

GENERAL SERVICES
AGREEMENT

BETWEEN

CITY OF TOMBALL, TEXAS

AND

RGS FINANCIAL, LLC

THIS AGREEMENT, made and entered into as of this 4th, day of November 2024, by and between RGS FINANCIAL, LLC, hereafter called “Collector” and CITY OF TOMBALL, TX, hereafter called “Creditor” (the “Agreement”). This Agreement consists of the General Services Agreement and the schedule listed below:

Schedule A: Collector Fee Schedule

WITNESSETH:

WHEREAS, Creditor has unpaid accounts, loans, fines, fees, and/or other receivables (collectively “Debts”) which it desires Collector to attempt to recover on behalf of Creditor; and

Collector is qualified to collect Debts and desires to recover such Debts as referred for collection by Creditor.

IT IS THEREFORE MUTUALLY AGREED AS FOLLOWS:

SECTION 1- SERVICES AND FEES

- 1.1 Collector agrees to accept for collection, upon terms, conditions, and provisions herein set forth, Debts as Creditor refers for collection. Collector agrees to maintain licenses, as required by law, in states necessary to collect these Debts, and to employ lawful, ethical and nondiscriminatory means, methods and procedures, including but not limited to compliance with all federal and state laws relating to the collection of these Debts.
- 1.2 Collector shall remit to the Creditor the **NET** total of funds collected for the Creditor by the tenth (10th) day of each month during the term of this Agreement. Collector will provide separate payments as well as separate monthly accounting statements of all payments received and credited during said period. For any Debts placed with Collector, Creditor agrees to remit collection fees due to Collector in the event payments are made directly to the Creditor or anyone working on behalf of the Creditor that accepts payments of Debts.
 - i. If Collector remits to the Creditor the gross total of funds collected for the month and Creditor fails to pay Collector’s collection fees within sixty (60) days of Creditor receiving said gross funds, then each month thereafter Collector shall automatically remit to the Creditor the net total of funds collected (funds collected minus collection costs owed). Collector may also remove from Creditor’s net remit any outstanding receivable until the receivable is paid in full. If this provision of the Agreement is triggered by Creditor’s failure to remit funds, Creditor agrees

Collector shall remit net funds due to Creditor for the remaining term of the Agreement.

1.3 Types of Accounts and Fees:

- i. First Placements:
 - a. “First Placements” are Debts placed for collection by Creditor for the first time.
 - b. A set percentage of the total amount collected, as provided in the attached Schedule A, will be the sole consideration paid to Collector for First Placements (“First Placements Collection Fee”). Creditor shall not be liable for any costs and/or expenses incurred by Collector in the collection of Debts. Costs and/or expenses (“Costs and/or Expenses”) are defined as those monies necessary for the ordinary course of the Collector’s business operations (i.e. telephone expenses, computer costs, labor, collection letter costs, etc.). Costs and/or Expenses exclude any fees associated with Debts Creditor pursues through litigation except as otherwise addressed herein.

- ii. Second/Third Placements:
 - a. “Second/Third Placements” are Debts previously placed with Collector or any other collection entity (that were subsequently closed and returned to Creditor) that have been placed with Collector for an additional collection effort.
 - b. A set percentage of the total amount collected, as provided in the attached Schedule A, will be the sole consideration paid to Collector for Second/Third Placements (“Second/Third Placements Collection Fee”). Creditor shall not be liable for any costs and/or expenses incurred by Collector in the collection of Debts. Costs and/or expenses (“Costs and/or Expenses”) are defined as those monies necessary for the ordinary course of the Collector’s business operations (i.e. telephone expenses, computer costs, labor, collection letter costs, etc.). Costs and/or Expenses exclude any fees associated with Debts Creditor pursues through litigation except as otherwise addressed herein.

- iii. Accounts Approved for Litigation:
 - a. “Litigation Accounts” are Debts (First Placements, Second/Third Placements) Creditor has, in writing, authorized a lawsuit to be filed against the consumer and/or cosigner in the applicable court as required by law and Collector has, at Creditor’s direction, forwarded the account to Creditor’s law firm in the applicable jurisdiction.

- b. A set percentage of the total amount collected, as provided in the attached Schedule A, will be the sole consideration paid to Collector for Litigation Accounts (“Litigation Account Collection Fee”). Litigation Accounts. Creditor shall not be liable for any costs and/or expenses incurred by Collector in the collection of Debts. Costs and/or expenses (“Costs and/or Expenses”) shall be defined as those monies necessary for the ordinary course of the Collector’s business operations (i.e. telephone expenses, computer costs, labor, collection letter costs, etc.). Costs and/or Expenses do not include those monies necessary for Creditor to defend any claim or counterclaim (federal or state) brought by a consumer against the Creditor after the Creditor has pursued a Debt through litigation.
- c. If Collector advances any court costs (or other hard costs) relating to collection litigation against a consumer and/or cosigner and Creditor closes an account for any reason after costs have been paid by Collector, Creditor shall pay said advanced costs back to Collector within forty-five (45) days of closing the account.
- d. If Creditor authorizes litigation against a consumer and the consumer brings a counterclaim against Collector and/or the Creditor associated with the collection efforts of Creditor's attorneys, all attorney’s fees associated with defending the claim or counterclaim are the responsibility of the Creditor and are specifically excluded from the “Costs and/or Expenses” as that term is previously used in this Agreement.
- e. Lawsuit Authorization: Collector has no independent authority to forward a Debt to a law firm to file suit. Collector must receive written authority from Creditor prior to sending any Debt to a law firm. Collector shall make every effort to collect Debts to avoid Creditor filing a lawsuit. Creditor agrees to be bound by the terms and/or conditions outlined in the Suit Authorization Form. By authorizing litigation on a Debt, Creditor warrants the principal amount of the Debt and any amount above the principal Debt obligation is supported by a legible and enforceable contract between the consumer and the Creditor and/or is specifically allowed by applicable law. By authorizing litigation on a Debt, Creditor also warrants that said Debt is within the statute of limitations for the applicable jurisdiction. Creditor shall accurately disclose the following on each Suit Authorization Form: (a) the date the last voluntary payment was made on the Debt; and (b) all deferral or forbearance periods, including start and end dates.
- f. The decision to file a lawsuit to recover a Debt is solely that of the Creditor. Collector’s role is limited to providing account information to and from the law firm and the Creditor. Creditor chooses counsel to file the lawsuit on its behalf. If the Institution authorizes placement of an account with a law

firm that regularly litigates Debts for Collector's other Creditor clients, Creditor understands and agrees the Creditor is the client of the law firm and is responsible for any and all decisions related to the litigation.

iv. Fee Adjustments

- a. Beginning one (1) year from the date of execution of this Agreement and continuing each year thereafter, the fee schedule set forth in Schedule A may be increased by Collector, provided that in no event shall any such fee increase exceed the most recently available annual change in the Consumer Price Index ("CPI"). Collector shall give Creditor thirty (30) days prior written notice of any increase to the fees set forth in Schedule A.

1.4 Creditor Determines Amount of All Debts:

- i. Creditor, in its sole discretion, determines the amount of all Debts placed for collection with Collector. The amount and accuracy of each Debt placed for collection is the sole responsibility of the Creditor and Debt amounts shall comply with all applicable federal and state laws and regulations while the Debt is placed with Collector. Creditor agrees to notify Collector in writing immediately upon any change in consumer Debt calculations and/or consumer demographics (including any change in bankruptcy status).
- ii. Each Debt placed for collection may or may not include principal, interest, late fees, fines, and/or Creditor assessed fees. Creditor hereby warrants that any amount above the principal Debt obligation is supported by a legible and properly executed written agreement between the consumer and the Creditor and/or is specifically allowed by applicable law.
 - a. Written Agreement. Creditor hereby warrants it has in its possession, custody, or control a legible copy of the entire written agreement between the Creditor and the consumer. If the written agreement is an electronic agreement (signed electronically), Creditor warrants it has in its possession a legible record of the consumer's e-signature that comports with the E-Sign Act. Creditor warrants the written agreement expressly allows for any amount incidental to the principal obligation being assessed by Creditor.
- iii. Creditor hereby understands and agrees that Creditor (not Collector) determines Debt amounts, including the assessment of any amount in addition to the applicable Debt's principal amount. Any communication with a consumer by the Creditor shall correctly and accurately inform the consumer of how Creditor Debts are calculated and inform consumers that all amounts related to a Debt are determined and assessed by the Creditor. At no time shall Creditor communicate to any person

or entity, in writing or otherwise, that any Debt amount is assessed, charged, or determined by Collector.

- iv. As set forth above, Collector charges Creditor certain amounts for collecting certain Debts. Collector does not charge the consumer any amount for collecting certain Debts. The Parties understand and agree that fees charged by Collector for performance of the services outlined herein are wholly unrelated to any consumer's Debt obligation to Creditor.

1.5 Credit Reporting. Upon written request by the Creditor, Collector shall furnish to national credit bureaus, bi-monthly, at no charge to Creditor, information containing current consumer Debt information (hereinafter "Information"). Collector shall bear the cost of preparation and delivery of tapes and other media to the national credit bureaus. Collector and Creditor understand the Information provided to the national credit bureaus will become property of the national credit bureaus. Collector shall report the consumer data provided by the Creditor. Creditor warrants the accuracy of the consumer data it provides. Creditor will take any/all actions requested by Collector during any Debt investigation required by the Fair Credit Reporting Act. Collector shall furnish Information only on those Debts that are currently placed with Collector for collection. Collector shall not have any obligation to furnish Information on Debts that are closed and/or returned to the Creditor.

1.6 Payment Processing. For purposes of collecting Debts; (1) Creditor agrees all Debts placed for collection are for goods and services provided by Creditor, (2) Collector may act as an agent for Creditor when accepting Debt payments, (3) Collector's receipt of funds to pay Debts are treated as a direct receipt of funds by Creditor, and (4) Collector is authorized to provide receipt of payments to consumers reflecting a payment to Collector as agent for Creditor.

SECTION 2- ACCURACY OF ACCOUNT INFORMATION

2.1 In addition to any other representation or warranty contained elsewhere in this Agreement, Creditor represents and warrants to Collector:

- i. Debts placed for collection are just obligations that are owed by the individual(s) associated with said Debt(s). If the individual has the same name as a parent or child (is a Junior, Senior, II, III, etc.), Creditor shall identify the accurate generation code/suffix in the placement file;
- ii. amounts associated with Debts placed for collection are accurate and supported by legible and complete documentation Creditor generates in the ordinary course of its business;

- iii. Debt is not currently being collected by the Creditor or any other entity working on the Creditor's behalf;
- iv. Creditor is not aware of any material dispute as to the validity of any Debt placed for collection and the obligated consumer has not requested that Institution and/or any prior collection agency cease and desist collection activity for the Debt placed with Collector for recovery;
- v. if Collector reports to the any credit reporting agency on behalf of the Creditor, the date of delinquency provided by Creditor is an accurate date of delinquency as that term is used in the Fair Credit Reporting Act;
- vi. dates of default and dates of last voluntary payment provided to Collector by Creditor are accurate and are documented by the Creditor in records Creditor keeps in the ordinary course of its business operations. If the Debt is owed by more than one individual (i.e., consumer and cosigner), Creditor must identify the specific individual who made the last payment;
- vii. individual(s) associated with the Debt(s) are not involved with an ongoing bankruptcy;
- viii. Creditor will only place Debts for a consumer who has been discharged from a bankruptcy filing if; (1) the Debt at issue was incurred after the consumer filed for bankruptcy protection, or (2) Creditor warrants the Debt was not discharged pursuant to 11 U.S.C. § 523(a)(8) and Creditor will defend any threat or claim challenging Creditor's warranty; and
- ix. Consumer E-mail addresses provided to Collector when a Debt is placed for collection are accurate and were obtained directly from the consumer when the consumer registered and/or enrolled at the Creditor.

2.2 Accurate Credit Reporting Information. In addition to 2.1 above, Creditor, pursuant to current credit reporting standards, agrees to provide the following required information for accounts they wish Collector to report to credit reporting agencies:

- i. Consumer's full name (first name, middle name or initial (if available), last name and generation code/suffix (Jr/Sr);
- ii. Consumer's full address;
- iii. Consumer's full Social Security Number (if full Social Security Number is not available, full date of birth is required); and
- iv. Consumer's date of birth.

2.3 Creditor agrees to immediately notify Collector, in writing, of any change in consumer account information. This includes, but is not limited to, address changes, drop/add fees waived, other school fees waived, and balance adjustments. Collector agrees to notify the national credit bureaus bi-monthly of any change in information reported to the national credit bureaus.

- 2.4 Creditor agrees to provide a timely and accurate written response to Collector if Collector is investigating, or re-investigating, any disputed Account (whether the dispute is generated and received from a credit reporting agency or otherwise).
- 2.5 Creditor warrants that Creditor (initial appropriately) _____ HAS or ____HAS NOT, at the time of the transaction that led to the Debt, obtained express written consent from consumers to contact the consumers' cellular telephone numbers via automated telephone dialing equipment and/or to leave an automated and/or pre-recorded voice or text message. If Creditor has obtained consent, Creditor will immediately notify Collector if any consumer revokes that consent at any time by any means.

SECTION 3- COMPLIANCE AND PERFORMANCE STANDARDS

- 3.1 Creditor agrees to perform any pre-placement collection efforts required by law or regulation prior to turning Debts over to the Collector.
- 3.2 Collector agrees to implement comprehensive collection procedures in the attempt to achieve a maximum recovery of Debts. Such procedures may include, but are not limited to, a reasonable number of telephone calls along with a reasonable number of letters. Skip tracing procedures will be used wherever necessary and appropriate to locate a consumer.
- 3.3 Creditor understands and agrees Collector utilizes technology to identify consumers that regularly file lawsuits against the debt collection industry. Creditor further understands and agrees that Debts placed with Collector by Creditor that belong to consumers who are identified as serial litigants against the debt collection industry may be returned to Creditor at the sole discretion of Collector. Creditor understands and agrees that it will not place with Collector those Debts returned by other collection agencies if the agency returned the Debt because the consumer regularly sues the collection industry (or regularly issues unfiled litigation threats with a demand for monetary payments). The term serial litigant shall be defined by Collector at its sole discretion on a consumer-by-consumer basis.
- 3.4 Collector agrees to take affirmative action in complying with all applicable federal and state requirements concerning fair employment and employment of the handicapped, and concerning the treatment of all employees, without regard or discrimination by reason of race, color, religion, sex, national origin, physical handicap, and/or any other protected class of individual.
- 3.5 Collector shall promptly undertake, through proper and lawful means, the collection of all Debts referred by the Creditor without regard to the amount. Collector shall maintain

policies and procedures that conform to industry standards concerning adherence to guidelines established by the Fair Debt Collection Practices Act and make every reasonable effort to conform to said policies and procedures.

- 3.6 Collector acknowledges that all documents and information provided by Creditor will remain confidential. Collector will not disclose any such information to any person or entity for any purpose except as necessary to perform the tasks it is assigned to complete by Client or as otherwise required by law.
- 3.7 Collector agrees to compliance training with all current and future employees regarding federal and state legal and regulatory requirements governing the collection of consumer debt.
- 3.8 Collector agrees to abide by the principles of the Gramm-Leach-Bliley Act (GLB) as described in [16.CFR Part 314] of the May 23, 2002 Federal Register to secure and protect any non-public information for all accounts placed with Collector. Collector agrees to maintain a Safeguard of Information Procedure Report outlining the steps in place to ensure protection of all non-public information.
- 3.9 Creditor understands Collector is required, at times, to abide by regulations, processes, and procedures implemented by the Consumer Financial Protection Bureau (CFPB). Creditor agrees to reasonably cooperate with Collector to assist in Collector's compliance with CFPB regulations, processes, and procedures. Creditor's cooperation includes, but is not limited to, assisting Collector in responding to consumer complaints processed through the CFPB consumer complaint portal. Creditor agrees Collector may release any information related to a consumer or a consumer's account(s) that is necessary to facilitate a prompt and accurate response as required by the CFPB.
- 3.10 Creditor understands and agrees Collector may, because of this Agreement, be required to respond to state and/or federal regulators resulting from and associated with collection work performed on behalf of Creditor. An example of the type of inquiry includes, but is not limited to, Collector's receipt of a subpoena. Upon receipt of any state and/or federal inquiry, Collector shall notify Creditor. Creditor may, at its own expense, take any action necessary to protect its interests (i.e., filing a motion to quash a subpoena). Unless Collector is notified the inquiry has been withdrawn or is ruled invalid, Collector shall work with the state and/or federal regulator to respond to the inquiry fully and accurately. Creditor understands and agrees the response process places a significant operational burden on Collector. Creditor agrees to pay all of Collector's reasonable costs associated with an inquiry response. Costs shall include, but not be limited to, reasonable attorney's fees and reasonable hourly rates for Collector's employees that work on the response.

Creditor agrees Collector's employee rate shall be \$150/hour. Collector shall provide Creditor a detailed breakdown of the hours spent, and employee(s) involved. If Collector's employees and/or Collector's attorney(s) are required to travel in association with the inquiry, Creditor agrees to pay all reasonable travel costs which include, but are not limited to, coach air fare, meals, ground travel costs, and reasonable hotel accommodations.

3.11 Network Security: Collector and Creditor each desire to establish connectivity between each of their respective computer networks to enable the parties to electronically transmit and exchange data and other information in a secure environment.

- a. Creditor will allow only approved employees ("Authorized Creditor Employees") to communicate via secure email or SFTP. Creditor shall be solely responsible for ensuring that Authorized Creditor Employees are not security risks, and upon Collector's request, Creditor will provide Collector with any information reasonably necessary for Collector to evaluate security issues relating to any Authorized Creditor Employee access to the Network Connection.
- b. Each Party will be solely responsible for the selection, implementation, and maintenance of security procedures and policies that are sufficient to ensure that (a) such Party's use of the electronic communications are secure and is used only for authorized purposes, and (b) such Party's business records and data are protected against improper access, use, loss alteration or destruction.

3.12 Network Access: Subject to the terms and conditions of this Agreement, in order to facilitate the transmission, transfer and exchange of Data and other Confidential Information between the parties, each Party grants to the other Party a revocable, non-exclusive, and non-transferable right to electronically access, in accordance with the technical specifications referred to in section 3.11 above, the other Party's computer network for purposes of analyzing, evaluating, billing, collecting, processing, storing, searching, viewing, downloading, delivering, exchanging, and converting data and other Confidential Information and for no other purpose.

- a. Any access rights granted by a party to the other party may be revoked at any time following the delivery of written notice of such revocation to the other party. Neither party is authorized to sell, assign, transfer, publish, disclose, display, download, reverse engineer, copy, reproduce, sublicense, transfer, distribute, or otherwise make available to any third party any software, hardware or other programs provided by a party to the other party for use herein.
- b. Network access and use of the Data is expressly limited to the business purposes identified by this Agreement. To the extent the business relationship between

the Parties is terminated, the network access rights set forth in this Agreement shall also be terminated at the same such time, unless otherwise expressly agreed to in writing between the parties. Each Party will be responsible for all costs incurred by that Party under this Agreement, including, without limitation, costs for phone charges, telecommunications equipment and personnel for maintaining the network connection. Collector-approved method of remote access is based on VPN technology which forces all traffic through an encrypted tunnel. Therefore, all remote access traffic passed between Collector network and the end user is fully encrypted.

3.13 Security Procedures

- a. Each Party will be solely responsible for the selection, implementation, and maintenance of security procedures and policies that are sufficient to ensure that (1) such party's Confidential Information is secure and is used only for authorized purposes, (2) such party's business records and data are protected against improper access, use, loss alteration or destruction, (3) such Party's privacy and security policies and procedures adequately protect non-public personal information as defined by HIPAA, HITECH Act, GLBA, FDCPA and any and all other applicable federal, state and/or local laws, rules and regulations, and (4) such party will immediately communicate any breach or potential breach of its security policy or procedure as it relates to the other party's Confidential Information.
- b. Creditor and Collector each desire to establish connectivity between each of their respective computer networks to enable the parties to electronically transmit and exchange data and other information in a secure environment. Creditor and Collector desire to establish the connectivity guidelines, standards and methods and desires to establish controls with respect to such methods to protect the integrity of their respective computer networks, data and information, and maintain the confidentiality of information exchanged under this Agreement. Such connectivity shall be through secure email and SFTP.
- c. Collector has and shall maintain a designated Security Officer responsible for information security, safeguarding consumer information as defined by applicable laws. Collector has identified and assessed risks to consumer information in each relevant area of its operations and evaluated the effectiveness of current safeguards for controlling identified risks. Collector has designed a safeguards program and selected appropriate sub-contractors who are compliant with the program, to effectively implement Collector's services for Creditor. Collector will continue to monitor, test, evaluate and adjust the

program in response to relevant circumstances, including changes in business arrangements, operations, or the results of testing and monitoring or as needed to comply with any applicable law or regulation affecting the use or disclosure of consumer information. Collector uses and discloses information only as necessary to perform the specific functions and responsibilities for which it was retained by Creditor. Services provided by Collector are performed as part of Creditor's normal operations. Creditor is responsible for obtaining all required consents and authorizations for the release of consumer information and for Collector's use or further release of such information, as required.

SECTION 4 – INDEMNITY AND INSURANCE

- 4.1 General Indemnity. Creditor will indemnify and hold harmless Collector, and its respective directors, officers, employees, agents, attorneys, successors and assigns from and against all claims, losses, liabilities, damages, suits, actions, government intervention, taxes, penalties or interest, and legal expenses or other hard costs (including reasonable attorney's fees) arising out of or in connection with the acts or omissions of the Creditor under or related to this Agreement, including but not limited to, any breach of a representation or warranty contained in this Agreement. This paragraph also includes, but is not limited to, claims (or unfiled demands) involving the amount of a Debt, the dates of default, date of the last voluntary payment, counterclaims or separate claims filed against the Collector that assert violations associated with any Litigation Account, dates of delinquency, the validity of any contract between a consumer and Creditor, and/or the services provided by Creditor to consumer.
- 4.2 Consumer Claim Indemnity. In addition to the general indemnification outlined herein, Creditor agrees to fully indemnify Collector for any claim made (including unfiled demands) by a consumer that any Debt amount or portion of a Debt amount placed for collection violates any applicable law including, but not limited to, any claim for a violation of 15 U.S.C. § 1692(e), §1692f(1), or any similar state law. Indemnification for this type of claim (a claim that any amount incidental to the principal amount of the Debt should not be collected) shall include all costs, attorney's fees, disgorgement, statutory liability, any resulting judgment amount, any lost profits, or any other amount resulting from the claim. Additionally, attorney's fees shall be payable by Creditor to Collector regardless of whether or not said fees are incurred as the result of formal legal action. If Creditor, as indemnitor under 4.1 or 4.2, takes over litigation against Collector, Collector shall have the right to approve Creditor's defense counsel, any proposed settlement or resolution, and any settlement documentation ahead of execution. Approval by Collector shall not be unreasonably withheld.

- 4.3 Limited Liability. In no event will Collector be liable for any loss of profit or revenue by Creditor, or for any other consequential, incidental, future, punitive, or indirect damages incurred or suffered by Creditor arising as a result of or related to the services performed and/or Agreement, whether in contract, tort, or otherwise, even if Collector and/or Creditor has been advised of the possibility of such loss or damages. The total liability of Collector for all claims of any kind arising as a result of or related to the services performed and/or Agreement, or to any act or omission of Collector, whether in contract, tort, or otherwise, is limited to the lesser of actual damages or three (3) months of commissions paid to Collector by Creditor pursuant to this Agreement for the three (3) month period immediately prior to the claim. Collector shall not be liable to Creditor for any claim made by any consumer(s) alleging any violation of the Telephone Consumer Protection Act.
- 4.4 Insurance. Collector will maintain a fidelity bond in the amount of five million (\$5,000,000) dollars; said bond being for the benefit of Creditor. Collector will, upon Creditor's written request, provide Creditor with a copy of said bond and will provide Creditor with advance written notice of any change in the bond.

SECTION 5- TERM

- 5.1 This Agreement shall be in effect for two (2) years from the date of execution with the right and option to extend the term for three (3) additional one (1) year periods with the same terms and conditions provided both parties agree prior to contract expiration. Either the Collector or Creditor may terminate the agreement upon thirty (30) days prior written notice to the other. Termination by Creditor for cause, default, or negligence on the part of the Collector shall be excused from the thirty (30) day notice. The Parties remain responsible for remitting any monies that are or become due following termination of this Agreement.
- 5.2 In addition, beginning one (1) year from the date of execution of this Agreement and continuing each year thereafter, the fees in the attached Schedule A may be increased as set forth in Section 1.3 (iv.) of this Agreement.

SECTION 6- CHOICE OF LAW

- 6.1 This Agreement shall be interpreted in accordance with the laws of the State of Texas. For purposes of all legal proceedings between the Parties arising out of this Agreement, whether founded in law or equity, the Parties hereby irrevocably consent to the jurisdiction of the courts located in Dallas County, Texas or the United States District Court for the Northern District of Texas. The Parties hereby expressly waive any right to a trial by a jury regarding any action, legal or equitable, arising out of this Agreement. Prior to bringing

any legal or equitable action in any court of law, the Parties hereby irrevocably consent to confidential mediation in Dallas County, Texas. Said mediation shall be conducted within sixty (60) days of a Party providing written notice of said Party's claim(s) and request to mediate. The Parties shall make a good faith effort to agree upon a mediator. To the extent the Parties are unable to agree, the mediator shall be chosen from a list of certified mediators provided by the Texas Bar Association.

SECTION 7- GENERAL PROVISIONS

- 7.1 Neither party shall be liable under any contracts or obligations of the other, except pursuant to the specific terms of this Agreement. Neither Party shall have authority to bind the other Party to any debt, contractual, or other undertaking.
- 7.2 Independent Contractor Relationship. The Parties to this Agreement are independent contractors to one another and nothing in this Agreement shall be deemed to create a relationship of principal and agent between the Parties. Additionally, nothing in this Agreement shall be construed to create an employer/employee, master/servant or partnership/joint venture relationship between the Parties. Each Party shall be exclusively responsible for selecting, supervising and compensating its own employees and/or representatives in the performance of their responsibilities under this Agreement. Neither Party shall have the authority to bind the other or to transact business in the name of the other nor to make representations or promises on behalf of the other except as expressly granted under this Agreement. An express exemption to this provision is when the Creditor directs Collector to send correspondence on Creditor's behalf that is a communication to a consumer from the Creditor (i.e. on Creditor letterhead & directing the consumer back to the Creditor for further communication and/or payment). This type of communication is created, sent, and managed at the direction and control of the Creditor whereby, for the limited purpose of this type of communication, Collector is a "de facto employee" of the Creditor as that term is used in Fair Debt Collection Practices Act jurisprudence.
- 7.3 Creditor authorizes Collector to endorse any check or other negotiable instrument received by Collector for payment of or towards a placed Debt that is sent to Collector but payable to the Creditor.
- 7.4 Neither Party shall be deemed in breach of this Agreement during any period of time in which it is unable to perform its obligations as a result of the occurrence of any event of force majeure, which shall include, but not be limited to, acts of God, act or order of government, commercial power failure, government action, war, insurrection, terrorism, fire, strike, pandemic, failure of telecommunications facilities or any other circumstances

beyond the reasonable control of that Party. The required time for a Party's performance hereunder shall be extended to account for any such force majeure event.

- 7.5 Modification: This document contains the entire agreement relating to the subject matter hereof between Collector and Creditor and supersedes any prior or contemporaneous oral or written agreements or representations. Except for the Fee Adjustment pursuant to Section 1.3(iv), this Agreement may be modified only by a written agreement duly executed by authorized representatives of both Collector and Creditor except for the suit authorization form executed by the Creditor. The terms and conditions of the suit authorization form modify this Agreement, to the extent the terms and conditions set forth therein do not conflict with the terms of this Agreement. To the extent said terms and conditions do conflict with this Agreement, the terms and conditions of this Agreement shall control.
- 7.6 If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the other provisions shall remain in full force and shall in no way be affected, impaired or invalidated, unless to do so would substantially destroy the fundamental purposes of this Agreement or substantially and unfairly alter the respective burdens and benefits of the Parties hereunder.
- 7.7 Any waiver by either Party of a breach of any provision of this Agreement shall not operate as or be construed as a waiver of any other provision or any subsequent breach.
- 7.8 This Agreement shall not be assigned or transferred by Collector without Creditor's prior written consent, nor shall any of the duties or responsibilities of Collector be assigned or transferred. This Agreement shall not be assigned or transferred by Creditor, except to an entity which is in control of, controlled by, or under common control with Creditor.
- 7.9 All terms of this Agreement shall be binding upon, inure to the benefit of, and be enforceable by the Parties hereto, and their heirs, legal representatives, successors and permitted assigns.
- 7.10 This Agreement is the result of negotiation between the Parties, and no ambiguity herein shall be construed against either party because of that party's role in drafting this Agreement.
- 7.11 A fully executed facsimile or electronic copy of this Agreement shall be treated as an original Agreement and signatures may be made in counterparts to the Agreement.

- 7.12 Each party represents that its execution and performance of this Agreement will not violate any term, covenant or understanding with any other person or entity or place such party in breach of any contractual or legal obligation to a third party.
- 7.13 This Agreement is executed for the benefit of the named Parties only. Nothing in this Agreement or in the negotiation of this Agreement shall have the effect of conferring any rights or expectations on any third party. No one other than a Party to this Agreement or a Party's permitted successor or assign shall have the right to enforce any covenant, term or condition in this Agreement.
- 7.14 Non-Solicitation- During the term of this Agreement and for a period of twelve (12) months subsequent to the termination thereof, neither Party shall, either on its own account or for any person, firm, partnership, corporations, or other entity (a) solicit, interfere with, or endeavor to cause any employee of the other Party to leave his or her employment, or (b) induce or attempt to induce any such employee to breach his or her promise to his or her employer.
- 7.15 Any notice or other communication required or permitted by this Agreement shall be in writing and shall either be hand-delivered, sent via overnight mail by a nationally recognized courier service, or sent postage prepaid by certified or registered mail, return receipt requested, to the following addresses or to such other addresses or persons as may be furnished from time to time in writing by one party to the other party. The notice shall be effective on the date of delivery if delivered by hand, the date of delivery as indicated on the receipt if sent via overnight mail, or the date indicated on the return receipt whether or not such notice is accepted by the addressee.

If to Creditor:

If to Collector:

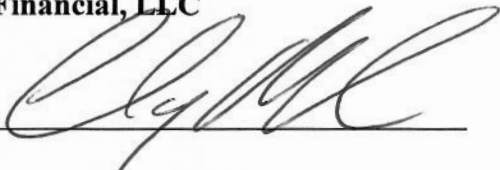
RGS Financial, LLC
 Executive Vice President
 1700 Jay Ell Drive, Suite 200
 Richardson, TX 75081

IN WITNESS WHEREOF, Collector and Creditor have caused this Agreement to be executed by their duly authorized representatives on the date first above written:

Creditor

RGS Financial, LLC

By: _____

By:  _____

Printed Name: _____

Printed Name: Clay Mahan

Title: _____

Title: Executive Vice President

Date: _____

Date: November 4, 2024

Schedule A - Collector Fee Schedule

Collection fee(s) charged to Creditor will be based on the following table:

Placement Type	Fee
Aged 0-180 days	Eighteen percent (18%) of the total amount collected will be the sole consideration paid to Collector
Aged 181 days – 365 days	Twenty percent (20%) of the total amount collected will be the sole consideration paid to Collector for Second/Third Placements.
Aged 1 year plus	Twenty five percent (25%) of the total amount collected will be the sole consideration paid to Collector for Litigation Accounts

Collector and Creditor have expressly agreed to the fees set forth in this **Schedule A- Collector Fee Schedule**

Creditor expressly agrees to adjustments of this Schedule A as set forth in Section 1.3 (iv.) of the Agreement.

Creditor

RGS Financial, LLC

By: _____

By:  _____

Printed Name: _____

Printed Name: Clay Mahan

Title: _____

Title: Executive Vice President

Date: _____

Date: November 4, 2024