



BLUE RIVER BOARD OF TRUSTEES SPECIAL MEETING

Tuesday, June 30, 2026

5:00 PM

0110 Whispering Pines Circle, Blue River, CO

Agenda

The public is welcome to attend the meeting either in person or via Zoom. Please note, however, that public comments will not be taken virtually, but will only be accepted in-person during any public comment periods.

The Zoom link is available on the Town website:

<https://townofblueriver.colorado.gov/board-of-trustees>

Please note that seating at Town Hall is limited.

Please Note: This is a special meeting of the Board of Trustees to enable the Board to focus its attention on specific issues that will become future topics for citizen input. Public comment will not be accepted during this special meeting unless a majority of the Board approves an amendment to the agenda.

Call to Order – Roll Call

Approval of Agenda/Consent Agenda

None

Work Session

1. A work session to discuss short-term rental policy as a basis for focusing the Board's ongoing work concerning potential amendments to the Town's Short-Term Rental Program and Ordinance.

New Business

1. Resolution No. 2026-09
 - a. Approval of Resolution No. 2026-09 – a Resolution Approving a Short-Term Rental Compliance and Enforcement Software Contract

Old Business

1. None

Other Matters to be Brought Before the Board of Trustees

Executive Session

1. Pursuant to C.R.S. 24-6-402(4) **(b)** to receive legal advice concerning limitations on the exercise of zoning and subdivision powers, and the temporary suspension of provisions in land use codes.

Adjourn

TOWN OF BLUE RIVER, COLORADO

NON-CONFIDENTIAL & PUBLIC MEMORANDUM

TO: Mayor & Board of Trustees
THROUGH: Chad Hull, Town Manager
FROM: Bob Widner, Town Attorney
DATE: June 27, 2026

SUBJECT: Information for Policy Discussion on Short-Term Rentals

This Memorandum provides information that will help in the Board's discussion of policies that can aid the drafting of any changes to the Short-Term Rental (STR) Ordinance.

The Relationship between Policy, Regulation, and Enforcement.

Understanding the relationship between policy, regulation, and enforcement is important. *Policy* is a deliberately determined set of goals or objectives designed to guide future decisions to achieve rational outcomes. *Regulations* are the laws and rules created to implement the deliberately determined policy. *Enforcement* is the means by which the regulations are implemented which, when consistently implemented, will ultimately result in the policy being achieved.

There is an intelligent hierarchy between these three different but related aspects of local government's management of issues within its community.

Graphically, this relationship can be illustrated as follows:

Policy  **Regulation**  **Enforcement**

If this hierarchy is properly recognized and followed, local government will, *first*, deliberate, debate, and decide the desired policy (the vision and goals) of the community; *second*, adopt regulations that implement the policy; and *then* pursue enforcement that will ensure compliance with the regulations and achievement of the policy.

Unfortunately, many local governments do not recognize and follow this hierarchy. Instead, many local governments use the following approach to address issues:

Regulation  **Enforcement**

This approach will create an outcome. The outcome that results will effectively become a form of policy - which was not deliberately determined. All too often, governments following this "regulate and enforce first" approach will eventually repeal or abandon the regulatory program because the resulting outcome is found unacceptable or undesired.

For example, if the local government enacts regulations that require all residential structures to use the same building materials and the same general physical characteristics, and enforces the adopted regulations, the resulting outcome will be that structures in the community will be uniform in appearance. As a result, the policy that is created by the regulations and enforcement is that the community values uniformity over individuality in the design and construction of structures. But notably, the government did not deliberately decide that the community should be uniform in structure appearance, it only deliberately decided that it wanted to regulate the building materials and character of structures. When the outcome conflicts with the local government's vision, the regulations will be repealed

Short-Term Rental Policy.

It is beyond debate that short-term rentals (STR) will impact the Town of Blue River. Impacts may be positive and negative.

It is not the purpose of this Memorandum to instruct the Board of Trustees to reach a particular decision or outcome regarding its policy concerning short-term rentals. Deciding policy is purely legislative in nature and the right to make policy decisions is within the exclusive purview of the Board of Trustees. Certainly, there may be legal parameters that must be followed in setting policy. For example, a local government is not legally required to permit STR of property, however, when doing so, the policy cannot violate the law by advancing unlawful discrimination or failing to provide constitutionally required equal protection of the laws, among other legal limitations. Importantly, policy should be debated and proposed before evaluating the proposed policy for compliance with the law.

But by way of guidance, the Board may wish to discuss and debate the following questions in its effort to deliberately determine policy for STRs. These questions, and others, can help establish the overall vision of the Board when it comes to allowing and regulating STRs:

- Does the Board view STRs as a form of residential use or commercial use?
- What positive impacts or benefits do STRs bring to the Town?
- What negative impacts or detriments do STRs present to the Town?
- Do the positive benefits outweigh the negative impacts?
- Do different impacts result from different types of STRs? For example, does a STR that operates in a residential structure on a 24/7/365 basis differ in any

meaningful way from a STR that operates for a lesser or limited part of a calendar year and is owner occupied for some portion of a calendar year? Is there a need to consider limiting certain types of STRs?

- Should all owners of residential properties in the Town be entitled to operate a STR? That is, should the Board's policy for STRs permit an unlimited and unregulated number and types of STRs in the Town, or in a subdivision or neighborhood? If not, what types of limits should be considered to achieve the Board's objectives and policy?
- Does the Board support a licensing program that would require applicants for STRs to demonstrate sufficient water and sewer capacity to serve the maximum potential occupancy?
- How many is "too" many when it comes to the number of people occupying a short-term rental? Or, should owners be permitted to decide what capacity is allowed for their STR?
- Is the "hording" of a STR license seen as a problem (that is, owners obtaining a license with no intention to operate an STR but to make the license available for the future)?
- Should the Board maintain a policy that STRs must "pay their way" and bear all Town costs for the license? Or, does the Board deem it appropriate that the taxpayers subsidize (to some degree) the operation of short-term rentals?
- What level of enforcement does the Board support? Strict, moderate, complaint based?
- Are there certain impacts associated with STRs that require regulation? The Town currently regulates parking, lighting, outdoor fire, use of the Tarn. Should the Town repeal any current regulations? Are there other impacts that the Town should add to the list of regulated impacts?

Quote Date: June 16, 2026

Order Form

“Neumo”:

Neumo Group, LLC,
a Neumo Records, LLC subsidiary,
A Delaware limited liability company
With its principal place of business
5885 Trinity Parkway Suite 120
Centreville, VA 20120

“Customer”:

Town of Blue River
A Municipality of the state of Colorado
With its principal place of business,
PO Box 1784
Breckenridge, CO 80424

Collectively, the “Parties”.



Products & Services (the “Services”) Summary and Pricing:

Subscription Services	QTY	Price (by Year of term)		
		Year 1	Year 2	Year 3
Tax & License Administration – Short-Term Rental Up to 400 properties Service Code(s): ADM-0028	1	\$102,000	\$107,000	\$112,455

Pricing Beyond Third Year: For each Contract Year following the 3rd year of the Term, the annual Subscription Fees shall be subject to an annual automatic increase on the first day of each such Contract Year by 7% over the immediately preceding year’s pricing, applied on a compounding basis as illustrated in the table above.

Transaction-Based Services	Per Transaction Fee
Payment Services Service Code(s): PAY-0044	Credit Card: 2.99% with \$2.50 minimum or ACH: \$2.50

Implementation	Resource Type	Rate	QTY	Price
Tax & License Administration – Short-Term Rental Service Code(s): ADM-0039	Setup Fee	\$2,500	1	\$2,500

Professional Services	Resource Type	Rate	QTY	Price
Tax & License Administration – Short-Term Rental – Discovery & Recovery Service Code(s): DRE-0007	Discovery & Recovery	50%	1	50% of Delinquent Revenue Received

*Professional Services are described in the attached SOW

Unit-Based Services	Per Unit Fee
Tax & License Administration – Short-Term Rental Each Additional Property over 400 Service Code(s): ADM-0028	\$255
Compliance Auditing Each Additional Audit over 5% of Total Accounts	\$700 per STR Audit \$2,000 per Hotel Audit

Order Form General Terms

GENERAL INFORMATION

Expiration of Offer:	The pricing set forth in this “ Order Form ” shall remain valid for ninety days from the Quote Date. If Customer has not accepted this Order Form by such date, the Order Form shall automatically expire and be of no further force or effect.
Entire “Agreement”	This Order Form is subject to the terms and conditions of the Master Services Agreement Terms (the “Master Services Agreement”) attached hereto and hereby incorporated and any attached and hereby incorporated Statements of Work (“SOW”). This Order Form, the Master Services Agreement and the SOW form the Agreement between the Parties. In the event of any conflict or inconsistency among the documents comprising the agreement between the parties with respect to this Order Form, the following order of precedence shall apply (from highest to lowest): (i) the Order Form; (iii) any Statements of Work attached to this Order Form; (iv) the Master Services Agreement; and (v) the Customer Exhibits, if any. The document higher in the order shall govern to the extent of the conflict.

CONTRACT TERM

Term of the Contract:	The initial term of this Agreement (the “ Initial Term ”) shall commence on the date of the last signature of the Parties. Fees for the Services shall begin to accrue as of July 6, 2026 (the “Go Live Date”). The Initial Term shall continue for a period of one year from the Go Live Date, unless earlier terminated in accordance with this Agreement, and shall end on July 5, 2027 unless renewed in accordance with this Agreement. The Initial Term and any renewal term(s) are collectively referred to as the “ Term. ”
Automatic Renewal:	Following the initial Term, the Agreement will automatically renew for additional 12-month periods unless earlier terminated pursuant to the Agreement’s express provisions or either Party gives the other Party written notice of non-renewal at least thirty (30) days prior to the expiration of the then-current Term.

PAYMENT TERMS

Fees:	Fees for the Services during the Term shall be at the rates indicated on the Pricing Summary page (the “ Fees ”) and are non-refundable once paid.
Invoicing and Payment Terms:	Implementation Fees. Fees for implementation, development, configuration of the software services shall be invoiced upon signing and are payable within thirty (30) days of the invoice date. Subscription and Maintenance Fees. Annual subscription fees shall be invoiced upon the Go-Live Date and payable annually thereafter upon each anniversary of the Go-Live Date in advance of the commencement of the applicable subscription or maintenance period. Per-Transaction, Per-Unit or Usage-Based Fees. Fees calculated on a per-audit, per-unit, per-document, per-image, or similar basis shall be invoiced monthly in arrears. Any unit-based services over 400 properties or over 5% of the total account overages shall be invoiced monthly in arrears.

	Contingency Fees on Professional Services. The Taz & License Administration, Discovery/Recovery Services shall be provided for a contingency fee of the delinquent revenue received by Customer under the services. The contingency fee shall apply to the current license/fee year and/or period, all eligible prior period revenues collected, and any applicable penalties, interest, and late charges. The contingency fee is also due on all payments made direct to the Customer. The contingency fee only applies to revenue actually received by Customer. Transaction-Based Services. Neumo collects the applicable per transaction fee for Payment Services upon each transaction. All invoices are due and payable within thirty (30) days of the invoice date, in U.S. dollars, without set-off or deduction, subject to any prompt-payment laws applicable to Customer. In the event of a conflict between these payment terms and applicable law, the payment terms shall be deemed modified as necessary to comply with such laws.
Late Payments:	Any undisputed amount not paid when due will be subject to finance charges equal to 1.5% of the unpaid balance per month or the highest rate permitted by applicable law, whichever is less, determined and compounded daily from the date due until the date paid.
Early Termination Fees:	If Customer terminates this Order Form for convenience or otherwise in a manner not expressly permitted pursuant under the Agreement, Customer shall pay Neumo, as liquidated damages and not as a penalty, an amount equal to the Fees that would have been payable for the remainder of the then-current Term. The Parties acknowledge that actual damages would be difficult to determine and agree that such amount is a reasonable pre-estimate of Neumo's damages.

[End of Terms]

ADMINISTRATIVE INFORMATION:	
Contract #:	IC-4003
Customer Name:	Town of Blue River
Billing Contact Name:	Chad Hull
Billing Contact Email:	mthompson@co.madison.id.us
Billing Contact Phone:	
Neumo Representative:	Noah Banks

Order Form Acceptance

By signing below, by issuing a purchase order or other written confirmation referencing this Order Form, by obtaining the Services through a reseller or purchasing agent, or by accessing or using the Services, Customer and Neumo accept this Order Form.

Customer Signature

_____	_____	_____
Signature of Authorized Representative	Title	Date

Neumo Signature

_____	_____	_____
Signature of Authorized Neumo Representative	Title	Date

Master Services Agreement

This Master Services Agreement (the “Agreement”) is attached, incorporated into, and agreed upon by the acceptance and signing of the Order Form signed and agreed upon by the Customer, as named in the Order Form, and Neumo.

1. SCOPE

This Agreement establishes the master terms governing Customer’s access to and use of software products, software-as-a-service offerings, on-premise software, hosted or managed services, implementation, configuration, integration, training, maintenance, support, and related professional services (collectively, the “Services”) made available by Neumo, as further specified in each Statement of Work, Order Form, quote, schedule, amendment, addendum, or similar ordering document executed by the Parties under this Agreement (each, an “SOW”). Each SOW is hereby incorporated into and made subject to the terms of this Agreement. In the event of a conflict between this Agreement and an applicable SOW, the terms of the SOW control solely with respect to the Services covered by that SOW, provided that no SOW will supersede or modify this Agreement’s provisions regarding proprietary rights, confidentiality, data protection, disclaimers, indemnification, limitation of liability, payment obligations, audit rights, compliance, or dispute resolution unless the SOW expressly identifies the specific provision being modified and states that the modification applies notwithstanding this Agreement.

2. TERM AND TERMINATION

2.1 Term

The term of this Agreement shall begin upon full execution (“Effective Date”) and shall continue for so long as any SOW remains in effect, unless earlier terminated in accordance with this Agreement. Each SOW shall have the initial subscription, license, services, or project term set forth in that SOW (the “Initial Term”). Unless otherwise set forth in the applicable SOW, following the Initial Term, each subscription or license SOW will automatically renew for successive one (1) year periods (each a “Renewal Term”), unless either Party provides written notice of its intent not to renew at least ninety (90) days prior to the end of the then-current annual Term. “Term” refers to the Initial Term and any Renewal Terms applicable to this Agreement or an SOW, as the context requires. All terms and conditions of this Agreement shall remain in effect during any Renewal Term, unless modified by written agreement of the Parties.

2.2 Termination for Breach

If either Party materially breaches this Agreement or any SOW executed hereunder, the non-breaching Party may initiate termination of this Agreement by providing the breaching Party with a written notice describing the breach and reasonably required remedy (“Default Notice”). Upon receipt of a Default Notice the breaching Party will have a period of sixty (60) calendar days (or another timeframe that may be mutually agreed to by the Parties) to cure the breach, provided that Customer’s failure to pay undisputed Fees when due shall have a cure period of ten (10) business days after Neumo provides written notice; if the breaching Party fails to reasonably remedy the breach within the established cure period, the non-

breaching Party may, upon written notice to the defaulting Party, terminate this Agreement or the affected SOW(s) for default.

2.3 Termination for Loss of Funding

Customer may terminate this Agreement or any affected SOW upon at least sixty (60) days advance written notice to Neumo prior to the end of the current term, if Customer has failed to receive funds necessary for the continued procurement of the Services specified in the applicable SOW, provided that Customer has made every reasonable effort to secure the necessary funding.

2.4 Effect of Termination

Notwithstanding non-renewal or termination of this Agreement or any SOW, Customer shall remain obligated to pay all Fees due to Neumo for Services rendered, transactions processed, revenue collected, recoveries achieved, milestones completed, and reimbursable Expenses incurred through the effective date of termination, in accordance with the fee and payment schedule set forth in the applicable SOW. Termination of this Agreement or any SOW for any reason will not affect any liabilities or obligations of either Party arising before termination or out of events causing termination, and will not affect any damages or other remedies to which a Party may be entitled under this Agreement, at law or in equity, arising from any breach or default. Unless this Agreement is terminated in its entirety, termination of one SOW will not terminate any other SOW. Upon termination of this Agreement or any SOW, Customer agrees to discontinue use of all Services and other Neumo-owned materials provided under the terminated Agreement or SOW, no later than the effective date of termination, or such other date as the Parties may mutually agree in writing, and return or destroy, as appropriate and as directed by Neumo, the Services and other Neumo-owned materials within thirty (30) calendar days after termination. Upon termination or expiration of any cloud-based Services, Neumo may disable Customer's access to the applicable production environment after the effective date of termination or expiration, subject to any transition assistance expressly stated in the applicable SOW.

3. SERVICES

3.1 Licensed Services

During the Term of each applicable SOW, and subject to Customer's payment of all applicable Fees and compliance with this Agreement and the applicable SOW, Neumo hereby grants Customer a limited, non-exclusive, non-transferable, revocable license to access and use the Services specified in each applicable SOW, solely within the United States and solely for Customer's internal government business purposes. For cloud-based Services, the license permits access to and use of the hosted Services during the applicable subscription term. For on-premise software, the license permits installation and use of object-code software during the applicable license term, subject to any user, site, environment, processor, transaction, volume, agency, or other usage limitations stated in the applicable SOW. The scope, deployment model, configuration, permitted users, usage metrics, and any additional terms governing Customer's use of the Services shall be set forth in the relevant SOW. Except as expressly provided in this Agreement or an applicable SOW, no sublicensing of access or use of the Services is permitted.

3.2 Services

During the Term of each applicable SOW, and subject to Customer's payment of all applicable Fees, Neumo shall provide the Services specified in the relevant SOW in association with Customer's use of the Services licensed thereunder.

3.3 Restrictions

Customer shall not (and shall not permit any third party to) do any of the following with respect to any Services provided under this Agreement or any SOW: (i) use the Services to develop a similar or competing product or service; (ii) reverse engineer, decompile, disassemble, modify, or otherwise seek to obtain the source code or non-public Application Programming Interfaces ("APIs") of the Services, except to the extent expressly permitted by applicable law (and then only upon advance written notice to Neumo); (iii) copy, modify, translate, adapt or create any derivative work of the Services; (iv) remove or obscure any proprietary or other notices contained in the Services; (v) publicly disseminate performance information regarding the Services; (vi) use the Services to create, use, send, store or run viruses or other harmful computer code, files, scripts, agents or other programs or engage in any other malicious act; (vii) disrupt the security, integrity or operation of the Services or any related systems or networks; (viii) use Neumo Technology except as permitted under this Agreement or an applicable SOW, including removing or modifying any copyright or other proprietary rights notices; (ix) use the Services to reproduce, distribute, display, transmit or use material protected by copyright or other intellectual property right (including the rights of publicity or privacy) without first obtaining the permission of the owner; (x) permit direct or indirect access to or use of the Services in a manner that circumvents any contractual usage limit; (xi) access or use the Services to benchmark or compare the Services against a competitive product or service without Neumo's prior written consent; or (xii) use the Services, Neumo Technology, or Neumo Confidential Information to train, fine-tune, develop, improve, or validate any artificial intelligence, machine learning, large language model, foundation model, or similar technology. These restrictions apply across all SOWs executed under this Agreement.

3.4 High Risk Use

The Services are not designed or intended for use in any situation where failure or fault could lead to death or serious bodily injury of any person or to severe physical or environmental damage ("High Risk Use"). Customer is not licensed to use the Services provided under any SOW in, or in conjunction with, High Risk Use.

3.5 Hosting; Security.

For cloud-based Services, Neumo may provide the Services using its own systems or third-party hosting providers, infrastructure providers, subcontractors, and service providers. Neumo will maintain commercially reasonable administrative, technical, and physical safeguards designed to protect Customer Data processed by Neumo against unauthorized access, use, or disclosure. Customer acknowledges that security safeguards vary by product, deployment model, hosting environment, and SOW, and any product-specific security commitments, service levels, disaster recovery commitments, or support commitments must be expressly stated in the applicable SOW or a written exhibit signed by the

Parties. Customer remains responsible for security of Customer-controlled systems, networks, devices, credentials, configurations, integrations, and on-premise environments.

3.6 Implementation; Acceptance.

If an SOW includes implementation, configuration, conversion, integration, migration, training, or other professional services, Neumo will perform those services in material accordance with the applicable SOW. Unless the applicable SOW expressly states objective acceptance criteria and a testing period, all deliverables and Services will be deemed accepted upon delivery, availability for use, or completion, as applicable. If objective acceptance criteria are stated in the SOW, Customer must provide written notice of any material nonconformity within the acceptance period stated in the SOW, or, if no period is stated, within ten (10) business days after delivery or availability for testing. Customer's notice must identify the specific nonconformity in reasonable detail. Neumo will use commercially reasonable efforts to correct confirmed material nonconformities, and the corrected deliverable or Service will be resubmitted for acceptance. Deliverables and Services will be deemed accepted if Customer uses them in production, fails to provide a timely rejection notice, or rejects them for reasons not based on the applicable acceptance criteria. Delays caused by Customer, including delays in providing data, access, personnel, decisions, approvals, testing, or third-party cooperation, will extend Neumo's performance deadlines and may result in additional Fees.

4. FEES AND PAYMENTS

4.1 Fees

The Fees applicable to each SOW shall be set forth in the relevant SOW and may include subscription fees, license fees, usage-based fees, transaction fees, implementation fees, professional services fees, contingency fees, revenue share amounts, collection-based fees, support and maintenance fees, hosting fees, minimum commitments, pass-through costs, or other charges specified in the SOW. Unless otherwise specified in the applicable SOW, Fees will be invoiced upfront on an annual basis throughout the Term of that SOW. Fees for each Renewal Term are subject to a 7% annual escalation unless a different escalation rate is specified in the applicable SOW. Except as expressly stated in the applicable SOW, all payment obligations are non-cancelable and Fees paid are non-refundable.

4.2 Expenses

Unless otherwise specified in the applicable SOW, Customer shall reimburse Neumo for reasonable travel, lodging, meal, and other expenses incurred by Neumo in connection with the delivery of Services under such SOW ("Expenses"). The scope and any limitations on reimbursable Expenses shall be set forth in the applicable SOW.

4.3 Taxes

"Taxes" means any sales, use, import/export, value add taxes, or other tax, tariff or similar governmental or regulatory fees related to this Agreement, any SOW executed hereunder, or any of the Services provided thereunder (however designated and regardless of the jurisdiction that charges any of the foregoing). For the sake of clarity, Taxes do not include any taxes based on Neumo's net income. If Customer is by law exempt from any Taxes otherwise applicable under this Agreement, such Taxes will not be included in

invoices submitted to the Customer, provided that Customer supplies Neumo with valid exemption documentation prior to invoicing. If Neumo is required to pay taxes by determination of a proper taxing authority having jurisdiction over the Services provided under this Agreement or any SOW executed hereunder, Customer agrees to reimburse Neumo for payment of those taxes.

4.4 Payment Terms

All Fees, Expenses, and Taxes shall be invoiced and paid in U.S. Dollars by ACH, or other payment method specified in the applicable SOW or accepted by Neumo. Neumo shall invoice Customer for the Fees in accordance with the frequency and payment terms set forth in the applicable SOW. Neumo shall invoice Customer for all applicable Expenses and applicable Taxes following the month in which they are incurred. Unless disputed in accordance with Section 4.5, Customer shall pay all Fees, Expenses, and Taxes within thirty (30) days of the applicable invoice date. Customer may issue purchase orders for its own internal administrative purposes, but no terms or conditions contained in, attached to, referenced by, or otherwise incorporated into any purchase order, vendor portal, invoice processing document, or similar Customer document will be of any force or effect or amend, modify, supersede, or supplement this Agreement or any SOW unless expressly agreed in a written amendment signed by authorized representatives of both Parties. If Customer intends for any purchase order terms or conditions to apply, Customer must submit those terms and conditions to Neumo before signature of this Agreement or the applicable SOW for Neumo's review and express written agreement. Customer shall provide complete and accurate billing, tax exemption, purchase order, vendor registration, and payment processing information reasonably required for Neumo to invoice and receive payment, and Customer's internal procurement or payment processes will not extend any payment deadline unless expressly agreed in writing by Neumo.

4.5 Invoice Disputes

If Customer disputes any portion of an invoice issued under this Agreement or any SOW, Customer shall submit written notice to Neumo identifying the disputed amount and providing to Neumo, as applicable, documentation supporting the alleged billing error (each such notice, a "Fee Dispute Notice"). A Fee Dispute Notice must be submitted to Neumo within twenty (20) days from the date the invoice at issue is received by the Customer. Customer waives the right to dispute any Fees not disputed within such twenty (20) day period. The Parties shall negotiate in good faith to attempt to resolve any such Fee disputes within thirty (30) days of Neumo's receipt of the applicable Fee Dispute Notice.

4.6 Non-Payment

If Customer fails to timely remit payments in accordance with the payment terms of this Agreement or any applicable SOW, then Customer shall also be liable for any additional expenses Neumo incurs in pursuing such payment (including but not limited to reasonable attorneys' fees and accrued interest at the lesser of one and one-half percent (1.5%) per month or the maximum rate permitted by law). Failure to make timely payment of undisputed Fees shall be a material breach of this Agreement, and upon reasonable written notice to Customer, Neumo may suspend the delivery of Services under any or all affected SOWs until all outstanding undisputed amounts are paid in full. Neumo may condition future renewals, additional SOWs, or continued extension of credit on modified payment terms, prepayment, shorter billing cycles, or other credit protections if Customer has failed to timely pay undisputed amounts.

4.7 Suspension of Services.

In addition to its other rights and remedies, Neumo may suspend performance of Services under any affected SOW upon written notice if Customer fails to timely pay undisputed Fees, materially breaches this Agreement or any SOW, fails to provide required access, data, approvals, or cooperation, or if Neumo reasonably determines that continued performance may violate applicable law, create a security risk, impair Neumo's systems or services, or expose Neumo to material legal, financial, or operational risk. Neumo will use commercially reasonable efforts to limit any suspension to the affected Services. Customer shall remain responsible for all Fees incurred before and during any suspension, and any performance dates, milestones, or service levels shall be equitably extended.

4.8 Fee Calculation; Records.

For any SOW using transaction-based, contingency, revenue share, collection-based, usage-based, or similar pricing, Customer shall provide Neumo with timely access to all information reasonably necessary to calculate Fees, validate transactions, reconcile receipts, determine recoveries, allocate revenue, and substantiate amounts payable to Neumo. Customer shall not take or omit to take any action for the purpose or effect of avoiding, reducing, delaying, or circumventing Fees earned or payable to Neumo. Neumo may rely on Customer Data, system records, transaction records, remittance files, payment processor records, governmental records, and other available information in calculating Fees, and Customer shall reasonably cooperate with Neumo to reconcile any discrepancies.

5. CUSTOMER RESPONSIBILITIES

- 5.1** Customer is responsible for: (i) providing a high speed internet connection of sufficient bandwidth for successful performance of cloud-based Services; (ii) purchasing, installing, maintaining, securing, and managing all necessary Customer-controlled hardware, systems, networks, environments, databases, browsers, operating systems, integrations, and anti-virus protection software required for access to or use of the Services, including any on-premise deployment; (iii) maintaining confidentiality of all administrator and user logon credentials, passwords and account information; (iv) verifying the accuracy, quality, integrity and legality of Customer Data and of the means by which Customer acquired it; (v) determining if the Services are sufficient for its purposes; (vi) ensuring that its use of the Services under this Agreement and any applicable SOW complies with all applicable laws and regulations; and (vii) obtaining and maintaining all Customer systems, third-party services, consents, approvals, and data rights necessary for Neumo to perform the Services.
- 5.2** Customer agrees to use commercially reasonable efforts to prevent unauthorized access to the Services and shall notify Neumo immediately (and in writing) of any such unauthorized access or use. If there is unauthorized use by anyone who obtained access to the Services through Customer, Customer will take all steps reasonably necessary to terminate the unauthorized use and shall cooperate with Neumo in any actions taken to prevent or terminate such unauthorized use.
- 5.3** For on-premise deployments and Customer-controlled environments, Customer is responsible for backing up all data contained in the Services on a regular basis in accordance with standard industry back-up procedures. For cloud-based Services hosted by Neumo or its hosting providers, Neumo will maintain backup procedures materially consistent with its then-current standard practices for the applicable Services. Under no circumstances will Neumo be responsible for the loss of Customer Data

or licensed Services except to the extent caused by Neumo's failure to follow its expressly stated backup obligations for cloud-based Services. "Customer Data" means any data or other information which is provided to Neumo by Customer (directly or indirectly) in connection with the Services provided under this Agreement or any applicable SOW, including data collected/stored within the Services.

5.4 Customer Cooperation. Customer shall provide timely cooperation, access, information, decisions, approvals, data, personnel, facilities, systems, credentials, and third-party cooperation reasonably required for Neumo to perform the Services. Neumo will not be responsible for delay, nonperformance, or additional costs to the extent caused by Customer's failure to provide required cooperation or by inaccurate, incomplete, or untimely Customer Data, instructions, approvals, or dependencies. Any project schedule, milestone, service level, or delivery commitment will be equitably extended to account for Customer-caused delays, and Neumo may charge additional Fees for resulting additional work or idle time at the rates stated in the applicable SOW or, if no rates are stated, at Neumo's then-current rates.

6. PROPRIETARY RIGHTS

6.1 Neumo Technology

Neumo retains sole and exclusive ownership of all rights (including but not limited to intellectual property rights), title and interest in and to the Services and any modifications thereto, together with any related information, software, source code, object code, APIs, documentation, configurations, templates, workflows, know-how, processes, methods, analytics, interfaces, connectors, tools, developments, updates, improvements, derivative works, and deliverables Neumo provides to Customer under this Agreement or any SOW (collectively, "Neumo Technology"). Customer is not authorized to use (and shall not permit any third party to use) Neumo Technology or any portion thereof except as expressly authorized by this Agreement or an applicable SOW. Subject to Customer's payment of all Fees due under this Agreement and any applicable SOW, Neumo grants to Customer a limited, non-exclusive, royalty-free, non-sublicensable, non-transferable license (except as specifically permitted in this Agreement or any SOW), to use those elements of Neumo Technology embodied in any Services deliverables, if any, in Customer's ordinary course of business, solely as so embodied and only during the applicable SOW term. The Services rendered by Neumo under this Agreement or any SOW shall not be considered a "work for hire" under United States copyright laws or other intellectual property laws, and all rights, title, and interest in Neumo Technology shall vest solely in Neumo. The provisions of this section shall survive termination of this Agreement and any SOW executed hereunder.

6.2 Customer Data

All rights, title and interest in and to Customer Data are, and shall remain, the property of Customer and all intellectual property rights in Customer Data are and will remain the property of Customer. Subject to the confidentiality obligations set forth herein, Customer hereby grants to Neumo a non-exclusive, transferable, sublicensable, worldwide, royalty-free license to use, host, copy, transmit, display, process, reproduce, modify, create derivative works of, and otherwise exploit Customer Data throughout the Term of this Agreement and any applicable SOW (and after termination to the extent necessary for Neumo to fulfill any post-termination obligations to Customer), to provide, secure, support, maintain, operate,

monitor, analyze, and improve the Services and Neumo's products and services. Neumo may use aggregated or de-identified data derived from Customer Data or Customer's use of the Services for analytics, benchmarking, product improvement, security, operational, and business purposes, provided such data does not identify Customer or any individual. For avoidance of doubt, Customer Data shall be deemed "Confidential Information" and shall be protected in accordance with the confidentiality provisions of this Agreement.

6.3 Third Party Items

Any hardware and third-party software components provided by Neumo in connection with the Services shall be identified in the applicable SOW. Rights to commercial off-the-shelf software or any other hardware or software provided by third-party software vendors are subject to the provisions of the software licenses provided by those third-party software vendors. Customer understands and agrees that acceptance and use of this third-party hardware and software will be deemed acceptance of the terms and conditions of the licenses provided by the respective hardware and software vendors. Customer further agrees to use the third-party software in accordance with the terms of those licenses. For "shrink wrap" or "click-wrap" software, Customer authorizes Neumo to accept the terms of each license on behalf of the Customer when the software is installed. Neumo disclaims all warranties of merchantability and fitness for a particular purpose and makes no other express or implied warranties whatsoever with regard to any items or components of third-party hardware or commercial off-the-shelf software provided under this Agreement or any SOW.

6.4 Feedback.

If Customer or any of its users provides suggestions, enhancement requests, recommendations, corrections, ideas, or other feedback regarding the Services, Neumo Technology, or Neumo's products or services ("Feedback"), Customer grants Neumo a perpetual, irrevocable, worldwide, sublicensable, transferable, royalty-free license to use and exploit the Feedback for any purpose without restriction, attribution, or compensation. Feedback will not be deemed Customer Confidential Information unless the Parties expressly agree otherwise in writing.

7. CONFIDENTIAL INFORMATION

7.1 Confidentiality

The Party receiving information ("Recipient") from the other Party ("Discloser") shall treat the Discloser's information as confidential and proprietary ("Confidential Information") unless: (1) Recipient is able to demonstrate that the information was known to Recipient prior to the disclosure; (2) Recipient is able to demonstrate the information is part of the public domain; or (3) Recipient's personnel, without knowledge of the Confidential Information, independently develops the information. Recipient shall: (1) protect the secrecy of the Discloser's Confidential Information using the same degree of care it accords to its own confidential information, which in no event will be less than a reasonable degree of care; (2) not disclose the Discloser's Confidential Information to anyone other than an employee, subcontractor, or agent that has: (i) a reason to know the Confidential Information; (ii) been advised of the confidential nature of the information; and (iii) confidentiality obligations that protect the information from further disclosure; and (3) not use the other Party's Confidential Information except to perform its obligations under this

Agreement or any applicable SOW. Recipient may disclose the Discloser's Confidential Information pursuant to a court order or as otherwise required by law, provided that, where legally permitted, Recipient first provides Discloser with written notice and a reasonable opportunity to oppose that disclosure, and reasonably cooperates, at the Discloser's cost, with Discloser to limit the disclosure to the extent permitted by law. The obligations of this section shall survive termination of this Agreement and any SOW executed hereunder.

7.2 Public Disclosures

Neumo acknowledges that Customer is subject to one or more public record/open door acts which generally provide that unless exempted under the applicable act, all records relating to a public agency's business constitute "public records or files" and are open to public inspection, disclosure and copying. Accordingly, Customer will not be deemed in breach or be considered in violation of this Agreement or any applicable SOW if Customer needs to disclose Neumo's Confidential Information to respond to a valid request made under such an act. If Customer receives a request under an applicable public records/open door act that requires the disclosure of Neumo's Confidential Information, Customer will notify Neumo of the request and, if Neumo desires to object, shall reasonably assist Neumo in seeking to protect the information from disclosure in a court of competent jurisdiction.

7.3 Residuals

During the performance of Services under this Agreement or any SOW, Neumo personnel will learn to be more efficient through learning new ideas, know-how, methods, techniques, processes and skills ("Residuals"). Neumo may use, disclose, and otherwise employ such Residuals in its business (including, but not limited to, providing services or creating similar programming or materials for other customers) without violating this section. Residuals exclude Customer's Confidential Information and Neumo may only use Customer's Confidential Information as set forth in this Agreement or an applicable SOW.

8. WARRANTIES

8.1 Limited Warranty

Neumo warrants that (i) the Services performed under this Agreement and any applicable SOW will be performed in a professional and workmanlike manner in accordance with generally applicable industry standards and (ii) that the Services will be free from material errors that would prevent the documented operational features of the Services from functioning when used properly under normal conditions and in accordance with the documentation and instructions for use provided by Neumo. Customer's exclusive remedy and Neumo's entire liability for breach of the foregoing warranty is for Neumo to use commercially reasonable efforts to reperform the affected Services or correct the material error, provided that Customer gives Neumo written notice describing the breach within thirty (30) days after Customer discovers, or reasonably should have discovered, the alleged breach. The limited warranty provided in this Section 8.1 shall not cover, and shall be void as to (a) any third party hardware or software provided to or used by Customer in connection with the Services; (b) any Product component on which maintenance has been performed by a third party not authorized in writing by Neumo; (c) any Product component that has been altered or modified by Customer or any third party not authorized in writing by Neumo; (d) any Product component that is damaged due to the acts or omissions of Customer or any third party; (e) any Product

component that has been damaged as a result of failure to operate the Services in accordance with documentation or operating instructions provided by Neumo; (f) any Product failure due to force majeure or exposure to unusual physical or electrical stress; or (g) any issue caused by Customer-controlled systems, networks, data, configurations, integrations, security settings, or on-premise environments. The warranty obligations set forth in this Section 8.1 shall apply across all SOWs executed under this Agreement.

Governmental Authority; Professional Judgment. Customer retains all governmental, regulatory, adjudicatory, enforcement, policy, legal, and discretionary authority associated with its programs, operations, constituents, records, revenues, transactions, and decisions. Neumo does not make governmental, adjudicatory, eligibility, enforcement, tax, legal, or policy decisions on behalf of Customer unless expressly stated in an SOW and permitted by applicable law. Neumo's Services, deliverables, reports, recommendations, analytics, workflows, and other outputs are intended to support Customer's operations and decision-making and do not constitute legal, tax, accounting, financial, or policy advice.

8.2 Disclaimer

THE LIMITED WARRANTIES SET FORTH IN SECTION 8.1 ARE MADE TO CUSTOMER EXCLUSIVELY AND ARE IN LIEU OF ALL OTHER WARRANTIES. NEUMO DISCLAIMS ANY WARRANTY OF MERCHANTABILITY, WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, WARRANTY OF TITLE, WARRANTY OF NONINFRINGEMENT, WARRANTY OF COMPLIANCE WITH LAWS, AND ANY AND ALL OTHER WARRANTIES (EXPRESS OR IMPLIED) OR THAT COULD BE DEEMED TO HAVE ARISEN FROM ANY COURSE OF PERFORMANCE, COURSE OF DEALING OR USAGE OF TRADE. NEUMO EXPRESSLY DOES NOT WARRANT THAT THE SERVICES OR ANY HARDWARE OR SOFTWARE COMPONENT THEREOF WILL BE ERROR-FREE OR WILL OPERATE WITHOUT INTERRUPTION. CUSTOMER WAIVES ANY CLAIM THAT ANY OF THESE WARRANTIES OR THE REMEDIES PROVIDED UNDER THIS AGREEMENT OR ANY SOW FAIL OF THE ESSENTIAL PURPOSE FOR WHICH THE WARRANTIES OR REMEDIES ARE PROVIDED. NEUMO AND ITS SUPPLIERS ARE NOT LIABLE FOR ANY TEMPORARY DELAY, OUTAGES, OR INTERRUPTIONS OF THE SERVICES PROVIDED UNDER THIS AGREEMENT OR ANY SOW.

9. INDEMNITY

9.1 Intellectual Property Infringement

Neumo shall defend Customer from and against any claim, legal action or proceeding brought or made against the Customer by an unaffiliated third party alleging that the Services, when used as authorized under this Agreement or any applicable SOW, infringes on any copyright, patent, trade secret, or other intellectual property rights of a third party ("Infringement Claim") and shall indemnify and hold harmless Customer from and against any damages and costs awarded against Customer or agreed in settlement by Neumo (including reasonable attorneys' fees) resulting from such Infringement Claim. If an Infringement Claim is made or, in Neumo's opinion, is likely to be made, Neumo may, at its option and expense, procure for Customer the right to continue using the affected Services, modify or replace the affected Services so they are non-infringing, or terminate the affected Services and provide a pro rata refund of prepaid unused Fees for the affected Services. The foregoing indemnification obligation of Neumo shall not apply: (1) if the Services are modified by any party other than Neumo, but solely to the extent the alleged infringement is

caused by such modification; (2) if the Services are combined with products or processes not provided by Neumo, but solely to the extent the alleged infringement is caused by such combination; (3) to any unauthorized use of the Services; (4) to any action arising as a result of Customer Data, Customer requirements, specifications, instructions, or any third-party deliverables or components contained within or used with the Services; (5) if Customer settles or makes any admissions with respect to a claim without Neumo's prior written consent; or (6) to open-source software or third-party items. This Section states Neumo's sole liability and Customer's exclusive remedy for any Infringement Claim.

9.2 Mutual Indemnity

To the extent allowable by applicable law, each Party shall indemnify and hold harmless the other Party (and its successors, officers, directors, and employees) from any and all liabilities, claims, and expenses of whatever kind and nature for injury to or death of any person or persons and for loss of or damage to any tangible personal property occurring in connection with or in any way incident to or arising under this Agreement or any SOW executed hereunder, resulting in whole or in part from the negligent acts or omissions of the indemnifying Party. Customer shall defend, indemnify, and hold harmless Neumo from and against any third-party claim arising from Customer Data, Customer's use of the Services in violation of this Agreement or applicable law, Customer-controlled systems or environments, or Customer's failure to obtain required rights, consents, approvals, or authorizations for Neumo to process Customer Data or perform the Services.

9.3 Conditions of Indemnity

Each Party agrees, as conditions to the indemnity obligations set forth herein, that the indemnified Party will (i) notify the indemnifying Party promptly in writing of any third party claim for which indemnification may be sought (provided that failure to give such notice may excuse the indemnifying Party's obligations only to the extent such failure resulted in actual prejudice to the indemnifying Party); (ii) give the indemnifying Party sole control over the defense and settlement of the claim (provided that the indemnifying Party will not settle any claim that imposes any monetary or injunctive obligation upon the indemnified Party without the indemnified Party's prior written approval, not to be unreasonably withheld); and (iii) provide the indemnifying Party with reasonable cooperation, at the indemnifying Party's expense, in connection with the defense and settlement of the claim.

10. LIMITATION OF LIABILITY

10.1 Consequential Damages Waiver

NEITHER PARTY SHALL HAVE ANY LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT OR ANY SOW EXECUTED HEREUNDER FOR ANY LOSS OF USE, LOST DATA, LOST PROFITS, FAILURE OF SECURITY MECHANISMS, INTERRUPTION OF BUSINESS, LOSS CAUSED BY THE INTERRUPTION, TERMINATION OR DELAYED OPERATION OF THE INTERNET, THIRD-PARTY TELECOMMUNICATION SERVICES OR THIRD-PARTY SECURITY FEATURES OR SYSTEMS, EXCEPT AS REQUIRED BY LAW. EXCEPT FOR (i) CLAIMS ARISING FROM CUSTOMER'S VIOLATION OF NEUMO'S INTELLECTUAL PROPERTY RIGHTS IN NEUMO TECHNOLOGY, (ii) CUSTOMER'S PAYMENT OBLIGATIONS, OR (iii) CUSTOMER'S BREACH OF THE USE RESTRICTIONS, NEITHER PARTY SHALL BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL,

EXEMPLARY, PUNITIVE, RELIANCE, OR CONSEQUENTIAL DAMAGES OF ANY KIND, EVEN IF INFORMED OF THE POSSIBILITY IN ADVANCE.

10.2 Liability Cap

EXCEPT FOR (i) CLAIMS ARISING FROM CUSTOMER'S VIOLATION OF NEUMO'S INTELLECTUAL PROPERTY RIGHTS IN NEUMO TECHNOLOGY, (ii) CUSTOMER'S PAYMENT OBLIGATIONS, OR (iii) CUSTOMER'S BREACH OF THE USE RESTRICTIONS, EACH PARTY'S ENTIRE CUMULATIVE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT OR ANY SOW EXECUTED HEREUNDER SHALL NOT EXCEED THE AMOUNTS ACTUALLY PAID OR PAYABLE TO NEUMO UNDER THE APPLICABLE SOW DURING THE TWELVE (12) MONTH PERIOD PRECEDING THE FIRST EVENT GIVING RISE TO LIABILITY. FOR THE AVOIDANCE OF DOUBT, THE PRECEDING LIMITATION OF LIABILITY SHALL NOT AFFECT CUSTOMER'S OBLIGATION TO EFFECT PAYMENT OF FEES DUE UNDER THIS AGREEMENT OR ANY APPLICABLE SOW, WHICH SHALL REMAIN IN EFFECT REGARDLESS OF, AND ON TOP OF, THE LIMITATION OF LIABILITY SET FORTH HEREIN.

10.3 Limitations Fair and Reasonable

EACH PARTY ACKNOWLEDGES THAT THE LIMITATIONS OF LIABILITY SET FORTH IN THIS SECTION 10 REFLECT THE ALLOCATION OF RISK BETWEEN THE PARTIES UNDER THIS AGREEMENT AND ALL SOWS EXECUTED HEREUNDER, AND THAT IN THE ABSENCE OF SUCH LIMITATIONS OF LIABILITY, THE ECONOMIC TERMS OF THIS AGREEMENT WOULD BE SIGNIFICANTLY DIFFERENT. THESE LIMITATIONS SHALL APPLY NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY PROVIDED UNDER THIS AGREEMENT OR ANY SOW.

11. NOTICES

Unless otherwise specified in this Agreement or an applicable SOW, all notices, requests, or consents required to be given in writing under this Agreement or any SOW executed hereunder shall be sufficiently given if sent by first class certified mail, delivered by overnight delivery service (FedEx or UPS), hand delivered by a courier (signature service required), or electronic mail with delivery confirmation enabled. Notices shall be considered to have been given at the time of actual delivery in person, two (2) business days after deposit in the mail as set forth above, or one (1) day after delivery to an overnight air courier service or through electronic mail, provided in each case that delivery in fact is affected. Either Party may change its contact person for notices and/or address for notice by means of notice to the other Party given in accordance with this Section. Notice information for each Party shall be set forth in this Agreement and may be supplemented or updated in any SOW executed hereunder.

For Neumo:

Neumo Group, LLC
Attn: Contracts
5885 Trinity Parkway, Suite 120
Centreville, VA 20120
Email: contracts@neumo.com

For Customer:

As set forth in the Order Form

12. INSURANCE

During the Term of this Agreement and throughout the term of any SOW executed hereunder, Neumo agrees to maintain standard insurance coverage in accordance with its corporate policy. Upon request, Neumo will provide evidence of coverage on a standard ACORD form certificate of insurance.

13. ASSIGNMENT

Neumo may utilize subcontractors, affiliates, hosting providers, infrastructure providers, and other service providers to perform its obligations under this Agreement or any SOW executed hereunder, provided that Neumo remains responsible for their performance of Neumo's obligations under this Agreement. In addition, Neumo may, without the consent of Customer, assign or transfer this Agreement and any SOWs executed hereunder to an affiliate or a successor-in-interest in the event of a merger, consolidation, reorganization, sale of equity, sale of assets, change of control, financing transaction, or acquisition of any portion of the business of Neumo provided that (a) the assignee to which this Agreement is assigned or transferred agrees in writing to be bound by the terms and conditions of this Agreement and all applicable SOWs; and (b) Neumo notifies Customer of such assignment within a reasonable period of time after it occurs. In all other circumstances, neither Party shall assign any of its rights under this Agreement or any SOW executed hereunder, or delegate the performance of any of its duties hereunder, without the prior written consent of the other Party.

14. FORCE MAJEURE

Neither Party shall be liable for failure or delay in performance of its obligations under this Agreement or any SOW executed hereunder when such failure or delay is caused by acts of God, flood, hurricane, extreme weather, fire or other natural calamity, epidemics, pandemics, acts of governmental agencies, changes in law, cyberattacks or malicious code, internet provider network unavailability/outages, failure or delay of Customer systems or third-party systems, or similar causes beyond the reasonable control of such Party ("Force Majeure Events"). If due to any Force Majeure Events either Party shall be unable to perform any obligation when due, such Party shall promptly notify the other Party of such inability and of the period over which such inability is expected to continue. Affected obligations of the Parties shall be temporarily suspended during the period of the Force Majeure Event and the time for performance under this Agreement and any affected SOW shall be extended by the duration of any such period; provided, however, that if the delay continues for a period of thirty (30) days or more, either Party may terminate this Agreement, or the affected SOW(s) by written notice to the other.

15. EXPORT CONTROL

Customer shall not export or re-export or allow anyone to access or use the Services outside of the United States without the prior written authorization of Neumo. If approved, Customer must comply fully with all relevant export laws and regulations of the United States and other applicable export and import laws to ensure that the Services are exported, directly or indirectly, in violation of applicable laws. These obligations apply across all SOWs executed under this Agreement and shall survive termination of this Agreement or any applicable SOW.

16. RELATIONSHIP OF THE PARTIES

The Parties hereto expressly understand and agree that each Party is an independent contractor in the performance of each and every part of the Agreement and any SOW executed hereunder, is solely responsible for all of its employees and agents and its labor costs and expenses arising in connection therewith. This Agreement does not create any joint venture, partnership, fiduciary, employment, or agency relationship, and neither Party may make commitments for or bind the other without prior written consent. Neumo shall not be restricted from providing similar products or services to others.

17. GENERAL

17.1 Authority to Execute. Each Party represents and warrants that it has the requisite power and authority to conduct its business and to execute, deliver and perform the obligations under this Agreement and any SOW executed hereunder. Each Party warrants that the individuals who have signed this Agreement and any applicable SOW on its behalf have the legal power, right, and authority to enter into this Agreement and any applicable SOW and to bind each respective Party.

17.2 Injunctive Relief. The Parties recognize that a remedy at law for a breach of the provisions of this Agreement or any SOW relating to proprietary and confidential information or the unauthorized use of any trademark, copyright, or other intellectual property of Neumo may not be adequate for protection of Neumo, and accordingly Neumo shall have the right to seek injunctive relief to enforce the provisions of this Agreement or any applicable SOW, in addition to any other relief and remedies available.

17.3 Waiver. The failure of either Party at any time to enforce any right or remedy available to it under this Agreement or any SOW executed hereunder with respect to any breach or failure by the other Party shall not be construed to be a waiver of such right or remedy with respect to any other breach or failure by the other Party.

17.4 Headings. The headings used in this Agreement and any SOW executed hereunder are for reference only and do not define, limit, or otherwise affect the meaning of any provisions of this Agreement or any SOW.

17.5 Severability. If any of the provisions of this Agreement or any SOW executed hereunder are found to be invalid or unenforceable, such invalidity or unenforceability shall not invalidate or render unenforceable the entire Agreement or the applicable SOW, but rather the entire Agreement and applicable SOW shall be construed as if not containing the invalid or unenforceable provision or provisions, and the rights and obligations of Customer and Neumo shall be construed and enforced accordingly.

17.6 Governing Law. This Agreement and all SOWs executed hereunder shall be governed by, interpreted, construed, and enforced in accordance with the laws of the State in which the Customer is domiciled, without reference to the principles of conflict of laws.

17.7 Changes. A Party may request a modification to this Agreement, any SOW executed hereunder, or the scope of Services by written request to the other Party specifying the requested changes and other pertinent details. Changes shall be mutually agreed upon by the Parties and will become effective via written modification, amendment, or change order to this Agreement or the applicable SOW, executed by authorized contractual representatives of both Parties.

- 17.8 Survival.** Any provision of this Agreement or any SOW executed hereunder that expressly or by implication is intended to survive termination or expiration, regardless of the date, cause, or manner of such termination, and including but not limited to rights of action accruing prior to termination and payment obligations, will survive such termination or expiration and will continue in full force and effect. Without limiting the foregoing, the following provisions shall survive termination or expiration of this Agreement and any applicable SOW: payment obligations, confidentiality, intellectual property ownership, restrictions on use, warranties and disclaimers, limitation of liability, indemnification, governing law, and any rights of action accruing prior to termination.
- 17.9 Order of Precedence.** In the event of a conflict between the terms and conditions of this Agreement and the terms and conditions of any SOW or other document incorporated by reference hereunder, the terms of the applicable SOW shall control, then the terms of this Agreement shall control, except where the applicable the terms of another document incorporated by reference hereunder expressly identifies and supersedes a specific conflicting provision of this Agreement.
- 17.10 Cumulative Remedies.** Except as expressly stated in this Agreement, all rights and remedies under this Agreement are cumulative and may be exercised concurrently or separately. Customer acknowledges that any actual or threatened breach of the provisions regarding use restrictions, proprietary rights, confidentiality, or unauthorized access to the Services may cause irreparable harm to Neumo for which monetary damages may be inadequate, and Neumo may seek injunctive or equitable relief without posting bond, in addition to any other rights or remedies available under this Agreement, at law, or in equity.
- 17.11 Marketing.** Neumo may identify Customer as a customer and may use Customer's name and logo in customer lists, proposals, presentations, investor materials, earnings materials, marketing materials, and on Neumo's websites, subject to any trademark usage guidelines Customer provides in writing. Neumo will not issue a press release announcing this Agreement without Customer's prior written approval.
- 17.12 Equal Opportunity to Draft.** The Parties have participated and had an equal opportunity to participate in the drafting of this Agreement and each SOW. No ambiguity shall be construed against either Party upon a claim that the other Party drafted the ambiguous language.
- 17.13 Counterparts.** This Agreement and any SOW may be signed in separate counterparts, including electronic signatures. Each counterpart is deemed an original, and all counterparts together are deemed one and the same instrument and legally binding on the Parties.

18. ENTIRE AGREEMENT

This Agreement, together with all SOWs executed hereunder and any other documents expressly incorporated by reference, constitutes the entire understanding and agreement between the Parties with regards to the subject matter hereof and supersedes any prior and contemporaneous agreements, representations, negotiations, and understandings, written or oral, relating to such subject matter. Each SOW executed under this Agreement is hereby incorporated into and made a part of this Agreement, and together they form a single integrated agreement between the Parties. The terms and conditions of this Agreement or any SOW shall not be changed or modified except by written agreement signed by authorized representatives of both Parties.

SCHEDULE A

STATEMENT OF WORK FOR Short-Term Rental Services

Town of Blue River, Colorado

This Schedule A – Statement of Work for Short-Term Rental Services (“**Schedule A**”) is incorporated into the Agreement between Neumo Group, LLC (“**NEUMO**”) and Town of Blue River, Colorado (“**CLIENT**”). Unless defined otherwise in this Schedule A, all capitalized terms shall have the meanings set forth in the Agreement.

A. SERVICES**1. SHORT-TERM RENTAL COMPLIANCE 360****Scope of Work**

NEUMO’s Short Term Rental Monitoring and Identification Services are designed to assist CLIENT in enhancing its short-term rental/ lodging tax revenues by providing targeted web monitoring, web portal and identification services thereby producing previously unrealized revenue and improved compliance opportunities for CLIENT. Using its Short-Term Rental Compliance Software, NEUMO will be responsible for providing the following modules and components as part of this Agreement:

Identification Services - Bundled

- Validate STR listing data with at least two (2) different data points to public records
- Correctly Identify single-family-dwelling STR listings with exact street address at least ninety-five percent (95%) of the time
- Identify multi-family-dwelling STR listings with full name, exact address including unit number at least seventy-five (75%) of the time

Targeted Website Monitoring

- Data collection and archiving from eighty (80) different short-term rental websites including Airbnb, HomeAway, Booking. Additional websites may be supported upon CLIENT request, for additional cost.
- Data collection is run at least once per week
- Collect and store calendar availability data for at least six (6) months each time listing data is collected
- Archive and estimate gross revenue via review or calendar bookings
- Generate statistics on and group by room type, occupancy rate, host name, owner name, STR density heatmaps, average nightly rates, and other metadata in a dashboard report
- Capture of time-stamped STR listings data in JPG
- Automated matching of STR listings to STR Licensees via proximity and host name

Web Portal for Monitoring

- 24/7 accessible web-portal with keyword-search
- Log into a secured, password-protected web-based graphical user interface
- Compatible with desktop, tablet, and mobile version of internet browsers
- Navigate listings by keyword search and by interactive map with dynamic filtering
- Reporting on sixty-nine (69) different data points and filtering / grouping

- Enter notes and track compliance activity on forty (40) different categories of compliance
- English Customer Support
- Generate a mailout of non-compliant STR operators within the interface
- Compare up to ten (10) STR listings with thumbnail photos at the same time

24/7 Complaint Hotline

- 24/7 hotline and online tipform, fielding all tips, complaints, and violation reports from residents, in regard to disruptions at an alleged short-term rental property. These violations are tracked and maintained in the STR database and become part of the compliance activity for a property.
- Live operator will receive these violation calls and (if the CLIENT so chooses) make outbound outreach to the designated responsible agent of the STR address in question and/or escalate to other enforcement agencies
- Any configuration change to the complaint call flow after 30 days of go-live may result in additional charges

Registration and Permitting Portal

- Layout of form on multiple screens to reduce clutter with Next and Back buttons
- Compatible with desktop, tablet and mobile version of internet browsers
- Upload up to 10 supporting documents for registering via photo or attachment
- Allow host registrant data to be approved, rejected, or inspected from an administrative account accessible by an authorized user
- One-time data load of active registered STR properties via CSV file during onboarding
- Email notification of registration changes to both the registrant and the customer
- Configurable registration application, review, approval and/or renewal statuses
- Document notes on permit or renewal application throughout review process
- Allow manual payment processing by cash, cheque or point-of-sale by administrator
- Reporting and filtering by registration date, permit status, payment status, reconciliation report
- English Customer Support

Tax Collection Portal

- Layout of form on multiple screens to reduce clutter with Next and Back buttons
- Allow remittance over monthly, quarterly, or annual reporting periods
- Compatible with desktop, tablet and mobile version of internet browsers
- Report interface for reviewing tax remittances, delinquent payments and non-filers
- Email notification of tax remittances to both the registrant and the CLIENT
- Allow manual payment processing by cash, check or point-of-sale by administrator
- Apply and calculate penalty and interest for late remittances
- Reporting and filtering by filing period, permit status, delinquency report, reconciliation report
- English Customer Support

Compliance Outreach

- Print and Mail - Up to 2 rounds of letters per non-compliant STR host per year

360 Full Service Registration and Tax Administration Services, and Reporting

- Print and Mail services (Registration, Citation, Violation Notices, Licenses, Renewals, Postage)
- Approving and rejecting permitting/licensing Staff Support

- One Town Hall on-site meeting per year
- Short-Term Rental delinquency outreach
- HOT Tax audit for 5% of registered Hotels, Motels, and/or STRs at discretion of CLIENT

NEUMO Deliverables

- Portal will begin archiving and monitoring within 60 days of contract signature at a minimum the following information, (herein “Self-Service STR Report”)
 - STR unique id, website URL, duplicate STR ids
 - Approximate or Exact STR address (and apartment number if applicable), city, state, postal code
 - Partial or Full Operator information (name, address, city, state, postal code)
 - Number of bedrooms
 - Maximum guests
 - Nightly rate
 - Number of reviews
 - Minimum nights
 - Permit numbers displayed on the ad (if any)
- NEUMO will provide CLIENT with login access to the system for up to 100 staff members
- Perform all on-going support of the System, including hardware and software throughout Term
- Provide online webinar style training on the System to CLIENT staff once per year for up to two (2) hours. On-site training or online training more than once per year will incur additional costs as outlined in Schedule B.

CLIENT Assistance

CLIENT shall assist NEUMO by providing necessary information and assistance to include, but not be limited to, the following:

Prior to the start of the work to be performed, provide NEUMO with:

- all existing Short-Term Rental Permit, License and Tax records to be converted in a file format agreed to by the NEUMO and a time specified in the implementation plan.
- Provide a copy of all ordinances related to short-term rental, hotel occupancy, lodging tax, permits and or business registration.
- Provide CLIENT shape file (boundary file)
- Provide at no additional cost to the NEUMO Land Title, Land Ownership, and / or Parcel Ownership File
- Inform NEUMO of any circumstances concerning current existing payees.
- Inform NEUMO of the development of new lodging properties no later than the Certificate of Occupancy being granted.
- the most recent registration to collect the tax and returns for the time period requested as needed to compile a historical database for the period of the statute of limitations.
- Cooperate in the transition by reviewing proposed processing and materials, offering comments and suggestions, and providing timely approvals.
- Undergo training in the use of online applications.
- Provide authorization for NEUMO to act as an agent of the CLIENT to accept Registrations, Applications, Tax Returns, payments and to pursue compliance/collection efforts.

- Provide notification of payment receipt from non-compliant entities identified within two (2) business days of receipt.
- If applicable, provide the most recent sales tax and business license registry and payment history for the prior three (3) years.

Through the course of the Term, CLIENT shall:

- Pursue those Short-Term Rentals identified by NEUMO within 30 days of the date they are first identified for non-compliance per CLIENT's ordinance
- In the event of a misidentification, provide NEUMO with documentation and feedback
- Provide a valid email address(es) and/or phone number(s) to receive 24/7 nuisance escalations, and respond to escalations as required
- For 360 service only, provide a guideline for how to review, approve and/or reject registrations and/or answer any escalations that come from registrants and taxpayers

2. DISCOVERY/RECOVERY SERVICES

Scope of Work

Discovery/Recovery Services are designed to provide a full-service solution to the CLIENT'S designated tax or fee enforcement procedures. It does not replace current functions but provides a focused solution to the identification of entities subject to taxation and/or registration by the CLIENT, which are not properly registered, or otherwise not reporting taxes and/or fees to the CLIENT. In performing the Discovery/Recovery Services, NEUMO shall:

- Establish a comprehensive inventory of the entities subject to taxation by the CLIENT and the database elements needed to facilitate a comprehensive comparative analysis with the CLIENT'S records of those entities that are properly registered.
- Compare NEUMO'S database of business records with the CLIENT'S records to identify potential non-reporting and non-registered entities subject to taxation.
- For unregistered or non-reporting entities identified and confirmed, assist the entities, as necessary, to complete the CLIENT'S applicable registration and/or tax returns.
- Invoice entities (including supporting documentation) on behalf of the CLIENT for the number of identified deficiencies, with payment to be remitted to NEUMO.
- Exhaust reasonable efforts to collaborate with the taxpayer in submitting registration and/or tax returns and payment correctly. Where deemed reasonably appropriate accounts may be turned over to audit or third party collection.
- Collect the number of identified deficiencies, together with required supporting documentation, and remit payment received to the CLIENT as agreed upon in the workplan. (NEUMO shall follow the CLIENT'S business rules in collecting partial payments or the tax in full at the CLIENT'S direction.).
- Provide call center open during normal business hours (7:30 a.m. - 4:30 p.m. CST.) to assist entities with questions concerning application of the CLIENT'S taxes, and reporting and remittance requirements.
- Educate entities regarding the CLIENT'S reporting requirements to prevent recurring deficiencies in future years.

NEUMO Deliverables

Throughout the course of the Agreement, NEUMO will:

- Provide reports addressing each taxpayer who has failed to register and/or report appropriate taxes, penalties, interest and any fees due.
- Provide a detail payment listing showing all taxes and fees paid to NEUMO.
- Monitor and analyze the tax registry files of CLIENT no less than annually.
- Remit payment to the CLIENT for funds received on behalf of the CLIENT no less than once per month on or before the tenth (10th) day of the month following collection.

CLIENT Assistance

CLIENT shall assist NEUMO by providing necessary information and assistance to include, but not be limited to, the following:

- the most recent registration to collect the tax;
- returns for the time period requested as needed to compile a historical database for the period of the statute of limitations;
- all existing, License and Tax records to be converted in a file format agreed to by the NEUMO and a time specified in the implementation plan.
- Provide a copy of all ordinances related to sales tax, rental, hotel occupancy, lodging tax, permits and or business registration.
- Distribution Confirmation: The CLIENT will fill in the account information requested on **Attachment A**, sign and attach the same to the fully executed Agreement. Should there be any changes to the account or percentages in Attachment A, the CLIENT shall immediately notify NEUMO in writing of all changes in amounts to be deposited into the accounts of designated recipients.
- Changes to Attachment A: The CLIENT shall notify NEUMO in writing immediately of all changes in amounts to be deposited into the accounts of designated recipients. An amended Attachment A shall be prepared and executed by the Parties as soon as reasonably possible. In addition, NEUMO shall provide documentation confirming each change under the preceding sentence with the first monthly report reflecting the applicable change. If the changes reflected in the monthly report do not properly reflect the intended changes of the CLIENT, then the CLIENT shall immediately notify NEUMO and, thereafter, NEUMO shall take the steps necessary to insure that designated recipients receive the amounts intended by the CLIENT.
- CLIENT agrees to examine reports immediately. If no error is reported by the CLIENT to NEUMO within thirty (30) days, the statement will be deemed accurate.

3. Compliance Audit Services

Objectives and Methods

NEUMO's Local Occupancy Tax Compliance Service is intended to assist the CLIENT in maximizing the tax revenue it is entitled to through an examination of records and education of the lodging providers to ensure the appropriate collection and remittance of the occupancy tax.

Scope of Work

Examination Services

- In coordination with CLIENT staff, schedule, and conduct reviews at the property locations or remotely of those providers identified and authorized for examination.
- Provide CLIENT staff with a draft engagement announcement letter to be sent to each lodging provider requiring examination.
- Verify the accuracy of filed lodging tax returns with daily and monthly activity summaries.
- Review a random sample of the daily and monthly summaries to determine if the daily summaries reconcile to the monthly summaries if applicable.
- Review bank statements to verify that deposits reconcile with the reported revenue on the lodging tax returns if necessary.
- Review a random sample of exempted guest revenue for proper qualifying documentation and trace registration and/or other source documents to verify compliance with the CLIENT ordinance.
- Where possible, compare the State lodging tax filings with CLIENT's tax returns.
- For each error/omission identified and confirmed, submit substantiating documentation to designated CLIENT staff to facilitate collection of revenue due from lodging providers for prior periods.
- Coordinate with designated CLIENT official(s) as necessary to review findings and recommendations.
- Prepare draft Notices of deficiency determination, commendation, and credit letters, as applicable, for CLIENT to advise lodging providers of examination results.

Additional Consulting

- Assist CLIENT in reviewing any matters submitted in extenuation and mitigation by lodging providers in contesting a deficiency determination.
- Prepare and document any changes to the review findings and provide revised tax amounts due to the CLIENT.

NEUMO Deliverables

Examination Services

- Provide CLIENT staff with a draft Announcement Letter to be sent to each lodging provider to be examined on CLIENT letterhead.
- For each error/omission identified and confirmed, submit a written report substantiating documentation to designated CLIENT staff to facilitate collection of revenue due from lodging providers for prior periods together with draft Notices of deficiency determination, and/or credit, or commendation letters as applicable.

Additional Consulting

- Prepare and document any changes to the review findings and provide revised tax amounts due to the CLIENT.
- Review any extenuation or mitigation proffered to deficiency determinations and prepare draft response to CLIENT staff.
- Provide other collections advice upon request.

CLIENT Assistance

- Provide NEUMO with the records of those taxpayers authorized by CLIENT for examination.
- CLIENT agrees to provide signed authorization letters on CLIENT letterhead as needed within thirty (30) days of request.
- CLIENT agrees to provide NEUMO with its ordinances, codes, and tax rates within thirty (30) days of the effective date of the agreement, and notice of any changes thereafter in the ordinances, codes, and tax rates levied by the CLIENT.
- CLIENT agrees to timely sign subpoenas, as required.
- CLIENT agrees to timely sign and approve letters and notices, as required.

4. NEUMO | PAYMENTS (ELECTRONIC PAYMENT PROCESSING SERVICES)**Objectives and Methods**

The mission of the Electronic Payment Processing Services is to revolutionize payment options, encompassing in-office credit card payments and streamlining online credit card and ACH transactions. This multifaceted initiative, structured into standard, data-driven, and custom development phases, is intricately aligned with the broader objective of fortifying CLIENT's revenue collection processes. Tailored services cater to online, in-person, and phone payments, strategically crafted to elevate the efficiency and effectiveness of the entire payment ecosystem.

Implementation Timeline

Standard Implementations (12 Weeks):

1. In-person credit card processing through Cashiering
 - a. EMV capable, tap to pay, GooglePay, ApplePay, and SamsungPay accepted.
2. Integration of online electronic payment capabilities
 - a. CLIENT has the discretion to choose the initial revenue streams to be incorporated. The recommendation is to commence with areas lacking these capabilities altogether or experiencing vendor inefficiencies. A strategic phased approach allows users to become comfortable.

Data-Driven Components (16 Weeks):

1. Synchronization of bill data to our databases for online presentment to citizens
 - a. Strategically add revenue streams to the electronic payment options, beginning with areas devoid of electronic payment alternatives or facing vendor challenges.

Custom Development (6 Months, only if necessary):

1. Tailoring the system for specific needs, including CLIENT loaders, API adjustments, etc.
 - a. Continue the strategic expansion of electronic payment options, incorporating additional revenue streams as identified by CLIENT.

CLIENT Collaboration

Effective collaboration with CLIENT is pivotal for successful implementation. The following cooperative efforts from CLIENT are vital:

1. Interviews Regarding Existing Processes:

- a. Gain insights into current processes to tailor the implementation accordingly.

2. Form Documents:

- a. Provide samples of all form registration documents to be recreated for online submission.
- b. Review initial and any subsequent changes as needed.

3. Access to Systems:

- a. Grant access to CLIENT systems for the installation and configuration of electronic payment services, in collaboration with their IT teams.
- b. For online systems, the creation of layout files to import payment files into CLIENT's existing systems necessitates a comprehensive understanding of CLIENT's data structures and security protocols. CLIENT acknowledges that access to sensitive data for this purpose will be managed under strict confidentiality and in compliance with applicable data protection laws.

4. Update Website:

- a. Once services have been completely implemented and CLIENT has reviewed all setups, CLIENT must add links to the homepage of their website, so the services are locatable by citizens for adoption.

5. PCI Compliance:

- a. Installation of services on each workstation accepting payments entails compliance with all local and federal regulations. The CLIENT acknowledges that the Service Provider will ensure adherence to Payment Card Industry Data Security Standard (PCI DSS) requirements during installations.

Project Deliverables

- 1. In-person credit card payment processing with EMV technology.
- 2. Online credit card and ACH payment processing.
- 3. Synchronization of bill data for online presentation.

Risk Mitigations

Potential Delays: Due to data synchronization complexities.

- Mitigation: Ensure regular communication, a proactive approach to issue resolution, and adherence to all legal and regulatory requirements.

Project Sign-off:

The project will be deemed complete upon the successful implementation of all components, client validation, and acceptance.

Note: Any additional requirements discovered during the implementation may be subject to changes in the project timeline or scope, which will be communicated and agreed upon by both parties through formal amendments to the existing agreement.

B. COMPENSATION**1. SHORT-TERM RENTAL COMPLIANCE 360**

The Short-Term Rental Monitoring and Identification Services shall be provided for the fees listed in the Milestone Schedule. Fees are invoiced at the completion of each milestone listed in the below Milestone Schedule. Property units are based on the total number of known and/or active and/or unidentified advertised and/or not advertised properties. For the sake of clarification, the total number of property units is inclusive of known and/or active and/or unidentified advertised and/or not advertised properties, and can be re-evaluated every 12-month interval.

Milestone Schedule

Milestone	Invoice Date	Payment Due	Amount Due
Year 1 STR Portal Setup / Onboarding	+30 days after signature	+60 days after signature	\$2,500
Year 1 STR Report	+60 days after signature	+90 days after signature	\$102,000 for up to 400 properties, each additional property \$255
Year 2 Maintenance	Annually	Annually 30 days after invoice presentment	\$107,100 for up to 400 properties, each additional property \$255
Year 3 Maintenance	Annually	Annually 30 days after invoice presentment	\$112,455 for up to 400 properties, each additional property \$255

ADDITIONAL CONSULTING

CLIENT may request that NEUMO provide additional consulting services at any time during the Term of this Agreement. If NEUMO and CLIENT agree on the scope of the additional consulting services requested, then NEUMO shall provide the additional consulting on a Time and Materials basis. Depending on the personnel assigned to perform the work, standard hourly rates range from Seventy-Five Dollars (\$75) per hour to Two Hundred Dollars (\$200) per hour. These additional consulting services will be invoiced at least monthly based on actual time and expenses incurred.

The following are sample hourly rates based on the job classification:

- Principal: \$200 per hour
- Client Services: \$175 per hour
- Information Technology (IT) support: \$165 per hour
- Operational Support:
 - Director or Manager: \$175 per hour
 - Senior Analyst: \$125 per hour
 - Analyst: \$100 per hour
 - Administrative: \$75 per hour

TRAVEL AND OUT-OF-POCKET

CLIENT shall reimburse NEUMO for reasonable travel and other out-of-pocket expenses associated with the performance of the field audits including but not limited to lodging, parking, mileage, per diem, etc. (Mileage and per diem shall be according to IRS regulations). Such reimbursement shall be billed incrementally.

2. DISCOVERY/RECOVERY SERVICES

The Discovery/Recovery Services shall be provided for a contingency fee of Fifty percent (50%) of the additional delinquent revenue received by CLIENT for the services. The Fifty percent (50%) contingency fee shall apply to the current license/fee year and/or period, all eligible prior period revenues collected, and any applicable penalties, interest, and late charges. The contingency fee is also due on all payments made direct to the CLIENT. The contingency fee only applies to revenue actually received by CLIENT. The term “current license/fee year/period” shall mean the most recent year or period for which local license and/or fees are due and payable to CLIENT, and in which NEUMO has identified deficiencies.

ADDITIONAL CONSULTING

CLIENT may request that NEUMO provide additional consulting services at any time during the term of this Agreement. If NEUMO and CLIENT agree on the scope of the additional consulting services requested, then NEUMO shall provide the additional consulting on a Time and Materials basis. Depending on the personnel assigned to perform the work, standard hourly rates range from Seventy-Five Dollars (\$75) per hour to Two Hundred Dollars (\$200) per hour. These additional consulting services will be invoiced at least monthly based on actual time and expenses incurred.

The following are sample hourly rates based on the job classification:

- Principal: \$200 per hour
- Client Services: \$175 per hour
- Information Technology (IT) support: \$160 per hour
- Operational Support:
 - Director or Manager: \$175 per hour
 - Senior Analyst: \$125 per hour
 - Analyst: \$100 per hour
 - Administrative: \$75 per hour

TRAVEL AND OUT-OF-POCKET

CLIENT shall reimburse NEUMO for reasonable travel and other out-of-pocket expenses associated with the performance of the field audits including but not limited to lodging, parking, mileage, per diem, etc. (Mileage and per diem shall be according to IRS regulations). Such reimbursement shall be billed incrementally.

3. COMPLIANCE AUDIT PRICING

Compliance Audit services are included for up to 5% of the total accounts. Each additional audit costs \$700 per STR and \$2,000 for each additional hotel audit.

ADDITIONAL CONSULTING

CLIENT may request that NEUMO provide additional consulting services at any time during the Term of this Agreement. If NEUMO and CLIENT agree on the scope of the additional consulting services requested, then NEUMO shall provide the additional consulting on a Time and Materials basis. Depending on the personnel assigned to perform the work, standard hourly rates range from Seventy-Five Dollars (\$75) per hour to Two Hundred Dollars (\$200) per hour. These additional consulting services will be invoiced at least monthly based on actual time and expenses incurred.

The following are sample hourly rates based on the job classification:

- Principal: \$200 per hour
- Client Services: \$175 per hour
- Information Technology (IT) support: \$160 per hour
- Operational Support:
 - Director or Manager: \$175 per hour
 - Senior Analyst: \$125 per hour
 - Analyst: \$100 per hour
 - Administrative: \$75 per hour

TRAVEL AND OUT-OF-POCKET

CLIENT shall reimburse NEUMO for reasonable travel and other out-of-pocket expenses associated with the performance of the field audits including but not limited to lodging, parking, mileage, per diem, etc. (Mileage and per diem shall be according to IRS regulations). Such reimbursement shall be billed incrementally.

4. NEUMO PAYMENTS RATE PLAN - NEUMO | PAYMENTS (ELECTRONIC PAYMENT PROCESSING SERVICES)

Usage of Neumo Payment Services is subject to https://get.neumo.com/hubfs/Submerchant_Agreement-Online_New_Customer.

Below are the Processing Fee Schedule(s):

Service Options: Please choose which services you'll be offering your citizens:

☒ Online Payment Services

☐ In-Person and Phone Payments

Payment Options: Please choose which ones:

☒ **ACH (Automatic Clearing House):** Funds electronically deposited into Client bank account.
*Online Only

☒ **Credit/Debit Card:** Funds electronically deposited into Client bank account.

Pricing:**

CC Convenience Fee	Minimum CC Convenience Fee	Online ACH Convenience Fee	Online Per Shopping Cart Fee
2.99%	\$2.50	\$2.50	\$0.00

*****Pricing subject to change at any time, with or without notice*****

NEUMO will absorb all set up fees, monthly fees and yearly fees associated with the CLIENT's merchant account including credit card assessment fees, credit card interchange fees, per item fees. Chargebacks, refunds, and returned checks will be billed back to the CLIENT by NEUMO if the CLIENT's bank rejects the draft. Non-PCI compliance fees are charged directly to the CLIENT if they fall out of compliance. These fees are \$125.00 per month and per Merchant ID.

Funding

Standard funding timelines are typically within 24 to 72 hours after transactions are batched, subject to banking schedules.

Neumo or its payment processor may initiate ACH debits to the Customer's account for the following reasons if applicable:

- ACH returns
- Credit or debit card chargebacks
- Refunds that exceed the total settled sales for a given day

The Customer authorizes Neumo to establish and manage any required merchant identification numbers or related configurations needed to facilitate payment processing and settlement.

Device Options:

Item	Description	Unit Cost	Qty	Total
Pax A80 Smart Terminal	EMV card processing device	NA	NA	NA
Pax A920 Smart Terminal	EMV, mobile card processing device, rechargeable battery	NA	NA	NA
*Annual Swap Out Plan	Replace device at no additional cost if broken	NA	NA	NA
TOTAL AMOUNT TO BE INVOICED:				NA

**Optional insurance program billed annually, if opting into this service it will be billed on ALL devices being purchased*

(END OF SCHEDULE A)

ATTACHMENT A
Distribution Confirmation

July 6, 2026

Town of Blue River
PO Box 1784
Breckenridge, CO 80424

Dear Chad Hull,

Funds will be distributed in the following accounts pursuant to this Agreement:

Agency	Routing #	Account #	Distribution %	Tax Type

If at any time there are any discrepancies between the schedule set out above and the CLIENT's records, please notify us in writing immediately.

IT IS YOUR RESPONSIBILITY TO PROVIDE NOTICE TO US OF ANY CHANGES IN TAX RATES OR IN THE DISTRIBUTION OF FUNDS. NOTICE MUST BE IN WRITING AND SENT, VIA CERTIFIED MAIL, TO:

Neumo Group LLC
600 Beacon Parkway West, Suite 700
Birmingham, AL 35209
Attn.: Connie Taylor, Client Relations Director

Thank you for your assistance. If you have any questions, or if I may be of assistance, please let me know.

Connie Taylor, Client Relations Director
Neumo Group LLC
Phone: 213-246-2445, Fax: 205-423-4097
E-mail: connie.taylor@neumo.com

I have reviewed the above distribution and verify that it is correct.

Town of Blue River

By: _____

Name: _____

Title: _____

Date: _____