

PROFESSIONAL SERVICES AGREEMENT

This Professional Services Agreement is made and entered into effective as of August 5, 2025 by and between AFTS California, Inc., a California corporation located at 2201 Fairview Avenue East #8, Seattle, WA 98134, dba Check Processors, Inc., located at 1851 Heritage Lane, Suite 181, Sacramento, CA 95815 (hereinafter “CPI”) and the County of Fresno, a political subdivision of the State of California, 2281 Tulare Street Fresno, CA 93721 (hereinafter “Customer” or “County”).

WITNESSED:

That in consideration of the promises and mutual obligations hereinafter set forth, the parties hereto agree as follows:

1. Services Provided

1.1 The Customer hereby agrees to engage CPI to provide the Customer with services (the “Services”) according to the terms of Section 7.

1.2 CPI hereby agrees to provide Services according to the terms of Section 7 to the Customer.

2. Term and Renewal

2.1 The term of this Agreement (the “Term”) shall begin on the 1st day of October 2025, and terminate on the 30th day of September 2028, subject to earlier termination as provided in this Agreement. The Term of this Agreement may be extended for a maximum of two (2) additional one (1) year periods by mutual written consent of the parties at least thirty (30) days prior to any termination date. The Auditor-Controller/Treasurer-Tax Collector of the County, or their designee, is authorized to sign the written approval on behalf of the County based on CPI’s satisfactory performance. The extension of this Agreement by the County is not a waiver or compromise of any default or breach of this Agreement by CPI existing at the time of the extension whether or not known to the County.

2.2 In the event that either Party wishes to terminate this Agreement, the terminating Party will be required to provide at least thirty (30) days written notice to the other Party provided that no termination under this section will relieve either Party from any of its obligations or liabilities incurred prior to such termination.

3. Compensation

3.1 As compensation for all services rendered pursuant to this Agreement to or at the written request of Customer, Customer will provide compensation (the “Compensation”) to CPI at the rate according to the Pricing of Section 8.

3.2 Customer will receive monthly invoices after work is complete. Invoices submitted by CPI to the Customer are due within forty-five (45) days of receipt. The Compensation as stated in this Agreement does not include sales tax, or other applicable duties as may be required by law. Any sales tax and duties required by law will be charged to Customer in addition to the Compensation. Past due accounts shall be subject to a one and a half percent (1.5%) monthly service charge.

4. Protection of Confidential Information

4.1 In view of the fact that CPI work on behalf of Customer will bring CPI into close contact with many confidential affairs of the Customer and its affiliates, including matters of a business nature, and other information not readily available to the public, and plans for future developments, CPI agrees:

4.1.1 To keep secret all Confidential Information of Customer and its affiliates and not to disclose them to anyone outside of CPI, either during or after Customer's Agreement with CPI, except with Customer's written consent. CPI shall take precautions to ensure that this data and information is not released to any third party; including the use of reasonable internet security software. Subject to the requirements of state law, the Customer and CPI shall protect each other's Confidential Information in the same manner that it protects its own confidential information.

5. Ownership of Results of Services and Independent Contractor Status

5.1 Customer shall own, and CPI hereby transfers and assigns to it, all rights of every kind and character throughout the work, in perpetuity, in and to any material and/or ideas written, suggested, or submitted by Customer hereunder and all other results and proceeds of CPI services hereunder, whether the same consists of literary, dramatic, mechanical or any other form of works, themes, ideas, creations, products, or compositions.

5.1.1 In providing the Services under this Agreement it is expressly agreed that CPI is acting as an independent contractor and not as an employee of Customer. The Customer and CPI acknowledge that this Agreement does not create a partnership or joint venture between them and is exclusively a contract for service.

Furthermore, Customer has no right to control or supervise or direct the manner or method by which CPI performs its work and function under this Agreement. However, Customer retains the right to administer this Agreement so as to verify that CPI is performing its obligations in accordance with the terms and conditions of this Agreement.

The Parties shall comply with all applicable provisions of law and the rules and regulations, if any, of governmental authorities having jurisdiction over matters that are the subject of this Agreement.

Because of its status as an independent contractor, CPI has absolutely no right to employment rights and benefits available to the Customer's employees. CPI is solely liable and responsible for providing to, or on behalf of, its employees all legally-required employee benefits. In addition, CPI is solely responsible for, and shall save Customer harmless from, all matters relating to payment of CPI's employees, including compliance with Social Security withholding and all other regulations governing such matters. Customer acknowledges that during the term of this Agreement, CPI may be providing services to others unrelated to the Customer or to this Agreement.

6. Notices

6.1 All notices, requests, consents and other communications required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given if delivered personally or sent by prepaid telegram, or mailed first-class, postage prepaid, as follows:

If to CPI: 1851 Heritage Lane, Suite 181, Sacramento, CA 95815

If to Customer: Auditor-Controller/Treasurer-Tax Collector, 2281 Tulare Street
Fresno, CA 93721

Other: or as such other addresses as either party may specify by written notice to the other as provided in this Section 6.1.

7. Services

7.1 Services Overview- CPI shall provide warrant lockbox services to County of Fresno has which consists of:

Checking PO Box 980938 at West Sacramento daily for mailed warrants. Should warrants be received, these will be processed the next business day due to delivery deadlines at the State of California Treasurer's office for physical warrant work.

CPI courier visits the State Controller’s office about 3 p.m. to pick up any warrants that were sent there. These are returned to the CPI offices about 3:30 p.m. and combined with any PO Box warrants received that morning.

CPI processing of the warrants involves creating an Excel sheet with the warrant details and total. This sheet is printed and then scanned along with the warrants to a multiple-page PDF file. This is generally completed by 5:00 p.m.

The following morning an encrypted email is created which has the County’s PDF file of the balancing totals and warrants, plus remittance or correspondence received with the warrants, and this is sent about 8:30 a.m. This email is sent to whoever County of Fresno designates, which currently includes BMO Bank team members, but can be any bank. The total in the email is what the Treasurer’s office will wire to the bank. The physical paper balancing sheet and warrants are taken to the State of California Treasurer’s office about 9:00 a.m. each day.

8. Pricing

8.1- CPI will invoice Customer monthly for the prior month’s payment activity.

Base Monthly Fee: \$200.00/month

Warrant Capture Fee: \$2.00 each

Advices Only Capture Fee: \$1.00 each
This covers items received that are not warrants but need handling.

Courier Charge: \$75.00/month
This covers the courier fees to visit the Controllers and Treasurer’s office daily.

Postage, if any: At Cost
This is charged should anything be mailed back to the County.

PO Box 980938 (Aug renewal): At Cost
2024 pricing was \$478.00 for the year.

Renewals of this agreement, as provided under Section 2, will be subject to PPI or CPI adjustments to be computed by CPI or Customer’s purchasing/contracting staff.

9. General

9.1 Indemnification- Except to the extent paid in settlement from any applicable insurance policies, and to the extent permitted by applicable law, each Party agrees to indemnify and hold harmless the other Party, and its respective affiliates, officers, agents,

employees, and permitted successors and assigns against any and all claims, losses, damages, liabilities, penalties, punitive damages, expenses, reasonable legal fees and cost of any kind or amount whatsoever, which result from or arise out of any act or omission of the indemnifying party, its respective affiliates, officers, agents, employees, and permitted successors and assigns that occurs in connection with the Agreement. This indemnification will survive termination of this Agreement.

9.2 Governing Law- This agreement shall be governed by and interpreted in accordance with the laws of the State of California. The Laws of the State of California shall govern the rights and obligations of the Parties, and all interpretation and performance of this Agreement. Venue for enforcement and proceedings, and any action arising out of or related to this Agreement shall be in Fresno County, California.

9.3 Force Majeure- Neither party shall be responsible for delays or failures in performance resulting from acts reasonably beyond the control of that party. In the event CPI is unable to perform Services for a period of more than thirty (30) days as a result of any force majeure events, the parties shall negotiate in good faith an equitable modification to this Agreement with respect to the Services affected by the force majeure event.

9.4 Entire Agreement- This Agreement sets forth the entire agreement and understanding of the parties hereto, and supersedes all prior agreements, arrangements, and understandings. Nothing herein contained shall be construed so as to require the commission of any act contrary to law and wherever there is any conflict between any provision of this Agreement and any present or future statute, law, ordinance or regulation, the latter shall prevail, but in such event the provision of this Agreement affected shall be curtailed and limited only to the extent necessary to bring it within legal requirements. Without limiting the generality of the foregoing, in the event that any compensation or other monies payable hereunder shall be in excess of the amount permitted by any such statute, law, ordinance, or regulation, payment of the maximum amount allowed by law shall constitute full compliance by Customer with the payment requirements of this Agreement.

9.5- No representation, promise, or inducement has been made by either party that is not embodied in this Agreement, and neither party shall be bound by or liable for any alleged representation, promise, or inducement not so set forth. The section headings contained herein are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.

9.6- The provisions of this Agreement shall inure to the benefit of the parties hereto, legal representatives, successors, and assigns. Either Party may assign the Agreement without the other Party's consent to an entity that acquires all or substantially all of its assets or that is an affiliate of the assigning Party, provided that (i) the assigning Party must provide notice to the other Party of the Assignment, (ii) the assignee must agree in writing to be bound by the Agreement, and (iii) the non-assigning Party may prohibit

assignment to a competitor. Except as provided above, neither Party may assign its rights or obligations under the Agreement without the other Party's prior written consent, such consent not to be unreasonably withheld or delayed, and any attempt to so assign the Agreement will be null and void. The Agreement will bind and inure to the benefit of each Party's permitted successors and assigns.

9.7- This Agreement may be amended, modified, superseded, cancelled, renewed or extended, and the terms or covenants hereof may be waived, only by a written instrument executed by both of the parties hereto, or in the case of a waiver, by the party waiving compliance. The failure of either party at any time or times to require performance of any provisions hereof shall in no manner affect the right at a later time to enforce the same. No waiver by either party of the breach of any term or covenant contained in this Agreement, whether by conduct or otherwise, in any one or more instances, shall be deemed to be, or construed as, a further or continuing waiver of any such breach, or a waiver of the breach of any other term or covenant contained in this Agreement.

9.8- This agreement may be signed in counterparts, each of which is an original, and all of which together constitute this Agreement.

10. Audits and Inspections and Disclosure of Self-Dealing Transactions

10.1- CPI shall at any time during business hours with reasonable prior written notice by the COUNTY, and as often as the COUNTY may deem necessary, make available to COUNTY for examination all of CPI's records and data with respect to the matters covered by this Agreement. CPI shall, upon reasonable prior written request by CPI, permit COUNTY to audit and inspect all records and data with respect to the matters covered by this Agreement necessary to ensure CPI's compliance with the terms of this Agreement.

10.1.1- If compensation paid to CPI under this Agreement exceeds ten thousand dollars (\$10,000.00), CPI is subject to the examination and audit of the California State Auditor for a period of three (3) years after final payment under this Agreement, pursuant to California Government Code section 8546.7. The obligations under this paragraph survive the termination of this Agreement.

10.2- This Section is only applicable if CPI is operating as a corporation, or during the term of this Agreement changes its status to operate as a corporation. If any member of CPI's board of directors is party to a self-dealing transaction during the term of this Agreement, he or she shall disclose the transaction by completing and signing a "Self-Dealing Transaction Disclosure Form" (Exhibit A to this Agreement) and submitting it to COUNTY before commencing the transaction or immediately thereafter.

11. Insurance Requirements

11- Without limiting the County's right to obtain indemnification from CPI or any third parties, CPI, at its sole expense, shall maintain in full force and effect the following insurance policies throughout the term of this Agreement.

(A) Required Policies

- (i) **Commercial General Liability.** Commercial general liability insurance with limits of not less than One Million Dollars (\$1,000,000) per occurrence and an annual aggregate of Two Million Dollars (\$2,000,000). This policy must be issued on a per occurrence basis. Coverage must include products, completed operations, property damage, bodily injury, personal injury, and advertising injury. CPI shall obtain an endorsement to this policy naming the County of Fresno, its officers, agents, employees, and volunteers, individually and collectively, as additional insureds, but only insofar as the operations under this Agreement are concerned. Such coverage for additional insureds will apply as primary insurance and any other insurance, or self-insurance, maintained by the County is excess only and not contributing with insurance provided under CPI's policy.
- (ii) **Automobile Liability.** Automobile liability insurance with limits of not less than One Million Dollars (\$1,000,000) per occurrence for bodily injury and for property damages. Coverage must include any auto used in connection with this Agreement.
- (iii) **Workers Compensation.** Workers compensation insurance as required by the laws of the State of California with statutory limits.
- (iv) **Employer's Liability.** Employer's liability insurance with limits of not less than One Million Dollars (\$1,000,000) per occurrence for bodily injury and for disease.
- (v) **Professional Liability.** Professional liability insurance with limits of not less than One Million Dollars (\$1,000,000) per occurrence and an annual aggregate of One Million Dollars (\$1,000,000). If this is a claims-made policy, then (1) the retroactive date must be prior to the date on which services began under this Agreement; (2) CPI shall maintain the policy and provide to the County annual evidence of insurance for not less than five years after completion of services under this Agreement; and (3) if the policy is canceled or not renewed, and not replaced with another claims-made policy with a retroactive date prior to the date on which services begin under this Agreement, then CPI shall purchase extended

reporting coverage on its claims-made policy for a minimum of five years after completion of services under this Agreement.

(B) **Additional Requirements**

- (i) **Verification of Coverage.** Within 30 days after CPI signs this Agreement, and at any time during the term of this Agreement as requested by the County's Risk Manager or the County Administrative Office, CPI shall deliver, or cause its broker or producer to deliver, to the County Risk Manager, at 2220 Tulare Street, 16th Floor, Fresno, California 93721, or HRRiskManagement@fresnocountyca.gov, and by mail or email to the person identified to receive notices under this Agreement, certificates of insurance and endorsements for all of the coverages required under this Agreement.
- (a) Each insurance certificate must state that: (1) the insurance coverage has been obtained and is in full force; (2) the County, its officers, agents, employees, and volunteers are not responsible for any premiums on the policy; and (3) CPI has waived its right to recover from the County, its officers, agents, employees, and volunteers any amounts paid under any insurance policy required by this Agreement and that waiver does not invalidate the insurance policy.
- (b) The commercial general liability insurance certificate must also state, and include an endorsement, that the County of Fresno, its officers, agents, employees, and volunteers, individually and collectively, are additional insureds insofar as the operations under this Agreement are concerned. The commercial general liability insurance certificate must also state that the coverage shall apply as primary insurance and any other insurance, or self-insurance, maintained by the County shall be excess only and not contributing with insurance provided under CPI's policy.
- (c) The automobile liability insurance certificate must state that the policy covers any auto used in connection with this Agreement.
- (d) The professional liability insurance certificate, if it is a claims-made policy, must also state the retroactive date of the policy, which must be prior to the date on which services began under this Agreement.
- (ii) **Acceptability of Insurers.** All insurance policies required under this Agreement must be issued by admitted insurers licensed to do business

in the State of California and possessing at all times during the term of this Agreement an A.M. Best, Inc. rating of no less than A: VII.

- (iii) **Notice of Cancellation or Change.** For each insurance policy required under this Agreement, CPI shall provide to the County, or ensure that the policy requires the insurer to provide to the County, written notice of any cancellation or change in the policy as required in this paragraph. For cancellation of the policy for nonpayment of premium, CPI shall, or shall cause the insurer to, provide written notice to the County not less than 10 days in advance of cancellation. For cancellation of the policy for any other reason, and for any other change to the policy, CPI shall, or shall cause the insurer to, provide written notice to the County not less than 30 days in advance of cancellation or change. The County in its sole discretion may determine that the failure of CPI or its insurer to timely provide a written notice required by this paragraph is a breach of this Agreement.
- (iv) **County's Entitlement to Greater Coverage.** If CPI has or obtains insurance with broader coverage, higher limits, or both, than what is required under this Agreement, then the County requires and is entitled to the broader coverage, higher limits, or both. To that end, CPI shall deliver, or cause its broker or producer to deliver, to the County's Risk Manager certificates of insurance and endorsements for all of the coverages that have such broader coverage, higher limits, or both, as required under this Agreement.
- (v) **Waiver of Subrogation.** The Contractor waives any right to recover from the County, its officers, agents, employees, and volunteers any amounts paid under the policy of worker's compensation insurance required by this Agreement. The Contractor is solely responsible to obtain any policy endorsement that may be necessary to accomplish that waiver, but CPI's waiver of subrogation under this paragraph is effective whether or not CPI obtains such an endorsement.
- (vi) **County's Remedy for Contractor's Failure to Maintain.** If CPI fails to keep in effect at all times any insurance coverage required under this Agreement, the County may, in addition to any other remedies it may have, suspend or terminate this Agreement upon the occurrence of that failure, or purchase such insurance coverage, and charge the cost of that coverage to CPI. The County may offset such charges against any amounts owed by the County to CPI under this Agreement.
- (vii) **Subcontractors.** The Contractor shall require and verify that all subcontractors used by CPI to provide services under this Agreement

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Warrant Lockbox Box Services

maintain insurance meeting all insurance requirements provided in this Agreement. This paragraph does not authorize CPI to provide services under this Agreement using subcontractors.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the date first above written.

CHECK PROCESSORS, INC.

Rick Soth

Rick Soth
Name and Title

COUNTY OF FRESNO

Ernest Buddy Mendes

Ernest Buddy Mendes, Chairman of the
Board of Supervisors of the County of Fresno

1851 Heritage Ln #101

Street Address

Sacramento CA 95815

City, State, Zip Code

Attest:

Bernice E. Seidel

Clerk of the Board of Supervisors

County of Fresno, State of California

By: Alexandra Vini
Deputy

FOR ACCOUNTING USE ONLY:

Org No.: 0410
Account No.: 7295
Fund No.: 0001
Subclass No.: 10000

RJ

Exhibit A

Self-Dealing Transaction Disclosure Form

In order to conduct business with the County of Fresno ("County"), members of a contractor's board of directors ("County Contractor"), must disclose any self-dealing transactions that they are a party to while providing goods, performing services, or both for the County. A self-dealing transaction is defined below:

"A self-dealing transaction means a transaction to which the corporation is a party and in which one or more of its directors has a material financial interest."

The definition above will be used for purposes of completing this disclosure form.

Instructions

- (1) Enter board member's name, job title (if applicable), and date this disclosure is being made.
- (2) Enter the board member's company/agency name and address.
- (3) Describe in detail the nature of the self-dealing transaction that is being disclosed to the County. At a minimum, include a description of the following:
 - a. The name of the agency/company with which the corporation has the transaction; and
 - b. The nature of the material financial interest in the Corporation's transaction that the board member has.
- (4) Describe in detail why the self-dealing transaction is appropriate based on applicable provisions of the Corporations Code.

The form must be signed by the board member that is involved in the self-dealing transaction described in Sections (3) and (4).

Exhibit A

(1) Company Board Member Information:			
Name:		Date:	
Job Title:			
(2) Company/Agency Name and Address:			
(3) Disclosure (Please describe the nature of the self-dealing transaction you are a party to)			
(4) Explain why this self-dealing transaction is consistent with the requirements of Corporations Code § 5233 (a)			
(5) Authorized Signature			
Signature:		Date:	