prior to such expiration of the applicable term Central Bank or City shall have sent the other party written notice of its intention that this Processing Agreement should expire on such expiration of the applicable term. Notwithstanding the foregoing, and except as otherwise provided in this paragraph, either Central Bank or City may terminate this Processing Agreement on thirty (30) days prior written notice to the other party if a party fails, in any material respect, to comply with the terms of this Processing Agreement, unless the party in default remedies such default during the thirty (30) day period, or if such default cannot be remedied during such thirty (30) day period, the defaulting party takes reasonable steps to remedy such default during the thirty (30) day period, thereafter diligently and continuously continues its efforts to remedy such default, and the defaulting party actually remedies such default within sixty (60) days of the original written notice of default to the defaulting party. Notwithstanding the foregoing, if either party shall cease

doing business, or becomes insolvent or becomes a party to any bankruptcy or receivership proceedings, or makes an assignment for the benefit of creditors, then this Processing Agreement shall terminate immediately. In addition, if after the Effective Date of this Processing Agreement, any law, regulation, or ordinance, whether federal, state, or local, becomes effective which substantially alters the ability of either party to perform hereunder, the applicable party shall have the right to terminate this Processing Agreement upon thirty (30) days written notice to the other party. A party's decision not to terminate this Processing Agreement promptly after the occurrence of one of the aforementioned events does not constitute a waiver of such party's right to terminate this Processing Agreement at a later date. No termination hereunder or expiration of this Processing Agreement shall affect the rights or obligations of either party which may have arisen or accrued prior to such termination or expiration. Upon termination, the rights and obligations of the parties hereunder will cease, excepting only the rights of each party with respect to any breach of this Processing Agreement by the other party prior to the effective date of the termination.

SECTION 5.2 *Termination of ELB Services Due to Change in Contractor.* If the contractor (operator) no longer provides monthly billing and collection services for the City, and the City, or a third party providing monthly billing and collection services for the City, does not have an agreement with Central Bank for Central Bank to make the ELB Services available to the City, then either party may terminate this Processing Agreement with regard to the ELB Services by giving the other party sixty (60) days written notice.

ARTICLE VI. CONSULTATION AND RELIANCE

SECTION 6.1 *Reliance on Instructions.* Central Bank shall not be liable and shall be fully protected in relying upon any instructions or other communication that Central Bank receives from an individual who is authorized to act on behalf of the City.

ARTICLE VII. MISCELLANEOUS

SECTION 7.1 *Entire Agreement.* The Processing Agreement, together with Central Bank's operating procedures and the documents delivered as specified in Section 1.1 hereof constitute the entire agreement between the parties hereto with respect to the subject matter discussed.

SECTION 7.2 *Amendments.* This Processing Agreement shall not be modified or amended without mutual consent, which must be evidenced by an instrument in writing executed by each party hereto, or by their respective successors or permitted assigns.

SECTION 7.3 *Captions.* The captions in this Processing Agreement are included for convenience of reference only and shall in no way define or limit any of the provisions hereof or otherwise influence their construction.

SECTION 7.4 *Severability.* If any provision of this Processing Agreement is or becomes invalid under any applicable statute or regulation or is held invalid by a court of competent jurisdiction, such invalidity shall not affect any other provision of this Processing Agreement that can be given effect without the invalid provision, and, to this end, the provisions hereof are declared severable.

SECTION 7.5 *Notices.* Notices or consents of any kind required or permitted under this Processing Agreement shall be in writing and shall be deemed duly delivered if delivered in person or if

mailed by certified mail, return receipt requested, postage prepaid, or sent by telex, fax or courier, properly addressed to the appropriate party as follows:

If to the City:

CITY: City of Hilshire Village
ADDRESS: 2002 West Grand Parkway North STE 100
CITY & ZIP: Katy, TX 77449
PHONE: 281-579-4500
TELECOPY:
CONTACT NAME: Mirna Bonilla

If to Central Bank:

Central Bank
Public Funds Department
11201 Clay Road
Houston, TX 77041
Attention: Christin Yokubaitis Phone: 832-782-5249
Public Funds Department: Phone: 832-782-5245

or to such other address or to the attention of such other individual as shall be specified by the respective parties hereto by written notice given in the manner provided above.

SECTION 7.6 *Applicable Law.* This Processing Agreement shall be deemed to have been executed in the State of Texas, and the laws of the State of Texas shall govern the construction of this Processing Agreement and the rights and remedies of the respective parties hereto.

SECTION 7.7 *Enforcement and Waiver.* Each party hereto shall have the right at all times to enforce the provisions of this Processing Agreement in strict accordance with the terms hereof, notwithstanding any conduct or custom on the part of such party in refraining from so doing at any time or times. The failure of a party hereto at any time or times to enforce its rights under such provisions, strictly in accordance with the same, shall not be construed as having created a custom in any way or manner contrary to specific provisions of this Processing Agreement or as having in any way or manner modified or waived the same, nor shall such forbearance give rise to any estoppel against the strict enforcement of such provisions in the future.

SECTION 7.8 *Counterparts.* This Processing Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, and all of which together shall constitute but one and the same instrument.

SECTION 7.9 *Effectiveness.* This Processing Agreement shall take effect on the Effective Date following mutual execution.

SECTION 7.10 *Arbitration.*

(a) Upon the request of any party hereto, whether made before or after the institution of any legal proceeding, any action, dispute, claim or controversy of any kind (e.g., whether in contract or in tort, statutory or common law, legal or equitable, or otherwise), now existing or hereafter arising between the parties (including their respective officers, directors, employees, agents, insurers, affiliates, any person in privity with them and any other representative), in any way arising out of,

pertaining to or in connection with this Processing Agreement (“Disputes”), may be resolved by binding arbitration in accordance with the terms of this Section.

(b) Unless the parties agree to an alternate binding arbitration procedure, all Disputes agreed to be resolved by binding arbitration shall be administered by the American Arbitration Association (the "AAA") in accordance with the terms of this Section, the Commercial Arbitration Rules of the AAA, and, to the maximum extent applicable, the Federal Arbitration Act (Title 9 of the United States Code) and/or the Texas General Arbitration Act (Texas Civil Practice and Remedies Code, Section 171.001, et seq.). In the event of any inconsistency between this Section and such statute and rules, this Section shall control. Judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction; provided, however, that nothing contained herein shall be deemed to be a waiver by Central Bank of the protections afforded to it under 12 U.S.C. § 91 or Texas Finance Code Section 31.008.

(c) All statutes of limitation that would otherwise be applicable shall apply to any arbitration proceeding.

(d) The arbitrators shall resolve all Disputes in accordance with applicable substantive law. Any arbitrator shall be knowledgeable in the subject matter of the Dispute. The arbitrators may grant any remedy or relief that the arbitrators deem just and equitable and within the scope of this Section. The arbitrators may also grant such ancillary relief as is necessary to make effective the award.

(e) Arbitrators shall have the discretion to order a pre-hearing exchange of information by the parties, including, without limitation, production of requested documents, exchange of summaries of testimony of proposed witnesses, and examination by deposition of parties. All time limitations and all issues regarding conformation with discovery requests shall be decided by the arbitrator(s).

(f) Each party agrees to keep all Disputes and arbitration proceedings strictly confidential, except for disclosures of information required in the ordinary course of business of the parties or by applicable law or regulation. Neither party nor any arbitrator may disclose the existence, content or results of any arbitration hereunder without the prior written consent of all parties.

SECTION 7.11 *Chapter 2271 Verification*

By signing and entering into this Processing Agreement, Central Bank verifies, pursuant to Chapter 2271, Texas Government Code, that Central Bank, including any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same, does not boycott Israel and will not boycott Israel through the term of this Processing Agreement. The term "boycott Israel" in this paragraph has the meaning assigned to such term in Section 808.001 of the Texas Government Code, as amended.

SECTION 7.12 *Anti-Terrorism Verification*

Central Bank hereby represents and warrants that at the time of execution of this Processing Agreement neither Central Bank, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same: (i) engages in business with Iran, Sudan, or any foreign terrorist organization pursuant to Chapter 2270 of the Texas Government Code, or Subchapter F of Chapter 2252 of the Texas Government Code; or (ii) is a company listed by the Texas Comptroller pursuant to Sections 2270.0201 or 2252.153 of the Texas Government Code. The term "foreign terrorist organization" has the meaning assigned to such term in Section 2252.151 of the Texas Government Code.

SECTION 7.13 *Energy Company/Firearms Verifications*

By signing and entering into this Agreement, Central Bank verifies, pursuant to Chapter 2274 (as added by Senate Bill 19, 87th Legislature Regular Session) of the Texas Government Code, that it does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate during the term of this Agreement against a firearm entity or firearm trade association. "Discriminate against a firearm entity or firearm trade association" has the meaning assigned by Section 2274.001(3), Texas Government Code.

By signing and entering into this Agreement, Central Bank verifies, pursuant to Chapter 2274 (as added by Senate Bill 13, 87th Legislature Regular Session) of the Texas Government Code, that it does not boycott energy companies and will not boycott energy companies during the term of this Agreement. "Boycott energy company" has the meaning assigned by Section 809.001 of the Texas Government Code.

IN WITNESS WHEREOF, the parties hereby have caused this instrument to be executed by their respective officers designated below as of this 17th day of January, 2023.

City of Hilshire Village

Central Bank

BY:

BY:

Signature

Robert F. Buesinger

Print Name & Title

Christin Yokubaitis, Senior Vice President

SCHEDULE A — Processing Agreement
CITY FEES

ELB Vendor Services One-Time ELB Entries	Fee
• Check Elimination Vendor Return Item	\$7.50