



# City of Austin

## Purchasing Office

P.O. Box 1088, Austin, TX 78767

Dear Raquel Valdez Sanchez:

The City of Austin approved the execution of a contract with your company for Small Dollar Loan Administration as referenced below:

Responsible Department:	Human Resources Department
Department Contact Person:	Chris Vykukal
Department Contact Email Address:	<a href="mailto:Chris.Vykukal@austintexas.gov">Chris.Vykukal@austintexas.gov</a>
Department Contact Telephone:	512-974-3229
Project Name:	Small Dollar Loan Administration
Contractor Name:	Cen-Tex Cdc DBA BCL of Texas
Contract Number:	MA 5800 PA230000077
Contract Period:	8/10/2023 – 8/9/2026
Dollar Amount	\$0
Extension Options:	Two – 12 month extension options
Requisition Number:	RQM 5800 23032800507
Solicitation Type & Number:	COE

Thank you for your interest in doing business with the City of Austin. If you have any questions regarding this contract, please contact the person referenced under Department Contact Person.



**CONTRACT BETWEEN THE CITY OF AUSTIN (“City”)  
and  
Cen-Tex Cdc DBA BCL of Texas (“Contractor”)  
for  
Small Dollar Loan Administration**

**Contract Number: MA 5800 PA230000077**

The City accepts the Contractor’s Offer for the above requirement and enters into the following Contract. This Contract is between Cen-Tex Cdc DBA BCL of Texas having offices at 1011 San Jacinto Blvd, Suite 500, Austin, Texas 78701 and the City, a home-rule municipality incorporated by the State of Texas. Capitalized terms used but not defined herein have the meanings given in the Solicitation.

**1.1 This Contract is composed of the following documents in order of precedence:**

- 1.1.1 This Document
- 1.1.2 Terms and Conditions dated 5/10/2023
- 1.1.3 Scope of Work attached as Exhibit A
- 1.1.4 Contractor’s Proposal /Memorandum of Understanding, incorporated herein and attached as Exhibit B hereto

**1.2 Compensation.**

The Contractor will be paid a total not-to-exceed amount of \$0.00 for the initial Contract term. This is a revenue/cost neutral contract. The City neither pays any amount nor receives any revenue as a result of the Contract.

**1.3 Term of Contract.**

This Contract shall become effective 8/10/2023 and shall remain in effect for an initial term of thirty-six (36) months or the City terminates the Contract. This Contract may be extended beyond the initial term for up to two additional 12 month periods at the City’s sole option.

**1.4 Designation of Key Personnel.** The City and the Contractor resolve to keep the same key personnel assigned to this engagement throughout its term. In the event that it becomes necessary for the Contractor to replace any key personnel, the replacement will be an individual having equivalent experience and competence in executing projects such as the one described herein. Additionally, the Contractor shall promptly notify the City and obtain approval for the replacement. Such approval shall not be unreasonably withheld. The Contractor’s and City’s key personnel are identified as follows:

	Name	Phone Number	Email Address
Contractor Contract Manager	Raquel Valdez Sanchez	(512) 912-9884	<a href="mailto:rvaldez@bcloftexas.org">rvaldez@bcloftexas.org</a>
City Contract Manager	Cecily Brea	(512) 974-3160	<a href="mailto:Cecily.Brea@austintexas.gov">Cecily.Brea@austintexas.gov</a>
City Project Manager	Chris Vykukal	(512) 974-3229	<a href="mailto:Chris.Vykukal@austintexas.gov">Chris.Vykukal@austintexas.gov</a>
City Contract Administrator, Procurement Specialist	Didi Broniszewski	(512) 974-9382	<a href="mailto:Didi.Broniszewski@austintexas.gov">Didi.Broniszewski@austintexas.gov</a>

This Contract (including any Exhibits and referenced Documents) constitutes the entire agreement of the parties regarding the subject matter of this Contract and supersedes all prior agreements and understandings, whether written or oral, relating to such subject matter. This Contract may be altered, amended, or modified only by a written instrument signed by the duly authorized representatives of both parties.

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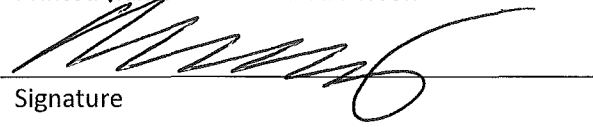
By signing below, Contractor hereby certifies the following are true and will ensure the following will remain true throughout the term of this Contract:

1. That its firm and its principals are not currently suspended or debarred from bidding on any Federal, State, or City of Austin Contracts.
2. That it has not in any way directly or indirectly:
  - a. Colluded, conspired, or agreed with any other person, firm, or corporation, as to the amount of this contract or the terms or conditions of this contract.
  - b. paid or agreed to pay any other person, firm, or corporation any money or anything of value in return for assistance in procuring or attempting to procure a contract or in return for establishing the prices in the contract.
3. That it has not received any compensation or a promise of compensation for participating in the preparation or development of the underlying Contract documents.
4. In accordance with Chapter 176 of the Texas Local Government Code, that the Offeror:
  - a. does not have an employment or other business relationship with any local government officer of the City or a family member of that officer that results in the officer or family member receiving taxable income;
  - b. has not given a local government officer of the City one or more gifts, other than gifts of food, lodging, transportation, or entertainment accepted as a guest, that have an aggregate value of more than \$100 in the twelve month period preceding the date the officer becomes aware of the execution of the Contract or that City is considering doing business with the Offeror; and
  - c. does not have a family relationship with a local government officer of the City in the third degree of consanguinity or the second degree of affinity.
5. Pursuant to City Council Resolution No. 20191114-056, that its firm and its principals are not currently and will not during the term of the Contract engage in practicing LGBTQ+ conversion therapy; referring persons to a healthcare provider or other person or organization for LGBTQ+ conversion therapy; or Contracting with another entity to conduct LGBTQ+ conversion therapy. If the City determines in its sole discretion that Contractor has

during the term of this Contract engaged in any such practices, the City may terminate this Contract without penalty to the City.

6. Pursuant to Texas Government Code §2271.002, the Contractor verifies that it does not boycott Israel and will not boycott Israel during the term of this contract.
7. Pursuant to Texas Government Code Chapter 2274, the Contractor verifies that if it will have remote or direct access to communication infrastructure systems, cybersecurity systems, the electric grid, hazardous waste treatment systems, or water treatment facilities as a result of this contract, that it is not owned by or the majority of stock or other ownership interest of the Contractor is not held or controlled by:
  - a. individuals who are citizens of China, Iran, North Korea, Russia, or a Governor-designated country; or
  - b. a company or other entity, including a governmental entity, that is owned or controlled by citizens of or is directly controlled by the government of China, Iran, North Korea, Russia, or a Governor-designated country; or
  - c. headquartered in China, Iran, North Korea, Russia, or a Governor-designated country.
8. Pursuant to Texas Government Code Chapter 2274, the Contractor verifies that if it has 10 or more full-time employees, unless the contract contains a written verification from the company that it: (1) does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and (2) will not discriminate during the term of the contract against a firearm entity or firearm trade association.
9. Pursuant to Texas Government Code Chapter 2274, the Contractor certifies that, if they have 10 or more full-time employees: (1) they do not boycott energy companies; and (2) will not boycott energy companies during the term of the contract.

In witness whereof, the parties have caused a duly authorized representative to execute this Contract on the date set forth below.

**CEN-TEX CDC dba BCL OF TEXAS**  
Raquel Valdez Sanchez  
Printed Name of Authorized Person  
  
Signature  
COO  
Title:  
5/16/23  
Date:

**CITY OF AUSTIN**  
Didi Broniszewski  
Printed Name of Authorized Person  
Adrianna Broniszewski Digitally signed by Adrianna Broniszewski  
Date: 2023.05.17 14:50:56 -05'00'  
Signature  
Procurement Specialist IV  
Title:  
5/17/23  
Date:

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The Contractor agrees that the Contract shall be governed by the following terms and conditions.

**1 GENERAL**

**1.1 TERM OF CONTRACT:**

- A. The Contract shall commence upon execution unless otherwise specified and shall continue in effect until all obligations are performed in accordance with the Contract. Upon written notice to the Contractor from the City's Purchasing Officer or designee, unless specified otherwise in the Scope of Work, the Contract may be extended beyond the initial term at the City's sole option unless the Contractor is notified 30 days prior to the expiration. If the City exercises any extension option, all terms, conditions, and provisions of the Contract shall remain in effect for that extension period, subject only to any economic price adjustment otherwise allowed under the Contract.
- B. Upon expiration of the initial term or any period of extension, the Contractor agrees to holdover under the terms and conditions of this Contract for such a period as is reasonably necessary for the City to re-solicit and/or complete the Deliverables due under this Contract. Any holdover period will not exceed 180 calendar days unless mutually agreed on by both parties in writing.

**1.2 INDEFINITE QUANTITY:**

The quantities and/or services listed herein are estimates of the goods and services needed by the City for the period of the Contract. The City reserves the right to purchase more or less of these quantities and/or services as may be required during the Contract term. Quantities and/or services will be as needed and specified by the City for each order. Unless specified in the Contract, there are no minimum order quantities.

**1.3 AUDITS AND RECORDS:**

- A. The Contractor agrees that the representatives of the Office of the City Auditor or other authorized representatives of the City shall have access to, and the right to audit, examine, or reproduce, any and all records of the Contractor related to the performance, including security audits, under this Contract, at the City's expense. The Contractor agrees to refund to the City any overpayments disclosed by any such audit. The City agrees to protect from disclosure Contractor's confidential and proprietary information disclosed during an audit to the same extent it protects its own confidential and proprietary information, subject to the requirements of the Texas Public Information Act, Chapter 2251, Texas Government Code.
- B. Records Retention:
  - i. Contractor is subject to City Code Chapter 2-11 (Records Management), and as it may subsequently be amended.
  - ii. The Contractor shall retain all records for a period of three years after final payment on this Contract or until all audit and litigation matters that the City has brought to the attention of the Contractor are resolved, whichever is longer.

**1.4 FINANCIAL DISCLOSURES AND ASSURANCE:**

The City may request and review financial information as the City requires to determine the credit worthiness of the Contractor, including but not limited to, annual reports, audited financial Statements and reports, bank letters of credit or other credit instruments. Failure of the Contractor to comply with this requirement shall be grounds for terminating the Contract.

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**1.5 RIGHT TO ASSURANCE:**

Whenever one party to the Contract in good faith has reason to question the other party's intent to perform, demand may be made to the other party for written assurance of the intent to perform. If no assurance is given within the time specified after demand is made, the demanding party may treat this failure as an anticipatory repudiation of the Contract.

**1.6 STOP WORK NOTICE:**

The City may issue an immediate Stop Work Notice in the event the Contractor is observed performing in a manner that is in violation of Federal, State, or local guidelines, or in a manner that is determined by the City to be unsafe to either life or property. Upon notification, the Contractor will cease all work until notified by the City that the violation or unsafe condition has been corrected. The Contractor shall be liable for all costs incurred by the City as a result of the issuance of such Stop Work Notice.

**1.7 DEFAULT:**

The Contractor shall be in default under the Contract if the Contractor (a) fails to fully, timely and faithfully perform any of its material obligations under the Contract, (b) fails to provide adequate assurance of performance, (c) becomes insolvent or seeks relief under the bankruptcy laws of the United States or (d) makes a material misrepresentation in Contractor's Offer, or in any report or Deliverable required to be submitted by the Contractor to the City. The City shall be in default if it fails to make payment in accordance with the Payment terms of this Contract.

**1.8 TERMINATION FOR CAUSE:**

In the event of a default by either party, the non-defaulting party shall have the right to terminate the Contract for cause, by written notice effective ten 10 calendar days, unless otherwise specified, after the date of such notice, unless the defaulting party, within such 10 day period, cures such default, or provides evidence sufficient to prove to the non-defaulting party's reasonable satisfaction that such default does not, in fact, exist. Additionally, the City shall have the right to act in accordance with the terms defined by "City of Austin Purchasing Office Probation, Suspension and Debarment Rules for Vendors." In addition to any other remedy available under law or in equity, either party shall be entitled to recover all actual damages, costs, losses and expenses, incurred by the party as a result of the Contractor's default, including, without limitation, cost of cover, court costs, and prejudgment and post-judgment interest at the maximum lawful rate. All rights and remedies under the Contract are cumulative and not exclusive of any other right or remedy provided by law. In the event of termination of the Contract under this Section, the Contractor shall handover all complete and partially complete Work Products and Documentation developed under this Contract.

**1.9 ATTORNEY'S FEES:**

In consideration of the award and execution of this Contract and in consideration of the City's waiver of its right to attorney's fees, the Contractor knowingly and intentionally waives its right to attorney's fees under §271.153, Texas Local Government Code, in any administrative proceeding, alternative dispute resolution proceeding, or litigation arising out of or connected to this Contract.

**1.10 TERMINATION WITHOUT CAUSE:**

The City shall have the right to terminate the Contract, in whole or in part, without cause any time upon 30 calendar days' prior written notice. Upon receipt of a notice of termination, the Contractor shall promptly cease all further work pursuant to the Contract, with such exceptions, if any, specified in the notice of termination. The City shall pay the Contractor, to the extent of funds appropriated or otherwise legally available for such purposes, for all goods delivered and services performed, and obligations incurred prior

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to the date of termination in accordance with the terms hereof. In the event of termination of the Contract under this Section, the Contractor shall handover all complete and partially complete Work Products and Documentation developed under this Contract.

**1.11 FRAUD:**

Fraudulent Statements by the Contractor on any Offer or in any report or Deliverable required to be submitted by the Contractor to the City shall be grounds for the termination of the Contract for cause by the City and may result in legal action.

**1.12 DELAYS:**

The City may delay scheduled delivery or other due dates by written notice to the Contractor if the City deems it is in its best interest. If such delay causes an increase in the cost of the work under the Contract, the City and the Contractor shall negotiate an equitable adjustment for costs incurred by the Contractor in the Contract price and execute an amendment to the Contract. The Contractor must assert its right to an adjustment within 30 calendar days from the date of receipt of the notice of delay. Failure to agree on any adjusted price shall be handled under the Dispute Resolution Clause. However, nothing in this provision shall excuse the Contractor from delaying the delivery as notified.

**1.13 FORCE MAJEURE:**

Contractor may be excused from performance under the Contract for any period when performance is prevented as the result of an act of God, strike, war, civil disturbance, epidemic, pandemic, sovereign conduct, or court order provided that the Contractor experiences the event of force majeure and prudently and promptly acts to take any and all steps that are within the Contractor's control to ensure performance and to shorten the duration of the event of force majeure. Contractor shall provide notice of the force majeure event to the City within three (3) business days of the event or delay, whichever occurs later, to establish a mutually agreeable period of time reasonably necessary to overcome the effect of such failure to perform. Subject to this provision, such non-performance shall not be deemed a default or a ground for termination. However, the City may terminate an order under the Contract if it is determined by the City that the Contractor will not be able to deliver goods or services in a timely manner to meet the business needs of the City.

**1.14 INDEMNITY:**

A. IN THIS SECTION, THE FOLLOWING TERMS HAVE THE MEANINGS ASSIGNED BELOW:

- (1) "INDEMNIFIED PARTY" IS THE CITY AND THE CITY'S OFFICERS, ELECTED AND APPOINTED OFFICIALS, EMPLOYEES, AGENTS, REPRESENTATIVES, SUCCESSORS AND ASSIGNS.
- (2) "INDEMNIFYING PARTY" IS THE CONTRACTOR, ITS OFFICERS, AGENTS, EMPLOYEES, SUBCONTRACTORS, SUCCESSORS AND ASSIGNS.
- (3) THE INDEMNIFYING PARTY SHALL INDEMNIFY, HOLD HARMLESS, AND DEFEND THE INDEMNIFIED PARTY AGAINST ANY AND ALL LOSSES, DAMAGES, LIABILITIES, DEFICIENCIES, CLAIMS, CAUSES OF ACTION, JUDGMENTS, SETTLEMENTS, INTEREST, AWARDS, PENALTIES, FINES, COSTS OR EXPENSES, INCLUDING PROFESSIONAL FEES AND ATTORNEYS' FEES, THAT ARE INCURRED BY THE INDEMNIFIED PARTY ARISING OUT OF ANY DIRECT OR THIRD PARTY CLAIM OF:
  - i. BREACH OR NON-FULFILLMENT OF ANY PROVISION OF THIS CONTRACT BY THE INDEMNIFYING PARTY;
  - ii. ANY FALSE REPRESENTATION OR WARRANTY MADE BY THE INDEMNIFYING PARTY IN THIS CONTRACT OR IN THE INDEMNIFYING PARTY'S PROPOSAL/RESPONSE LEADING TO THIS CONTRACT;

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- iii. ANY NEGLIGENT OR MORE CULPABLE ACT OR OMISSION OF THE INDEMNIFYING PARTY, INCLUDING ANY RECKLESS OR WILLFUL MISCONDUCT, RELATED TO THE PERFORMANCE OF ITS OBLIGATIONS UNDER THIS CONTRACT;
  - iv. BODILY INJURY; DEATH OF ANY PERSON; OCCUPATIONAL ILLNESS OR DISEASE; LOSS OF SERVICES, WAGES, OR INCOME; OR DAMAGE TO REAL OR PERSONAL PROPERTY CAUSED BY THE NEGLIGENT OR MORE CULPABLE ACTS OR OMISSIONS OF INDEMNIFYING PARTY, INCLUDING ANY RECKLESS OR WILLFUL MISCONDUCT; OR
  - v. ANY FAILURE OF THE INDEMNIFYING PARTY TO COMPLY WITH ANY APPLICABLE FEDERAL, STATE, OR LOCAL LAWS, REGULATIONS, OR CODES RELATED TO THE PERFORMANCE OF ITS OBLIGATIONS UNDER THIS CONTRACT.
- B. THE INDEMNIFIED PARTY SHALL GIVE THE INDEMNIFYING PARTY WRITTEN NOTICE (A "CLAIM NOTICE") OF ANY CLAIM RECEIVED RELATED TO THIS CONTRACT. THE INDEMNIFYING PARTY'S DUTY TO DEFEND APPLIES IMMEDIATELY. THE INDEMNIFIED PARTY'S FAILURE TO PROVIDE A CLAIM NOTICE TO THE INDEMNIFYING PARTY DOES NOT RELIEVE THE INDEMNIFYING PARTY OF ITS DUTY TO INDEMNIFY, HOLD HARMLESS AND DEFEND THE INDEMNIFIED PARTY.
- C. THE INDEMNIFIED PARTY MAY SELECT ITS OWN LEGAL COUNSEL TO REPRESENT ITS INTERESTS. THE INDEMNIFYING PARTY SHALL:
- i. REIMBURSE THE INDEMNIFIED PARTY FOR ITS REASONABLE COSTS AND ATTORNEY'S FEES IMMEDIATELY UPON REQUEST, AS THEY ARE INCURRED, AND
  - ii. REMAIN RESPONSIBLE TO THE INDEMNIFIED PARTY FOR ANY LOSSES INDEMNIFIED UNDER THIS SECTION.
- D. THE INDEMNIFYING PARTY SHALL GIVE PROMPT, WRITTEN NOTICE TO THE INDEMNIFIED PARTY OF ANY PROPOSED SETTLEMENT OF A CLAIM THAT IS INDEMNIFIABLE UNDER THIS SECTION. THE INDEMNIFYING PARTY MAY NOT, WITHOUT THE INDEMNIFIED PARTY'S PRIOR, WRITTEN CONSENT, SETTLE OR COMPROMISE ANY CLAIM OR CONSENT TO THE ENTRY OF ANY JUDGMENT REGARDING WHICH INDEMNIFICATION IS BEING SOUGHT UNDER THIS SECTION.
- E. MAINTENANCE OF THE INSURANCE REQUIRED BY THIS CONTRACT SHALL NOT LIMIT THE INDEMNIFYING PARTY'S OBLIGATIONS UNDER THIS SECTION. THE INDEMNIFYING PARTY SHALL REQUIRE ALL SUBCONTRACTORS TO INDEMNIFY THE CITY IN THE SAME MANNER AS PROVIDED IN THIS SECTION.

**1.15 NOTICES:**

Unless otherwise specified, all notices, requests, or other communications required or appropriate to be given under the Contract shall be in writing and shall be deemed delivered three business days after postmarked if sent by U.S. Postal Service Certified or Registered Mail, Return Receipt Requested. Notices delivered by other means shall be deemed delivered upon receipt by the addressee. Notices to the Contractor shall be sent to the address registered with the City. Notices to the City shall be addressed to: City of Austin, Financial Services Department-Central Procurement, 505 Barton Springs Road, Ste 330, Austin, TX 78704 and marked to the attention of the assigned Procurement Specialist.

**1.16 CONFIDENTIALITY:**

The Parties may be granted access to certain of the other Party's or Licensor's Confidential Information (including inventions, employee information, trade secrets, confidential know-how, confidential business information, and other information which the Party or its licensors consider confidential) (Confidential Information) to provide the Deliverables to the City. The Parties acknowledge and agree that the Confidential Information is the valuable property of the disclosing Party and its licensors and any unauthorized use, disclosure, dissemination, or other release of the Confidential Information will substantially injure the disclosing Party and its licensors. The receiving Party (including its employees,



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Subcontractors, agents, or representatives) agrees it will maintain the Confidential Information in strict confidence and shall not disclose, disseminate, copy, divulge, recreate, or otherwise use the Confidential Information without prior written consent of disclosing Party, or in a manner not expressly permitted under this Contract, unless the Confidential Information is required to be disclosed by law or an Order of a court or other governmental authority (including a Texas Attorney General opinion) with proper jurisdiction. In all cases, the receiving Party agrees to promptly notify the disclosing Party before disclosing Confidential Information to permit the disclosing Party reasonable time to seek an appropriate protective Order. The receiving Party agrees to use protective measures no less stringent than the receiving Party uses in its business to protect its own most valuable information. In all circumstances, the receiving Party's protective measures must be at least reasonable measures to ensure the continued confidentiality of the Confidential Information.

- A. The Parties agree: (i) not to use Confidential Information for any reason other than for the purpose of providing or receiving the Deliverables, (ii) not to disclose Confidential Information to any third party other than to its employees who have a need to know the Confidential Information for furtherance of providing the Deliverables, and (iii) to promptly notify the disclosing Party of any request for Confidential Information to be disclosed under any law or order of any court or other governmental authority with proper jurisdiction, so as to permit disclosing Party reasonable time to seek an appropriate protective order.
- B. All Confidential Information and derivations thereof shall remain the sole and exclusive property of disclosing Party, and no license or other right to the Confidential Information or intellectual property is granted or implied hereby. Upon the written request of disclosing Party, the receiving Party shall promptly return to disclosing Party all tangible items of Confidential Information furnished by disclosing Party and all copies thereof or certify in writing that all Confidential Information, including all copies, has been destroyed.
- C. No expiration or termination of the Contract shall affect either Party's rights or obligations with respect to Confidential Information.
- D. The Parties acknowledge and agree that any breach or threatened breach of the Contract could cause harm for which money damages may not provide an adequate remedy.
- E. The parties agree that in the event of such a breach or threatened breach of the Contract, in addition to any other available remedies, City may seek temporary and permanent injunctive relief restraining the Contractor from disclosing or using, in whole or in part, any Confidential Information.

**1.17 TEXAS PUBLIC INFORMATION ACT:**

- A. All material submitted by the Contractor to the City related to the Contract may become subject to public disclosure upon receipt by the City. Any portions of such material claimed by the Contractor to be proprietary must be clearly marked as such. Determination of the public nature of the material is subject to the Texas Public Information Act, Chapter 552, Texas Government Code.
- B. In accordance with Texas Government Code §552.372, if this Contract has a stated expenditure of at least \$1 million in public funds for the purchase of goods or services by the City or results in the expenditure of at least \$1 million in public funds for the purchase of goods or services by the City in a fiscal year, Contractor agrees to:
  - i. Preserve all Contracting information related to the Contract as provided by the records retention requirements in the AUDITS AND RECORDS Section of the Contract;
  - ii. Promptly provide to the City any Contracting information related to the Contract that is in the custody or possession of Contractor on request of the City; and
  - iii. On completion of the Contract, either:

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- (1) Provide at no cost to the City all Contracting information related to the Contract that is in the custody or possession of Contractor; or
  - (2) Preserve the Contracting information related to the Contract as provided by the records retention requirements in the AUDITS AND RECORDS Section of the Contract.
- C. The requirements of Subchapter J, Chapter 552, Texas Government Code, may apply to this Contract, and the Contractor agrees that the Contract can be terminated if the Contractor knowingly or intentionally fails to comply with a requirement of that Subchapter.

**1.18 PUBLICATIONS:**

All published material and written reports submitted under the Contract must be originally developed material unless otherwise specifically provided in the Contract. When material not originally developed is included in a report in any form, the source shall be identified.

**1.19 ADVERTISING:**

The Contractor shall not advertise or publish, without the City's prior written consent, the fact that the City has entered into the Contract, except to the extent required by law.

**1.20 NO CONTINGENT FEES:**

The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure the Contract upon any agreement or understanding for commission, percentage, brokerage, or contingent fee, excepting bona fide employees of bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, the City shall have the right, in addition to any other remedy available, to cancel the Contract without liability and to deduct from any amounts owed to the Contractor, or otherwise recover, the full amount of such commission, percentage, brokerage or contingent fee.

**1.21 GRATUITIES:**

The City may, by written notice to the Contractor, cancel the Contract without liability if it is determined by the City that gratuities were Offered or given by the Contractor or any agent or representative of the Contractor to any officer or employee of the City of Austin with a view toward securing the Contract or securing favorable treatment with respect to the awarding or amending or the making of any determinations with respect to the performing of such Contract. In the event the Contract is canceled by the City pursuant to this provision, the City shall be entitled, in addition to any other rights and remedies, to recover or withhold the amount of the cost incurred by the Contractor in providing such gratuities.

**1.22 PROHIBITION AGAINST PERSONAL INTEREST IN CONTRACTS:**

No officer, employee, independent consultant, or elected official of the City who is involved in the development, evaluation, or decision-making process of the performance of any Solicitation shall have a financial interest, direct or indirect, in the Contract resulting from that Solicitation. Any willful violation of this Section shall constitute impropriety in office, and any officer or employee guilty thereof shall be subject to disciplinary action up to and including dismissal. Any violation of this provision, with the knowledge, expressed or implied, of the Contractor shall render the Contract voidable by the City.

**1.23 INDEPENDENT CONTRACTOR:**

The Contract shall not be construed as creating an employer/employee relationship, a partnership, or a joint venture. The Contractor's services shall be those of an independent Contractor. The Contractor agrees and understands that the Contract does not grant any rights or privileges established for employees of the City.

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**1.24 ASSIGNMENT DELEGATION:**

The Contract shall be binding upon and ensure to the benefit of the City and the Contractor and their respective successors and assigns, provided however, that no right or interest in the Contract shall be assigned and no obligation shall be delegated by the Contractor without the prior written consent of the City. Any attempted assignment or delegation by the Contractor shall be void unless made in conformity with this Paragraph. The Contract is not intended to confer rights or benefits on any person, firm or entity not a party hereto; it being the intention of the parties that there be no third-party beneficiaries to the Contract.

**1.25 WAIVER:**

The claim or right arising out of a breach of the Contract cannot be discharged in whole or in part by a waiver or renunciation of the claim or right unless the waiver or renunciation is supported by consideration and is in writing signed by the aggrieved party. No waiver by either the Contractor or the City of any one or more events of default by the other party shall operate as, or be construed to be, a permanent waiver of any rights or obligations under the Contract, or an express or implied acceptance of any other existing or future default or defaults, whether of a similar or different character.

**1.26 MODIFICATIONS:**

The Contract can be modified or amended only in writing and signed by both parties. No pre-printed or similar terms on any Contractor Invoice, Order, clickwrap agreement or other document shall have any force or effect to change the terms, covenants, and conditions of the Contract.

**1.27 INTERPRETATION:**

The Contract is intended by the parties as a final, complete and exclusive Statement of the terms of their agreement. No course of prior dealing between the parties or course of performance or usage of the trade shall be relevant to supplement or explain any term used in the Contract. Although the Contract may have been substantially drafted by one party, it is the intent of the parties that all provisions be construed in a manner to be fair to both parties, reading no provisions more strictly against one party or the other. Whenever a term defined by the Uniform Commercial Code, as enacted by the State of Texas, is used in the Contract, the UCC definition shall control, unless otherwise defined in the Contract.

**1.28 DISPUTE RESOLUTION:**

- A. If a dispute arises out of or relates to the Contract, or the breach thereof, the parties agree to negotiate prior to prosecuting a suit for damages. However, this Section does not prohibit the filing of a lawsuit to toll the running of a statute of limitations or to seek injunctive relief. Either party may make a written request for a meeting between representatives of each party within 14 calendar days after receipt of the request or such later period as agreed by the parties. Each party shall include, at a minimum, one senior level individual with decision-making authority regarding the dispute. The purpose of this and any subsequent meeting is to attempt in good faith to negotiate a resolution of the dispute. If, within 30 calendar days after such meeting, the parties have not succeeded in negotiating a resolution of the dispute, they will proceed directly to mediation as described below. Negotiation may be waived by a written agreement signed by both parties, in which event the parties may proceed directly to mediation as described below.
- B. If the efforts to resolve the dispute through negotiation fail, or the parties waive the negotiation process, the parties may select, within 30 calendar days, a mediator trained in mediation skills to assist with resolution of the dispute. Should they choose this option, the City and the Contractor agree to act in good faith in the selection of the mediator and to consider qualified individuals nominated to act as mediator. Nothing in the Contract prevents the parties from relying on the skills of a person who is

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trained in the subject matter of the dispute or a Contract interpretation expert. If the parties fail to agree on a mediator within 30 calendar days of initiation of the mediation process, the mediator shall be selected by the Travis County Dispute Resolution Center. The parties agree to participate in mediation in good faith for up to 30 calendar days from the date of the first mediation session. The City and the Contractor will share the mediator's fees equally and the parties will bear their own costs of participation such as fees for any consultants or attorneys they may utilize to represent them or otherwise assist them in the mediation.

**1.29 JURISDICTION AND VENUE:**

The Contract is made under and shall be governed by the laws of the State of Texas, including, when applicable, the Uniform Commercial Code as adopted in Texas, Bus. & Comm. Code, Chapter 1, excluding any rule or principle that would refer to and apply the substantive law of another State or jurisdiction. All issues arising from this Contract shall be resolved in the courts of Travis County, Texas and the parties agree to submit to the exclusive personal jurisdiction of such courts. The foregoing, however, shall not be construed or interpreted to limit or restrict the right or ability of the City to seek and secure injunctive relief from any competent authority as contemplated herein.

**1.30 INVALIDITY:**

The invalidity, illegality, or unenforceability of any provision of the Contract shall in no way affect the validity or enforceability of any other portion or provision of the Contract. Any void provision shall be deemed severed from the Contract and the balance of the Contract shall be construed and enforced as if the Contract did not contain the particular portion or provision held to be void. The parties further agree to reform the Contract to replace any stricken provision with a valid provision that comes as close as possible to the intent of the stricken provision. The provisions of this Section shall not prevent this entire Contract from being void should a provision which is the essence of the Contract be determined to be void.

**1.31 HOLIDAYS:**

Dates for the holidays observed by the City can be found here <https://www.austintexas.gov/department/official-city-holidays>

If a Legal Holiday falls on Saturday, it will be observed on the preceding Friday. If a Legal Holiday falls on Sunday, it will be observed on the following Monday.

**1.32 SURVIVABILITY OF OBLIGATIONS:**

All provisions of the Contract that impose continuing obligations on the parties, including but not limited to the warranty, indemnity, and confidentiality obligations of the parties, shall survive the expiration or termination of the Contract.

**1.33 EQUAL OPPORTUNITY:**

A. **Equal Employment Opportunity:** No Contractor, or Contractor's agent, shall engage in any discriminatory employment practice as defined in Chapter 5-4 of the City Code. No Offer submitted to the City shall be considered, nor any Purchase Order issued, or any Contract awarded by the City unless the Offeror has executed and filed with the City Purchasing Office a current Non-Discrimination Certification. Non-compliance with Chapter 5-4 of the City Code may result in sanctions, including termination of the Contract and the Contractor's suspension or debarment from participation on future City Contracts until deemed compliant with Chapter 5-4.

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- B. **Non-Retaliation:** The Contractor agrees to prohibit retaliation, discharge or otherwise discrimination against any employee or applicant for employment who has inquired about, discussed or disclosed their compensation.
- C. **Americans with Disabilities Act (ADA) Compliance:** No Contractor, or Contractor's agent, shall engage in any discriminatory practice against individuals with disabilities as defined in the ADA, including but not limited to: employment, accessibility to goods and services, reasonable accommodations, and effective communications.

**1.34 SUBCONTRACTORS:**

- A. Work performed for the Contractor by a Subcontractor shall be pursuant to a written Contract between the Contractor and Subcontractor. The terms of the Subcontract may not conflict with the terms of the Contract and shall contain provisions that
  - i. Require that all Deliverables and services to be provided by the Subcontractor be provided in strict accordance with the provisions, Specifications and terms of the Contract;
  - ii. Prohibit the Subcontractor from further Subcontracting any portion of the Contract without the prior written consent of the City and the Contractor. The City may require, as a condition to such further Subcontracting, that the Subcontractor post a payment bond in form, substance and amount acceptable to the City;
  - iii. Require Subcontractors to submit all Invoices and applications for payments, including any claims for additional payments, damages or otherwise, to the Contractor in sufficient time to enable the Contractor to include same with its Invoice or application for payment to the City in accordance with the terms of the Contract;
  - iv. Require that all Subcontractors obtain and maintain, throughout the term of their Contract, insurance in the type and amounts specified for the Contractor, with the City being a named insured as its interest shall appear; and
  - v. Require that the Subcontractor follow terms as defined in section, AUDITS AND RECORDS and City Code Chapter 2-11
- B. The Contractor shall be fully responsible to the City for all acts and omissions of the Subcontractors just as the Contractor is responsible for the Contractor's own acts and omissions. Nothing in the Contract shall create for the benefit of any such Subcontractor any Contractual relationship between the City and any such Subcontractor, nor shall it create any obligation on the part of the City to pay or to see to the payment of any moneys due any such Subcontractor except as may otherwise be required by law.
- C. The Contractor shall pay each Subcontractor its appropriate share of payments made to the Contractor not later than 10 calendar days after receipt of payment from the City.

**1.35 INSURANCE:**

**A GENERAL INSURANCE REQUIREMENTS:**

- i. The Contractor shall provide a Certificate of Insurance as verification of coverages and endorsements required in Section B., Specific Insurance Requirements, to the City prior to Contract execution and within 14 calendar days after written request from the City. Failure to provide the required Certificate of Insurance may subject the Offer to disqualification from consideration for award. The Contractor must also forward a Certificate of Insurance to the City whenever a previously identified policy period has expired, or an extension option or hold over period is exercised, as verification of continuing coverage.
- ii. All endorsements naming the City as additional insured, waivers, and notices of cancellation shall indicate, and the Certificate of Insurance shall be mailed to the following address:

City of Austin Financial Services Department-Central Procurement  
505 Barton Springs Road, Ste 330

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Austin, TX 78704

OR

[PURInsuranceCompliance@austinTexas.gov](mailto:PURInsuranceCompliance@austinTexas.gov)

- iii. The Contractor shall not commence work until the required insurance is obtained and until such insurance has been reviewed by the City. Approval of insurance by the City shall not relieve or decrease the liability of the Contractor hereunder and shall not be construed to be a limitation of liability on the part of the Contractor.
  - iv. The City may request that the Contractor submit certificates of insurance to the City for all Subcontractors prior to the Subcontractors commencing work on the project.
  - v. The Contractor's and all Subcontractors' insurance coverage shall be written by companies authorized to do business in the State of Texas and have an A.M. Best rating of B+VII or better.
  - vi. The "other" insurance clause shall not apply to the City where the City is an additional insured shown on any policy. It is intended that policies required in the Contract, covering both the City and the Contractor, shall be considered primary coverage as applicable.
  - vii. If insurance policies are not written for amounts specified in Section B., Specific Insurance Requirements, the Contractor shall carry Umbrella or Excess Liability Insurance for any differences in amounts specified. If Excess Liability Insurance is provided, it shall follow the form of the primary coverage.
  - viii. The City shall be entitled, upon request, at an agreed upon location, and without expense, to review certified copies of policies and endorsements thereto and may make any reasonable requests for deletion or revision or modification of particular policy terms, conditions, limitations, or exclusions except where policy provisions are established by law or regulations binding upon either of the parties hereto or the underwriter on any such policies.
  - ix. The City reserves the right to review the insurance requirements set forth during the effective period of the Contract and to make reasonable adjustments to insurance coverage, limits, and exclusions when deemed necessary and prudent by the City based upon changes in exposure, statutory law, court decisions, the claims history of the industry or financial condition of the insurance company as well as the Contractor.
  - x. The Contractor shall not cause any insurance to be canceled nor permit any insurance to lapse during the term of the Contract or as required in the Contract.
  - xi. The Contractor shall be responsible for premiums, deductibles and self-insured retentions, if any, stated in policies. Self-insured retentions greater than \$499,999 shall be disclosed on the Certificate of Insurance.
  - xii. If any required insurance is written on a claims-made basis, the Certificate of Insurance shall state that the coverage is claims-made and the retroactive date shall be prior to or coincident with the date of the Contract and the coverage continuous and shall be provided for 24 months following the completion of the Contract.
  - xiii. The insurance coverages specified in Section B., Specific Insurance Requirements, are required minimums and are not intended to limit the responsibility or liability of the Contractor.
- B. **Specific Insurance Coverage Requirements**: The Contractor, consistent with its status as an independent Contractor shall carry and will cause its Subcontractors to carry, at a minimum insurance in the types and amounts indicated below for the duration of the Contract, including extension options and hold over periods, and during any warranty period.
- i. **Worker's Compensation and Employers' Liability Insurance**: Coverage shall be consistent with statutory benefits outlined in the Texas Worker's Compensation Act (Section 401). The minimum

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policy limits for Employer's Liability are \$100,000 bodily injury each accident, \$500,000 bodily injury by disease policy limit and \$100,000 bodily injury by disease each employee.

- (1) The Contractor's policy shall apply to the State of Texas and include these endorsements in favor of the City of Austin:
  - a. Waiver of Subrogation, Form WC420304, or equivalent coverage;
  - b. 30 Days' Notice of Cancellation, Form WC420601, or equivalent coverage.
  
- ii. **Commercial General Liability Insurance:** Coverage with minimum bodily injury and property damage per occurrence limits of \$500,000 for coverages A (Bodily Injury and Property Damage) and B (Personal and Advertising Injury).
  - (1) The policy shall contain the following provisions:
    - a. Contractual liability coverage for liability assumed under the Contract and all other Contracts related to the project;
    - b. Independent Contractors coverage (Contractor/Subcontracted work);
    - c. Products/Completed Operations Liability for the duration of the warranty period;
    - d. If the project involves digging or drilling, provide Explosion, Collapse, and Underground (X, C, & U) Coverage.
  - (2) The policy shall also include these endorsements in favor of the City of Austin:
    - a. Waiver of Subrogation, Endorsement CG 2404, or equivalent coverage;
    - b. 30 Days' Notice of Cancellation, Endorsement CG 0205, or equivalent coverage;
    - c. The City of Austin listed as an additional insured, Endorsement CG 2010, or equivalent coverage.
  
- iii. **Business Automobile Liability Insurance:** Coverage for all owned, non-owned and hired vehicles with a minimum combined single limit of \$500,000 per occurrence for bodily injury and property damage. Alternate acceptable limits are \$250,000 bodily injury per person, \$500,000 bodily injury per occurrence and at least \$100,000 property damage liability per accident.
  - (1) The policy shall include these endorsements in favor of the City of Austin:
    - a. Waiver of Subrogation, Endorsement CA0444, or equivalent coverage;
    - b. 30 Days' Notice of Cancellation, Endorsement CA0244, or equivalent coverage;
    - c. The City of Austin listed as an additional insured, Endorsement CA2048, or equivalent coverage.
  
- iv. **Professional Liability/Technology Errors and Omissions Insurance:** The Contractor shall provide coverage, at a minimum limit of \$1,000,000 per claim, to pay on behalf of the assured all sums which the assured shall become legally obligated to pay as damages by reason of any negligent act, error, omission, or breach of security (including but not limited to any confidential or private information) arising out of the performance of professional services under this Agreement. The required coverage shall extend to technology licensed and/or purchased, including any Software licensed or Hardware purchased under this Contract.
  
- v. **Cyber Liability Insurance:** Coverage of not less than \$2,000,000 each claim and \$4,000,000 annual aggregate providing coverage for damages and claims expenses, including notification expenses, arising from (1) breach of network security, (2) alteration, corruption, destruction or deletion of information stored or processed on a computer system, (3) invasion of privacy, including identity theft and unauthorized transmission or publication of personal information, (4) unauthorized access and use of computer systems, including hackers (5) the transmission of malicious code, and (6) website content, including claims of libel, slander, trade libel, defamation, infringement of copyright, trademark and trade dress and invasion of privacy.

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Policy shall be endorsed to name City of Austin, its Affiliates, and their respective directors, officers, employees, and agents, as additional insureds.

- C. Endorsements:** The specific insurance coverage endorsements specified above, or their equivalents must be provided. If endorsements, which are the equivalent of the required coverage, are proposed to be substituted for the required coverage, copies of the equivalent endorsements must be provided for the City's review and approval.

## **2 SERVICES**

### **2.1 ACCEPTANCE OF INCOMPLETE OR NON-CONFORMING DELIVERABLES AND/OR SERVICES:**

If, instead of requiring immediate correction or removal and replacement of defective or non-conforming Deliverables or Services, the City prefers to accept it, the City may do so. The Contractor shall pay all claims, costs, losses and damages attributable to the City's evaluation of and determination to accept such defective or non-conforming Deliverables or Services. If any such acceptance occurs prior to final payment, the City may deduct such amounts as are necessary to compensate the City for the diminished value of the defective or non-conforming Deliverables or Services. If the acceptance occurs after final payment, such amount will be refunded to the City by the Contractor within 30 calendar days of notification provided by the City.

### **2.2 WORKFORCE:**

- A. The Contractor shall employ only orderly and competent workers, skilled in the performance of the services which they will perform under the Contract.
- B. The Contractor, its employees, Subcontractors, and Subcontractor's employees may not while engaged in participating or responding to a Solicitation or while in the course and scope of delivering goods or services under a City of Austin Contract or on the City's property:
  - i. Illegally use or possess a firearm, except as required by the terms of the Contract; or
  - ii. Use or possess alcoholic or other intoxicating beverages, illegal drugs or controlled substances, nor may such workers be intoxicated, or under the influence of alcohol or drugs, on the job.
- C. If the City or the City's representative notifies the Contractor that any worker is incompetent, disorderly or disobedient, has knowingly or repeatedly violated safety regulations, has illegally possessed any firearms, or has possessed or was under the influence of alcohol or drugs on the job, the Contractor shall immediately remove such worker from Contract services, and may not employ such worker again on Contract services without the City's prior written consent.

### **2.3 DATA SECURITY:**

The Contractor shall:

- A. Notify the City of a Security Incident as soon as practicable, but no later than 24 hours after the Contractor becomes aware of it; and
- B. Notify the City Identified Contact of any of a Security Incidents by telephone at 512-974-4357 and email at [cybersecurity@austintexas.gov](mailto:cybersecurity@austintexas.gov) and [AE-Exec-Info-Sec@austinenergy.com](mailto:AE-Exec-Info-Sec@austinenergy.com).
- B. All vendors and subcontractors who have access to city data are required to have internal privacy and security policies.
- C. All vendors and subcontractors are required to provide proof of at least annual cybersecurity training for all authorized persons with access to city data.



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**2.4 TRAVEL EXPENSES:**

All travel, lodging and per diem expenses in connection with the Contract for which reimbursement may be claimed by the Contractor under the terms of the Solicitation will be reviewed against the current United States General Services Administration Domestic Per Diem rates as published and maintained online at: <https://www.gsa.gov/travel/plan-book/per-diem-rates>

No amounts in excess of the Travel Policy or rates shall be paid. All Invoices must be accompanied by copies of detailed itemized receipts (e.g. hotel bills, airline tickets). No reimbursement will be made for expenses not actually incurred. Airline fares in excess of coach or economy will not be reimbursed. Mileage charges may not exceed the amount permitted as a deduction in any year under the Internal Revenue Code or Regulations.

**2.5 PLACE AND CONDITION OF WORK:**

The City shall provide the Contractor access to the sites where the Contractor is to perform the services as required for the Contractor to perform the services in a timely and efficient manner, in accordance with and subject to the applicable security laws, rules, and regulations. The Contractor acknowledges that it has satisfied itself as to the nature of the City's service requirements and Specifications, the location and essential characteristics of the work sites, the quality and quantity of materials, equipment, labor and facilities necessary to perform the services, and any other condition or state of fact which could in any way affect performance of the Contractor's obligations under the Contract. The Contractor hereby releases and holds the City harmless from and against any liability or claim for damages of any kind or nature if the actual site or service conditions differ from expected conditions.

**2.6 COMPLIANCE WITH HEALTH, SAFETY, AND ENVIRONMENTAL REGULATIONS:**

The Contractor, its Subcontractors, and their respective employees, shall comply fully with all applicable Federal, State, and local health, safety, and environmental laws, ordinances, rules and regulations in the performance of the services, including but not limited to those promulgated by the City and by the Occupational Safety and Health Administration (OSHA). In case of conflict, the most stringent safety requirement shall govern. The Contractor shall indemnify and hold the City harmless from and against all claims, demands, suits, actions, judgments, fines, penalties and liability of every kind arising from the breach of the Contractor's obligations under this Paragraph.

**2.7 WORKFORCE SECURITY CLEARANCE AND IDENTIFICATION (ID):**

- A. Access to all City buildings by the Contractor, all Subcontractors and their employees will be strictly controlled, at all times, by the City. Security badges will be issued by the Department for this purpose. The Contractor shall submit a complete list of all persons requiring access to all City buildings at least 30 days in advance of their need for access. The City reserves the right to deny a security badge to any Contractor personnel for reasonable cause. The City will notify the Contractor of any such denial no more than 20 days after receipt of the Contractor's submittal.
- B. Where denial of access by a particular person may cause the Contractor to be unable to perform any portion of the work of the Contract, the Contractor shall so notify the City's Contract Manager, in writing, within 10 days of the receipt of notification of denial.
- C. Contractor personnel will be required to check in at the security desk when entering or leaving all City buildings and security badges must be on display, at all times, when in the building. Failure to do so may be cause for removal of Contractor Personnel from the worksite, without regard to Contractor's schedule. Security badges may not be removed from the premises.

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- D. The Contractor shall provide the City's Contract Manager with a list of personnel scheduled to enter the building, seven days in advance. The list shall identify the persons by name, date of birth, driver's license number, the times that they will be inside the building and the areas where they will be working. Only persons previously approved by the City for the issuance of security badges will be admitted to the building.
- E. The Contractor shall comply with all other security requirements imposed by the City and shall ensure that all employees and Subcontractors are kept fully informed as to these requirements.

**3 DEFINITIONS**

- 1. **"Affiliate"** – including but not limited to, (i) Contractor's parent, subsidiaries, sister companies, partnerships, joint ventures, franchisees, assigns, business partners, contractors, subcontractors and consultants, controlling, controlled by or under common control of Contractor as they may change from time to time and (ii) Users, as they may change from time to time.
- 2. **"Amendment"** – a written document executed by both Parties that modifies the terms of this Contract, including referenced attachments.
- 3. **"Authorized Persons"** – the Contractor personnel (including subcontractor personnel) located in the contiguous United States having successfully completed the required background check and related requirements of the Contract.
- 4. **"Change Order Request"** – the written document provided by the City to Contractor requesting changes to Contractor's obligations under this Contract.
- 5. **"Change Order Response"** – the written document provided to the City by Contractor in response to City's Change Order Request.
- 6. **"City Confidential Information"** – (a) information provided by the City that is marked or identified as confidential, (b) information, including software, computer programs, documentation, processes, procedures, techniques, technical, financial, customer, personnel and other business information of a non-public nature that would reasonably be understood to be confidential whether or not marked or identified as confidential, (c) information generated by Contractor (or subcontractor) that contains, reflects, or is derived from Confidential Information, (d) Personal Identifying Information, (e) Restricted Data , and (f) all other information made confidential by federal, state or local law or regulation. City Confidential Information is part of City Data.
- 7. **"City Data"** – data or information (in any form) regarding the City or its customers that is created, collected, provided, obtained, or otherwise made available in connection with this Contract to an Authorized Person.
- 8. **"City Identified Contact"** – the person or persons designated in writing by the City to receive security incident notifications.

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9. **“City”** – the City of Austin, Texas, a municipal corporation and subdivision of the State of Texas, or a department of same.
10. **“Cloud Service”** – any Service made available to Users via the Internet from a provider's servers as opposed to being provided from the City’s own on-premises servers. In this instance, it would mean such Services provided by the Contractor.
11. **“Confidential Information”** – all written or oral information, which may be disclosed by either Party to the other, related to the business operations of either Party or a third party that has been identified as confidential or that by the nature of the information or the circumstances surrounding disclosure ought reasonably to be treated as confidential; **“City Confidential Information”** is a subsets of Confidential Information.
12. **“Contract”** – the final general authorizing document (including Change Orders thereto) utilized by the City to procure Services from Contractor and any attachments and appendices attached thereto.
13. **“Contract Price”** – the total amount to be paid to Contractor under any Purchase Order as it may be adjusted or changed in accordance with the terms of the final Contract.
14. **“Contractor”** – the contractor and its employees, subcontractors, agents and affiliates who are providing the services agreed to under the contract.
15. **“Contractor Information”** – all techniques, algorithms and methods or rights thereto owned by or licensed to Contractor during the term of this Contract and employed by Contractors in connection with the Services provided to City.
16. **“Contractor Software”** – software that was developed or licensed to Contractor independent of this Contract and which Contractor utilizes to provide the Subscription Services or the Non-subscription Services.
17. **“Data Breach”** – the unauthorized access by a non-authorized person(s) that results in the use, disclosure or theft of City’s or City’s customers’ unencrypted Personally Identifiable Information or City Confidential Information.
18. **“Documentation”** – the documentation created by the Contractor for the Services provided but does not include customized documentation prepared under the Contract and which are Deliverables under the Contract, including the Statement of Work; such Deliverables are wholly owned by City and Contractor shall make no claim to such Deliverables.
19. **“Facility”** – the City designated facility or location set forth in the Purchase Order where Services are to be performed by Contractor or Supplier or software installed.
20. **“FACTA”** – the Fair and Accurate Credit Transactions Act, 15 U.S.C. §§ 1681-1681x.

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21. **“Final Acceptance Date”** – the date upon which the City confirms that all Services and Work Products have been completed and tested and function in accordance with the terms of the Contract.
22. **“IaaS Subscription Schedule”** – the document, part of the Contract, executed by both Parties that sets out the Parties’ rights and obligations with respect to City’s access to and use of the IaaS services.
23. **“Infrastructure-as-a-Service” (IaaS)** – the capability provided to the consumer to provision processing, storage, networks and other fundamental computing resources where the consumer is able to deploy and run arbitrary software, which can include operating systems and applications. The consumer does not manage or control the underlying cloud infrastructure but has control over operating systems, storage, deployed applications and possibly limited control of select networking components (e.g., host firewalls).
24. **“Non-Public Data”** – data typically considered internal and used for city business or mission needs. All information is considered Non-Public unless otherwise classified or explicitly defined through the Information Governance Program or official policy or procedural documents.
25. **“Public Data”** means data typically created for public release or released to the public through management decision and/or a public information request.
26. **“Restricted Data”** means data typically exempt from public disclosure requirements under the provisions of applicable state or federal law. Examples of restricted information are regulated and confidential data.
27. **“Non-Subscription Services”** – the Services provided to City by Contractor under this Contract that are not included in the definition of Subscription Services. Non-subscription Services shall include, but not be limited to, consulting, implementation, customization and other services provided to City by Contractor under this Contract, together with all documentation provided by or otherwise required of Contractor for any of the consulting, implementation, customization or other Services it provides.
28. **“PaaS Subscription Schedule”** – the document, part of the Contract, executed by both Parties that sets out the Parties’ rights and obligations with respect to City’s access to and use of the PaaS services.
29. **“Party” or “Parties”** – the City and Contractor, individually or together, as applicable.
30. **“Personally Identifiable Information”** – information that can be used to distinguish or trace an individual's identity, either alone or when combined with other personal or identifying information that is linked or linkable to a specific individual. PII includes, but is not limited to, personal information and/or personal data. Some forms of PII are considered Restricted Data and require additional protection, including, but not limited to, Sensitive Personal Information (SPI), Sensitive and/or Protected PII, and Protected Health Information (PHI).
31. **“Platform-as-a-Service” (PaaS)** – the capability provided to the City to deploy onto the cloud infrastructure consumer-created or -acquired applications created using programming languages and tools supported by

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the provider. This capability does not necessarily preclude the use of compatible programming languages, libraries, services and tools from other sources. The consumer does not manage or control the underlying cloud infrastructure, including network, servers, operating systems or storage, but has control over the deployed applications and possibly application hosting environment configurations.

32. **“Purchase Order”** – the general authorizing document (including Change Orders thereto) utilized by the City to procure Services from Contractor under this Contract and any attachments and appendices attached thereto.
33. **“SaaS Software Application”** and **“SaaS Software”** – the computer software listed on a SaaS Subscription Schedule to which Contractor has granted City access and use as part of the Subscription Services. This includes any customization, other derivative works, upgrades, releases, fixes, patches, etc. related to the software that Contractor develops or deploys during the term of this Contract, together with all documentation provided by or otherwise required of Contractor for any of the software, customization, other derivative works, upgrades, releases, fixes, patches, etc.
34. **“SaaS Subscription Schedule”** – the document, part of the Contract, executed by both Parties that sets out the Parties’ rights and obligations with respect to City’s access to and use of the SaaS Software Application.
35. **“Security Incident”** – any actual or potential unauthorized disclosure of, or unauthorized access to, City Confidential Information; or a violation or imminent threat of violation of computer security policies, acceptable use policies, or violation or imminent threat of violation of industry standard security practices.
36. **“Service Level Agreement” (SLA)** – a written agreement between both the City and the Contractor that is subject to the terms and conditions of the Contract that, unless otherwise agreed, includes (1) the technical service level performance promises, (i.e. metrics for performance and intervals for measure), (2) description of service quality, (3) identification of roles and responsibilities, (4) security responsibilities and notice requirements, (5) how disputes are discovered and addressed, and (6) any remedies for performance failures by or otherwise required of Contractor for any of the software, customization, other derivative works, upgrades, releases, fixes, patches, etc.
37. **“Service Levels”** – the performance specifications for work performed by the Contractor under a SaaS Subscription Schedule or Statement of Work.
38. **“Services”** – work, direction of work, installation services, technical information, technical consulting, software programming and development, software maintenance and support services, or other professional and technical services furnished by Contractor as described in detail in the final Contract.
39. **“Software”** – the computer programs in source code, object code or binary form or in any other form, including any related or included computer programs, whether owned by Licensor or licensed to Licensor

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by a third party which has authorized Licensor to sublicense such computer programs, and including any documentation or related materials concerning the application, use, training of users, theory of operation, maintenance or any other aspect of the Software.

40. **“Software-as-a-Service” (SaaS)** – the Services provided to the City to use the Contractor’s offering running on non-City owned infrastructure. The User does not manage or control the underlying cloud infrastructure including network, servers, operating systems, storage or even individual application capabilities, with the possible exception of limited user-specific application configuration settings.
41. **“Specifications”** – those technical specifications attached to the Contract and to which the Services and Work Products supplied by Contractor must conform.
42. **“Statement/Scope of Work”** – a written statement of Deliverables including Services and, ultimately, the Contract, which describes the City’s Service needs and expectations.
43. **“Subscription Services”** – City’s access to and use of and Contractor’s provision of the SaaS Software Applications and other Services listed on a SaaS Subscription Schedule and in accordance with the terms and conditions set forth in the SaaS Subscription Schedule and Contract documents, as appropriate.
44. **“Third Party”** – any natural person or legal entity other than Contractor and City.
45. **“Transition Date”** – the date upon which it is established to City’s satisfaction that the SaaS Software Application is stable enough to support City’s production processing.
46. **“User Information”** – all information directly or indirectly obtained from Users accessing the SaaS Software Applications where such information is obtained by Contractor or by any of its employees, representatives, agents or any Third Parties having contractual privity with Contractor or who are under Contractor’s supervision or control.
47. **“User”** – City’s employees, agents, consultants, outsourcing companies, contractors and others who are authorized by City to access and use the SaaS Software Applications and any part or portion of the Subscription Services or non-Subscription Services in the performance of their duties for City.
48. **“Work Product”** – all deliverables and other materials, products or modifications developed or prepared for City by Contractor under this Contract, including without limitation, any integration software or other software, all data, program images and text viewable on the Internet, any HTML code relating thereto, or any program code, including program code created, developed or prepared by Contractor under or in support of the performance of its obligations under this Contract, including manuals, training materials and documentation, but excluding the Contractor’s Software.

## EXHIBIT A

### **BUSINESS & COMMUNITY LENDERS OF TEXAS DBA**

#### **COMMUNITY LOAN CENTER OF AUSTIN**

##### **EXECUTIVE SUMMARY**

Fair and impartial access to credit and financial products is a core component of building household financial stability. Two out of three Americans do not have sufficient savings to cover an unexpected expense of \$500. Further, income uncertainty and volatility cause many families to experience spikes and dips in their monthly budgets, often leaving insufficient capital to cover expenses. With limited access to traditional lines of credit, many consumers turn to small loan products to weather a financial shock or to smooth their income fluctuations. While predatory, expensive products can lead consumers into a cycle of repeated usage and mounting debt, consumer-friendly products can provide the opportunity to build credit and improve financial capability. Small-dollar lending is a priority for the Consumer Financial Protection Bureau (CFPB). There are currently no comprehensive federal rules regulating nonbank providers in this marketplace, and state laws vary greatly.

In the United States more than half of the nation's consumers (56%) have subprime credit scores. Research from the Corporation for Enterprise Development (CFED), finds that the consumer loan borrowers cannot qualify for affordable and safe credit and are more likely to resort to high-cost predatory loans to meet everyday financial needs. The CFED research finds that one in five households relies on payday and auto title alternative financial services.

Texas has some of the most lenient small-dollar lending regulations of any state. Weak industry oversight in combination with a large working poor population has made Texas a profit center for many of the highest-cost loan providers. In 2021 Texas payday and auto title lenders charged Texas borrowers approximately \$175 million in loan fees, with costs averaging \$24.71 for every \$100 borrowed for a loan with a two-week to one-month term, according data from the State of Texas Office of Consumer Credit Commissioner (OCCC). The annualized interest rate on these expensive loans averages about 439%. Unfortunately, the majority of these borrowers were not able to repay these loans on time and incurred high refinance fees. Research from Pew Charitable Trusts discovered that in a year-long period, the average payday loan borrower in the US is indebted for five months, spending a total of \$895 for what was initially a \$375 loan. Pew found that only 14% of payday borrowers were able to pay off the full loan within the standard two-week period. In 2021, auto title loan borrowers had to refinance their

expensive loans twice, incurring roughly \$1,046.18 in fees on loan in the amount \$500. State finance laws are a patchwork code and regulations ranging from prohibiting payday laws entirely to some regulation as Texas' 'free-wheeling' unregulated approach. Weak state small-dollar lending laws in Texas provide similar loopholes to predatory lenders, who have converged lower income neighborhoods in cities. A loophole in Texas laws allows payday lenders to broker consumer loans with high or even unlimited fees. As a result, the number of payday loan and auto title loan stores in the last decade grew 10 times faster than the Texas population. With unlimited fees, some payday lenders charge mostly lower income borrowers the equivalent of 496% APR on these short-term loans. Payday and auto title lenders in Texas extract over \$1.5 billion each year from mostly lower income customers who would otherwise spend most of this money for other household expenses. Currently, Texas consumers have very little protection from payday lenders.

The Community Loan Center of Austin program allows Certified Development Financial Institutions (CDFI's) like BCL of Texas to combat predatory payday lending in their respective markets. BCL of Texas was incorporated in 1990 as an IRS 501c(3) nonprofit corporation with the mission to build stronger communities through lending and financial stability and asset building programs. BCL of Texas administers the Community Loan Center (CLC) of Austin program offering affordable small dollar loan program. The CLC program has been operating in various Texas markets such as Dallas and Austin (operated by BCL of Texas) and East Texas, Houston, Laredo, San Antonio, and the Rio Grande Valley. The Community Loan Center Program utilizes exclusively designed centralized software and loan funding and servicing features that allow the program partners to realize economies of scale otherwise not available if they each addressed the issue individually. Each CLC local lender is a non-profit organization that has experience in lending with a specific service area which includes the geographic focus areas. BCL of Texas is the local lender for the Austin market. The Community Loan Center program is an employer-based, short-term, payday loan program along with software to originate, process, and service the small dollar loans. Started in 2011 in the Rio Grande Valley, the Community Loan Center program offers employees of participating companies fairly priced small-dollar loans and free financial counseling and education. BCL of Texas uses proprietary software program and portal websites to administer the Community Loan Center of Austin program. Employees apply online with the user-friendly Community Loan Center website for a loan up to \$1,000, with a maximum 18% interest with a \$20 administrative fee. Borrowers have up to 12 months to repay with no prepayment penalty. An additional portal is accessible for the employer partners offering the program to their employees to verify employment and



payroll deductions as payment. BCL of Texas has a portal to review their borrowers, employers, and total portfolio performance. BCL of Texas is a regulated lender with the Office of Consumer Credit Commissioner (OCCC). BCL officially launched the Community Loan Center of Dallas in November of 2014 and in April 2016 BCL launched the Community Loan Center of Austin. To date Community Loan Center programs operated by BCL of Texas have made 32,277 loans totaling \$31,502,366. Cumulatively with all of the Community Loan Center partners there is a total of 378 employers with a total of 120,685 employees eligible to access the Community Loan Center program. BCL of Texas competes directly with payday and auto title lenders, and saves Texas borrowers \$1,027 per loan compared to the cost of a payday loan for the same amount and loan term. Currently in Central Texas there is no other alternative small dollar loan program that offers interest rates at 18% or below and for a term of 12 months.

The Community Loan Center program is also the only small dollar loan program alternative that is operated by a non-profit organization where all of the loan payments are returned to the loan fund and revolved to provide additional loans. Industry and public policy organizations such as RAISE Texas, Consumer Financial Protection Bureau, and Texas Appleseed have research to support the lack of alternative small dollar loan programs that lower the cost of fees incurred by the borrower. The Community Loan Center program has the lowest fees compared to all other alternative loan programs administered in Texas. BCL of Texas has been committed to working with the City of Austin in support financial wellness in the workplace and would like to continue to do so in continuation of the program.

## **HISTORY**

BCL of Texas launched the Community Loan Center of Austin, a small dollar loan program with the City of Austin effective January 1, 2019. From inception through December 31, 2022 a total of 5151 loans were provided, totaling \$5,048,593.32, to a total of 2781 unduplicated employees. Employees provided guidance. Currently as of February 28, 2023 there are a total of 1090 active borrowers, with open loan balances of \$686,354.82. Based on the optional demographic data provided by City of Austin CLC of Austin applicant the racial data is:

- 1.72% Native American
- 0.54% Asian
- 39.84% Black
- 0.48% Pacific Islander
- 4.25% Two or More Races

- 6.15% White, non-Hispanic/Latino
- 47.02% Hispanic/Latino

Rondella Hawkins, Department Director of the City of Austin’s Telecommunications and Regulatory Affairs office, was quoted stating that, “We had about over 10% participation of the workforce, of our employees, taking advantage (of the program).” She also shared how important the program was not just from a financial accessibility level, but for the additional features of financial coaching.

- Video with Rondella Hawkins on the Community Loan Center of Austin- <https://youtu.be/iU61BGcMxEM>

City of Austin employee, Kimberly Gilbertson participated in the financial education classes and coaching service stating, “I found BCL to be a very welcoming place and nonjudgmental place and was able to get me to first steps. Working with BCL has been empowering. The program has given me and my husband the confidence that we need to feel like we can carry out our financial goals.”

- Video with Kimberly Gilbertson on the Financial Coaching and Education provide to City of Austin employees through the CLC of Austin program- <https://youtu.be/SbcrRow-igo>

BCL of Texas as US Treasury designed Community Development Financial Institution (CDFI) provide the Community Loan Center of Austin, small dollar loan program and financial education and coaching services with the goal of increasing economic growth and job creation in low-income areas; creating housing for low-income individuals; stabilizing population decline in distressed communities; improving the availability and quality of financial services and products in underserved markets; increasing the number of business owned by women and ethnic minorities; and promoting the growth of businesses.

**STATEMENT OF WORK (SOW)**

- a) BCL of Texas will offer small dollar loans from a minimum of \$400 to a maximum of \$1000.
- b) The interest rate range depends on the amount borrowed and the term with a maximum rate of 18%, 21.63% APR.
- c) The term will not exceed twelve (12) months.
- d) There are no credit checks or collateral requirements.

- e) BCL of Texas will request that the City of Austin honor a voluntary wage assignment by employees for the loan payments to be sent directly to BCL of Texas, provided the employee completed and does not revoke the required authorization.

#### Optional Features

- a) BCL of Texas is available to provide financial coaching and education classes and services. BCL of Texas, working in partnership with NeighborWorks® America, has developed a Financial Capability program to help individuals and families develop sound money management skills. Financial education is a critical need both for consumers and for communities. For consumers, financial education is the key to building wealth regardless of their incomes. For communities, financial education programs can help promote stronger and more stable neighborhoods where residents are more resistant to downturns in the economy and other financial threats. Financial education can help families become more aware of common pitfalls and thus avoid them. It can also help them to learn the financial management and planning skills needed to make the most of their income, savings, and assets.
- b) BCL is a HUD approved counseling agency and available to provide pre-purchase, post-purchase, and foreclosure prevention loss mitigation counseling.
- c) These additional services will not be presented to the City of Austin at this time.
- d) BCL does not plan to include any additional features.
- e) BCL does not plan to include any additional products and services.
- f) BCL will be open to incorporating additional services outlined by the City of Austin.

#### **CONTRACT STRUCTURE**

- a) *BCL of Texas will enter into a revenue neutral contractual agreement where the City of Austin will have no fiscal responsibility relative to the administration of the Community Loan Center of Austin program.*

- b) *BCL of Texas will enter into a revenue neutral contractual agreement but the City of Austin will have no fiscal responsibility relative to the loans that are made by the Community Loan Center of Austin program to City of Austin employees.*
- c) Copy of Community Loan Center of Austin documents have been attached.
1. A copy of BCL's Memorandum of Understand between the employer and BCL of Texas, the employer information questionnaire, and authorization to debit account is attached, see Exhibit B.
  2. The loan documents that are executed between the employee/borrower and BCL of Texas are attached along with an explanation of the documents. Because the application is only available online, paper applications have been provided as attachments for review, see Exhibit C.
- d) BCL of Texas has an assumed name file with the Texas Secretary of State to operate under the Community Loan Center of Austin name.
- e) The loan is an unsecured loan. If the borrower were to become delinquent and enter into default BCL of Texas would use their resources to collect the debt. After of non-collection 120 days the loan is charged off and structured for collection agency to assume.
- f) BCL of Texas charges a \$20 loan administration fee for each loan application. If a borrower reapplies for a new loan under 6 month BCL does not charge a new application fee. All loans applied for over 6 months are subject to a new application fee of \$20 as outlined by the regulated lender guidelines from the Office of Consumer Credit Commissioner (OCCC).
- g) The finance charge is computed by applying the scheduled installment earnings method as designed, to the underpaid cash advance. This method is defined by the Texas Finance Code §342.002 as follows:

“(a)The scheduled installment earnings method is a method to compute an interest charge by applying a daily rate to the unpaid balance of the principal amount as if each payment will be made on its scheduled installment date. A payment received before or after the due date does not affect the amount of the scheduled principal reduction...

(c)For the purposed of Subsection (a) and (b), the daily rate is 1/365<sup>th</sup> of the equivalent contract rate...”

h) BCL of Texas is licensed as a regulated lender with the Office of Consumer Credit Commissioner (OCCC). To maintain compliance BCL of Texas has to submit annual recertification due on May 1<sup>st</sup>. OCCC also conducts random onsite audits of the Community Loan Center program. BCL of Texas has also signed licensing agreements stating that at all times BCL of Texas will comply with Texas State law on regulated lenders.

i) There is no liability between The City of Austin and BCL of Texas.

1. All loans will be between BCL of Texas and City of Austin employees.

**PRICING**

<b>Expense Category (List Specifics)</b>	<b>Each Loan</b>
<b>Maximum Term Amount in US \$ Dollars</b>	\$1,000.00
Loans may range from \$400 minimum to \$1000 maximum	
Payback period is 12 months	
<b>Effective Interest Rate</b>	\$96.45
Rates range with a maximum interest rate of 18%/ 21.63% APR	
<b>Administrative Fees</b>	\$20.00
Administrative Fee is a one-time fee at origination of the transaction	
<b>Additional Fees</b>	\$0.00
<b>Total Expenses</b>	<b>\$116.45</b>

EXHIBIT B



**Memorandum of Understanding**

Dated: \_\_\_\_\_, 2023

Between

***Community Loan Center of Austin (“CLC”)***

*A Texas not for profit corporation with its principal office at 1011 San Jacinto Blvd, Suite 500, Austin, Texas 78701*

and

**The City of Austin Texas**

A Texas municipal corporation located in Travis County, Texas

This Memorandum of Understanding (MOU) is an alliance between the Community Loan Center of Austin (CLC), a program of Business & Community Lenders of Texas (BCL), and the City of Austin.

**I. MISSION**

Business Community Lenders of Texas (BCL of Texas) mission is, in whole or in part, to provide financial products and services to the borrowers in Travis County principally in the area of consumer lending and financial literacy education. As part of this mission, BCL of Texas is engaged in the Community Loan Center Affordable Small Dollar Loans Program (the “**Program**”) to provide a lower-cost alternative to high cost payday loans, pawn shops, check cashing, and signature loan outlets.

**Together**, the Parties enter into this MOU to implement and offer the Program to Employer’s qualified employees as an alternative to predatory payday and title loans.

Loans of up to a maximum of \$1,000 will be available to City employees. Employees will be able to apply online anytime with a fully automated system. There will be a one-time loan processing fee of \$20.00 payable from the loan proceeds. The term of the loan will be at least 12 months and interest on the loan will be in accordance with law and will never exceed a rate of approximately 18% per annum. The employee will be able to repay the loan prior to the term without penalty. The employee may elect voluntarily to have payments deducted from the employee’s payroll from the City.

Additionally, at least one time annually a trained financial coach from CLC will provide a seminar to all interested City employees on basic personal finance at no charge to City employees or the City of Austin.



**II. PURPOSE AND SCOPE**

The purpose of the MOU is to create a framework of cooperation between CLC and the City of Austin to collaborate on this mutually beneficial lending and financial literacy education Program to be offered as a voluntary opportunity for City employees. Through these activities, the Parties will give qualified employees the opportunity to participate in the Program with equal access.

**III. RESPONSIBILITIES**

Each party will appoint a person to serve as the official contact and coordinate the activities of each organization in carrying out this MOU. The initial appointees of the organization are:

**Community Loan Center of Austin:**

**The City of Austin:**

Contact: Raquel Valdez Sanchez

Contact: \_\_\_\_\_

Address: 1011 San Jacinto Blvd, Suite 500,  
Austin, TX 78701

Address: P.O Box 1088 Austin, TX 78767

Phone: 512-912-9884

Phone: \_\_\_\_\_

Fax: n/a

Fax: \_\_\_\_\_

**The City of Austin's Responsibilities:**

- The City of Austin will provide timely employment verification for employees who apply for a loan.
- The City of Austin agrees to upload deduction files before every pay period to initiate payroll deduction payments for employees that have chosen that payment option, as well as, send a final payroll deduction file to CLC of Austin for deduction payment confirmation. (See Exhibit A: Copy of Consent to Payroll Deduction).
- Members of the City Council who support this Program may volunteer to be an ambassador for CLC and represent the mission of CLC at professional meetings advocating for the Program as necessary.
- Upon request, members of the City Council who support this Program may share these experiences with the CLC members at general meetings to apprise all members of the Program stories, challenges, and successes in the Travis County area.



**COMMUNITY LOAN CENTER**  
**OF AUSTIN**  
*Affordable Small Dollar Loans*

- Employer shall promptly add the Program to the Employer's customary descriptions of employee benefits.
- Employer shall promptly communicate to employees that the Program is available along with information on how to apply for a loan through internal communications and during New Hire Orientation.
- The following are suggestions as to different ways an Employer may notify their employees about the Program:
  - Employee Benefits website with a link to Program website to apply for a loan
  - Employee benefits literature (provided by lender)
  - Employee Intranet with a link to Program website to apply for a loan
  - Employee emails with a link to Program website to apply for a loan
  - Employee newsletters
  - Program posters in employee breakroom
  - Program literature in the HR department employee information rack (provided by lender)
  - Program 'Benefits Card'(provided by lender)

Please describe the steps you will take to get the word out to all of your eligible employees:

The City of Austin will communicate the program in HRUpdate, CitySource Today, Intranet and New Employee Orientation. Information will be added to the Employee Benefits Guide.

**CLC's Responsibilities:**

- At the request of the City, CLC shall make an initial presentation to employees about the Program at the City's place of work.
- CLC will provide assistance setting up, monitoring, and evaluating the Program through the Program's software products and support.
- CLC will provide technical assistance in accessing required information related to the Program.
- Payroll deduction files are due from CLC before the end of the Tuesday preceding payroll processing. Upon deposit of the file to the secure site, an email will be sent to the City's Payroll Manager. Issues with payroll deductions are to be referred directly to CLC.





**Both Parties Agree to the Following:**

- Initial meetings will be held between Parties to review implementation of this agreement and to establish policy directives as appropriate.
- When an employee leaves the City's payroll during the pendency of a loan repayment, CLC will be responsible for working out an alternate payment process with the former employee. **The City will not be involved and under no circumstances will CLC look to the City for payment of any employee loan.**
- Parties agree that the City of Austin will not be a beneficiary, nor profit directly or indirectly from the loan payments deducted from employee's payroll and transferred to CLC.
- Parties agree not to share employee information with unaffiliated third parties.
- Confidentiality: Parties agree not to use or release any reports, data, or other information identifying applicants or persons, except with the prior written approval of such applicant or person served and in accordance with the consumer rules and regulations and where applicable, federal and state laws and regulations. Such information shall be used only to assure proper administration, planning, coordination and monitoring of performance under this Agreement.

**IV. COST ALLOCATION/RESOURCE SHARING**

CLC will be responsible for preparation of transactional documents, administrative and overhead expenses incurred by the CLC. CLC shall be responsible for submitting all necessary progress reports to its Board of Directors or other governing body and shall track all expenditures, for provision of the necessary checks and balances.

**V. TERMS OF UNDERSTANDING**

This MOU may be reviewed at any time to ensure that it is fulfilling its purpose.

**VI. MODIFICATION/TERMINATION**

This MOU constitutes an agreement between the parties hereto. This MOU may be modified, altered, revised, extended or renewed only by mutual written consent of all parties, pursuant to the issuance of a written amendment, signed and dated by all parties.

Either party to this MOU may terminate its participation in this MOU by providing at least 30 days' prior written notice of intent to terminate. In such case, termination by one or more of the parties to this MOU does not alter any surviving terms or obligations of the other party to this MOU.



**VII. DISCLAIMER**

In performance of the services hereunder, CLC shall act on its own behalf and shall have no authority to act in any other capacity. City shall not be deemed an agent of CLC, and there is no joint venture formed between CLC and the City of Austin.

**VIII. EQUAL EMPLOYMENT OPPORTUNITY/NONDISCRIMINATION**

CLC shall not discriminate against any City employee or applicant for a loan because of race, age, color, ancestry, national origin, place of birth, religion, sex, sexual orientation, gender identity and expression, military or veteran status, genetic characteristics, or disability unrelated to job performance. CLC shall take affirmative action to ensure that loan applicants are treated fairly without regard to their race, age, color, ancestry, national origin, place of birth, religion, sex, sexual orientation, gender identity and expression, military or veteran status, genetic characteristics, or disability unrelated to job performance.

**IX. AUTHORIZATION**

On behalf of the organization I represent, I wish to sign this MOU and contribute to the further development of the Program.

**CLC of Austin:**

**City of Austin:**

\_\_\_\_\_  
Signature of Local Lender's Representative

\_\_\_\_\_  
Signature of Employer's Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title



## Exhibit A

### CONSENT TO PAYROLL DEDUCTION

I \_\_\_\_\_, hereby authorize my employer to deduct payments from my paycheck in the appropriate periodic installments as contained in the Promissory Note between myself and the Community Loan Center until the balance is paid in full. I understand that I may revoke this authorization at any time by providing the CLC of Austin with written notice.

Employee # \_\_\_\_\_

\_\_\_\_\_

Employee Signature

\_\_\_\_\_

Date

# Exposition of Loan Agreement and Lending Contracts

## Overview

The Community Loan Center (CLC) was created to address the rapidly growing problem with high cost payday lenders in the state of Texas. CLC's approach has been to create an employer-based short-term consumer loan system called the Affordable Small Dollar Loans program (the "program"). The goal of the program is to provide Texas workers with an alternative to predatory loans and demonstrate that an inexpensive, small-dollar loan product can be a successful social enterprise for nonprofits.

Through the program, employees may borrow up to \$1,000 at 18% interest, with a \$20 processing fee, up to 12 months to repay (no prepayment penalty), no required credit reports, quick approvals, no collateral, and repayment through convenient payroll deductions. Employees will apply for the loan online and access their account anytime with easy-to-use, web-based software. Loan proceeds are wired directly into the employee's bank account, usually within 24 hrs., and loan payments begin with the next paycheck. Loan processing and loan servicing are done at the Rio Grande Valley Multibank.

As a part of the lending process, borrowers are provided with a packet of documents to sign electronically. These documents comply with federal and state fair lending, disclosure, and consumer protection laws. These laws include:

- Chapter 342 of the Texas Finance Code (covers all obligations and potential liabilities associated with issuing small-dollar, short-term loans)
- Texas Administrative Code § 90.703 Chapter 342, Plain Language Contract Provisions
- Dodd-Frank Wall Street Reform & Consumer Protection Act (generally prohibits unfair, deceptive, or abusive acts or practices in connection with issuing loans to borrowers)
- Truth in Lending Act (requires that all communications and advertisements concerning the terms of loans offered to consumers be accurate and understandable)
- Equal Credit Opportunity Act (prohibits discriminating against loan applicants on the basis of race, skin color, national origin, sex, marital status, or age in any aspect of the lending process, from application through collection)
- Electronic Funds Transfer Act (regulates the use of electronic funds transfers ("EFT"s) from customer accounts for the repayment of loans; specifically, requires that borrowers be offered loan repayment options other than EFT)
- Fair Debt Collections Practices Act (designed to eliminate abusive practices in the collection of consumer debts and to promote fair debt collection)
- Fair Credit Reporting Act (regulates the collection, dissemination, and use of consumer information, including consumer credit information)
- Gramm-Leach-Bliley Act (GLBA) (financial companies must tell you about their policies regarding the privacy of your personal financial information)

# Exposition of Loan Agreement and Lending Contracts

## Loan Document Packet

The following documents and disclosures are provided to the borrower:

### 1. Consumer Credit Disclosure—Promissory Note

The promissory note identifies the parties to the loan agreement (borrower and lender) and states the terms of the loan in compliance with Chapter 342 of the Texas Finance Code and the Truth in Lending Act.

The loan terms include:

- APR (annual percentage rate)—total cost of the loan as an annual interest rate (including loan fees and interest rate)
- finance charge—total cost of the loan including total interest charges and loan fees
- amount financed—amount of the loan credited to borrower; principal
- payment total—total amount to be repaid including finance charge and amount financed
- payment schedule—number of payment, amount of payments, due dates
- payment terms
  - late charges—up to 5% of the amount of payment due
  - prepayment—no penalty for prepayment; may be entitled to partial refund of finance charge; borrowers may not skip payments without written consent
  - returned check fee—\$30

Additionally, the promissory note authorizes automatic payroll deductions or Automated Clearing House (“ACH”) electronic funds transfers.

### 2. Consumer Credit Report

The Consumer Credit Report repeats the terms of the loan and allows for borrowers to request a more detailed itemization of the finance charge.

### 3. Personal Information Disclosure Notification (two pages)

The Fair Credit Reporting Act and Gramm-Leach-Bliley Act require financial companies to disclose how they share personal customer information with third parties. CLC only shares personal information for everyday business purposes including account maintenance, legal investigations, and reporting to credit bureaus.

### 4. Permissible Purpose Ongoing Authorization

This document authorizes CLC to obtain credit information about borrowers and to use that information for “permissible purposes” as defined by the Fair Credit Reporting Act.

### 5. Electronic Funds Transfer Authorization Form

This authorization form permits the CLC lender to perform scheduled electronic funds transfer debits from the borrower’s bank account. It also establishes a \$25 return item fee for Non-Sufficient

## **Exposition of Loan Agreement and Lending Contracts**

Funds. The borrower also has an ongoing obligation to keep bank account information updated with the CLC lender.

### **6. Employment Termination or Abandonment Notice**

In the event that a borrower is no longer employed by the same employer during the course of the loan repayment period, the borrower can no longer continue payment by payroll deductions. By signing this form, the borrower acknowledges that he or she has a duty to inform the CLC lender immediately to make alternate repayment arrangements.

### **7. Electronic Funds Transfer Authorization Form—Special Instructions**

The borrower authorizes the CLC lender to make electronic funds transfers from the borrower's bank account by Automated Clearing House ("ACH") should the borrower leave his/her original job. It also establishes a \$25 return item fee for Non-Sufficient Funds. The borrower also has an ongoing obligation to keep his or her bank account information updated with the CLC lender.

### **8. Consent to Payroll Deduction**

This is the form used to receive the borrower's written consent to repay the loan via payroll deduction. In addition, the first paragraph states that the borrower understands that he or she has the option of paying by payroll deduction, EFT, or cash or check. This statement is required because the Electronic Funds Transfer Act law prohibits lenders from extending a loan on the condition that the borrower repay the loan using EFT.

**CONSUMER CREDIT DISCLOSURE - PROMISSORY NOTE**

ACCOUNT / CONTRACT NO. ....	DATE OF NOTE .....
CREDITOR / LENDER .....	BORROWER .....
ADDRESS .....	ADDRESS .....

"I" and "me" and similar words mean each person who signs as a Borrower. "You" and "your" and similar words mean the Lender.

<b>ANNUAL PERCENTAGE RATE</b> The cost of borrowing as a yearly rate	<b>FINANCE CHARGE</b> The total cost of borrowing	<b>Amount Financed</b> The amount of cash advanced to me or my bank	<b>Total of Payments</b> The amount I will have paid above the cash advanced
\$ _____	\$ _____	\$ _____	\$ _____

<b>Number of Payments</b>	<b>Amount of Payments</b>	<b>When Payments Are Due</b>

I am charged 18% per year on any part of a payment I accept for 30 days after it is due. I may be charged 5% of the amount of payment I prepay. I pay off early. I may be entitled to a refund of part of the Finance Charge and I will have to pay a penalty. Ask the Lender for more information. See the contract for details for any additional refund on about 15 days out, default, any required repayment in full before the scheduled date and prepayment terms and penalties.

**ITEMIZATION OF AMOUNT FINANCED**

1. Amount Financed: (24.3)	\$ _____
2. Amount given to me directly	\$ _____
3. Amount paid on my account (Net Balance - Prior Account)	\$ _____
4. Prepaid Finance Charge (Administrative Fee)	\$ _____

I promise to pay the Total of Payments to the order of you, the Lender. I will authorize my employer to automatically make such payments out of my paycheck, paying you directly, or I will authorize you to electronically remove my payment from my bank account by Automated Clearing House ("ACH") transfer until I have notified you in writing that I no longer wish to make my payment by ACH transfer. I understand that this authorization is to remain in full force and effect until you have received written notification from me in such time and in such manner as to afford you a reasonable opportunity to act on it. If I will make the payments on the dates and in the amounts shown in the Payment Schedule. If I don't pay all of a payment within 10 days after it is due, you can charge me a late charge. The late charge will be 5% of the scheduled payment. If I don't pay all I owe when the final payment becomes due, I will pay interest on the amount that is still unpaid. That interest will be the higher rate of 18% per year or the maximum rate allowed by law. That interest will begin the day after the final payment becomes due.

I can make a whole payment early. Unless you agree otherwise in writing, I may not skip payments. If I make a payment early, my next payment will still be due as scheduled. The annual rate of interest is \_\_\_\_\_. This interest rate may not be the same as the Annual Percentage Rate. You figure the Finance Charge by applying the scheduled installment earnings method as defined by the Texas Finance Code to the unpaid cash advance. The unpaid cash advance does not include the administrative fee, late charges, and returned check charges. If I prepay my loan in full before the final payment is due, I may save a portion of the Finance Charge. I will not get a refund if the refund would be less than \$1.00. You base the Finance Charge and Total of Payments as if I will make each payment on the day it is due. My final payment may be larger or smaller than my regular payment.

If I ask for more time to make any payment and you agree, I will pay more interest to extend the payment. The extra interest will be figured under the Finance Commission rules. I agree to pay you a fee of up to \$30 for a returned check. You can add the fee to the amount I owe or collect it separately.

Establishment Always Member 6 2011

- Disclosures under Truth in Lending Act—Regulation Z**
- 12 CFR 226.17 - General disclosure requirements.
  - 12 CFR 226.18 - Content of disclosures.
    - identity of the creditor
    - "amount financed"
    - "finance charge"
    - "annual percentage rate" (APR)
    - payment schedule
    - "total of payments"
    - prepayment terms (penalty or rebate)
    - late payment charge

- Electronic Fund Transfer Act—Regulation E**
- 12 CFR § 205.10(e) and 12 CFR Part 205, Supp. I.
  - (borrowers must have multiple options other than EFT to repay a loan or other credit)

I will be in default if:

- I do not timely make a payment;
- I break any promise I made in this agreement;
- I allow a judgment to be entered against me or the collateral;
- I sell, lease, or dispose of the collateral;
- I use the collateral for an illegal purpose; or
- You believe in good faith that I am not going to keep any of my promises.

If there is more than one Borrower, each Borrower agrees to keep all of the promises in the loan documents.

I agree:

1. You can mail any notice to me at my last address in your records. Your duty to give me notice will be satisfied when you mail it.
2. I promise that all information I gave you is true.
3. If I am in default, you may require me to repay the entire unpaid principal balance, and any accrued interest at once. You don't have to give me notice that you are demanding or intend to demand immediate payment of all that I owe. If you don't enforce your rights every time, you can still enforce them later. If this debt is referred to an attorney for collection, I will pay any attorney fees set by the court plus court costs.
4. I understand that you may seek payment from only me without first looking to any other Borrower.
5. I don't have to pay interest or other amounts that are more than the law allows.
6. If any part of this contract is declared invalid, the rest of the contract remains valid.
7. **This written loan agreement is the final agreement between you and me and may not be changed by prior, current, or future oral agreements between you and me. There are no oral agreements between you and me relating to this loan agreement. Any change to this agreement must be in writing. Both you and I have to sign written agreements.**
8. Federal law and Texas law apply to this contract.

This lender is licensed and examined by the State of Texas - Office of Consumer Credit Commissioner. Call the Consumer Credit Hotline or write for credit information or assistance with credit problems: Office of Consumer Credit Commissioner, 2601 North Lamar Boulevard, Austin, Texas 78705-4207, [www.occc.state.tx.us](http://www.occc.state.tx.us), (800) 538-1579.

I agree to the terms of this contract. I received a completed copy on \_\_\_\_\_.

X \_\_\_\_\_  
Borrower

Recibi la Forma Informe de Prestamo \_\_\_\_\_  
I received the Spanish Disclosure.

X \_\_\_\_\_  
Borrower





**FACTS**

**WHAT DOES COMMUNITY LOAN CENTER (CLC) DO WITH YOUR PERSONAL INFORMATION?**

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

The types of personal information we collect and share depend on the product or service you have with us. The information can include:

- Social Security number and income
- Employment information and transaction history
- Account balances and payment history

All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons CLC chooses to share; and whether you can limit this sharing.

For our everyday business purposes – such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	YES	NO
For our marketing purposes – to offer our products and service to you	YES	NO
For joint marketing with other financial companies	NO	We don't share
For our affiliates' everyday business purposes – information about your transactions and experiences	NO	We don't share
For our affiliates' everyday business purposes – information about your creditworthiness	NO	We don't share
For our affiliates to market to you	NO	We don't share
For our nonaffiliates to market to you	NO	We don't share

Go to [www.rgvcommunityloancenter.com](http://www.rgvcommunityloancenter.com)

**Gramm-Leach-Bliley Act (GLBA)**

- 15 U.S.C. §§ 6801–6809

**Fair Credit Reporting Act**

- 15 U.S.C. §1681

Who is providing this notice?	CLC, 901 East Levee Street, Brownsville, TX 78520
How does CLC protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
How does CLC collect my personal information?	We collect your personal information, for example, when you <ul style="list-style-type: none"> <li>▪ Apply for a loan or give us your income information</li> <li>▪ Provide employment information or give us your employment history</li> <li>▪ Give us your contact information</li> </ul>
Why can't I limit all sharing?	Federal law gives you to right to limit only <ul style="list-style-type: none"> <li>▪ Sharing for affiliates' everyday business purposes – information about your creditworthiness</li> <li>▪ Affiliates from using your information to market to you</li> <li>▪ Sharing for nonaffiliates to market to you</li> </ul>
Affiliates	Companies related by common ownership or control. They can be financial and nonfinancial companies. <ul style="list-style-type: none"> <li>▪ <i>CLC does not share with affiliates.</i></li> </ul>
Nonaffiliates	Companies not related by common ownership or control. They can be financial and nonfinancial companies. <ul style="list-style-type: none"> <li>▪ <i>CLC does not share with nonaffiliates so they can market to you.</i></li> </ul>
Joint marketing	A formal agreement between nonaffiliated financial companies that together market financial products or services to you. <ul style="list-style-type: none"> <li>▪ <i>CLC does not jointly market.</i></li> </ul>

**How to file a complaint:**  
 CLC is licensed and examined under the laws of the State of Texas and by state law is subject to regulatory oversight by the Office of Consumer Credit Commissioner. Any consumer wishing to file a complaint against CLC should contact the Office of Consumer Credit Commissioner through one of the means indicated below: In Person or U.S. Mail: 2601 North Lamar Boulevard, Austin, Texas 78705-4207. Telephone No.: (800) 538-1579. Fax No.: (512) 936-7610. E-mail: [consumer.complaints@occc.state.tx.us](mailto:consumer.complaints@occc.state.tx.us). Website: [www.occc.state.tx.us](http://www.occc.state.tx.us).

**Gramm-Leach-Bliley Act (GLBA)**  
 15 U.S.C. §§ 6801–6809  
**Fair Credit Reporting Act**  
 15 U.S.C. §1681



**Permissible Purpose Ongoing Authorization**

**IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT**

To help the government fight the funding of terrorism and money laundering activities, Federal Law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account.

What this means for you: When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

TO: Name/address of Lender

Community Loan Center  
901 East Lovea Street  
Brownsville, TX 78520

**FAIR CREDIT REPORTING ACT, STATE OF TEXAS PERMISSIBLE PURPOSE FOR ONGOING AUTHORIZATION**

I hereby authorize COMMUNITY LOAN CENTER, to obtain any and all information regarding my employment, checking and/or savings accounts, credit obligations and all other credit matters that it may require in connection with my application for a loan. I hereby authorize COMMUNITY LOAN CENTER, to obtain additional credit reports and other information for the purposes of reviewing the account; to obtain credit reports and other information for purpose of taking collection action on the account; and to obtain credit reports and other information for other legitimate purposes associated with the account. The information obtained will be used only for a bona fide "permissible purpose" as defined by the Fair Credit Reporting Act. It is understood that a photocopy of this form will also serve as an authorization. COMMUNITY LOAN CENTER may report information about your account to credit bureaus. Late payments, missed payments, or other defaults on your account may be reflected in your credit report.

**Disclaimer and Signature**

*I warrant the truth of the information contained in this application and that all statements made in this application are made for the purpose of obtaining the loan applied for. Lender, its agents, successors, and assigns, will rely on the information contained in this application, and I have a continuing obligation to amend and supplement the information provided in this application if any of the material facts I represented should change before closing. If I have left any spaces in this application blank, Lender, its agents, successors, and assigns, may assume the information requested is adverse. I authorize Lender, its agents, successors, assigns, and employees, to investigate and verify all information I provided to Lender, its agents, successors, and assigns. I understand that it is my sole and exclusive responsibility to determine any and all aspects of federal tax considerations related to consumer loan interest deductibility and acknowledge that Lender, its agents, successors, and assigns, have not provided any tax advice to me. Lender, its agents, successors, and assigns, can give information about my loan to credit reporting agencies and others who may properly receive that information. I understand Lender, its agents, successors, and assigns will keep this application whether or not my credit request is approved.*

*Certification: I certify that the information provided in this application is true and correct as of the date set forth opposite my signature on this application and acknowledge my understanding that any intentional or negligent misrepresentations of the information contained in this application may result in civil liability and/or criminal penalties including but not limited to, fine or imprisonment or both under the provision of Title 18, United States Code, Section 1001, et seq., and liability for monetary damages to the Lender, its agents, successors, assigns, insurers, and any other person who may suffer any loss due to reliance upon any misrepresentation I made in this application or in any other manner.*

**ACKNOWLEDGEMENT: The undersigned hereby acknowledges receipt of Fair Credit Reporting Act, State of Texas Permissible Purpose Ongoing Authorization, and our Privacy Notice.**

Printed Name:			
Signature:		Date:	



**COMMUNITY LOAN CENTER**  
*Affordable Small Dollar Loans*

**ELECTRONIC FUNDS TRANSFER AUTHORIZATION FORM**

As a duly authorized check signer on the financial institution account identified in my loan application, I authorize **COMMUNITY LOAN CENTER** to perform a scheduled or periodic electronic funds transfer debits and/or credits from my account identified below for payments due or when applicable, apply electronic funds transfer credits to the same. This applies to check by phone payments as well as any other electronic payment. I understand the dollar amount can vary depending on the loan amount and terms of repayment with **COMMUNITY LOAN CENTER**.

Furthermore, if any such electronic debit(s) should be returned by my financial institution as Non-Sufficient Funds (NSF), I authorize, **COMMUNITY LOAN CENTER**, to collect a return item fee of \$25 per item by electronic debit from my financial institution identified below.

For accounting purposes, all electronic debits will be reflected in the monthly bank statement that corresponds with the financial institution account identified in my loan application. This "Permissible Purpose Ongoing Authorization" will remain in effect for this loan and any future loans applied for with **COMMUNITY LOAN CENTER**. I have a continuing obligation to notify **COMMUNITY LOAN CENTER** should my bank account information change while any and all of my loans remain unpaid and have an outstanding loan balance.

I understand and authorize all of the above as evidenced by my signature below.

Print Client Name: \_\_\_\_\_

AUTHORIZING SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_

Electronic Fund Transfer Act—Regulation E

- 12 CFR § 205.10(e) and 12 CFR Part 205, Supp. I.
- (borrowers must have multiple options other than EFT to repay a loan or other credit)



## NOTICE

If you leave your employer, are terminated or you abandon your job -- You are responsible for notifying us immediately so that you can make payment arrangements with the Community Loan Center.

I hereby acknowledge that I received a copy of this notice and understand my responsibility in order to avoid possible collection action.

## *EL-AVISO*

Si usted deja su empleador, es despedido o abandona su trabajo -- Es su responsabilidad de avisarnos inmediatamente para hacer arreglos de pagos.

Reconozco que he recibido una copia de este aviso y entiendo mi responsabilidad para evitar acción de colección.

\_\_\_\_\_  
Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

  
**COMMUNITY LOAN CENTER**  
*Affordable Small Dollar Loans*

**ELECTRONIC FUNDS TRANSFER AUTHORIZATION FORM**  
**Special Instructions**

In lieu of my periodic installments made automatically out of my paycheck from my employer to the **COMMUNITY LOAN CENTER**, if I should leave my employer, am terminated, or abandon my job, I authorize you to electronically remove my payment from my bank account by Automated Clearing House ("ACH") transfer. As a duly authorized check signer on the financial institution account identified in my loan application, I authorize the **COMMUNITY LOAN CENTER** to perform a scheduled or periodic electronic funds transfer debits and/or credits from my account identified in my loan application for payments due or when applicable, apply electronic funds transfer credits to the same. This applies to check by phone payments as well as any other electronic payment. I understand the dollar amount can vary depending on the loan amount and terms of repayment with **COMMUNITY LOAN CENTER**.

Furthermore, if any such electronic debit(s) should be returned by my financial institution as Non-Sufficient Funds (NSF), I authorize, **COMMUNITY LOAN CENTER**, to collect a return item fee of \$25 per item by electronic debit from my financial institution identified below.

For accounting purposes, all electronic debits will be reflected in the monthly bank statement that corresponds with the financial institution account identified in my loan application. This "Permissible Purpose Ongoing Authorization" will remain in effect for this loan and any future loans applied for with **COMMUNITY LOAN CENTER**. I have a continuing obligation to notify **COMMUNITY LOAN CENTER** should my bank account information change while any and all of my loans remain unpaid and have an outstanding loan balance.

I understand and authorize all of the above as evidenced by my signature below.

Print Client Name: \_\_\_\_\_

AUTHORIZING SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_

CLC EFT Auth Form Initial Rev.10.10.2012

Electronic Fund Transfer Act—Regulation E

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