

RESOLUTION OF THE CITY COUNCIL

No. 186

Approved March 29, 2019

RESOLVED, That the Members of the Providence City Council
hereby Authorize Approval of the following Ratification of a Contract Award by
the Board of Contract and Supply, in accordance with Section 21-26 of the Code of
Ordinances of the City of Providence.

PFS IV, LLC
(Public Property)

IN CITY COUNCIL

MAR 21 2019

READ AND PASSED

Sabrina Mato
PRES.

Karin Sellsch
CLERK

I HEREBY APPROVE.

[Signature]
Mayor
Date: 3/29/19



Office of the Internal Auditor

December 18, 2018

Ms. Lori Hagen
City Clerk's Office
City of Providence
25 Dorrance Street
Providence, RI 02903

Dear Lori:

I am writing to request that the following requested contract awards be submitted to the City Council and the Finance Committee for approval:

- **Department of Public Property:**
 - Request to ratify a contract with PFS IV, LLC for an unknown amount in accordance with the Code of Ordinance Section 21-26 (e).
- **Water Supply Board:**
 - Request to award permanent road and sidewalk restoration to **International Paving Corporation and Hartford Paving Corporation** for an amount not to exceed **\$2,400,000** over two years in accordance with the Code of Ordinance, Section 21-26 (c).
- **Public Safety**
 - Request to award Emergency Medical Billing Services to **Comstar, LLC** for **\$450,000** in accordance with the Code of Ordinance, Section 21-26.

Sincerely,

A handwritten signature in cursive script that reads "Gina M. Costa".

Gina M. Costa
Internal Auditor

Cc: Michael Borg, Director of Public Property
Molly Hannon Associate Director of Purchasing
Steven M. Pare, Commissioner of Public Safety
Elaine Richards, Deputy Commissioner
James J. Lombardi, III, Treasurer/Senior Advisor to City Council
Ricky Caruolo, General Manager



Jorge O. Elorza, Mayor

December 13, 2018

Honorable Jorge O Elorza
Chairman
Board of Contract and Supply
City of Providence
City Hall
Providence, RI 02903

Dear Mayor Elorza:

The Department of Public Property, hereby respectfully requests ratification of a contract with:

PFS IV, LLC
8 West 40th Street
4th Floor
New York, NY 10018

For Parking Ticket Receivable Securitization Services

PFS IV, LLC, on or around August 3, 2016 and for the contract period through June 30, 2022, has advanced the City of Providence, the sum of \$1,000,000.00 (One million dollars and no cents) under the terms and conditions of the attached Assignment, Funding and Collection terms Agreement, with an aggregate pool of uncollected parking ticket receivables of \$18,000,000.00 (Eighteen million dollars and no cents) assigned to PFS IV, LLC for collection activity.

The agreement calls for the recognition and receipt of all receivables, up to the first \$8,000,000.00 (Eight million dollars and no cents) that is collected by PFS IV, LLC from the \$18,000,000.00 (Eighteen million dollar) pool of parking ticket receivables, to be payable to PFS IV, LLC first and then, any additional collection of parking ticket receivables collected are to be shared in a 50/50 (Fifty/fifty) split sharing arrangement with the City of Providence.

Furthermore, all funds required to be advanced to the City under this contract, have in fact been properly received and recorded and all funds due to PFS IV, LLC under the provisions of the contract, have been remitted to PFS IV, LLC in accordance with the contract requirements, thereby ensuring that the contract is still in force and will continue to exist.

Payments to PFS IV, LLC will be made directly from collections received and recorded by the City of Providence and will be paid from the parking ticket revenue account. (Account code 101-000-44010)

DEPARTMENT OF PUBLIC PROPERTY
Providence City Hall | 25 Dorrance Street, Room 407 | Providence, Rhode Island 02903
401 680 5300 ph | 401 273 2114 fax
www.providenceri.gov



Jorge O. Elorza, Mayor

Very truly yours

A handwritten signature in black ink, appearing to read "Michael D. Borg".

Michael D. Borg
Public Property Director

Enclosures

A handwritten mark consisting of three curved, overlapping lines, possibly a stylized signature or initials.

CC:

Nicole Pollock, Chief of Staff
Sabrina Solares-Hand, Director of Operations
Steven M. Pare, Commissioner of Public Safety
Jeffrey Dana, City Solicitor
Adrienne C. Southgate, Deputy City Solicitor
Lawrence J. Mancini, Finance Director
Sara Silveria, Deputy Finance Director and Budget Officer
Krystle D. Lindberg, Acting City Controller
Al Buco, Acting Director of Public Property
Patrick K. Butler, Municipal Court Administrator
James J. Lombardi, Treasurer and Senior Advisor to City Council
Gina M. Costa, Internal Auditor

DEPARTMENT OF PUBLIC PROPERTY

Providence City Hall | 25 Dorrance Street, Room 407 | Providence, Rhode Island 02903
401 680 5300 ph | 401 273 2114 fax
www.providenceri.gov

ASSIGNMENT, FUNDING AND
COLLECTION TERMS AGREEMENT

This ASSIGNMENT, FUNDING AND COLLECTION TERMS AGREEMENT (the "Agreement"), dated as of August 5, 2016 (the "Effective Date"), is entered into by and between the City of Providence (the "City") and PFS IV, LLC a Delaware limited liability company, and its successors and assigns (the "Manager"). The City and the Manager are sometimes collectively referred to herein as the "Parties", and each individually as a "Party."

1. This Agreement is entered into pursuant to that certain Master Asset Management Agreement dated August 5, 2016 between the City and the Manager (the "Master Agreement"), a copy of which is attached hereto as Exhibit A and the terms of which are incorporated herein by reference. Unless otherwise defined, capitalized words and terms used herein will have the meanings given to them in the Master Agreement.

2. The City hereby assigns to the Manager the right to manage and collect the Assigned Receivables pursuant to the terms of the Master Agreement. The aggregate dollar amount of the Present Receivables is approximately Eighteen Million Dollars and 00/100 Cents (\$18,000,000.00) and such Present Receivables are specifically listed on the e-files contained on the disk that is attached hereto and incorporated herein as Exhibit B and more generally summarized in the summary sheet attached hereto and incorporated herein as Exhibit C. As provided for in the Master Agreement and this Agreement, the City shall assign to the Manager on a monthly basis the right to manage and collect the Future Receivables. Each month, the Parties shall supplement this Agreement and Exhibits B and C with a schedule that details that month's Future Receivables being assigned to the Manager hereunder.

3. Upon complete satisfaction of the terms and conditions contained in Section 2(c) of the Master Agreement, the Manager shall advance to the City the amount of One Million Dollars and 00/100 Cents (\$1,000,000.00) (the "Advance").

4. The Advance shall be non-recourse to the City except as provided for in the Master Agreement. In consideration for making such Advance, the Manager shall be compensated as provided for in Section 5 of this Agreement and in accordance with the Master Agreement, with such compensation payable only out of the Collections; provided, however, if an Event of Default arises causing a Default Premium to be owed to the Manager or the Manager is awarded a monetary award as a result of arbitration pursuant to Section 30 of the Master Agreement, such monetary damages shall be paid first out of Collections and then second by the City, all in accordance with the Master Agreement.

5. All Collections with respect to the Assigned Receivables shall be paid to the Manager and the City during the Term (as defined below) in the following order or priority:

(a) First, all Collections shall be paid to the Manager until the aggregate amount paid under this Section 5(a) shall be equal to Eight Million Dollars and 00/100 Cents (\$8,000,000.00) (the "Cap Amount"); and

(b) Second, once the Manager receives the Cap Amount, the remaining balance of all Collections, net of (i) the Fee of the Servicer and (ii) costs of Collections that are reimbursable to the Manager by the City, including, but not limited to, license suspension, registration on hold or tax intercept/lottery proceed intercepts, shall be paid fifty percent (50%) to the City and fifty percent (50%) to the Manager.

6. The City represents and warrants to the Manager as follows:

(a) the representations and warranties of the City set forth in the Master Agreement are true and correct in all material respects on the date hereof as though made on the date hereof;

(b) no Event of Default has occurred and is continuing as of the Effective Date;

(c) the City (i) has the full power and authority to execute, deliver and perform its obligations under this Agreement, and (ii) has taken all action necessary to duly authorize the execution, delivery and performance of this Agreement, and has duly executed and delivered this Agreement;

(d) the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the performance of or compliance with the terms and conditions of this Agreement by the City does not (and will not) conflict with, violate or result in a breach of (i) any of the terms, conditions or provisions of the City's Home Rule Charter, (ii) any agreement or instrument to which the City is now a party or by which the City is bound, or (iii) any law, regulation, order, writ, injunction, decree, determination or award of any City, any other Governmental Authority or any arbitrator, now applicable to the City or any of its agencies, or constitute a default under any of the foregoing;

(e) there are no actions, suits, proceedings or investigations pending or, to the knowledge of the City, threatened against or affecting the City (or any of its properties, assets or operations) in any City or before or by any Governmental Authority, or any arbitrator which would reasonably be expected to materially affect the City's ability to perform its obligations under this Agreement; the City has not received any notice of any default, and the City is not in default, under any applicable order, writ, injunction, decree, permit, determination or award of any City, any other Governmental Authority or any arbitrator which would reasonably be expected to materially affect the City's ability to perform its obligations under this Agreement.

(f) no consent, approval, authorization or order of any City or governmental agency or body is required by the City for the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the performance of or compliance with the terms and conditions of this Agreement by the City; and

(g) this Agreement constitutes the legal, valid and binding obligation of the City, enforceable against the City in accordance with its terms.

7. The term of this Agreement shall commence as of the Effective Date and shall continue until June 30, 2022 (the "Term"); provided, however, that the Manager shall be entitled to receive all amounts to which it is entitled pursuant to the terms of the Master Agreement. The Parties shall have the authority to extend the Term hereunder upon the mutual written consent of both Parties.

8. The Receivables Refund Price (as defined below) for any of the Receivables assigned hereunder that becomes a Breached Receivable and is not replaced by the City in accordance with Section 8(c)(i) of the Master Agreement shall be an amount equal to the product of (A) the aggregate dollar amount of such Assigned Receivable, multiplied by (B) the quotient of (x) the purchase price paid by the Manager to the City for the Assigned Receivables pool transferred hereunder, divided by (y) the aggregate dollar amount of all Assigned Receivables included in the Assigned Receivables pool transferred hereunder (the "Receivable Refund Price").

9. This Agreement may be executed in any number of counterparts and by the Parties in separate counterparts, each of which shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of this Agreement by telefacsimile or electronic mail shall be equally as effective as delivery of an original executed counterpart of this third Assignment.

10. This Agreement shall be governed by the laws of the State of Rhode Island.

11. This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and assigns.

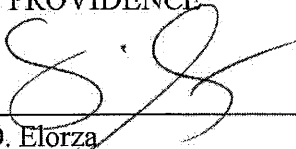
12. Every provision of this Agreement is intended to be severable. If any provision hereof is illegal, invalid or unenforceable for any reason whatsoever, such provision will be dully severable; the Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision were not part of this Agreement.

13. Each Party, upon the request of the other Party, agrees to perform all further acts and execute, acknowledge or deliver any instruments or documents and to perform such additional acts as may be reasonably necessary, appropriate or desirable to carry out the provisions of this Agreement.

[Remainder of Page Intentional Left Blank; Signature Page to Follow]

IN WITNESS WHEREOF, the Parties have entered into this Assignment, Funding and Collection Terms Agreement as of the date written above.

THE CITY OF PROVIDENCE

By: 
Name: Jorge O. Elorza
Title: Mayor

Approved as to form and correctness:


Adrienne Southgate, Deputy City Solicitor

PFS IV, LLC

By: _____
Name: Michael Lenza
Title: Manager

IN WITNESS WHEREOF, the Parties have entered into this Agreement as of the date first above written.

THE CITY of PROVIDENCE

By: _____
Name: Jorge O. Elorza
Title: Mayor

Approved as to form and correctness:

Jeffrey Dana, City Solicitor

PFS IV, LLC

By:  _____
Name: Michael Lanza
Title: Manager

EXECUTION COPY

EXHIBIT A

MASTER ASSET MANAGEMENT AGREEMENT

October 24, 2012

PFS III
c/o Scott Moskol
Burns & Levinson LLP
One Citizens Plaza
Suite 1100
Providence RI 02903

Re: Second Assignment, Funding and Collection Terms Agreement dated October 24, 2012 (the "Agreement") between the City of Providence, Rhode Island (the "City") and PFS III (the "Manager")

Gentlemen:

I have acted as counsel for the City in connection with the above-referenced Agreement and the related Amendment to Master Asset Management Agreement dated October 24, 2012 between the City and PFS III (the "Master Agreement").

I have examined the Agreement and the Master Agreement, and all other agreements and documents executed and delivered pursuant to the Master Agreement (collectively, the "Transaction Documents"), and such other agreements and documents, such records of the City, and such laws, regulations, court decisions and proceedings I deemed necessary or appropriate. I have also made such other inquiries and examinations as we deemed appropriate in order to render this opinion.

Based upon the foregoing, it is my opinion that:

1. The City is a municipal corporation created and existing under the laws of the State of Rhode Island and Providence Plantations and has full power and authority to execute, deliver and perform its obligations under the Transaction Documents.
2. The City has taken all actions necessary to duly authorize the execution, delivery and performance of the Transaction Documents and has duly executed and delivered the Transaction Documents.

3. The execution and delivery of the Transaction Documents, the consummation of the transactions contemplated thereby, and the performance of or compliance with the terms and conditions of the Transaction Documents by the City does not (and will not) conflict with, violate or result in a breach of (i) any of the terms, conditions or provisions of the City's Charter, (ii) any material agreement or instrument to which the City is now a party or by which the City is bound, or (iii) any law, regulation, order, writ, injunction, decree, determination or award of any court, any other Governmental Authority or any arbitrator, now applicable to the City or any of its agencies, or constitute a default under any of the foregoing.

4. No consent, approval, authorization or order of any court or governmental agency or body is required by the City for the execution and delivery of the Transaction Documents, the consummation of the transactions contemplated thereby, and the performance of or compliance with the terms and conditions of the Transaction Documents by the City.

5. Each Transaction Document constitutes the legal, valid and binding obligation of the City, enforceable against the City in accordance with its terms except as may be limited by bankruptcy, insolvency, moratorium, fraudulent conveyance or other laws applicable to creditors' rights generally and by generally applicable equitable principles, whether considered in an action at law or in equity.

Very truly yours,

Adrienne G. Southgate
Deputy City Solicitor

August 2, 2016

PFS IV
c/o Scott Moskol
Burns & Levinson LLP
One Citizens Plaza
Suite 1100
Providence RI 02903

Re: Assignment, Funding and Collection Terms Agreement dated August 1, 2016 (the "Agreement") between the City of Providence, Rhode Island (the "City") and PFS IV (the "Manager")

Gentlemen:

I have acted as counsel for the City in connection with the above-referenced Agreement and the related Master Asset Management Agreement dated August 1, 2016 between the City and PFS IV (the "Master Agreement").

I have examined the Agreement and the Master Agreement, and all other agreements and documents executed and delivered pursuant to the Master Agreement (collectively, the "Transaction Documents"), and such other agreements and documents, such records of the City, and such laws, regulations, court decisions and proceedings I deemed necessary or appropriate. I have also made such other inquiries and examinations as we deemed appropriate in order to render this opinion.

Based upon the foregoing, it is my opinion that:

1. The City is a municipal corporation created and existing under the laws of the State of Rhode Island and Providence Plantations and has full power and authority to execute, deliver and perform its obligations under the Transaction Documents.
2. The City has taken all actions necessary to duly authorize the execution, delivery and performance of the Transaction Documents and has duly executed and delivered the Transaction Documents.

3. The execution and delivery of the Transaction Documents, the consummation of the transactions contemplated thereby, and the performance of or compliance with the terms and conditions of the Transaction Documents by the City does not (and will not) conflict with, violate or result in a breach of (i) any of the terms, conditions or provisions of the City's Charter, (ii) any material agreement or instrument to which the City is now a party or by which the City is bound, or (iii) any law, regulation, order, writ, injunction, decree, determination or award of any court, any other Governmental Authority or any arbitrator, now applicable to the City or any of its agencies, or constitute a default under any of the foregoing.

4. No consent, approval, authorization or order of any court or governmental agency or body is required by the City for the execution and delivery of the Transaction Documents, the consummation of the transactions contemplated thereby, and the performance of or compliance with the terms and conditions of the Transaction Documents by the City.

5. Each Transaction Document constitutes the legal, valid and binding obligation of the City, enforceable against the City in accordance with its terms except as may be limited by bankruptcy, insolvency, moratorium, fraudulent conveyance or other laws applicable to creditors' rights generally and by generally applicable equitable principles, whether considered in an action at law or in equity.

Very truly yours,

Adrienne G. Southgate
Deputy City Solicitor

SERVICER AGREEMENT

THIS SERVICER AGREEMENT (the "Agreement"), dated as of August 5, 2016 (the "Effective Date"), is entered into by and between PROFESSIONAL ACCOUNT MANAGEMENT, LLC ("PAM"), a Wisconsin limited liability company which is wholly-owned by Duncan Solutions, Inc. ("Duncan"), and PFS IV, LLC, a Delaware limited liability company ("PFS"). PFS and PAM are sometimes collectively referred to herein as the "Parties", and each individually as a "Party."

WITNESSETH:

WHEREAS, PFS has entered into that certain Master Asset Management Agreement dated August 5, 2016 (the "Management Agreement") with the City of Providence, Rhode Island (the "City"), pursuant to which the City has engaged PFS to manage and collect certain Assigned Receivables.

WHEREAS, as permitted by the Management Agreement, PFS desires to engage PAM to perform, on PFS's behalf, the management and collection services described in the Management Agreement with respect to the Assigned Receivables (the "Services");

WHEREAS, PAM is in the business of providing management and collection services and desires to provide the Services for PFS on the terms and conditions of this Agreement; and

NOW, THEREFORE, for good and valuable consideration, PFS and PAM agree as follows:

1. Management Agreement. The Management Agreement is attached hereto as Exhibit A and incorporated herein by reference. Unless otherwise defined herein, capitalized terms used herein shall have the meanings given to such terms in the Management Agreement.

2. Services. PFS hereby engages PAM to provide, and PAM hereby agrees to provide on PFS's behalf, the Services with respect to Assigned Receivables required to be provided by PFS pursuant to the terms of the Management Agreement, including but not limited to those services listed on attached Exhibit B. Without limiting the generality of the foregoing, PAM shall perform such other duties and responsibilities as PFS shall reasonably determine is necessary to carry out the intent and purposes of the Management Agreement. If these duties and responsibilities are outside the core scope of Exhibit B, the Parties shall negotiate in good faith reasonable compensation for any such duties and responsibilities. PAM shall be engaged for the entire Collection Period; provided, however, PFS may terminate PAM's engagement in accordance with the provisions of this Agreement.

3. Account/Compensation. PAM shall ensure that all amounts collected with respect to the Assigned Receivables shall be deposited into a bank account to be held by PAM in the name of and for the benefit of PFS (the "Account"). PAM shall release by wire transfer all amounts held in the Account, without any setoff, to an account designated in writing by and maintained under the sole custody and control of PFS on a weekly basis (the "Weekly Wire"), as well as provide PFS with a weekly accounting of all amounts deposited into the Account. Other than the Weekly Wire, PAM shall have no authority to make any other disbursements or

payments from the Account without the express written consent of PFS. PAM's responsibilities under this Section 3 shall constitute a material duty and/or obligation under this Agreement, such that PAM's breach of its covenants under this Section 3 shall constitute "cause" in accordance with Section 9(d). For providing the Services on behalf of PFS, PFS shall pay PAM in accordance with the fee schedule set forth in Exhibit C attached hereto and incorporated herein by reference (the "Fee"). PAM shall invoice PFS on a monthly basis for the Fee due and owing to it, which shall then be payable in accordance with Section 7 of the Management Agreement. The Parties agree that Fees due and owing to PAM under this Agreement shall be paid without set-off unless PAM is terminated for cause.

4. Compliance and Staffing. PAM represents, warrants and agrees as follows:

(a) PAM, its officers, directors, employees, independent contractors and agents shall provide the Services in a manner that complies with all applicable licensing requirements and all applicable federal, state and/or local laws, regulations, rules and/or ordinances, including without limitation the federal Fair Debt Collection Practices Act, Fair Credit Reporting Act, Telephone Consumer Protection Act and those federal, state and local laws, regulations, rules and/or ordinances relating to debt collection services being performed by collection agencies;

(b) PAM and its officers, directors, employees, independent contractors and agents shall comply with all debt collection policies and procedures periodically adopted by the City or PFS (so long as approved by the City) as communicated by PFS to PAM provided that PAM may request an adjustment to the Fee where such changes require additional resources beyond the original scope of Exhibit B and such adjustment shall not be unreasonably withheld;

(c) PAM shall employ, dedicate and assign a sufficient number of qualified and trained employees to provide the Services as required herein and pursuant to the Management Agreement (the "Authorized Employees");

(d) PAM agrees that it will, at all times while providing the Services, cause its officers, directors, employees, independent contractors and agents to (i) act in a professional manner and abide by such ethical and other standards as may be promulgated from time to time by the Association of Credit and Collection Professionals and the International Association of Commercial Collectors, Inc. and (ii) refrain from seeking to collect the Assigned Receivables by use of prohibited means or in non-compliance with this Section 4;

(e) PAM acknowledges and agrees that, in the course of its engagement by PFS, PAM may receive or have access to certain highly-sensitive personal and confidential information with respect to Violators including but not limited to (a) an individual's government-issued identification number such as a social security number, driver's license number or state-issued identification number, (b) financial account number, credit card number, debit card number, credit report information, (c) an individual's biometric or health data and (d) such other information that can be used to identify an individual including but not limited to names, signatures, addresses, telephone numbers, email addresses and other unique identifiers (collectively, "Personal Information"). PAM shall comply with the terms and conditions of this Agreement and applicable state and federal law with respect to the collection, receipt,

transmission, storage, disposal, use and disclosure of such Personal Information to any third party; and

- (f) PAM agrees and covenants that, with respect to all Personal Information, it shall:
 - (i) keep and maintain all Personal Information in strict confidence, using a commercially reasonable degree of care to avoid unauthorized access, use or disclosure;
 - (ii) use and disclose Personal Information solely and exclusively for the purposes for which the Personal Information, or access to it, is provided pursuant to the terms and conditions of this Agreement, and shall not use, sell, rent, transfer, distribute or otherwise make available such Personal Information for its own purposes or for the benefit of any other third party other than in accordance with this Agreement; and
 - (iii) not directly or indirectly disclose Personal Information to any person or entity other than those Authorized Employees who need access to such Personal Information in order to comply with PAM's duties under this Agreement.

5. Indemnification and Other Liability.

(a) PAM Indemnity. Subject to Section 5(d) below, PAM and its successors and assigns (collectively, the "PAM Parties") shall indemnify, defend and hold a) PFS, and its employees, officers, directors, members, agents, attorneys, successors and assigns (collectively, the "PFS Group") and b) the City, its employees, directors, officers, independent contractors, agents, attorneys, successors and assigns (the "City Parties") harmless from and against all debts, demands, costs, liabilities, damages, losses and expenses (including, without limitation, reasonable attorneys' fees and expenses) to the extent caused by or that result from or are related to the negligent or more culpable acts or omissions of the PAM Parties and their respective officers, directors, attorneys, employees, agents and independent contractors (collectively, the "PAM Group"). The PAM Parties shall defend at their sole cost and expense and shall hold the PFS Group and the City Parties harmless from and against any and all damages, liabilities, penalties and/or settlements resulting from any suit, counterclaim or claim asserted by any third party related to the performance of the Services hereunder by the PAM Group or resulting from a breach of any representation or warranty made by PAM in this Agreement or a failure by the PAM Group to perform a material duty and/or obligation included in this Agreement.

(b) PFS Indemnity. Subject to Section 5(d) below, PFS and its successors and assigns (collectively, the "PFS Parties"), shall indemnify, defend and hold the PAM Parties harmless from and against all debts, demands, costs, liabilities, damages, losses and expenses (including, without limitation, reasonable attorneys' fees and expenses) to the extent caused by or that result from or are related to the negligent or more culpable acts or omissions of the PFS Group. The PFS Parties shall defend at their sole cost and expense and shall hold the PAM Group harmless from and against any and all damages, liabilities, penalties and/or settlements resulting from any suit, counterclaim or claim asserted by any third party resulting from a breach

of any representation or warranty made by PFS in this Agreement or a substantial failure by the PFS Group to perform a material duty and/or obligation included in this Agreement.

(c) Indemnity Procedures. If a Party intends to seek indemnification pursuant to this Section 5, such Party shall give prompt written notice to the other Party of the claim, demand, assessment, action, suit, or proceeding (collectively, "Claim") to which the indemnity applies. Such notice shall provide, in reasonable detail, any information that the notifying Party may have with respect to the Claim (including, without limitation, copies of any summons, complaints, or other pleadings, which may have been served on the notifying Party or its agents and any written claim, demand, invoice, billing, or other document evidencing the same). Failure to give prompt notice of a matter, which may give rise to indemnification hereunder shall not affect the rights of a Party to seek indemnification hereunder from the other Party so long as such failure to notify does not adversely affect in any material respect the other Party's ability to defend the matter for which indemnification is sought. The indemnifying Party shall have the right to control the defense of the matter for which indemnification is sought under this Agreement, provided that the indemnifying Party must conduct the defense actively and diligently thereafter in order to preserve its rights in this regard; and provided further, however, that the indemnifying Party shall not agree to settle any Litigation involving the indemnified Party without the written consent of such indemnified Party (which consent shall not be unreasonably withheld or delayed) unless the judgment or proposed settlement involves only the payment of money damages (notwithstanding reasonable and customary settlement terms and provisions that are not material to the indemnified Party), resolves the claim entirely, and does not impose an injunction or other equitable relief upon the indemnified Party. The Party seeking indemnification shall have the right, at its own expense, to have its own counsel participate in the defense.

(d) Limitation of Liability. EXCEPT IN CONNECTION WITH CLAIMS RELATING TO BREACH OF CONFIDENTIALITY OBLIGATIONS, MISUSE OF INTELLECTUAL PROPERTY, AND/OR WILLFUL MISCONDUCT, IN NO EVENT SHALL A PARTY BE LIABLE UNDER THIS AGREEMENT FOR THE OTHER PARTY'S OWN CONSEQUENTIAL, INCIDENTAL, INDIRECT, LOST PROFIT OR SPECIAL DAMAGES. The phrase "Party's own" is meant to distinguish a Party's own damages from a third party's damages.

(e) The provisions of this Section 5 shall survive the expiration or termination of this Agreement.

6. Insurance. PAM shall obtain and keep in force during the term of this Agreement insurance policies with not less than the following coverage:

(a) General Liability - \$1,000,000 per occurrence; \$2,000,000 general aggregate. The commercial general liability policy shall name PFS and the City as an additional insured party and loss payee.

(b) Worker's Compensation - as required by law.

(c) Errors and Omissions Coverage - \$2,000,000 per claim.

(d) Fidelity Bond Insurance - PAM shall provide fidelity bond insurance, which will protect PAM against employee dishonesty, and shall insure, at a minimum, against losses, including as a result of theft, embezzlement, fraud and other similar dishonest acts by employees of PAM acting alone or in collusion with others in the amount of \$1,000,000 per loss while the Assigned Receivables and funds related thereto are in PAM's care, custody, or control. PFS shall be listed as a joint loss payee, as its interest may appear, on PAM's fidelity bond insurance policy. If a claim were to be made, the insurance company would make the applicable payout to each Party suffering a financial loss arising from or relating to any such PAM employee's dishonest act subject to the \$1,000,000 per loss limit. If it has been determined that PFS or the City has an uncompensated loss as a result of an PAM employee's dishonest act, PAM shall be responsible to make PFS and/or the City whole on the applicable financial loss resulting from such dishonest act, whether or not PAM is reimbursed through insurance.

No insurance provided for under this Section 6 shall diminish or relieve the PAM Parties of their respective duties and obligations as set forth in this Agreement including their obligations to indemnify the PFS Group or the City under Section 5 of this Agreement.

The insurance policies shall insure PAM from and against, among other things, claims of negligent errors and omissions by PAM and its officers, directors, independent contractors and/or employees. PAM shall furnish to PFS and the City standard ACORD form certificates of insurance, and forward renewal certificates, expiration and/or termination notices within ten (10) days after PAM's receipt of any such notice related to its insurance policies.

7. Periodic Review of Records. At any time during the term of this Agreement, with at least five (5) days prior written notice to PAM, PFS or the City and/or their designated accountants or representatives shall be entitled and authorized to examine and PAM shall provide reasonable assistance to them and/or any designated accountant or representative in examining PAM's records related to Assigned Receivables. PAM shall use commercially reasonable efforts to make available any records related to Assigned Receivables requested by PFS or the City and/or their designated accountants or representatives within five (5) days of such request.

8. Effective Date and Term. This Agreement shall be effective as of the date first shown above and shall continue until the expiration of the Collection Period, unless otherwise terminated in accordance with this Agreement (the "Term"). Throughout the Term and after termination of this Agreement, PFS shall remain fully responsible for the performance of the management and collection services herein and pursuant to, and in accordance with, the Management Agreement.

9. Termination.

(a) Upon the expiration of twelve (12) months from the commencement of the Collection Period, PFS shall have the right to terminate this Agreement for any reason, with or without cause; provided, however, if PAM fails to do any of the following (the "Benchmarks") within six (6) months from the Effective Date, PFS may provide written notice to PAM of its failure to comply with the Benchmarks and, if PAM does not remedy such failure within thirty

(30) days of receipt of such written notice, PFS may then terminate this Agreement thereafter at its discretion:

- (i) mail at least two (2) collection letters with respect to each Violation;
- (ii) perform a skip tracing attempt at least four (4) times for those accounts requiring phone number and/or address updates;
- (iii) make at least forty (40) outbound phone call attempts for those accounts with a valid phone number; and
- (iv) extract and assign any commercial (business) accounts to a specialty business-to-business collection agency partner.

(b) If PFS elects to terminate this Agreement, PFS shall provide written notice to PAM and PAM and PFS agree that they will then negotiate a new or amended Agreement for ongoing services to be performed by PAM, which shall include new financial terms for the Fee to be paid to PAM. If PAM and PFS cannot reach agreement as to terms of a new or amended Agreement within thirty (30) days of such written notice, PFS may, in its sole option, terminate this Agreement upon an additional thirty (30) days written notice to PAM (the "Final Notice Period") with the termination being effective upon the expiration of the additional thirty (30) day notice (the "Termination Date"). If this Agreement is terminated by PAM for any reason, PAM will continue to provide the Services to PFS for an additional thirty (30) day period after the date in which PAM notifies PFS that it deems this Agreement terminated, which thirty (30) day period will also be deemed to be the Final Notice Period and the last day of such thirty (30) day period shall be deemed to be the Termination Date.

(c) Upon any such termination, (a) PFS shall compensate PAM in accordance with this Agreement for any and all Services performed on its behalf prior to the Termination Date, and (b) PAM shall take all such actions as are reasonably necessary or reasonably requested by PFS to ensure a prompt and orderly transition of responsibilities to the successor to PAM as provider of the Services during the thirty (30) days of the Final Notice Period including but not limited to providing to PFS and/or any successor servicer with a data file detailing what collection efforts have been taken with respect to each Violation, the date such action was taken, what amounts were collected and such additional information as reasonably requested by PFS. After sixty (60) days have elapsed from the Termination Date, PFS shall calculate what amounts are due and owing to PAM for any Services that PAM performed prior to such termination but which collections relating to such Services were received after the termination. PFS shall then pay PAM such amounts within five (5) business days of PFS making such calculation. All representations, warranties and indemnification provisions contained herein shall survive the termination of this Agreement.

(d) Notwithstanding Section 9(a) above, this Agreement may be terminated by either Party immediately if there is cause with respect to the other Party. For purposes hereof, "cause" shall mean, any one or all of the following:

- i. Material default in the performance, or material breach of any covenant in this Agreement and continuance of such default or breach for a period of

thirty (30) days after the date on which written notice, specifying such default or breach and requiring it to be remedied;

- ii. Commencement of a voluntary bankruptcy case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts or seek the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, or shall consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it, or shall make a general assignment for the benefit of creditors, or an involuntary bankruptcy case or other proceeding shall be commenced seeking liquidation, reorganization or other relief with respect to it or its debts or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, and such involuntary case or other proceeding shall remain undismissed and unstayed for a period of sixty (60) days; or an order for relief shall be entered under the Federal bankruptcy laws as now or hereafter in effect;
- iii. With respect to PAM only, cause shall exist upon the imposition of any lien on any assets of PFS or the City as a result of action by PAM which is not released or bonded over within thirty (30) days after PAM receives actual written notice hereof.

(e) Upon the occurrence of an event of default or termination as provided for herein, PFS shall have the right to recall all or any portion of the Assigned Receivables from PAM along with all other rights and remedies available under this Agreement or applicable law.

10. Representations and Warranties of PFS. PFS represents and warrants to PAM as follows:

(a) PFS (i) is a limited liability company, duly organized, validly existing and in good standing under the laws of the State of Delaware and (ii) is or will be qualified to transact business in, and is or will timely be in good standing under, the laws of the State of Rhode Island;

(b) PFS has the full power and authority to execute, deliver and perform all transactions contemplated by this Agreement, and PFS has duly authorized the execution, delivery and performance of this Agreement, and has duly executed and delivered this Agreement;

(c) the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the performance of or compliance with the terms and conditions of this Agreement and each other document and agreement executed and delivered by PFS in connection herewith does not (and will not) conflict with, violate or result in a breach of (i) any of the terms, conditions or provisions of PFS's operating agreement, (ii) any agreement or instrument to which PFS is now a party, by which PFS is bound, or (iii) any law, regulation, order, writ, injunction, decree, determination or award of any court, any other Governmental

Authority or any arbitrator, now applicable to PFS or any of its Affiliates, or constitute a default under any of the foregoing;

(d) to the best of its knowledge, there are no actions, suits, proceedings or investigations pending or, to the knowledge of PFS, threatened against or affecting PFS (or any of its properties, assets or businesses) in any court or before or by any Governmental Authority, or any arbitrator which would reasonably be expected to materially affect PFS's ability to perform its obligations under this Agreement and each other document and agreement executed and delivered by PFS in connection herewith. PFS has not received any notice of any default, and PFS is not in default, under any applicable order, writ, injunction, decree, permit, determination or award of any court, any other Governmental Authority or any arbitrator which would reasonable be expected to materially affect PFS's ability to perform its obligations under this Agreement and each other document and agreement executed and delivered by PFS in connection herewith;

(e) to the best of its knowledge, no consent, approval, authorization or order of any court or governmental agency or body is required by PFS for the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the performance of or noncompliance with the terms and conditions of this Agreement by PFS and each other document and agreement executed and delivered by PFS in connection herewith;

(f) this Agreement, and each other document and agreement executed and delivered by PFS in connection herewith, constitutes the legal, valid and binding obligation of PFS, enforceable against PFS in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting creditor's rights generally, or general principles of equity;

(g) to the best of its knowledge, PFS is not in default or violation of any applicable federal, state or local statutes, laws, ordinances, rules or regulations which relate to the Services or similar services;

(h) to the best of its knowledge, PFS has not received any written notice of termination or non-renewal of any contract to which it is a party; and

(i) to the best of its knowledge, no officer, director, employee or agent of PFS, nor any person acting with or on behalf of PFS, has directly or indirectly offered, agreed to make or made any contribution, gift, bribe, rebate, payoff, influence payment, kickback or other payment to any person, private or public, regardless of form, whether in money, property or services to (i) obtain favorable business treatment in securing business, permits or licenses, (ii) to pay for favorable treatment for business, permits or licenses secured, (iii) to obtain any special concessions of for special concessions already obtained, or (iv) in violation of any legal requirement.

11. Representations and Warranties of PAM. PAM represents and warrants to PFS as follows:

(a) PAM (i) is a corporation, duly organized, validly existing and in good standing under the laws of the State of Wisconsin and is qualified to transact business in and in good standing under the laws of the State of Rhode Island;

(b) PAM (i) has the full power and authority to execute, deliver and perform its obligations under this Agreement, and (ii) has taken all action necessary to duly authorize the execution, delivery and performance of this Agreement, and has duly executed and delivered this Agreement;

(c) the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the performance of or compliance with the terms and conditions of this Agreement by PAM does not (and will not) conflict with, violate or result in a breach of (i) any of the terms, conditions or provisions of PAM's bylaws or charter, (ii) any agreement or instrument to which PAM is now a party or by which PAM is bound, or (iii) any law, regulation, order, writ, injunction; decree, determination or award of any court, any other Governmental Authority or any arbitrator, now applicable to PAM or any of its affiliates, or constitute a default under any of the foregoing;

(d) to the best of its knowledge, there are no actions, suits, proceedings or investigations pending or, to the knowledge of PAM, threatened against or affecting PAM (or any of its properties, assets or business) in any court or before or by any Governmental Authority, or any arbitrator which would reasonably be expected to materially affect PAM's ability to perform its obligations under this Agreement. PAM has not received any notice of any default, and PAM is not in default, under any applicable order, writ, injunction, decree, permit, determination or award of any court, any other Governmental Authority or any arbitrator which would reasonably be expected to materially affect PAM's ability to perform its obligations under this Agreement;

(e) no consent, approval, authorization or order of any court or governmental agency or body is required by PAM for the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the performance of or compliance with the terms and conditions of this Agreement by PAM;

(f) this Agreement, and each other document and agreement executed and delivered by PAM in connection herewith, constitutes the legal, valid and binding obligation of PAM, enforceable against PAM in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting creditor's rights generally, or general principles of equity;

(g) to the best of its knowledge, PAM is not in default or violation of any applicable federal, state or local statutes, laws, ordinances, rules or regulations which relate to the Services or similar services;

(h) except as previously communicated to PFS, to the best of its knowledge, PAM has not received any written notice of termination or non-renewal of any government collections or service contract, or contracts ancillary to such government collection or service contracts, to which it is a party;

(i) to the best of its knowledge, no officer, director, employee or agent of PAM, nor any person acting with or on behalf of PAM, has directly or indirectly offered, agreed to make or made any contribution, gift, bribe, rebate, payoff, influence payment, kickback or other payment to any person, private or public, regardless of form, whether in money, property or services to (i) obtain favorable business treatment in securing business, permits or licenses, (ii) to pay for favorable treatment for business, permits or licenses secured, (iii) to obtain any special concessions or for special concessions already obtained, or (iv) in violation of any legal requirement;

(j) to the best of its knowledge, any information supplied, and representations and warranties made by PAM in all submittals to PFS or the City are true, correct and complete in all material respects; and

(k) to the best of its knowledge, its collection, access, use, storage, disposal and disclosure of Personal Information does and will comply with all applicable federal, state and municipal privacy and data protection law, as well as all other applicable regulations and directives.

12. Employment. During the term of this Agreement, PAM shall not engage the services of any person or persons now employed by the City, including any department, agency, board or commission thereof, to provide services relating to this Agreement without written consent from the City.

13. Confidentiality.

(a) To the extent permitted by applicable law, each of the Parties hereto shall, and shall cause its Affiliates to, keep confidential any Confidential Information regarding the other Party, the City and the Assigned Receivables and to use such Confidential Information only to perform its obligations under this Agreement and shall not disclose such Confidential Information to any third-party, other than as contemplated herein, without the prior written consent of the other Party. Each Party shall maintain the Confidential Information of the other in confidence using at least the same degree of care as it employs in maintaining in confidence its own proprietary and confidential information, but in no event less than a reasonable degree of care.

(b) For the purpose of this Section 13, the term "Confidential Information" shall include but not be limited to all data, reports, and records, financial or otherwise, including or reflecting information about or concerning a Party, the City and any Assigned Receivable which is not available to the general public (whether received before or after the date hereof and whether transmitted orally or in writing). The term "Confidential Information" does not include information that:

- i. is or becomes generally available to the public other than as a result of a disclosure by the Party to whom such Confidential Information relates; or
- ii. was or becomes available to a Party on a non-confidential basis from a source other than the other Party; provided that such source is not bound by a confidentiality agreement with or other contractual, legal or fiduciary

obligation of confidentiality to the other Party with respect to such information; or

- iii. is developed by a Party independently of, or was known by a Party prior to, any disclosure of such information made by such Party; or
- iv. is required to be disclosed by order of a court of competent jurisdiction, administrative agency or governmental body; or by any law, rule or regulation; or by subpoena, summons or any other administrative or legal process, or by applicable regulatory standards, after notice of such requirement has been given to the other Party; or
- v. is disclosed with the written consent of the other Party.

14. Independent Contractor; Waiver of Conflict. Nothing contained in this Agreement shall be deemed to constitute PFS and PAM as partners, joint venturers, principal and agent or employer and employee. Each Party is solely responsible for maintaining its own business insurance and worker's compensation policy and paying all its applicable taxes, assessments, fees, costs and expenses. Nothing in this Agreement shall constitute or authorize either Party to bind the other Party to any obligations, or to assume or create any responsibility for or on behalf of the other Party to any third party. Any arrangements made by PAM with outside agents or attorneys related to the Services provided under this Agreement shall be PAM's sole responsibility and shall in no way constitute or imply any additional obligation on the part of PFS, whose obligation is limited to payment to PAM of compensation earned in accordance with this Agreement. In the event any account is referred by PAM to an attorney or outside agent, the applicable conditions of this Agreement shall be made part of PAM's arrangement with such attorney or outside agent. PAM and PFS understand and agree that the relationship between PFS and PAM is not an exclusive relationship and that (i) PFS shall have the right to retain other servicers to provide the same services for PFS as are described herein and (ii) PAM shall have the right to collect and initiate collection litigation proceedings on behalf of other clients as described herein. To the extent that such activity by PAM shall be a conflict of interest, PFS hereby waives all such conflicts of interest.

15. Sub-Servicing. In the event PAM subcontracts any of its duties hereunder, no such subcontracting of duties shall relieve PAM of its primary responsibility with respect to such duties. PAM shall require that its subcontractors comply with the representations and warranties set forth in Section 11 herein.

16. Force Majeure. Notwithstanding anything to the contrary in this Agreement, no Party shall have any liability to the other hereunder by reason of any delay or failure to perform any obligation or covenant if the delay or failure to perform is occasioned by force majeure, meaning (but not limited to) any Acts of God, storm, war, civil commotion, terrorism, labor disputes or strikes, fire, flood or other casualty, governmental actions, inactions, priorities, or regulations, or any cause beyond the Parties' direct and immediate control. Should any such event occur, the Party so affected shall have such additional time within which to perform as may be reasonably necessary.

17. Notices. Any notice, payment, demand or communication required or permitted to be given by this Agreement or applicable law shall be in writing and sent by first class mail, overnight courier, hand delivery, telephone conversation, facsimile or e-mail; except, unless waived by the recipient, if such notice is made by telephone conversation, such telephone conversation shall be followed within 48 hours thereof by written notice sent by e-mail, first class snail, overnight courier or hand delivery. Charges for any notice hereunder shall be prepaid and addressed as follows, or to such other address as such Person may from time to time specify by notice to PAM, the City or PFS, as the case may be:

If to PAM, to:

Professional Account Management, LLC
Attention: Contract Administration
633 W. Wisconsin Avenue, Suite 1600
Milwaukee, WI 53203
Email: contracts@DuncanSolutions.com
Fax: (866) 449-7575

If to PFS, to:

PFS IV, LLC
c/o Michael Lenza
54 Camp Street
Milford, MA 01757
Tel.: 508-634-3185
Email: mlenza@aol.com

With a copy to:

Scott H. Moskol, Esq.
Burns & Levinson LLP
125 Summer Street
Boston, MA 02110
Email: smoskol@burnslev.com
Telephone: (617) 345-3522
Facsimile: (617) 345-3299

Unless otherwise indicated herein, any notice shall be deemed to be delivered, given and received for all purposes as of the date delivered, or if sent by first class mail, five (5) days after the date on which the same was deposited in a receptacle, regularly maintained by the United States Postal Service for the deposit of mail, whichever occurs first.

18. Binding Effect. This Agreement shall be binding upon, and shall inure to the benefit of, the Parties to this Agreement, and their successors and permitted assigns.

19. Scope of Agreement. This Agreement constitutes the entire understanding of the Parties hereto with respect to the subject matter hereof and supersedes all prior understandings and agreements in regard hereto. All exhibits referred to herein and as the same may be amended from, time to time, are by this reference, made a part hereof as though fully set forth herein.

20. Validity of Agreement; Severability. Every provision of this Agreement is intended to be severable. If any provision hereof is illegal, invalid or unenforceable for any reason whatsoever, such provision will be fully severable; this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision were not a part of this Agreement; and the remaining provisions of this Agreement will remain in full force and effect and will not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Further, in lieu of such illegal, invalid, or unenforceable provision, there will be automatically included, as part of this Agreement, a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable. In the event the Act or other controlling law is subsequently amended or interpreted in such a way to make any provision of this Agreement that was formerly invalid a valid provision, such provision shall be considered to be valid from the date provided in such interpretation or amendment or in the event the interpretation or amendment does not otherwise provide, from the effective date of such interpretation or amendment.

21. Further Action. Each Party, upon the request of any other Party, agrees to perform all further acts and execute, acknowledge, or deliver any instruments or documents and to perform such additional acts as may be reasonably necessary, appropriate or desirable to carry out the provisions of this Agreement.

22. Governing Law. The laws of the State of Delaware without reference to conflict of laws principles, shall govern the validity, construction and interpretation of this Agreement. The parties agree and acknowledge that any state or federal court in the Commonwealth of Massachusetts shall have non-exclusive jurisdiction to hear any matter, claim, complaint or action with respect to this Agreement.

23. Counterpart Execution. This Agreement may be executed and transmitted electronically in any number of counterparts with the same effect as if the Parties hereto had signed the same document.

24. No Implied Waiver. PAM and PFS shall have the right at all times to enforce the provisions of this Agreement in strict accordance with the terms hereof, and no waiver of any provision of this Agreement shall constitute a waiver of any other provision, nor shall any waiver constitute a continuing waiver unless otherwise provided in writing.

25. Jurisdiction. Each Party to this Agreement hereby irrevocably agrees that any suit, action or proceeding arising out of or relating to this Agreement or any agreements or transactions contemplated hereby must be brought in the courts of the Commonwealth of Massachusetts or of the United States of America for the District of Massachusetts and hereby expressly submits to the personal jurisdiction and venue of such courts for the purposes thereof and expressly waives any claim of improper venue and any claim that such courts are an inconvenient forum. Each Party hereby irrevocably consents to the service of process of any of

the aforementioned courts in any such suit, action or proceeding by the mailing of copies thereof by registered or certified mail, postage prepaid, to the address provided to PAM and PFS in accordance with Section 17, such service to become effective ten (10) days after such mailing.

26. Amendment. This Agreement may be, amended from time to time only upon written agreement of both PAM and PFS.


27. Assignment. The rights and obligations of PAM under this Agreement may not be assigned, delegated or otherwise transferred to any other Person, whether by operation of law or otherwise, without the prior written consent of PFS and the City, which may not be unreasonably withheld as long as such Person confirms in writing that it will assume all of PAM's obligations under this Agreement and PFS is satisfied that such Person shall provide the Services in the same manner and with the same level of quality as PAM.

28. Waiver of Jury Trial. EACH PARTY TO THIS AGREEMENT HEREBY IRREVOCABLY WAIVES TRIAL BY JURY IN ANY ACTION, SUIT OR PROCEEDING, WHETHER AT LAW OR EQUITY, BROUGHT BY ANY OF THEM IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

[Remainder of Page Intentionally Left Blank; Signature Page to Follow]

IN WITNESS WHEREOF, the Parties have entered into this Servicer Agreement as of the date first above written.

PROFESSIONAL ACCOUNT MANAGEMENT,
LLC.

By: 
Name: TIM NEWLON
Title: CHIEF EXECUTIVE OFFICER

PFS IV, LLC

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the Parties have entered into this Servicer Agreement as of the date first above written.

**PROFESSIONAL ACCOUNT
MANAGEMENT, LLC**

By: _____
Name: _____
Title: _____

PFS IV, LLC

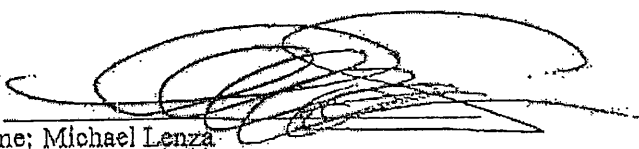
By: 
Name: Michael Lenza
Title: Manager

EXHIBIT A

MASTER ASSET MANAGEMENT AGREEMENT

MASTER ASSET MANAGEMENT AGREEMENT

THIS MASTER ASSET MANAGEMENT AGREEMENT (the "Agreement"), dated as of August 5, 2016 (the "Effective Date") is entered into by and between the City of Providence (the "City") and PFS IV, LLC, a Delaware limited liability company, and its successors and assigns (the "Manager"). The City and Manager are sometimes collectively referred to herein as the "Parties" and each individually as a "Party".

WITNESSETH:

WHEREAS, the City is the owner of rights to payment of monetary obligations composed of, *inter alia*, parking tickets and red light violations (the "Receivables") assessed by the City or by the Providence Municipal Court (the "Court") upon persons found to have violated parking and red lights statutes, regulations and ordinances (collectively, the "Violators"); and

WHEREAS, the Manager is amenable to enter into an advance funding arrangement with the City, and the City wishes engage the Manager in order to manage and collect such identified Receivables (the "Assigned Receivables"); and

WHEREAS, the specific financial terms of this advance funding arrangement for the engagement of the Manager with respect to identified Assigned Receivables, *inter alia*, is set forth in that separate Assignment, Funding and Collection Terms Agreement between the City and the Manager, a copy of which is attached hereto as Exhibit A and incorporated herein (the "Assignment Agreement").

NOW, THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, the City and the Manager agree as follows.

1. Definitions. In addition to the terms defined elsewhere in this Agreement, the following terms shall have the meanings specified below:

"Affiliate" of a specified Person means any other Person who (a) directly or indirectly controls, is controlled by, or is under common control with, such specified Person, or (b) owns or controls more than fifty percent (50%) of the outstanding voting stock or other voting equity or beneficial interests of such specified Person. For purposes of the preceding sentence, "control" of a Person means possession, directly or indirectly (through one or more intermediaries), of the power to direct or cause the direction of management and policies of such Person through ownership of voting securities (or other ownership interests), contract, voting trust or otherwise.

"Applicable Law" means all provisions of statutes, rules and regulations, interpretations and orders of any Governmental Authority applicable to a Person, and all orders and decrees of all Courts and arbitrators in proceedings or actions in which the Person in question is a party including applicable federal, state and local laws and regulations thereunder.

"Assigned Receivable(s)" means (a) those Receivables dated January 1, 2010 through June 30, 2016 (the "Present Receivables") and (b) those future Receivables dated July 1, 2016 through June 30, 2018 (the "Future Receivables") for which the City has assigned to the Manager the right to manage and collect under the terms of Section 3 hereunder and the Assignment Agreement.

"Assignment Agreement" has the meaning assigned to it in the preamble hereto.

"Assignment Date" means each date on which Receivables are assigned by the City to and accepted by the Manager pursuant to the related Assignment Agreement.

"Bankruptcy" means, with respect to any Person:

(a) the institution (or consenting to the institution) of proceedings or filing an answer or other pleading to be adjudicated as bankrupt or insolvent or seeking for such Person any liquidation, winding up, dissolution, reorganization, rearrangement, adjustment, protection, composition or other similar relief of such Person or such Person's debts under any law relating to bankruptcy, insolvency, reorganization, liquidation or other relief of debtors, including Title 11 of the United States Code, as amended ("Bankruptcy Law") or any similar law;

(b) the seeking, consenting to, or acquiescing in any entry of an order for relief or the appointment of a receiver, trustee, liquidator, custodian or other similar official for such Person or all or any substantial part of such Person's property under any Bankruptcy Law or any similar law;

(c) the making of an assignment for the benefit of creditors;

(d) the admission, in writing, by such Person of the inability to pay its debts generally as they become due;

(e) the entering of an order for relief or approving a petition or other pleading for relief or reorganization or any other petition or other pleading seeking any liquidation, winding up, dissolution, reorganization, rearrangement, adjustment, composition or other similar relief against such Person under any Bankruptcy Law or any similar law;

(f) the filing of any such petition or other pleading against such Person which petition is not dismissed within sixty (60) days of such filing;

(g) without the consent or acquiescence of such Person, the entering of an order appointing a receiver, trustee, liquidator, custodian or other similar official for such Person or of all or any substantial part of such Person's property, which order is not discharged or dismissed within sixty (60) days of the date it is entered; or

(h) a creditor executes upon, forecloses or otherwise involuntarily acquires, otherwise receives in satisfaction of any obligation or obtains a judgment lien against substantially all of or a material portion of the assets of such Person.

"Breached Receivable" has the meaning ascribed to such term in Section 8(c)(i).

"City" has the meaning assigned to it in the preamble hereto.

"Code" means the Uniform Commercial Code in the State of Rhode Island as in effect on the date hereof and as the same may subsequently be amended from time to time, the substantive provisions of which are applicable to any of the property of the City in which the Manager is granted a security interest pursuant hereto.

"Collateral" means all of the City's right, title and interest in, to and under each Assigned Receivable including, without limitation, the City's right, title and interest in, to and under each bank account established under the terms of this Agreement, all contract rights and privileges in respect of such accounts and all cash, checks, credit card receipts, money orders, and other items of value now or hereafter paid, deposited, credited, held (whether for collection, provisionally or otherwise) or otherwise in the possession or under the control of, or in transit to, any bank account maintained by Manager, and any agent, bailee or custodian thereof (the "Receipts") and all Proceeds of the foregoing.

"Collections" has the meaning assigned to it in Section 10.

"Default Premium" shall have the meaning assigned to it in Section 15(h).

"DMV" means the Department of Motor Vehicles of the State of Rhode Island.

"Due Diligence Information" has the meaning assigned to it in Section 8(c)(i).

"Effective Date" has the meaning assigned to it in the Preamble.

"Event of Default" shall mean the occurrence of one or more of the following:

(a) the failure by the City or the Manager, as the case may be, to perform any of its covenants or obligations, in accordance with the terms of this Agreement, or the breach by either such party of a representation or warranty hereunder, which breaches individually or in the aggregate constitute a material breach of this Agreement;

(b) the Bankruptcy of the City or of the Manager, but only to the extent that such Bankruptcy affects the ability of such party to perform its obligations under this Agreement or the Assignment Agreement;

(c) the failure of the Manager to have (i) a perfected first priority security interest in the Collateral in which a security interest may be perfected under the Code and (ii) a first priority perfected lien or security interest available under State of Rhode Island statutes and case law in the Collateral in which a security interest may not be perfected under the Code;

(d) any act or omission on the part of the City and its employees, agents or independent contractors including, but not limited to, any Processor employed by the City that

results in the inability of the Manager, Servicer and their respective employees, agents and independent contractors to enforce and collect the Collections;

(e) any act or omission on the part of the City and its employees, agents or independent contractors, including, but not limited to Xerox State and Local Solutions, Inc., that results in the Manager, Servicer and their respective employees, agents and independent contractors to collect less than the face amount of the violation or citation as provided for in the Due Diligence Information for any Assigned Receivable; and

(f) the failure of the City and its employees, agents or independent contractors, including, but not limited to, Xerox State and Local Solutions, Inc. to pay to the Manager, Servicer and/or their respective employees, agents and independent contractors, within thirty (30) days upon invoicing by Manager or Servicer, any and all payments and collections with respect to Assigned Receivables actually received by the City (including, without limitation, by the Court or by any other agency or administrative body of the City) from Violators (as more fully described in Section 11(f) below) (each a "City Payment"); in the event the City does not pay the Manager the City Payments within thirty (30) days of being invoiced, the City shall have ninety (90) days in which to assign to the Manager replacement Receivables equal to two (2) times the aggregate face amount of the City Payments (the "Default Receivables"); and any failure by the City to assign said Default Receivables within this time period shall constitute an "Event of Default" under this subsection; provided, however, Manager shall cause self-addressed stamped envelopes to be placed with the City's clerks and/or the City's traffic tribunals (collectively, the "City Recipients") such that if a Violator attempts to pay any City Recipient, such Violator will be directed to mail their respective payments directly to the Manager and/or the Servicer.

"FDCPA" means the Fair Debt Collection Practices Act.

"Governmental Authority" means the government of any nation, state, City, locality or other political subdivision of any of the foregoing, any entity exercising executive, legislative, individual, regulatory or administrative functions of or pertaining to government and any corporation or other entity owned or controlled, through stock, capital ownership or otherwise, by any of the foregoing.

"Impaired Receivable" has the meaning assigned to it in Section 11(e).

"Person" means any natural person or any corporation, partnership, joint venture or enterprise, limited liability company, unincorporated association, trust, estate, governmental entity or other entity or organization, and shall include the successor (by merger or otherwise) of any entity or organization.

"Pool" means a new pool of receivables assigned to the Manager in the future.

"Proceeds" has the meaning assigned to it in the Code.

"Processor" has the meaning assigned to it in Section 2(c).

"Receivable(s)" has the meaning assigned to it in the preamble hereto.

"Replacement Receivables" has the meaning assigned to such term in Section 8(c)(i) hereof.

"Servicer" shall mean [Professional Account Management, LLC, a Wisconsin limited liability company wholly-owned by Duncan Solutions, Inc.], or any subsequent Person that replaces it and which agrees to be bound by the terms and conditions of the Servicing Agreement.

"Servicing Agreement" means the agreement, dated as of the date hereof, between the Manager and Servicer.

"Violators" has the meaning assigned to it in the preamble.

2. Engagement of the Manager; Servicer; Subservicer.

(a) The City hereby engages the Manager, and the Manager hereby accepts such engagement, as the City's sole and exclusive provider of management and collection services with respect to Assigned Receivables assigned as of the Effective Date through June 30, 2022 (the "Collection Period"); provided that the Collection Period may be extended from time to time by the Parties, as more fully set forth in Section 3(c) below. The Parties expressly acknowledge that the City shall, at all times, remain the owner of the Assigned Receivables.

(b) The Parties acknowledge and agree that the Manager will engage, pursuant to the terms of the Servicing Agreement, a copy of which is attached hereto as Exhibit B, the Servicer to perform, on the Manager's behalf, the management and collection services described herein with respect to the Assigned Receivables, and the City hereby consents to the Manager's engagement of the Servicer to perform such services on the Manager's behalf. The Parties agree that the Manager will have the right, from time to time during the term of this Agreement, to change the Servicer upon written notice to and consent from the City, which consent shall not be unreasonably withheld, denied or delayed, it being agreed that (i) it shall be unreasonable for the City to withhold, deny or delay its consent if the proposed new Servicer has not been found in violation of the FDCPA in the prior thirty six (36) months and (ii) such consent shall be deemed granted if the City does not respond within thirty (30) days of its receipt of the notice of change from the Manager. The Parties further acknowledge and agree that the Manager shall remain fully responsible for the performance of such management and collection services described herein.

(c) Within five (5) business days of the Effective Date hereof, the Manager and the Servicer shall have full access to any Database (as defined in Section 11(b)) maintained by the City or any third party processors that the City may have engaged to manage the City's cases, which are presently Xerox State and Local Solutions, Inc. (each, a "Processor") in order to fulfill their respective obligations hereunder.

(d) The Manager may also engage any other servicer or subservicer or other service provider to perform certain actions related to the management of the Assigned

Receivables, without the consent of the City; provided, that the Manager shall remain fully responsible for the performance of the management and collection services described herein.

3. Identification and Assignment of Assigned Receivables.

(a) Assignment of Assigned Receivables. Pursuant to and in accordance with the terms of the Assignment Agreement, the City assigns to the Manager the exclusive right to manage and collect the Assigned Receivables as follows:

(i) City shall assign all the Assigned Receivables to the Manager for it to manage and collect as of the Effective Date.

(ii) Manager may commence collection efforts with respect to all Assigned Receivables commencing two (2) years from the date of issuance. Thus, on the Effective Date, the Manager may commence collection efforts for those Assigned Receivables dated January 1, 2010 through June 30, 2014.

(iii) By the tenth (10th) day of each month, Processor shall provide to Servicer in electronic format or such other format that Servicer requests information as to what Assigned Receivable remain unpaid so that collection efforts may commence. Thus, by way of example, on or before August 10, 2016, Processor will have informed Servicer which of the Assigned Receivables from July of 2014 remain unpaid, so that Manager and Service may commence collection efforts with such unpaid and uncollected Assigned Receivables. This monthly flow of information shall continue through July 10, 2020 (i.e. two years after the date of the last of the Assigned Receivables, which would be June 30, 2018).

(iv) Notwithstanding anything contained herein to the contrary, in the event that the Manager is unable to collect One Million Three Hundred Seventy Thousand Dollars and 00/100 Cents (\$1,370,000.00), plus a preferred return equal to fifteen percent (15%) per annum on the amount first stated above in this Section 3(a)(iv) (collectively, the "Preferred Recovery") during the Collection Period, then the Manager shall receive each month, commencing with the month immediately following expiration of the Collection Period, an additional Pool of Receivables to manage and collect until the Manager receives its Preferred Recovery, in which case the Collection Period shall be extended in accordance with Section 3(c)(i)(D) below. By way of example: if by the last day of the Collection Period (June 30, 2022) the Manager has not received the Preferred Recovery, the City shall assign to the Manager the right to manage and collect Receivables for the month of July, 2018, or such other Pool of different Receivables as agreed to by the Parties.

(b) Future Receivables, Assigned Receivables.

(i) By the fifteenth (15th) day of each month, Processor shall provide the Parties with a list of new Future Receivables and the City and the Manager shall cause a new schedule to be added to the Assignment Agreement for each of month's Future Receivables. Thus by way of example, on or before August 15, 2016, the Processor shall

provide a list to Manager of all Future Receivables incurred for the month of July 2016, which list shall be attached as a schedule to the Assignment Agreement.

(ii) The effectiveness of the present Assignment Agreement and any future assignment agreement will be subject to the receipt by the Manager of each of the following, in form and substance satisfactory to the Manager (the date when the Manager has received and accepted all of such items being the "Effective Date" of such Assignment Agreement):

(A) a completed assignment agreement in the form of Exhibit A hereto with respect to the Assigned Receivables, to be supplemented on a monthly basis to include all such Future Receivables, duly executed by an authorized official of the City and by the Manager;

(B) UCC-1 financing statements containing a description of the Assigned Receivables in the form of Exhibit C hereto, for filing in the appropriate jurisdictions to perfect or otherwise protect, to the extent such perfection or protection is possible under the Code, the Manager's security interest in the Assigned Receivables in such Pool and the Proceeds thereof pursuant to Section 5 hereof;

(C) opinion of counsel to the City covering the matters set forth in Exhibit D hereto; and

(D) such other documents and instruments as the City has the authority to convey or deem reasonable to facilitate the Manager's perfection or protection of its security interest in the Assigned Receivables.

(iii) The Parties to this Agreement acknowledge that the City will retain title to and ownership of any and all Assigned Receivables; provided, that the Manager shall acquire a security interest in the Collateral as provided in Section 5, and shall have the rights to receive distributions out of the Collections on the Assigned Receivables as provided in Section 5 and the Assignment Agreement.

(c) The Manager shall have the exclusive right to manage and collect each Assigned Receivable for the Collection Period in accordance with Section 3(a) above. Upon expiration of the Collection Period, or upon termination of this Agreement as provided for herein, the Manager's right to manage and collect all such Assigned Receivables shall terminate, at which time the right to manage and collect all such Assigned Receivables shall revert to the City. All such Collections shall be distributed in accordance with the Assignment Agreement.

(i) The Collection Period, with respect to the Assigned Receivables in a Pool, may be extended:

(A) For an additional twelve (12) months, upon the mutual written agreement of the Parties hereto;

(B) For an additional twelve (12) months, by the Manager upon written notice to the City at any time following a change in applicable law which has an adverse and material impact on the ability of the Manager to collect Assigned Receivables or on the value of the Assigned Receivables;

(C) For an additional twelve (12) months, by the Manager upon written notice to the City in the event that the City fails to perform, in any material respect, any of its obligations in accordance with the terms of this Agreement and the City has not cured such failure to perform within forty five (45) days after written notice of such failure to perform is given by the Manager to the City; or

(D) For an additional two (2) years upon each time the Manager receives an additional Pool to manage and collect.

4. Advance. Upon complete satisfaction of the terms and conditions contained in Section 2(c) above, the Manager shall advance to the City the amount agreed upon by the City and the Manager and set forth in the Assignment Agreement (the "Advance"). The Advance (a) is based on the Servicer's representations as to its experience in collections (b) shall be non-recourse to the City except as provided for in this Agreement and (c) shall be reimbursable only out of Collections on the Assigned Receivables pursuant to Section 3 hereof and the Assignment Agreement; provided, however, if there is an Event of Default committed by the City such that the City owes Manager the Default Premium as provided for in Section 15(h) herein or is awarded at arbitration a monetary award, such amounts shall be paid first out of Collections and then second, such amounts shall be an obligation of the City.

5. Security Interest.

(a) In order to secure the full and timely payments to the Manager for all amounts due hereunder, the City HEREBY GRANTS TO and creates in favor of the Manager, a first priority lien and security interest in the Collateral under Rhode Island law, including, without limitation, under the Code to the extent such grant may be made under the Code.

(b) The City will:

EXECUTION COPY

(i) Faithfully preserve, protect and defend the Manager's security interest in the Collateral as a prior perfected security interest under Rhode Island law, including without limitation, under the Code to the extent perfection is permitted under the Code, superior and prior to the rights of all third persons, and will do all such other acts and things and will, upon request therefor by the Manager, execute, deliver, file and record all such other documents and instruments, including without limitation, financing statements, security agreements, assignments and documents and powers of attorney with respect to the Collateral, and pay all filing fees and taxes thereto, as the Manager in its reasonable discretion may deem necessary or advisable from time to time in order to attach, continue, preserve, perfect and protect said security interest;

(ii) Not pledge, mortgage or create, or suffer to exist any right of any person in or claim by Person to the Collateral, or any security interest, lien or other encumbrance in or on the Collateral in favor of any Person, other than the Manager, and the City shall not permit any of the Collateral to be levied upon under any legal process;

(iii) Not file or authorize or permit to be filed in any jurisdiction any financing statement relating to any of the Collateral naming any secured party other than the Manager;

(iv) Keep and stamp or otherwise mark any of its instruments and its books and records relating to the Collateral in such manner as the Manager may reasonably require, to include, without limitation, identifying that the Manager has been granted a security interest in said Collateral;

(v) Not permit anything to be done that may impair the value of the Collateral or the security intended to be afforded thereby; and

(vi) Not sell, transfer, assign or otherwise dispose or offer to sell, transfer, assign or otherwise dispose, of the Collateral or any interest therein.

(c) The City hereby irrevocably authorizes the Manager at any time and from time to time to file in any filing office in any Uniform Commercial Code jurisdiction any initial financing statements and amendments thereto that (i) describe the Collateral and (ii) provide any other information required by Article 9 of the Code for the sufficiency or filing office acceptance of any financing statement or amendment.

(d) If an Event of Default shall have occurred and be continuing, the Manager, without any other notice to or demand upon the City, shall have, in addition to all other rights and remedies, the rights and remedies of a secured party under the Code; however in any case, the Advance is not refundable even if the Collections are less than the Advance; provided, however, if the City owes Manager the Default Premium or other damages pursuant to an award through arbitration, then such amounts shall be paid first from the Collections and second from the City.

(e) The City shall pay to the Manager on demand any and all expenses, including reasonable attorneys' fees and disbursements, incurred or paid by the Manager in legal proceedings to assert or defend its rights in the Collateral or defending legal proceedings which challenge its rights to the Collateral or to payments, regardless if such proceedings arise in connection with a bankruptcy of the City. Notwithstanding the foregoing, the ability to deduct the above-recited costs are limited to actions to enforce the Manager's right to or priority in the Collateral, but in no case includes costs incurred to enforce payment of an Assigned Receivable. After deducting all of said expenses, the residue of any proceeds of collection or sale or other disposition of the Collateral shall, to the extent actually received in cash, be applied to the payment of the amounts due to the Manager hereunder.

6. Establishment of Account. The Manager shall establish a deposit account (each an "Account") with Bank of America or such other bank reasonably acceptable to the Parties (the "Bank") in which all Proceeds of Assigned Receivables shall be immediately deposited (the "Collections"). The City and/or Processor, as the case may be, shall immediately forward all payments actually received by the City (including, without limitation, by the Court or by any other agency or administrative body of the City) from Violators with respect to Assigned Receivables to the Bank for deposit in the applicable Account. The Servicer will direct all Violators to make payments directly to the Account. After the Servicer invoices the Manager for payment for its services (the "Fee") and payment is made to the Servicer in accordance with the Servicer Agreement, all amounts deposited into the applicable Account shall be distributed to the Manager as set forth in Section 5 of the Assignment Agreement and as provided for herein. The City and the Servicer shall direct (or request that the Court or other agency or administrative body of the City to direct) all of the Violators with respect to the Assigned Receivables to make their payments to the applicable Account for that Pool, with checks or money orders naming Manager as payee. To the extent any Violator tries to pay any Assigned Receivable directly with the City, the City shall cause its employees to direct such Violator to make payment directly with the Servicer. The City and Servicer shall mark their respective records with respect to the Assigned Receivables and institute standing instructions that will cause any payments which they (including the Court or any other agency of the City) receive directly from a Violator to be forwarded to the applicable Account immediately. Additionally, all credit card receipts attributable to the Assigned Receivables shall be deposited daily in the Account by the Servicer and/or the City, as applicable. Until such payments are so delivered to the Account, the City and the Servicer shall be deemed to be holding such payments in trust for the Manager.

7. Distributions of Collections. With respect to the Collections, the Servicer shall invoice the Manager for its Fee, which shall be paid within thirty (30) days of receipt of such invoice; then, after the Servicer is paid its Fee, the Manager shall distribute, or cause to be distributed, the remainder of the Collections to the Manager and the City on a monthly basis in the order of priority set forth in Section 5 of the Assignment Agreement.

8. Representations and Warranties; Breach; Remedies.

(a) The City hereby makes the following representations and warranties to the Manager:

EXECUTION COPY

(i) The City is a municipal corporation created and existing under the laws of the State of Rhode Island and Providence Plantations.

(ii) The City (A) has the full power and authority to execute, deliver and perform its obligations under this Agreement, and (B) has taken all action necessary to duly authorize the execution, delivery and performance of this Agreement, and has duly executed and delivered the same.

(iii) The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the performance of or compliance with the terms and conditions of this Agreement by the City does not (and will not) conflict with, violate or result in a breach of (i) any of the terms, conditions or provisions of the City's Home Rule Charter, (ii) any agreement or instrument to which the City is now a party or by which the City is bound, or (iii) any law, regulation, order, writ, injunction, decree, determination or award of any court, any other Governmental Authority or any arbitrator, now applicable to the City or any of its agencies, or constitute a default under any of the foregoing.

(iv) There are no actions, suits, proceedings or investigations pending or, to the knowledge of the City, threatened against or affecting the City (or any of its properties, assets or operations) in any court or before or by any Governmental Authority, or any arbitrator which would reasonably be expected to materially affect the City's ability to perform its obligations under this Agreement. The City has not received any notice of any default, and the City is not in default, under any applicable order, write, injunction, decree, permit, determination or award of any court, any other Governmental Authority or any arbitrator which would reasonably be expected to materially affect the City's ability to perform its obligations under this Agreement.

(v) No consent, approval, authorization nor order of any court or governmental agency or body is required by the City for the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the performance of or compliance with the terms and conditions of this Agreement by the City.

(vi) This Agreement, and each other document and agreement executed and delivered by the City in connection herewith, constitutes the legal, valid and binding obligation of the City, enforceable against the City in accordance with its terms.

(vii) The City is or, on the Effective Date of an Assignment Agreement will be, the owner of the Collateral, free from any right or claim of any person or any adverse lien, security interest or other encumbrance, except for the security interest created by this Agreement.

(viii) This Agreement creates a valid, binding and enforceable first priority security interest in the collateral securing the payment of all amounts due to the Manager under this Agreement and upon the filing of a financing statement with the Department of State of the State of Rhode Island, such security interest will be perfected first priority security interest to the extent such perfection can be obtained under this Code.

EXECUTION COPY

(ix) Other than the filing of the financing statement set forth in subsection (viii) above, no authorization, approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required either (A) for the grant by the City of the security interest granted hereby, or (B) for the perfection, to the extent such perfection can be obtained under the Code, of or the exercise by the Manager of its rights and remedies hereunder.

(x) The City hereby makes the following representations and warranties with respect to each Assigned Receivable:

(A) The City is the owner of such Assigned Receivable (or will be the owner of the Future Receivables) and any Proceeds therefrom, free from any adverse lien, security interest or other encumbrance.

(B) Each Assigned Receivable is a valid obligation, enforceable against the related Violator and due and payable to the City, none of which have been previously adjudicated or dismissed by the Court or are unenforceable for any reason against such Violator.

(C) No Assigned Receivable has been released, waived or adjusted in dollar amounts, in whole or in part.

(D) All information the City has provided to the Manager in connection with the Assigned Receivables is true, correct and complete in all material respects.

(b) The Manager makes the following representations and warranties to the City:

(i) The Manager (A) is a limited liability company, duly organized, validly existing and in good standing under the laws of the State of Delaware, and (B) is, or will be, qualified to transact business in, and is, or will be, in good standing under the laws of the State of Rhode Island.

(ii) The Manager has the full power and authority to execute, deliver and perform all transactions contemplated by this Agreement, and the Manager has duly authorized the execution, delivery and performance of this Agreement, and has duly executed and delivered this Agreement.

(iii) The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the performance of or compliance with the terms and conditions of this Agreement does not (and will not) conflict with, violate or result in a breach of (i) any of the terms, conditions or provisions of the Manager's operating agreement, (ii) any agreement or instrument to which the Manager is now a party, by which the Manager is bound, or (iii) any law, regulation, order, writ, injunction, decree, determination or

award of any court, any other Governmental Authority or any arbitrator, now applicable to the Manager or any of its Affiliates, or constitute a default under any of the foregoing.

(iv) There are no actions, suits, proceedings or investigations pending or, to the knowledge of the Manager, threatened against or affecting the manager (or any of their properties, assets or businesses) in any court or before or by any Governmental Authority, or any arbitrator which would reasonably be expected to materially affect the Manager's ability to default, and the Manager is not in default, under any applicable order, writ, injunction, decree, permit, determination or award of any court, any other Governmental Authority or any arbitrator which would reasonably be expected to materially affect the Manager's ability to perform its obligations under this Agreement.

(v) No consent, approval, authorization or order of any court or governmental agency or body is required by the Manager for the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the performance of or noncompliance with the terms and conditions of this Agreement by the Manager.

(vi) This Agreement, and each other document and agreement executed and delivered by the Manager in connection herewith, constitutes the legal, valid and binding obligation of the Manager, enforceable against the manager in accordance with its terms.

(c) Upon discovery by the City or the Manager of a breach of any representation or warranty set forth in Section 8, the Party discovering such breach shall give prompt written notice thereof to the other.

(i) Within five (5) business days of the earlier of discovery by or notice to the City of any breach of a representation or warranty set forth in Section 8(a) arising from the failure of an Assigned Receivable assigned to the Manager under this Agreement and the related Assignment Agreement to be in compliance with any representation or warranty at any time (each, a "Breached Receivable"), the City shall propose one or more Receivables in an aggregate dollar amount not less than the aggregate dollar amount of the Breached Receivables with respect to which the related breach has occurred (the "Replacement Receivables"). In connection with such proposal, the City shall provide the Due Diligence Information provided in connection with the related Pool of Receivables and any other information that the Manager may reasonably request (the "Due Diligence Information"). Within five (5) business days of its receipt of such proposed Receivables and the information related thereto, the Manager shall approve or disapprove, in its sole and exclusive discretion, of all or any portion of such Replacement Receivables.

(ii) If the Manager disapproves of any portion of the Replacement Receivables, the City shall have five (5) business days to propose one or more Receivables in an aggregate dollar amount not less than the aggregate dollar amount of the portion of Breached Receivables with respect to which the Manager has not approved replacement Receivables. With respect to such additional proposed Receivables, the City shall

EXECUTION COPY

provide the Manager the information described in Section 3(b)(i). Within five (5) business days of its receipt of the Replacement Receivables and the information related thereto, the Manager shall approve or disapprove, in its sole and exclusive discretion, of all or any portion of such Replacement Receivables.

(iii) If the Manager disapproves of all or any portion of the Replacement Receivables the City shall refund the portion of the Breached Receivables with respect to which Replacement Receivables have not been approved by the Manager in accordance with this Section 8 at the Receivables Refund Price specified in the related Assignment Agreement. The right to manage and collect each Replacement Receivable accepted by the Manager pursuant to this Section 8 shall be assigned to the Manager in accordance with the terms of Section 3, and upon the assignment of the right to manage and collect any such Replacement Receivables, the Manager shall assign the right to manage and collect the applicable Breached Receivables to the City.

9. Reserved.

10. Duties of the Manager.

(a) The Manager, acting through any Servicer (or any applicable subservicer), shall manage and receive Collections on the Assigned Receivables pursuant to the terms and conditions of this Agreement and the Assignment Agreement. The Manager, acting through any Servicer, and acting as an agent of the City, shall make reasonable commercial efforts to collect all amounts due on the Assigned Receivables provided that, except as contemplated by Section 10(e), neither the Manager nor the Servicer may waive, alter or agree to any adjustments to the amount of any Assigned Receivable, and City delegates to Manager such power and authority in order to collect the Assigned Receivables. The management and collection services to be provided hereunder shall include, but not be limited to, the following:

(i) Mailing a first notice to the Violators within ninety (90) days of the Effective Date of the Assignment Agreement for a Pool;

(ii) Updating payments received in the Account within seventy two (72) hours after receipt;

(iii) Providing refreshed name and address acquisitions within thirty (30) days prior to initial mailing;

(iv) Providing new name and address for non-refreshed accounts within sixty (60) days after receipt thereof;

(v) Providing return mail locate processing and re-mailing within sixty (60) days after mail is returned;

(vi) Providing DMV notification of license or registration suspension monthly on all applicable Assigned Receivables;

(vii) Providing credit bureau reporting monthly and no-later-than one hundred eighty (180) days from first mailing on all out of state Assigned Receivables and those Rhode Island Assigned Receivables subject to registration suspension;

(viii) Allowing tax refund and lottery intercept data if authorized by state statute;

(ix) Establishing pay by web and pay by phone functions to service the assigned Pool population; and

(x) Providing the following collection efforts and notices to Violators:

- Initial notice – FDCPA compliant.
- Follow-up notice.
- Notice of intent to suspend or hold license or registration for Rhode Island resident Violators.
- License suspension notice.
- Notice of Driver Registry notification.
- Notice of pending credit bureau reporting, to the extent permissible by applicable law.
- Notice of credit bureau notification to the extent permissible by applicable law.
- Notice of pending tax refund and lottery intercept activity.
- Follow-up notice.
- Provide ALPR for booting towing.
- Provide ALPR for scanning traffic violators with police.

(b) The Servicer shall, in its discretion, be permitted to engage an attorney to represent the Parties before any municipal court in order to collect on any of the Assigned Receivables.

(c) In performing its obligations under this Agreement, the Manager shall at times act in good faith and in the best interests of the City with respect to the Assigned Receivables and shall carry out all of its obligations under this Agreement in accordance with

customary commercial standards and consistent with the Manager's duties to the City hereunder. To assist the Manager in the fulfillment of this obligation, when and if the City represents to the Manager that the City's best interests are harmed by specific collection practices or conduct which constitute violations of the FDCPA, the City shall retain the right to instruct the Manager to cause such conduct to cease.

(d) The Manager assumes no responsibility under this Agreement to assure any particular level of Collections on the Assigned Receivables and shall be responsible only to render the services called for hereunder in accordance with the standards set forth above and shall not be responsible to the City or others, for any failure of a Violator to make payment of a Receivable. Except as provided for herein and the Assignment Agreement, the Manager and its Affiliates shall not in any event be liable in performing its obligations under this Agreement.

(e) Notwithstanding any provision of this Agreement to the contrary, neither the Manager nor the Servicer nor any of their Affiliates shall have the authority on behalf of the City without obtaining the prior written approval of City, i) waive or reduce the face amount of any Assigned Receivable or ii) act on behalf of, or hold itself out as having the authority to act on behalf of, the City in any manner that is beyond the scope of this Agreement; provided, however, the Manager shall not need the prior written permission of the City to waive or reduce the amount of any penalties or interest associated with an Assigned Receivable or to enter into a payment plan with any Violator so long as any such Payment Plan does not extend past the Collection Period.

(f) The Manager and/or the Servicer shall employ, at their sole cost and expense, adequate personnel, appropriately trained to ensure compliance with the FDCPA, to perform their duties hereunder. The Manager and/or the Servicer shall at all times provide the services hereunder in accordance with all applicable state, federal and other governmental laws, rules and regulations. The Manager assumes no responsibility with respect to the servicing and administration of Assigned Receivables other than, through the Servicer, to render the services expressly provided for in this Agreement or as otherwise expressly agreed to with the City.

11. Covenants of the City.

(a) The City, through any Processor it engages, shall provide the Manager and the Servicer with access at all times to information regarding the Assigned Receivables through a data warehouse facility or other secure electronic access. Such access shall be provided by the Processor in a manner which conforms to the security requirements of the City.

(b) The City shall ensure that all Assigned Receivables are identifiable on a database maintained by the City or the Processor (the "Database"), to which the Manager and the Servicer shall have access as provided in Section 2(c). At least seven (7) days prior to the Effective Date of each assignment agreement pursuant to Section 3(b), the City shall provide, or shall cause the Processor to provide, to the Manager, (i) a written statement that the Database has been marked or the data in respect of the Receivables otherwise has been isolated to identify the Receivables in the assigned Pool and (ii) information with respect to the Receivables in the assigned Pool including, without limitation, the aggregate dollar amount of such Receivables.

(c) The City also shall provide, or shall cause the Processor to provide, to the Manager, on a timely basis, such data regarding the Assigned Receivables in each Pool as is reasonably requested by the Manager in connection with its performance of the management and collection services described herein. Such data shall include, but not be limited to, with respect to each Assigned Receivable:

- (i) the Violator's name, address and license number;
- (ii) the registration number, license plate number, and description (i.e. make, model, year and color) of the Violator's vehicle;
- (iii) the place, date and type of violation;
- (iv) the identity of the officer issuing the citation;
- (v) proper jurisdictional issuance; and
- (vi) amounts owed (including all penalties and interest).

(d) As and when requested by the Manager, and otherwise as is reasonable and appropriate, the City shall exercise its enforcement powers and perform all enforcement procedures not already assumed by the Manager under this Agreement, which are available to it under applicable law in a timely and diligent manner to assist in the collection of the Assigned Receivables. Without limiting the generality of the foregoing, subject to the inherent discretion of the Court, the City will seek:

(i) to have the Court enforce Rhode Island General Laws ("RIGL") Sec. 31-41.1.1-5 and will enter default judgments and related appropriate orders against Violators, including suspending a Violator's driver's license and registration for failure to appear.

(ii) to have the Court enforce provisions of RIGL Sec. 31-3-5, non-renewal of registration for all Violators receiving fines in excess of \$200 resulting from guilty pleadings or guilty verdicts, including defaults from failure to appear. The Servicer will submit to the DMV the requisite amount for every request of non-renewal when it submits the data file of requested non-renewals to DMV.

(e) In the event that the processing of citations by the Court is not performed on a timely basis such that the collectability of the Assigned Receivable is impaired (each an "Impaired Receivable"), then the Manager shall assign the right to manage and collect such Impaired Receivable back to the City and the City shall assign to the Manager additional Replacement Receivables. Beginning one-hundred eighty (180) days after the commencement of the Collection Period for the Pool containing such Impaired Receivable, the City shall make monthly assignments of Replacement Receivables. For each one-hundred eighty (180) day period thereafter, the City shall make additional assignments of Replacement Receivables at the end of each subsequent one hundred eighty (180) day period. The City shall assign such Replacement Receivables in accordance with the provisions of 8(c) in the aggregate dollar amount not less than

the Impaired Receivables so removed in connection with either of the events described in this subsection. The period of time governing collection of such Replacement Receivables shall begin on the date of such assignment and shall be governed by the provisions set forth in Section 3(c).

(f) If the City receives any Collections that are derived from any of the Assigned Receivables, regardless whether from the Court or from a Violator, the City shall ensure a proper accounting of receipt of such Collections and will transfer such Collections daily to the Account for distribution in accordance with this Agreement and Assignment Agreement. Any such amounts shall be deemed held by the City in trust for the Manager.

(g) The City shall ensure a prompt hearing in compliance with applicable law with respect to any Violators who request a hearing before the Court.

12. Reports.

(a) The Manager will cause the Servicer to provide the City with a monthly report, which will provide a summary of Collections on the Assigned Receivables as of the last day of the month most recently completed, duly completed and executed by the Manager and delivered to the City by the 15th day of the following month.

(b) The City will provide the Manager and Servicer with a monthly report in electronic and hard copy format identifying (i) all amounts received directly by the City (including the City and any other City agency) in payment of Assigned Receivables during the month and (ii) all Assigned Receivables with respect to which any adjudication, waiver, dismissal, or other reduction in the receivable amount has taken place within that month. Such report shall be delivered to the Manager by the 10th day of the following month.

13. Rights to Examine Records. During the term of this Agreement, the City and its duly authorized agents, representatives or employees may, upon reasonable prior notice, examine, audit and copy, during normal business hours or at such other times as might be reasonable under applicable circumstances, any and all of the books, records, files or other information of the Manager relating to the Pools assigned to the Manager hereunder. The City shall maintain any non-public information obtained during such examination or in performing any obligations hereunder in accordance with the confidentiality provisions of Section 28 hereof.

14. Retention of Records. Unless returned or otherwise disposed of in accordance with the direction of the City, on the one hand, and the Manager, on the other hand, for a period of twelve (12) months after the date of termination or expiration of this Agreement, the City and the Manager shall continue to maintain all files and records pertaining to the performance of this Agreement, and in each case, shall maintain such files and records in accordance with the confidentiality provisions in Section 28 hereof.

15. Term and Termination.

(a) The Term (as defined in the Assignment Agreement) of this Agreement shall commence as of the date hereof and shall continue until either the expiration of the Term or this Agreement is terminated pursuant to Section 15(b) or Section 15(c) below,

provided that such termination shall not be effective until the Manager has received all amounts to which it is entitled pursuant to the terms of this Agreement including, without limitation, pursuant to Sections 4 and 5 of the Assignment Agreement entered into pursuant to this Agreement.

(b) This Agreement may be terminated upon the mutual written consent of the City and the Manager.

(c) The City or the Manager may terminate this Agreement by providing written notice to the other at any time following the occurrence of an Event of Default by the other and the failure to cure such Event of Default within the cure period provided herein, if any.

(d) In the event of the occurrence of an Event of Default, the non-defaulting party shall provide the defaulting party (the "Defaulting Party") with written notice setting forth the nature of such Event of Default, and the Defaulting Party shall have thirty (30) days to cure such Event of Default, provided, however, that there shall be no notice requirement or cure period for an Event of Default described in subsection (b) of the definition of Event of Default.

(e) Upon the effective date of termination of this Agreement, for whatever reason, or as soon thereafter as is reasonably possible, the Manager shall provide the City with a final report containing the same information as required by Section 12.

(f) Upon the effective date of termination of this Agreement, for whatever reason, the Manager, as directed by the City, will either:

(i) within ten (10) Business Days, deliver all documents, files, books, paper, accounts, and transferable computer files relating to the Assigned Receivables (the "Records") that are in the Manager's possession or control, or the possession or control of the Servicer or any Affiliates of the Manager, to the City, which Records shall be transported in the manner required by the City and at the cost of the City; or

(ii) hold the Records for up to twelve (12) months or until such earlier time as the City directs the Manager to deliver the Records.

In any event, the Manager may make and maintain copies of the Records for its files and shall have access, for any reasonable purpose, to those Records delivered to the City.

(g) Upon the effective date of termination of this Agreement, the Manager will assign the right to manage and collect all outstanding Assigned Receivables to the City and the City may, at its sole discretion, retain any other Person to provide the services provided by the Manager pursuant to this Agreement and the Manager shall cooperate in good faith with the City and such Person retained by the City to effect a smooth transition of responsibility for the management and collection of the Assigned Receivables.

(h) If the City commits an Event of Default that remains uncured for thirty (30) days such that this Agreement is terminated, the City shall owe Manager a Default Premium. The Default Premium shall be calculated as the difference between (A) \$3.0 million;

and (B) the amount of Collections that has been paid to Manager net of servicing fees, if any, pursuant to this Agreement and the Assignment Agreement (the "Default Premium").

(i) Notwithstanding Section 30 herein, if an Event of Default arises, either Party may seek declaratory or injunctive relief.

16. Indemnification. To the extent permitted by applicable law, a Party that has breached this Agreement shall indemnify and hold the non-breaching Party, its Affiliates, if any, and their respective employees, officers, directors, agents, consultants, contractors, attorneys, elected officials and legal representatives harmless from and against all liability (including reasonable attorneys' fees and costs) for all damages of any nature whatsoever, including penalties and fines, liquidated damages or per diem penalties, any bodily injury or personal damage claim and any damage to or loss of use or loss of any personal or real property, which arises out of or relates to a) a material breach by either Party of any of the representations, warranties, covenants or other agreements of the other Party in this Agreement or b) any lawsuit arising out of a violation of the FDCPA by the Manager or the Servicer. For purposes of this Agreement, "Indemnifiable Losses" means any and all claims, liabilities, losses, damages, penalties, actions, judgments, fines, forfeitures, amounts paid in settlement, costs or expenses of any kind or nature whatsoever, including all reasonable attorneys' fees, costs, fees and expenses of defense, appeal and settlement of any proceedings instituted and all costs of investigation therewith. The provisions of this Section 16 shall survive the expiration or termination of this Agreement.

17. Indemnity Procedures.

(a) For an indemnified Party (the "Indemnified Party") to be entitled to any indemnification provided for under this Agreement, such Indemnified Party shall, following the discovery of the matters giving rise to any Indemnifiable Losses, notify the indemnifying party (the "Indemnifying Party") in writing of its claim for indemnification for such Indemnifiable Losses, specifying in reasonable detail the nature of such Indemnifiable Losses and the amount of the liability estimated to accrue therefrom; provided, however, that failure to give such notification shall not affect the indemnification provided hereunder except to the extent the Indemnifying Party shall have been actually prejudiced as a result of such failure (except that the Indemnifying Party shall not be liable for any expenses incurred during the period in which the Indemnified Party failed to give such notice if such expenses could have been avoided by the giving of such notice). Thereafter, the Indemnified Party shall deliver to the Indemnifying Party, within five (5) business days after the Indemnified Party's receipt of such notice, all the information and documentation reasonably required by the Indemnifying Party with respect to such Indemnifiable Losses.

(b) If the indemnification sought pursuant hereto involves a claim made by a third-party against the Indemnified Party (a "Third-Party Claim"), the Indemnifying Party shall be entitled to participate in the defense of such Third-Party Claim with counsel selected by the Indemnifying Party. Should the Indemnifying Party so elect to assume the defense of a Third-Party Claim, the Indemnifying Party shall not be liable to the Indemnified Party for any legal expenses subsequently incurred by the Indemnified Party in connection with the defense thereof. If the Indemnifying Party assumes such defense, the Indemnified Party shall have the right to

participate in the defense thereof and to employ counsel, at its own expense, separate from the counsel employed by the Indemnifying Party, it being understood that the Indemnifying Party shall control such defense.

(c) The Indemnifying Party shall be liable for the fees and expenses of counsel employed by the Indemnified Party for any period during which the Indemnifying Party has not assumed the defense thereof after a reasonable period of time has elapsed following notice of the claim (other than during any period in which the Indemnifying Party shall have failed to give notice of the Third-Party Claim as provided above.

(d) If the Indemnifying Party chooses to defend or prosecute a Third-Party Claim, all of the Parties hereto shall cooperate in the defense or prosecution thereof. Such cooperation shall include the retention and (upon the Indemnifying Party's request) the provision to the Indemnifying Party of records and information which are reasonably relevant to such Third-Party Claim, and making employees available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder

(e) If the Indemnifying Party chooses to defend or prosecute any Third-Party Claim, the Indemnified Party will agree to any settlement, compromise or discharge of such Third-Party Claim which the Indemnifying Party may recommend and which by its terms obligates the Indemnifying Party to pay the full amount of the liability in connection with such Third-Party Claim. Whether or not the Indemnifying Party shall have assumed the defense of a Third-Party claim, the Indemnifying Party shall not admit any liability with respect to, or settle, compromise or discharge such Third-Party Claim without the Indemnifying Party's prior written consent.

(f) The indemnification and advancement of expenses provided by, or granted pursuant to, this Section 17 shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under any agreement or otherwise.

(g) The indemnification and advancement of expenses provided by, or granted pursuant to, this Section 17 shall continue as to and shall inure to the benefit of the heirs, executors, administrators, successors and permitted assigns of each Indemnified Party.

18. Independent Contractor. In performing services under this Agreement, the Manager acknowledges that it is an "independent contractor" and that no other relationship with the City is hereby intended or created, including, without limitation, that of employer-employee, joint venturer, co-owner, partner, and/or agent. Nothing in this Agreement shall be interpreted or construed to constitute the Manager or any of its agents, representatives or employees to be the agent, employee or representative of the City.

19. Force Majeure. Notwithstanding anything to the contrary in this Agreement, no party shall have any liability to the other hereunder by reason of any delay or failure to perform any obligation or covenant other than obligations for the payment of money if the delay or failure to perform is occasioned by force majeure, meaning (but not limited to) any Acts of God, storm, war, civil commotion, terrorism, labor disputes or strikes, fire, flood, or

EXECUTION COPY

other casualty, governmental actions, governmental inactions, governmental priorities, or governmental regulations, or any cause beyond the Parties' direct and immediate control. Should any such event occur, the party so affected shall have such additional time within which to perform as may be reasonably necessary.

20. Notices. Any notice, payment, demand or communication (collectively, a "notice") required or permitted to be given by this Agreement or applicable law shall be in writing and sent by first class mail, overnight courier, hand delivery, telephone conversation, facsimile or e-mail; except, unless waived by the recipient, if such notice is made by telephone conversation, such telephone conversation shall be followed within forty eight (48) hours thereof by written notice sent by e-mail, first class mail, overnight courier or hand delivery. Charges for any notice hereunder shall be prepaid and addressed as follows, or to such other address as such Person may from time to time specify by notice to the Manager or the City, as the case may be:

If to the City, to:

City of Providence
25 Dorrance Street
Providence, RI 02903
Attention: Finance Department
Tel.: 401-680-7351
Email: lmancini@providenceri.gov

With a copy to Adrienne Southgate:

Law Department
444 Westminster Street, Suite 220
Providence, RI 02903
Tel.: 401-680-5333
Email: asouthgate@providenceri.gov

If to the Manager,

PFS IV, LLC
c/o Michael Lenza
54 Camp Street
Milford, MA 01757
Tel.: 508-634-3185
Email: mlenza@aol.com

With a copy to Scott H. Moskol

Burns & Levinson LLP
125 Summer Street
Boston, MA 02110
Tel.: 617-345-3522
Email:smoskol@burnslev.com

Unless otherwise indicated herein, any notice shall be deemed to be delivered, given and received for all purposes as of the date delivered, or if sent by first class mail, five (5) days after the date on which the same was deposited in a receptacle, regularly maintained by the United States Postal Service for the deposit of mail, whichever occurs first.

21. Binding Effect. This Agreement shall be binding upon, and shall inure to the benefit of, the Parties to this Agreement and assigns.

22. References to this Agreement; Headings; Scope. Unless otherwise indicated, "Sections," "Subsections" and "Clauses" mean and refer to designated Sections, Subsections, and Clauses of this Agreement. Words such as "herein," "hereby," "hereinafter," "hereof," "hereto," and "hereunder" refer to this Agreement as a whole, unless the context indicates otherwise. All headings in this Agreement are for convenience of reference only and are not intended to define or limit the scope or intent of this Agreement. This Agreement constitutes the entire understanding of the Parties hereto with respect to the subject matter hereof and supersedes all prior understandings and agreements in regard hereto. All exhibits referred to herein, and as the same may be amended from time to time, are by this reference made a part hereof as though fully set forth herein.

23. Construction. Common nouns and pronouns and any variations thereof shall be deemed to refer to masculine, feminine, or neuter, singular or plural, as the identity of the Person, Persons or other reference in the context requires. Every covenant, term and provision of this Agreement shall be construed simply according to its fair meaning and not strictly for or against any party hereto. Any reference to any statutes, laws, regulations, forms or schedules shall include any amendments, modifications, or replacements thereof. Whenever used herein, "or" shall include both the conjunctive and disjunctive, "any" shall mean "one or more," and "including" shall mean "including without limitation."

24. Validity of Agreement; Severability. Every provision of this Agreement is intended to be severable. If any provision hereof is illegal, invalid or unenforceable for any reason whatsoever, such provision will be fully severable; this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision were not a part of this Agreement; and the remaining provisions of this Agreement will remain in full force and effect and will not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Further, in lieu of such illegal, invalid, or unenforceable provision, there will be automatically included, as part of this Agreement, a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable. In the event the FDCPA, the Code or other controlling law is subsequently amended or interpreted in such a way to make any provision of this Agreement that was formerly invalid a valid provision, such provision shall be considered to be valid from the date provided in such interpretation or

amendment or in the event the interpretation or amendment does not otherwise provide, from the effective date of such interpretation or amendment.

25. Further Action. Each party, upon the request of any other party, agrees to perform all further acts and execute, acknowledge, or deliver any instruments or documents and to perform such additional acts as may be reasonably necessary, appropriate or desirable to carry out the provisions of this Agreement.

26. Governing Law. The laws of the State of Rhode Island, without reference to conflict of laws principles, shall govern the validity, construction and interpretation of this Agreement.

27. Counterpart Execution. This Agreement may be executed and transmitted by facsimile in any number of counterparts with the same effect as if the Parties hereto had signed the same document.

28. Confidentiality.

(a) Each of the Parties hereto shall, and shall cause its Affiliates to, keep confidential any Confidential Information regarding the other party and the Receivables and to use such Confidential Information only to perform its obligations under this Agreement and shall not disclose such Confidential Information to any third party, other than as contemplated herein, without the prior written consent of the other party. Each party shall maintain the Confidential Information of the other in confidence using at least the same degree of care as it employs in maintaining in confidence its own proprietary and confidential information, but in no event less than a reasonable degree of care.

(b) For the purpose of this Section 28, the term "Confidential Information" shall include all data, reports, and records, financial or otherwise, including or reflecting information about or concerning a party and any Receivable which is not available to the general public (whether received before or after the date hereof and whether transmitted orally or in writing). The term "Confidential Information" does not include information that:

(i) is or becomes generally available to the public other than as a result of a disclosure by the party to whom such Confidential Information relates;

(ii) was or becomes available to a party on a non-confidential basis from a source other than the other party; provided that such source is not bound by a confidentiality agreement with or other contractual, legal or fiduciary obligation of confidentiality to the other party with respect to such information;

(iii) is developed by a party independently of, or was known by a party prior to, any disclosure of such information made by such party;

(iv) is required to be disclosed by order of a Court of competent jurisdiction, administrative agency or governmental body, or by any law, rule or regulation, or by subpoena, summons or any other administrative or legal process, or by

applicable regulatory standards, after notice of such requirement has been given to the other party, and the other party has had a reasonable opportunity to oppose such disclosure; or

(v) is disclosed with the written consent of the other party.

29. No Implied Waiver. The Manager and the City shall have the right at all times to enforce the provisions of this Agreement in strict accordance with the terms hereof, and no waiver of any provision of this Agreement shall constitute a waiver of any other provision, nor shall any waiver constitute a continuing waiver unless otherwise provided in writing.

30. Arbitration.

(a) The Parties agree that the arbitration procedure set forth below shall be the sole and exclusive method for resolving and remedying any and all disputes regarding claims for money damages based upon, arising out of or in any way connected with this Agreement or the transactions contemplated hereby (each a "Dispute"). Nothing in this Section 30 shall prohibit a party hereto from instituting litigation to enforce any Final Determination (as defined below). The Parties hereby agree and acknowledge that, except as otherwise provided in this Section 30 or in the Commercial Arbitration Rules of the American Arbitration Association as in effect from time to time, the arbitration procedures and any Final Determination hereunder shall be governed by and shall be enforced pursuant to the Uniform Arbitration Act as in effect in Rhode Island.

(b) If any party asserts that there exists a Dispute, such party shall deliver a written notice to the other party involved therein specifying the nature of the asserted Dispute and requesting a meeting to attempt to resolve the same. If no such resolution is reached within thirty (30) days after such delivery of such notice, the party delivering such notice of Dispute may, within sixty (60) days after delivery of such notice, commence arbitration hereunder by delivering to the other party a notice of arbitration (a "Notice of Arbitration") and by filing a copy of such Notice of Arbitration with the Providence office of the American Arbitration Association. Such Notice of Arbitration shall specify the matters as to which arbitration is sought, the nature of any Dispute, the claims of each party to the arbitration and the amount and nature of damages or other relief sought to be recovered as a result of any alleged claim and any other matters required by the Commercial Arbitration Rules of the American Arbitration Association as in effect from time to time to be included therein.

(c) The Parties shall attempt to select a sole arbitrator satisfactory to each of the City and the Manager. If the Parties fail to select such a sole arbitrator as set forth herein within thirty (30) days after the delivery of a Notice of Arbitration, then City shall select one arbitrator (the "City's Arbitrator") and Manager shall select one arbitrator (the "Manager's Arbitrator"). If either party fails to select an arbitrator as set forth herein within thirty (30) days after the delivery of a Notice of Arbitration, then the matter shall be resolved by the arbitrator selected by the other party. City's Arbitrator and Manager's Arbitrator shall select a third independent, neutral arbitrator, and the three arbitrators so selected shall resolve the Dispute according to the procedures set forth in this Section 30. If City's Arbitrator and Manager's

Arbitrator are unable to agree on a third arbitrator within forty five (45) days after their selection, then the Providence office of the American Arbitration Association shall select the third arbitrator.

(d) The arbitration shall be conducted in Rhode Island under the Commercial Arbitration Rules of the American Arbitration Association as in effect from time to time, except as otherwise set forth herein. The arbitrators shall conduct the arbitration such that a final result, determination, finding, judgment and/or award (the "Final Determination") is made or rendered as soon as practicable, after the delivery of the Notice of Arbitration nor later than sixty (60) days following completion of the arbitration. The Final Determination shall be made in writing, shall state the basis for such determination and shall be agreed upon and signed by the sole arbitrator or by at least two of the three arbitrators (as the case may be). The arbitrators shall have the discretion to award to the prevailing party all reasonable costs and expenses, including, without limitation, reasonable attorneys' fees and disbursements, incurred by the prevailing party in connection with such arbitration. Such costs, expenses, fees and disbursements shall be included in and made a part of the Final Determination. The Final Determination shall be final and binding on all Parties, and there shall be no appeal from or reexamination of the Final Determination, except for fraud, perjury, evident partiality or misconduct by an arbitrator prejudicing the rights of any party and to correct manifest clerical errors.

(e) The Parties hereto may enforce any Final Determination in any state or federal Court in Rhode Island having jurisdiction over the Dispute. For the purpose of any action or proceeding instituted with respect to any Final Determination, each party hereto hereby irrevocably submits to the jurisdiction of such Courts, irrevocably consents to the service of process by registered mail or personal service and hereby irrevocably waives, to the fullest extent permitted by law, any objection which it may have or hereafter have as to personal jurisdiction, the laying of the venue of any such action or jurisdiction, the laying of the venue of any such action or proceeding brought in any such City and any claim that any such action or proceeding brought in any City has been brought in an inconvenient forum.

31. Amendment. This Agreement may be amended from time to time only upon written agreement of the Manager and the City.

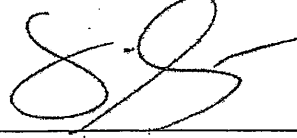
32. Assignment. Neither Party may assign, delegate or otherwise freely transfer its respective rights and obligations under this Agreement to any other Person without the prior written consent of the non-assigning Party, with such written consent not to be unreasonably withheld.

[Remainder of Page Intentionally Left Blank; Signature Page to Follow]

EXECUTION COPY

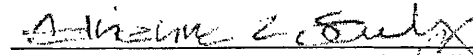
IN WITNESS WHEREOF, the Parties have entered into this Agreement as of the date first above written.

THE CITY of PROVIDENCE



By: _____
Name: Jorge O. Elorza
Title: Mayor

Approved as to form and correctness:



Adrienne Southgate, Deputy City Solicitor

PFS IV, LLC

By: _____
Name: Michael Lenza
Title: Manager

IN WITNESS WHEREOF, the Parties have entered into this Agreement as of the date first above written.

THE CITY of PROVIDENCE

By: _____
Name: Jorge O. Elorza
Title: Mayor

Approved as to form and correctness:

Jeffrey Dana, City Solicitor

PFS IV, LLC


By:  _____
Name: Michael Lenza
Title: Manager

EXHIBIT B

SCOPE OF SERVICES

PAM shall manage and make collections on the Assigned Receivables in accordance with the Management Agreement. The management and collection services to be provided hereunder shall include, but not be limited to, the following (all of which are collectively referred to as the "Collection Duties"):

- (A) Pursuant to a mutually agreed upon collection strategy, mailing of any collection notice or notices deemed appropriate, provided that all of the notice language and form of all such notices have been submitted to the City seven (7) days in advance of use and the City has reviewed and approved of such notice, which approval shall not be unreasonably withheld. As agreed and permissible by local and state legislation, such notices may include:
 - 1. Providing notice of intent to suspend license or hold registration;
 - 2. Providing notice of intent to notify national driver registry for non-resident Obligor, if applicable;
 - 3. Providing license suspension notice;
 - 4. Providing notice of pending credit bureau reporting;
 - 5. Providing notice of pending tax refund and lottery intercept activity;
- (B) Providing return mail location processing;
- (C) Providing skip trace/location services;
- (D) Providing inbound call handling including toll-free phone number;
- (E) Providing outbound calling;
- (F) Providing DMV notification of license suspension or registration hold, if required. Any fees payable to the State for license suspension or registration hold will be paid by PFS;
- (G) Providing credit bureau reporting monthly but no later than one hundred and eighty (180) days from first collection notice on all out-of-state Assigned Receivables;
- (H) Allowing tax refund and lottery intercept data if authorized by Applicable Law;
- (I) Establishing pay-by-phone, pay-by-web and payment processing functionality to service the Assigned Receivables;

- (J) Ensuring that all Assigned Receivables are collected and immediately deposited into the Account in accordance with, and pursuant to, the Management Agreement. All credit card receipts related to the Assigned Receivables will be deposited into the Account on a daily basis. The Parties agree that any proceeds related to the Assigned Receivables that have not yet been deposited into the Account shall be held in trust by PAM for the benefit of PFS;
- (K) Integrate with an automatic license plate recognition (“ALPR”) provider to enforce scofflaw vehicles; however, the details of this program including the legal authority, business rules and compensation beyond data integration services will have to be further defined and negotiated. The cost of the ALPR provider’s services will be paid by PFS, not PAM;
- (L) Ceasing collections activity and notifying the City and PFS of any Assigned Receivables which are disputed by the motorist;
- (M) Working with PFS to prepare violation processing, collection, and enforcement business plan for client including but not limited to notices, calling scripts, skip tracing, and payment processing;
- (N) Not settling or compromising any Assigned Receivable for less than 100% of the outstanding balance, including any applicable interest, fees and/or costs, without the consent of PFS;
- (O) Establishing Installment Payment Plans, using industry-best practices and discretion based on each individual customer interaction, where determined necessary by PAM staff; and
- (P) Providing PFS with reports as follows:
 - 1. Collections report delivered on the Tuesday of every week showing aggregate gross collections received by PAM (or third Party agencies) during the prior seven (7) days;
 - 2. A data file delivered by the fifth business day of each month with the data fields required by PFS;
 - 3. Any additional regular or one-off reports as agreed to by the Parties.

EXHIBIT C

FEE SCHEDULE

PAM shall receive twenty percent (20%) of all amounts collected by it in accordance with the Management Agreement and this Agreement. PAM shall be responsible to pay all of its own expenses and costs and, other than as noted below, shall have no right of reimbursement from PFS or the City other than its twenty percent (20%) fee (the "Fee"). The Fee shall be payable to PAM in accordance with Section 7 of the Management Agreement.

The Fee is based on the Assigned Receivables that are actually collected by PAM.

Other Fees – Any fees payable to the State associated with license suspension, registration hold or tax intercept/lottery proceed intercepts will not be the responsibility of PAM.

4853-2400-9269.1

ASSIGNMENT, FUNDING AND
COLLECTION TERMS AGREEMENT

This ASSIGNMENT, FUNDING AND COLLECTION TERMS AGREEMENT (the "Agreement"), dated as of August 5, 2016 (the "Effective Date"), is entered into by and between the City of Providence (the "City") and PFS IV, LLC a Delaware limited liability company, and its successors and assigns (the "Manager"). The City and the Manager are sometimes collectively referred to herein as the "Parties", and each individually as a "Party."

1. This Agreement is entered into pursuant to that certain Master Asset Management Agreement dated August 5, 2016 between the City and the Manager (the "Master Agreement"), a copy of which is attached hereto as Exhibit A and the terms of which are incorporated herein by reference. Unless otherwise defined, capitalized words and terms used herein will have the meanings given to them in the Master Agreement.

2. The City hereby assigns to the Manager the right to manage and collect the Assigned Receivables pursuant to the terms of the Master Agreement. The aggregate dollar amount of the Present Receivables is approximately Eighteen Million Dollars and 00/100 Cents (\$18,000,000.00) and such Present Receivables are specifically listed on the e-files contained on the disk that is attached hereto and incorporated herein as Exhibit B and more generally summarized in the summary sheet attached hereto and incorporated herein as Exhibit C. As provided for in the Master Agreement and this Agreement, the City shall assign to the Manager on a monthly basis the right to manage and collect the Future Receivables. Each month, the Parties shall supplement this Agreement and Exhibits B and C with a schedule that details that month's Future Receivables being assigned to the Manager hereunder.

3. Upon complete satisfaction of the terms and conditions contained in Section 2(c) of the Master Agreement, the Manager shall advance to the City the amount of One Million Dollars and 00/100 Cents (\$1,000,000.00) (the "Advance").

4. The Advance shall be non-recourse to the City except as provided for in the Master Agreement. In consideration for making such Advance, the Manager shall be compensated as provided for in Section 5 of this Agreement and in accordance with the Master Agreement, with such compensation payable only out of the Collections; provided, however, if an Event of Default arises causing a Default Premium to be owed to the Manager or the Manager is awarded a monetary award as a result of arbitration pursuant to Section 30 of the Master Agreement, such monetary damages shall be paid first out of Collections and then second by the City, all in accordance with the Master Agreement.

5. All Collections with respect to the Assigned Receivables shall be paid to the Manager and the City during the Term (as defined below) in the following order or priority:

(a) First, all Collections shall be paid to the Manager until the aggregate amount paid under this Section 5(a) shall be equal to Eight Million Dollars and 00/100 Cents (\$8,000,000.00) (the "Cap Amount"); and

(b) Second, once the Manager receives the Cap Amount, the remaining balance of all Collections, net of (i) the Fee of the Servicer and (ii) costs of Collections that are reimbursable to the Manager by the City, including, but not limited to, license suspension, registration on hold or tax intercept/lottery proceed intercepts, shall be paid fifty percent (50%) to the City and fifty percent (50%) to the Manager.

6. The City represents and warrants to the Manager as follows:

(a) the representations and warranties of the City set forth in the Master Agreement are true and correct in all material respects on the date hereof as though made on the date hereof;

(b) no Event of Default has occurred and is continuing as of the Effective Date;

(c) the City (i) has the full power and authority to execute, deliver and perform its obligations under this Agreement, and (ii) has taken all action necessary to duly authorize the execution, delivery and performance of this Agreement, and has duly executed and delivered this Agreement;

(d) the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the performance of or compliance with the terms and conditions of this Agreement by the City does not (and will not) conflict with, violate or result in a breach of (i) any of the terms, conditions or provisions of the City's Home Rule Charter, (ii) any agreement or instrument to which the City is now a party or by which the City is bound, or (iii) any law, regulation, order, writ, injunction, decree, determination or award of any City, any other Governmental Authority or any arbitrator, now applicable to the City or any of its agencies, or constitute a default under any of the foregoing;

(e) there are no actions, suits, proceedings or investigations pending or, to the knowledge of the City, threatened against or affecting the City (or any of its properties, assets or operations) in any City or before or by any Governmental Authority, or any arbitrator which would reasonably be expected to materially affect the City's ability to perform its obligations under this Agreement; the City has not received any notice of any default, and the City is not in default, under any applicable order, writ, injunction, decree, permit, determination or award of any City, any other Governmental Authority or any arbitrator which would reasonably be expected to materially affect the City's ability to perform its obligations under this Agreement.

(f) no consent, approval, authorization or order of any City or governmental agency or body is required by the City for the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the performance of or compliance with the terms and conditions of this Agreement by the City; and

(g) this Agreement constitutes the legal, valid and binding obligation of the City, enforceable against the City in accordance with its terms.

7. The term of this Agreement shall commence as of the Effective Date and shall continue until June 30, 2022 (the "Term"); provided, however, that the Manager shall be entitled to receive all amounts to which it is entitled pursuant to the terms of the Master Agreement. The Parties shall have the authority to extend the Term hereunder upon the mutual written consent of both Parties.

8. The Receivables Refund Price (as defined below) for any of the Receivables assigned hereunder that becomes a Breached Receivable and is not replaced by the City in accordance with Section 8(c)(i) of the Master Agreement shall be an amount equal to the product of (A) the aggregate dollar amount of such Assigned Receivable, multiplied by (B) the quotient of (x) the purchase price paid by the Manager to the City for the Assigned Receivables pool transferred hereunder, divided by (y) the aggregate dollar amount of all Assigned Receivables included in the Assigned Receivables pool transferred hereunder (the "Receivable Refund Price").

9. This Agreement may be executed in any number of counterparts and by the Parties in separate counterparts, each of which shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of this Agreement by telefacsimile or electronic mail shall be equally as effective as delivery of an original executed counterpart of this third Assignment.

10. This Agreement shall be governed by the laws of the State of Rhode Island.

11. This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and assigns.

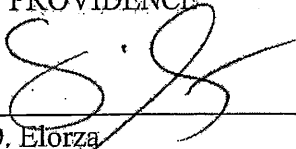
12. Every provision of this Agreement is intended to be severable. If any provision hereof is illegal, invalid or unenforceable for any reason whatsoever, such provision will be dully severable; the Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision were not part of this Agreement.

13. Each Party, upon the request of the other Party, agrees to perform all further acts and execute, acknowledge or deliver any instruments or documents and to perform such additional acts as may be reasonably necessary, appropriate or desirable to carry out the provisions of this Agreement.

[Remainder of Page Intentional Left Blank; Signature Page to Follow]

IN WITNESS WHEREOF, the Parties have entered into this Assignment,
Funding and Collection Terms Agreement as of the date written above.

THE CITY OF PROVIDENCE

By: 
Name: Jorge O. Elorza
Title: Mayor

Approved as to form and correctness:


Adrienne Southgate, Deputy City Solicitor

PFS IV, LLC

By: _____
Name: Michael Lenza
Title: Manager

IN WITNESS WHEREOF, the Parties have entered into this Agreement as of the date first above written.

THE CITY of PROVIDENCE

By: _____
Name: Jorge O. Elorza
Title: Mayor

Approved as to form and correctness:

Jeffrey Dana, City Solicitor

PFS IV, LLC

By:  _____
Name: Michael Leizaola
Title: Manager

EXECUTION COPY

EXHIBIT A

MASTER ASSET MANAGEMENT AGREEMENT

MASTER ASSET MANAGEMENT AGREEMENT

THIS MASTER ASSET MANAGEMENT AGREEMENT (the "Agreement"), dated as of August 5, 2016 (the "Effective Date") is entered into by and between the City of Providence (the "City") and PFS IV, LLC, a Delaware limited liability company, and its successors and assigns (the "Manager"). The City and Manager are sometimes collectively referred to herein as the "Parties" and each individually as a "Party".

WITNESSETH:

WHEREAS, the City is the owner of rights to payment of monetary obligations composed of, *inter alia*, parking tickets and red light violations (the "Receivables") assessed by the City or by the Providence Municipal Court (the "Court") upon persons found to have violated parking and red lights statutes, regulations and ordinances (collectively, the "Violators"); and

WHEREAS, the Manager is amenable to enter into an advance funding arrangement with the City, and the City wishes engage the Manager in order to manage and collect such identified Receivables (the "Assigned Receivables"); and

WHEREAS, the specific financial terms of this advance funding arrangement for the engagement of the Manager with respect to identified Assigned Receivables, *inter alia*, is set forth in that separate Assignment, Funding and Collection Terms Agreement between the City and the Manager, a copy of which is attached hereto as Exhibit A and incorporated herein (the "Assignment Agreement").

NOW, THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, the City and the Manager agree as follows.

1. Definitions. In addition to the terms defined elsewhere in this Agreement, the following terms shall have the meanings specified below:

"Affiliate" of a specified Person means any other Person who (a) directly or indirectly controls, is controlled by, or is under common control with, such specified Person, or (b) owns or controls more than fifty percent (50%) of the outstanding voting stock or other voting equity or beneficial interests of such specified Person. For purposes of the preceding sentence, "control" of a Person means possession, directly or indirectly (through one or more intermediaries), of the power to direct or cause the direction of management and policies of such Person through ownership of voting securities (or other ownership interests), contract, voting trust or otherwise.

"Applicable Law" means all provisions of statutes, rules and regulations, interpretations and orders of any Governmental Authority applicable to a Person, and all orders and decrees of all Courts and arbitrators in proceedings or actions in which the Person in question is a party including applicable federal, state and local laws and regulations thereunder.

"Assigned Receivable(s)" means (a) those Receivables dated January 1, 2010 through June 30, 2016 (the "Present Receivables") and (b) those future Receivables dated July 1, 2016 through June 30, 2018 (the "Future Receivables") for which the City has assigned to the Manager the right to manage and collect under the terms of Section 3 hereunder and the Assignment Agreement.

"Assignment Agreement" has the meaning assigned to it in the preamble hereto.

"Assignment Date" means each date on which Receivables are assigned by the City to and accepted by the Manager pursuant to the related Assignment Agreement.

"Bankruptcy" means, with respect to any Person:

(a) the institution (or consenting to the institution) of proceedings or filing an answer or other pleading to be adjudicated as bankrupt or insolvent or seeking for such Person any liquidation, winding up, dissolution, reorganization, rearrangement, adjustment, protection, composition or other similar relief of such Person or such Person's debts under any law relating to bankruptcy, insolvency, reorganization, liquidation or other relief of debtors, including Title 11 of the United States Code, as amended ("Bankruptcy Law") or any similar law;

(b) the seeking, consenting to, or acquiescing in any entry of an order for relief or the appointment of a receiver, trustee, liquidator, custodian or other similar official for such Person or all or any substantial part of such Person's property under any Bankruptcy Law or any similar law;

(c) the making of an assignment for the benefit of creditors;

(d) the admission, in writing, by such Person of the inability to pay its debts generally as they become due;

(e) the entering of an order for relief or approving a petition or other pleading for relief or reorganization or any other petition or other pleading seeking any liquidation, winding up, dissolution, reorganization, rearrangement, adjustment, composition or other similar relief against such Person under any Bankruptcy Law or any similar law;

(f) the filing of any such petition or other pleading against such Person which petition is not dismissed within sixty (60) days of such filing;

(g) without the consent or acquiescence of such Person, the entering of an order appointing a receiver, trustee, liquidator, custodian or other similar official for such Person or of all or any substantial part of such Person's property, which order is not discharged or dismissed within sixty (60) days of the date it is entered; or

(h) a creditor executes upon, forecloses or otherwise involuntarily acquires, otherwise receives in satisfaction of any obligation or obtains a judgment lien against substantially all of or a material portion of the assets of such Person.

— “Breached Receivable” has the meaning ascribed to such term in Section 8(c)(i). —

“City” has the meaning assigned to it in the preamble hereto.

“Code” means the Uniform Commercial Code in the State of Rhode Island as in effect on the date hereof and as the same may subsequently be amended from time to time, the substantive provisions of which are applicable to any of the property of the City in which the Manager is granted a security interest pursuant hereto.

“Collateral” means all of the City’s right, title and interest in, to and under each Assigned Receivable including, without limitation, the City’s right, title and interest in, to and under each bank account established under the terms of this Agreement, all contract rights and privileges in respect of such accounts and all cash, checks, credit card receipts, money orders, and other items of value now or hereafter paid, deposited, credited, held (whether for collection, provisionally or otherwise) or otherwise in the possession or under the control of, or in transit to, any bank account maintained by Manager, and any agent, bailee or custodian thereof (the “Receipts”) and all Proceeds of the foregoing.

“Collections” has the meaning assigned to it in Section 10.

“Default Premium” shall have the meaning assigned to it in Section 15(h).

“DMV” means the Department of Motor Vehicles of the State of Rhode Island.

“Due Diligence Information” has the meaning assigned to it in Section 8(c)(i).

“Effective Date” has the meaning assigned to it in the Preamble.

“Event of Default” shall mean the occurrence of one or more of the following:

(a) the failure by the City or the Manager, as the case may be, to perform any of its covenants or obligations, in accordance with the terms of this Agreement, or the breach by either such party of a representation or warranty hereunder, which breaches individually or in the aggregate constitute a material breach of this Agreement;

(b) the Bankruptcy of the City or of the Manager, but only to the extent that such Bankruptcy affects the ability of such party to perform its obligations under this Agreement or the Assignment Agreement;

(c) the failure of the Manager to have (i) a perfected first priority security interest in the Collateral in which a security interest may be perfected under the Code and (ii) a first priority perfected lien or security interest available under State of Rhode Island statutes and case law in the Collateral in which a security interest may not be perfected under the Code;

(d) any act or omission on the part of the City and its employees, agents or independent contractors including, but not limited to, any Processor employed by the City that

results in the inability of the Manager, Servicer and their respective employees, agents and independent contractors to enforce and collect the Collections;

(e) any act or omission on the part of the City and its employees, agents or independent contractors, including, but not limited to Xerox State and Local Solutions, Inc., that results in the Manager, Servicer and their respective employees, agents and independent contractors to collect less than the face amount of the violation or citation as provided for in the Due Diligence Information for any Assigned Receivable; and

(f) the failure of the City and its employees, agents or independent contractors, including, but not limited to, Xerox State and Local Solutions, Inc. to pay to the Manager, Servicer and/or their respective employees, agents and independent contractors, within thirty (30) days upon invoicing by Manager or Servicer, any and all payments and collections with respect to Assigned Receivables actually received by the City (including, without limitation, by the Court or by any other agency or administrative body of the City) from Violators (as more fully described in Section 11(f) below) (each a "City Payment"); in the event the City does not pay the Manager the City Payments within thirty (30) days of being invoiced, the City shall have ninety (90) days in which to assign to the Manager replacement Receivables equal to two (2) times the aggregate face amount of the City Payments (the "Default Receivables"); and any failure by the City to assign said Default Receivables within this time period shall constitute an "Event of Default" under this subsection; provided, however, Manager shall cause self-addressed stamped envelopes to be placed with the City's clerks and/or the City's traffic tribunals (collectively, the "City Recipients") such that if a Violator attempts to pay any City Recipient, such Violator will be directed to mail their respective payments directly to the Manager and/or the Servicer.

"FDCPA" means the Fair Debt Collection Practices Act.

"Governmental Authority" means the government of any nation, state, City, locality or other political subdivision of any of the foregoing, any entity exercising executive, legislative, individual, regulatory or administrative functions of or pertaining to government and any corporation or other entity owned or controlled, through stock, capital ownership or otherwise, by any of the foregoing.

"Impaired Receivable" has the meaning assigned to it in Section 11(e).

"Person" means any natural person or any corporation, partnership, joint venture or enterprise, limited liability company, unincorporated association, trust, estate, governmental entity or other entity or organization, and shall include the successor (by merger or otherwise) of any entity or organization.

"Pool" means a new pool of receivables assigned to the Manager in the future.

"Proceeds" has the meaning assigned to it in the Code.

"Processor" has the meaning assigned to it in Section 2(c).

"Receivable(s)" has the meaning assigned to it in the preamble hereto.

~~“Replacement Receivables”~~ has the meaning assigned to such term in Section 8(c)(i) hereof.

“Servicer” shall mean [Professional Account Management, LLC, a Wisconsin limited liability company wholly-owned by Duncan Solutions, Inc.], or any subsequent Person that replaces it and which agrees to be bound by the terms and conditions of the Servicing Agreement.

“Servicing Agreement” means the agreement, dated as of the date hereof, between the Manager and Servicer.

“Violators” has the meaning assigned to it in the preamble.

2. Engagement of the Manager; Servicer; Subservicer.

(a) The City hereby engages the Manager, and the Manager hereby accepts such engagement, as the City’s sole and exclusive provider of management and collection services with respect to Assigned Receivables assigned as of the Effective Date through June 30, 2022 (the “Collection Period”); provided that the Collection Period may be extended from time to time by the Parties, as more fully set forth in Section 3(c) below. The Parties expressly acknowledge that the City shall, at all times, remain the owner of the Assigned Receivables.

(b) The Parties acknowledge and agree that the Manager will engage, pursuant to the terms of the Servicing Agreement, a copy of which is attached hereto as Exhibit B, the Servicer to perform, on the Manager’s behalf, the management and collection services described herein with respect to the Assigned Receivables, and the City hereby consents to the Manager’s engagement of the Servicer to perform such services on the Manager’s behalf. The Parties agree that the Manager will have the right, from time to time during the term of this Agreement, to change the Servicer upon written notice to and consent from the City, which consent shall not be unreasonably withheld, denied or delayed, it being agreed that (i) it shall be unreasonable for the City to withhold, deny or delay its consent if the proposed new Servicer has not been found in violation of the FDCPA in the prior thirty six (36) months and (ii) such consent shall be deemed granted if the City does not respond within thirty (30) days of its receipt of the notice of change from the Manager. The Parties further acknowledge and agree that the Manager shall remain fully responsible for the performance of such management and collection services described herein.

(c) Within five (5) business days of the Effective Date hereof, the Manager and the Servicer shall have full access to any Database (as defined in Section 11(b)) maintained by the City or any third party processors that the City may have engaged to manage the City’s cases, which are presently Xerox State and Local Solutions, Inc. (each, a “Processor”) in order to fulfill their respective obligations hereunder.

(d) The Manager may also engage any other servicer or subservicer or other service provider to perform certain actions related to the management of the Assigned

Receivables, without the consent of the City; provided, that the Manager shall remain fully responsible for the performance of the management and collection services described herein.

3. Identification and Assignment of Assigned Receivables.

(a) Assignment of Assigned Receivables. Pursuant to and in accordance with the terms of the Assignment Agreement, the City assigns to the Manager the exclusive right to manage and collect the Assigned Receivables as follows:

(i) City shall assign all the Assigned Receivables to the Manager for it to manage and collect as of the Effective Date.

(ii) Manager may commence collection efforts with respect to all Assigned Receivables commencing two (2) years from the date of issuance. Thus, on the Effective Date, the Manager may commence collection efforts for those Assigned Receivables dated January 1, 2010 through June 30, 2014.

(iii) By the tenth (10th) day of each month, Processor shall provide to Servicer in electronic format or such other format that Servicer requests information as to what Assigned Receivable remain unpaid so that collection efforts may commence. Thus, by way of example, on or before August 10, 2016, Processor will have informed Servicer which of the Assigned Receivables from July of 2014 remain unpaid, so that Manager and Service may commence collection efforts with such unpaid and uncollected Assigned Receivables. This monthly flow of information shall continue through July 10, 2020 (i.e. two years after the date of the last of the Assigned Receivables, which would be June 30, 2018).

(iv) Notwithstanding anything contained herein to the contrary, in the event that the Manager is unable to collect One Million Three Hundred Seventy Thousand Dollars and 00/100 Cents (\$1,370,000.00), plus a preferred return equal to fifteen percent (15%) per annum on the amount first stated above in this Section 3(a)(iv) (collectively, the "Preferred Recovery") during the Collection Period, then the Manager shall receive each month, commencing with the month immediately following expiration of the Collection Period, an additional Pool of Receivables to manage and collect until the Manager receives its Preferred Recovery, in which case the Collection Period shall be extended in accordance with Section 3(c)(i)(D) below. By way of example: if by the last day of the Collection Period (June 30, 2022) the Manager has not received the Preferred Recovery, the City shall assign to the Manager the right to manage and collect Receivables for the month of July, 2018, or such other Pool of different Receivables as agreed to by the Parties.

(b) Future Receivables, Assigned Receivables.

(i) By the fifteenth (15th) day of each month, Processor shall provide the Parties with a list of new Future Receivables and the City and the Manager shall cause a new schedule to be added to the Assignment Agreement for each of month's Future Receivables. Thus by way of example, on or before August 15, 2016, the Processor shall

provide a list to Manager of all Future Receivables incurred for the month of July 2016, which list shall be attached as a schedule to the Assignment Agreement.

(ii) The effectiveness of the present Assignment Agreement and any future assignment agreement will be subject to the receipt by the Manager of each of the following, in form and substance satisfactory to the Manager (the date when the Manager has received and accepted all of such items being the "Effective Date" of such Assignment Agreement):

(A) a completed assignment agreement in the form of Exhibit A hereto with respect to the Assigned Receivables, to be supplemented on a monthly basis to include all such Future Receivables, duly executed by an authorized official of the City and by the Manager;

(B) UCC-1 financing statements containing a description of the Assigned Receivables in the form of Exhibit C hereto, for filing in the appropriate jurisdictions to perfect or otherwise protect, to the extent such perfection or protection is possible under the Code, the Manager's security interest in the Assigned Receivables in such Pool and the Proceeds thereof pursuant to Section 5 hereof;

(C) opinion of counsel to the City covering the matters set forth in Exhibit D hereto; and

(D) such other documents and instruments as the City has the authority to convey or deem reasonable to facilitate the Manager's perfection or protection of its security interest in the Assigned Receivables.

(iii) The Parties to this Agreement acknowledge that the City will retain title to and ownership of any and all Assigned Receivables; provided, that the Manager shall acquire a security interest in the Collateral as provided in Section 5, and shall have the rights to receive distributions out of the Collections on the Assigned Receivables as provided in Section 5 and the Assignment Agreement.

(c) The Manager shall have the exclusive right to manage and collect each Assigned Receivable for the Collection Period in accordance with Section 3(a) above. Upon expiration of the Collection Period, or upon termination of this Agreement as provided for herein, the Manager's right to manage and collect all such Assigned Receivables shall terminate, at which time the right to manage and collect all such Assigned Receivables shall revert to the City. All such Collections shall be distributed in accordance with the Assignment Agreement.

(i) The Collection Period, with respect to the Assigned Receivables in a Pool, may be extended:

- (A) For an additional twelve (12) months, upon the mutual written agreement of the Parties hereto;
- (B) For an additional twelve (12) months, by the Manager upon written notice to the City at any time following a change in applicable law which has an adverse and material impact on the ability of the Manager to collect Assigned Receivables or on the value of the Assigned Receivables;
- (C) For an additional twelve (12) months, by the Manager upon written notice to the City in the event that the City fails to perform, in any material respect, any of its obligations in accordance with the terms of this Agreement and the City has not cured such failure to perform within forty five (45) days after written notice of such failure to perform is given by the Manager to the City; or
- (D) For an additional two (2) years upon each time the Manager receives an additional Pool to manage and collect.

4. Advance. Upon complete satisfaction of the terms and conditions contained in Section 2(c) above, the Manager shall advance to the City the amount agreed upon by the City and the Manager and set forth in the Assignment Agreement (the "Advance"). The Advance (a) is based on the Servicer's representations as to its experience in collections (b) shall be non-recourse to the City except as provided for in this Agreement and (c) shall be reimbursable only out of Collections on the Assigned Receivables pursuant to Section 3 hereof and the Assignment Agreement; provided, however, if there is an Event of Default committed by the City such that the City owes Manager the Default Premium as provided for in Section 15(h) herein or is awarded at arbitration a monetary award, such amounts shall be paid first out of Collections and then second, such amounts shall be an obligation of the City.

5. Security Interest.

(a) In order to secure the full and timely payments to the Manager for all amounts due hereunder, the City HEREBY GRANTS TO and creates in favor of the Manager, a first priority lien and security interest in the Collateral under Rhode Island law, including, without limitation, under the Code to the extent such grant may be made under the Code.

(b) The City will:

(i) Faithfully preserve, protect and defend the Manager's security interest in the Collateral as a prior perfected security interest under Rhode Island law, including without limitation, under the Code to the extent perfection is permitted under the Code, superior and prior to the rights of all third persons, and will do all such other acts and things and will, upon request therefor by the Manager, execute, deliver, file and record all such other documents and instruments, including without limitation, financing statements, security agreements, assignments and documents and powers of attorney with respect to the Collateral, and pay all filing fees and taxes thereto, as the Manager in its reasonable discretion may deem necessary or advisable from time to time in order to attach, continue, preserve, perfect and protect said security interest;

(ii) Not pledge, mortgage or create, or suffer to exist any right of any person in or claim by Person to the Collateral, or any security interest, lien or other encumbrance in or on the Collateral in favor of any Person, other than the Manager, and the City shall not permit any of the Collateral to be levied upon under any legal process;

(iii) Not file or authorize or permit to be filed in any jurisdiction any financing statement relating to any of the Collateral naming any secured party other than the Manager;

(iv) Keep and stamp or otherwise mark any of its instruments and its books and records relating to the Collateral in such manner as the Manager may reasonably require, to include, without limitation, identifying that the Manager has been granted a security interest in said Collateral;

(v) Not permit anything to be done that may impair the value of the Collateral or the security intended to be afforded thereby; and

(vi) Not sell, transfer, assign or otherwise dispose or offer to sell, transfer, assign or otherwise dispose, of the Collateral or any interest therein.

(c) The City hereby irrevocably authorizes the Manager at any time and from time to time to file in any filing office in any Uniform Commercial Code jurisdiction any initial financing statements and amendments thereto that (i) describe the Collateral and (ii) provide any other information required by Article 9 of the Code for the sufficiency or filing office acceptance of any financing statement or amendment.

(d) If an Event of Default shall have occurred and be continuing, the Manager, without any other notice to or demand upon the City, shall have, in addition to all other rights and remedies, the rights and remedies of a secured party under the Code; however in any case, the Advance is not refundable even if the Collections are less than the Advance; provided, however, if the City owes Manager the Default Premium or other damages pursuant to an award through arbitration, then such amounts shall be paid first from the Collections and second from the City.

(e) The City shall pay to the Manager on demand any and all expenses, including reasonable attorneys' fees and disbursements, incurred or paid by the Manager in legal proceedings to assert or defend its rights in the Collateral or defending legal proceedings which challenge its rights to the Collateral or to payments, regardless if such proceedings arise in connection with a bankruptcy of the City. Notwithstanding the foregoing, the ability to deduct the above-recited costs are limited to actions to enforce the Manager's right to or priority in the Collateral, but in no case includes costs incurred to enforce payment of an Assigned Receivable. After deducting all of said expenses, the residue of any proceeds of collection or sale or other disposition of the Collateral shall, to the extent actually received in cash, be applied to the payment of the amounts due to the Manager hereunder.

6. Establishment of Account. The Manager shall establish a deposit account (each an "Account") with Bank of America or such other bank reasonably acceptable to the Parties (the "Bank") in which all Proceeds of Assigned Receivables shall be immediately deposited (the "Collections"). The City and/or Processor, as the case may be, shall immediately forward all payments actually received by the City (including, without limitation, by the Court or by any other agency or administrative body of the City) from Violators with respect to Assigned Receivables to the Bank for deposit in the applicable Account. The Servicer will direct all Violators to make payments directly to the Account. After the Servicer invoices the Manager for payment for its services (the "Fee") and payment is made to the Servicer in accordance with the Servicer Agreement, all amounts deposited into the applicable Account shall be distributed to the Manager as set forth in Section 5 of the Assignment Agreement and as provided for herein. The City and the Servicer shall direct (or request that the Court or other agency or administrative body of the City to direct) all of the Violators with respect to the Assigned Receivables to make their payments to the applicable Account for that Pool, with checks or money orders naming Manager as payee. To the extent any Violator tries to pay any Assigned Receivable directly with the City, the City shall cause its employees to direct such Violator to make payment directly with the Servicer. The City and Servicer shall mark their respective records with respect to the Assigned Receivables and institute standing instructions that will cause any payments which they (including the Court or any other agency of the City) receive directly from a Violator to be forwarded to the applicable Account immediately. Additionally, all credit card receipts attributable to the Assigned Receivables shall be deposited daily in the Account by the Servicer and/or the City, as applicable. Until such payments are so delivered to the Account, the City and the Servicer shall be deemed to be holding such payments in trust for the Manager.

7. Distributions of Collections. With respect to the Collections, the Servicer shall invoice the Manager for its Fee, which shall be paid within thirty (30) days of receipt of such invoice; then, after the Servicer is paid its Fee, the Manager shall distribute, or cause to be distributed, the remainder of the Collections to the Manager and the City on a monthly basis in the order of priority set forth in Section 5 of the Assignment Agreement.

8. Representations and Warranties; Breach; Remedies.

(a) The City hereby makes the following representations and warranties to the Manager:

(i) The City is a municipal corporation created and existing under the laws of the State of Rhode Island and Providence Plantations.

(ii) The City (A) has the full power and authority to execute, deliver and perform its obligations under this Agreement, and (B) has taken all action necessary to duly authorize the execution, delivery and performance of this Agreement, and has duly executed and delivered the same.

(iii) The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the performance of or compliance with the terms and conditions of this Agreement by the City does not (and will not) conflict with, violate or result in a breach of (i) any of the terms, conditions or provisions of the City's Home Rule Charter, (ii) any agreement or instrument to which the City is now a party or by which the City is bound, or (iii) any law, regulation, order, writ, injunction, decree, determination or award of any court, any other Governmental Authority or any arbitrator, now applicable to the City or any of its agencies, or constitute a default under any of the foregoing.

(iv) There are no actions, suits, proceedings or investigations pending or, to the knowledge of the City, threatened against or affecting the City (or any of its properties, assets or operations) in any court or before or by any Governmental Authority, or any arbitrator which would reasonably be expected to materially affect the City's ability to perform its obligations under this Agreement. The City has not received any notice of any default, and the City is not in default, under any applicable order, write, injunction, decree, permit, determination or award of any court, any other Governmental Authority or any arbitrator which would reasonably be expected to materially affect the City's ability to perform its obligations under this Agreement.

(v) No consent, approval, authorization nor order of any court or governmental agency or body is required by the City for the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the performance of or compliance with the terms and conditions of this Agreement by the City.

(vi) This Agreement, and each other document and agreement executed and delivered by the City in connection herewith, constitutes the legal, valid and binding obligation of the City, enforceable against the City in accordance with its terms.

(vii) The City is or, on the Effective Date of an Assignment Agreement will be, the owner of the Collateral, free from any right or claim of any person or any adverse lien, security interest or other encumbrance, except for the security interest created by this Agreement.

(viii) This Agreement creates a valid, binding and enforceable first priority security interest in the collateral securing the payment of all amounts due to the Manager under this Agreement and upon the filing of a financing statement with the Department of State of the State of Rhode Island, such security interest will be perfected first priority security interest to the extent such perfection can be obtained under this Code.

(ix) Other than the filing of the financing statement set forth in subsection (viii) above, no authorization, approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required either (A) for the grant by the City of the security interest granted hereby, or (B) for the perfection, to the extent such perfection can be obtained under the Code, of or the exercise by the Manager of its rights and remedies hereunder.

(x) The City hereby makes the following representations and warranties with respect to each Assigned Receivable:

(A) The City is the owner of such Assigned Receivable (or will be the owner of the Future Receivables) and any Proceeds therefrom, free from any adverse lien, security interest or other encumbrance.

(B) Each Assigned Receivable is a valid obligation, enforceable against the related Violator and due and payable to the City, none of which have been previously adjudicated or dismissed by the Court or are unenforceable for any reason against such Violator.

(C) No Assigned Receivable has been released, waived or adjusted in dollar amounts, in whole or in part.

(D) All information the City has provided to the Manager in connection with the Assigned Receivables is true, correct and complete in all material respects.

(b) The Manager makes the following representations and warranties to the City:

(i) The Manager (A) is a limited liability company, duly organized, validly existing and in good standing under the laws of the State of Delaware, and (B) is, or will be, qualified to transact business in, and is, or will be, in good standing under the laws of the State of Rhode Island.

(ii) The Manager has the full power and authority to execute, deliver and perform all transactions contemplated by this Agreement, and the Manager has duly authorized the execution, delivery and performance of this Agreement, and has duly executed and delivered this Agreement.

(iii) The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the performance of or compliance with the terms and conditions of this Agreement does not (and will not) conflict with, violate or result in a breach of (i) any of the terms, conditions or provisions of the Manager's operating agreement, (ii) any agreement or instrument to which the Manager is now a party, by which the Manager is bound, or (iii) any law, regulation, order, writ, injunction, decree, determination or

award of any court, any other Governmental Authority or any arbitrator, now applicable to the Manager or any of its Affiliates, or constitute a default under any of the foregoing.

(iv) There are no actions, suits, proceedings or investigations pending or, to the knowledge of the Manager, threatened against or affecting the manager (or any of their properties, assets or businesses) in any court or before or by any Governmental Authority, or any arbitrator which would reasonably be expected to materially affect the Manager's ability to default, and the Manager is not in default, under any applicable order, writ, injunction, decree, permit, determination or award of any court, any other Governmental Authority or any arbitrator which would reasonably be expected to materially affect the Manager's ability to perform its obligations under this Agreement.

(v) No consent, approval, authorization or order of any court or governmental agency or body is required by the Manager for the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the performance of or noncompliance with the terms and conditions of this Agreement by the Manager.

(vi) This Agreement, and each other document and agreement executed and delivered by the Manager in connection herewith, constitutes the legal, valid and binding obligation of the Manager, enforceable against the manager in accordance with its terms.

(c) Upon discovery by the City or the Manager of a breach of any representation or warranty set forth in Section 8, the Party discovering such breach shall give prompt written notice thereof to the other.

(i) Within five (5) business days of the earlier of discovery by or notice to the City of any breach of a representation or warranty set forth in Section 8(a) arising from the failure of an Assigned Receivable assigned to the Manager under this Agreement and the related Assignment Agreement to be in compliance with any representation or warranty at any time (each, a "Breached Receivable"), the City shall propose one or more Receivables in an aggregate dollar amount not less than the aggregate dollar amount of the Breached Receivables with respect to which the related breach has occurred (the "Replacement Receivables"). In connection with such proposal, the City shall provide the Due Diligence Information provided in connection with the related Pool of Receivables and any other information that the Manager may reasonably request (the "Due Diligence Information"). Within five (5) business days of its receipt of such proposed Receivables and the information related thereto, the Manager shall approve or disapprove, in its sole and exclusive discretion, of all or any portion of such Replacement Receivables.

(ii) If the Manager disapproves of any portion of the Replacement Receivables, the City shall have five (5) business days to propose one or more Receivables in an aggregate dollar amount not less than the aggregate dollar amount of the portion of Breached Receivables with respect to which the Manager has not approved replacement Receivables. With respect to such additional proposed Receivables, the City shall

provide the Manager the information described in Section 3(b)(i). ~~Within five-~~(5) business days of its receipt of the Replacement Receivables and the information related thereto, the Manager shall approve or disapprove, in its sole and exclusive discretion, of all or any portion of such Replacement Receivables.

(iii) If the Manager disapproves of all or any portion of the Replacement Receivables the City shall refund the portion of the Breached Receivables with respect to which Replacement Receivables have not been approved by the Manager in accordance with this Section 8 at the Receivables Refund Price specified in the related Assignment Agreement. The right to manage and collect each Replacement Receivable accepted by the Manager pursuant to this Section 8 shall be assigned to the Manager in accordance with the terms of Section 3, and upon the assignment of the right to manage and collect any such Replacement Receivables, the Manager shall assign the right to manage and collect the applicable Breached Receivables to the City.

9. Reserved.

10. Duties of the Manager.

(a) The Manager, acting through any Servicer (or any applicable subservicer), shall manage and receive Collections on the Assigned Receivables pursuant to the terms and conditions of this Agreement and the Assignment Agreement. The Manager, acting through any Servicer, and acting as an agent of the City, shall make reasonable commercial efforts to collect all amounts due on the Assigned Receivables provided that, except as contemplated by Section 10(e), neither the Manager nor the Servicer may waive, alter or agree to any adjustments to the amount of any Assigned Receivable, and City delegates to Manager such power and authority in order to collect the Assigned Receivables. The management and collection services to be provided hereunder shall include, but not be limited to, the following:

(i) Mailing a first notice to the Violators within ninety (90) days of the Effective Date of the Assignment Agreement for a Pool;

(ii) Updating payments received in the Account within seventy two (72) hours after receipt;

(iii) Providing refreshed name and address acquisitions within thirty (30) days prior to initial mailing;

(iv) Providing new name and address for non-refreshed accounts within sixty (60) days after receipt thereof;

(v) Providing return mail locate processing and re-mailing within sixty (60) days after mail is returned;

(vi) Providing DMV notification of license or registration suspension monthly on all applicable Assigned Receivables;

EXECUTION COPY

(vii) Providing credit bureau reporting monthly and no later than one hundred eighty (180) days from first mailing on all out of state Assigned Receivables and those Rhode Island Assigned Receivables subject to registration suspension;

(viii) Allowing tax refund and lottery intercept data if authorized by state statute;

(ix) Establishing pay by web and pay by phone functions to service the assigned Pool population; and

(x) Providing the following collection efforts and notices to Violators:

- Initial notice – FDCPA compliant.
- Follow-up notice.
- Notice of intent to suspend or hold license or registration for Rhode Island resident Violators.
- License suspension notice.
- Notice of Driver Registry notification.
- Notice of pending credit bureau reporting, to the extent permissible by applicable law.
- Notice of credit bureau notification to the extent permissible by applicable law.
- Notice of pending tax refund and lottery intercept activity.
- Follow-up notice.
- Provide ALPR for booting towing.
- Provide ALPR for scanning traffic violators with police.

(b) The Servicer shall, in its discretion, be permitted to engage an attorney to represent the Parties before any municipal court in order to collect on any of the Assigned Receivables.

(c) In performing its obligations under this Agreement, the Manager shall at times act in good faith and in the best interests of the City with respect to the Assigned Receivables and shall carry out all of its obligations under this Agreement in accordance with

customary commercial standards and consistent with the Manager's duties to the City hereunder. To assist the Manager in the fulfillment of this obligation, when and if the City represents to the Manager that the City's best interests are harmed by specific collection practices or conduct which constitute violations of the FDCPA, the City shall retain the right to instruct the Manager to cause such conduct to cease.

(d) The Manager assumes no responsibility under this Agreement to assure any particular level of Collections on the Assigned Receivables and shall be responsible only to render the services called for hereunder in accordance with the standards set forth above and shall not be responsible to the City or others, for any failure of a Violator to make payment of a Receivable. Except as provided for herein and the Assignment Agreement, the Manager and its Affiliates shall not in any event be liable in performing its obligations under this Agreement.

(e) Notwithstanding any provision of this Agreement to the contrary, neither the Manager nor the Servicer nor any of their Affiliates shall have the authority on behalf of the City without obtaining the prior written approval of City, i) waive or reduce the face amount of any Assigned Receivable or ii) act on behalf of, or hold itself out as having the authority to act on behalf of, the City in any manner that is beyond the scope of this Agreement; provided, however, the Manager shall not need the prior written permission of the City to waive or reduce the amount of any penalties or interest associated with an Assigned Receivable or to enter into a payment plan with any Violator so long as any such Payment Plan does not extend past the Collection Period.

(f) The Manager and/or the Servicer shall employ, at their sole cost and expense, adequate personnel, appropriately trained to ensure compliance with the FDCPA, to perform their duties hereunder. The Manager and/or the Servicer shall at all times provide the services hereunder in accordance with all applicable state, federal and other governmental laws, rules and regulations. The Manager assumes no responsibility with respect to the servicing and administration of Assigned Receivables other than, through the Servicer, to render the services expressly provided for in this Agreement or as otherwise expressly agreed to with the City.

11. Covenants of the City.

(a) The City, through any Processor it engages, shall provide the Manager and the Servicer with access at all times to information regarding the Assigned Receivables through a data warehouse facility or other secure electronic access. Such access shall be provided by the Processor in a manner which conforms to the security requirements of the City.

(b) The City shall ensure that all Assigned Receivables are identifiable on a database maintained by the City or the Processor (the "Database"), to which the Manager and the Servicer shall have access as provided in Section 2(c). At least seven (7) days prior to the Effective Date of each assignment agreement pursuant to Section 3(b), the City shall provide, or shall cause the Processor to provide, to the Manager, (i) a written statement that the Database has been marked or the data in respect of the Receivables otherwise has been isolated to identify the Receivables in the assigned Pool and (ii) information with respect to the Receivables in the assigned Pool including, without limitation, the aggregate dollar amount of such Receivables.

(c) The City also shall provide; or shall cause the Processor to provide, to the Manager, on a timely basis, such data regarding the Assigned Receivables in each Pool as is reasonably requested by the Manager in connection with its performance of the management and collection services described herein. Such data shall include, but not be limited to, with respect to each Assigned Receivable:

- (i) the Violator's name, address and license number;
- (ii) the registration number, license plate number, and description (i.e. make, model, year and color) of the Violator's vehicle;
- (iii) the place, date and type of violation;
- (iv) the identity of the officer issuing the citation;
- (v) proper jurisdictional issuance; and
- (vi) amounts owed (including all penalties and interest).

(d) As and when requested by the Manager, and otherwise as is reasonable and appropriate, the City shall exercise its enforcement powers and perform all enforcement procedures not already assumed by the Manager under this Agreement, which are available to it under applicable law in a timely and diligent manner to assist in the collection of the Assigned Receivables. Without limiting the generality of the foregoing, subject to the inherent discretion of the Court, the City will seek:

(i) to have the Court enforce Rhode Island General Laws ("RIGL") Sec. 31-41.1.1-5 and will enter default judgments and related appropriate orders against Violators, including suspending a Violator's driver's license and registration for failure to appear.

(ii) to have the Court enforce provisions of RIGL Sec. 31-3-5, non-renewal of registration for all Violators receiving fines in excess of \$200 resulting from guilty pleadings or guilty verdicts, including defaults from failure to appear. The Servicer will submit to the DMV the requisite amount for every request of non-renewal when it submits the data file of requested non-renewals to DMV.

(e) In the event that the processing of citations by the Court is not performed on a timely basis such that the collectability of the Assigned Receivable is impaired (each an "Impaired Receivable"), then the Manager shall assign the right to manage and collect such Impaired Receivable back to the City and the City shall assign to the Manager additional Replacement Receivables. Beginning one-hundred eighty (180) days after the commencement of the Collection Period for the Pool containing such Impaired Receivable, the City shall make monthly assignments of Replacement Receivables. For each one-hundred eighty (180) day period thereafter, the City shall make additional assignments of Replacement Receivables at the end of each subsequent one hundred eighty (180) day period. The City shall assign such Replacement Receivables in accordance with the provisions of 8(c) in the aggregate dollar amount not less than

the Impaired Receivables so removed in connection with either of the events described in this subsection. The period of time governing collection of such Replacement Receivables shall begin on the date of such assignment and shall be governed by the provisions set forth in Section 3(c).

(f) If the City receives any Collections that are derived from any of the Assigned Receivables, regardless whether from the Court or from a Violator, the City shall ensure a proper accounting of receipt of such Collections and will transfer such Collections daily to the Account for distribution in accordance with this Agreement and Assignment Agreement. Any such amounts shall be deemed held by the City in trust for the Manager.

(g) The City shall ensure a prompt hearing in compliance with applicable law with respect to any Violators who request a hearing before the Court.

12. Reports.

(a) The Manager will cause the Servicer to provide the City with a monthly report, which will provide a summary of Collections on the Assigned Receivables as of the last day of the month most recently completed, duly completed and executed by the Manager and delivered to the City by the 15th day of the following month.

(b) The City will provide the Manager and Servicer with a monthly report in electronic and hard copy format identifying (i) all amounts received directly by the City (including the City and any other City agency) in payment of Assigned Receivables during the month and (ii) all Assigned Receivables with respect to which any adjudication, waiver, dismissal, or other reduction in the receivable amount has taken place within that month. Such report shall be delivered to the Manager by the 10th day of the following month.

13. Rights to Examine Records. During the term of this Agreement, the City and its duly authorized agents, representatives or employees may, upon reasonable prior notice, examine, audit and copy, during normal business hours or at such other times as might be reasonable under applicable circumstances, any and all of the books, records, files or other information of the Manager relating to the Pools assigned to the Manager hereunder. The City shall maintain any non-public information obtained during such examination or in performing any obligations hereunder in accordance with the confidentiality provisions of Section 28 hereof.

14. Retention of Records. Unless returned or otherwise disposed of in accordance with the direction of the City, on the one hand, and the Manager, on the other hand, for a period of twelve (12) months after the date of termination or expiration of this Agreement, the City and the Manager shall continue to maintain all files and records pertaining to the performance of this Agreement, and in each case, shall maintain such files and records in accordance with the confidentiality provisions in Section 28 hereof.

15. Term and Termination.

(a) The Term (as defined in the Assignment Agreement) of this Agreement shall commence as of the date hereof and shall continue until either the expiration of the Term or this Agreement is terminated pursuant to Section 15(b) or Section 15(c) below,

provided that such termination shall not be effective until the Manager has received all amounts to which it is entitled pursuant to the terms of this Agreement including, without limitation, pursuant to Sections 4 and 5 of the Assignment Agreement entered into pursuant to this Agreement.

(b) This Agreement may be terminated upon the mutual written consent of the City and the Manager.

(c) The City or the Manager may terminate this Agreement by providing written notice to the other at any time following the occurrence of an Event of Default by the other and the failure to cure such Event of Default within the cure period provided herein, if any.

(d) In the event of the occurrence of an Event of Default, the non-defaulting party shall provide the defaulting party (the "Defaulting Party") with written notice setting forth the nature of such Event of Default, and the Defaulting Party shall have thirty (30) days to cure such Event of Default, provided, however, that there shall be no notice requirement or cure period for an Event of Default described in subsection (b) of the definition of Event of Default.

(e) Upon the effective date of termination of this Agreement, for whatever reason, or as soon thereafter as is reasonably possible, the Manager shall provide the City with a final report containing the same information as required by Section 12.

(f) Upon the effective date of termination of this Agreement, for whatever reason, the Manager, as directed by the City, will either:

(i) within ten (10) Business Days, deliver all documents, files, books, paper, accounts, and transferable computer files relating to the Assigned Receivables (the "Records") that are in the Manager's possession or control, or the possession or control of the Servicer or any Affiliates of the Manager, to the City, which Records shall be transported in the manner required by the City and at the cost of the City; or

(ii) hold the Records for up to twelve (12) months or until such earlier time as the City directs the Manager to deliver the Records.

In any event, the Manager may make and maintain copies of the Records for its files and shall have access, for any reasonable purpose, to those Records delivered to the City.

(g) Upon the effective date of termination of this Agreement, the Manager will assign the right to manage and collect all outstanding Assigned Receivables to the City and the City may, at its sole discretion, retain any other Person to provide the services provided by the Manager pursuant to this Agreement and the Manager shall cooperate in good faith with the City and such Person retained by the City to effect a smooth transition of responsibility for the management and collection of the Assigned Receivables.

(h) If the City commits an Event of Default that remains uncured for thirty (30) days such that this Agreement is terminated, the City shall owe Manager a Default Premium. The Default Premium shall be calculated as the difference between (A) \$3.0 million;

and (B) the amount of Collections that has been paid to Manager net of servicing fees, if any, pursuant to this Agreement and the Assignment Agreement (the "Default Premium").

(i) Notwithstanding Section 30 herein, if an Event of Default arises, either Party may seek declaratory or injunctive relief.

16. Indemnification. To the extent permitted by applicable law, a Party that has breached this Agreement shall indemnify and hold the non-breaching Party, its Affiliates, if any, and their respective employees, officers, directors, agents, consultants, contractors, attorneys, elected officials and legal representatives harmless from and against all liability (including reasonable attorneys' fees and costs) for all damages of any nature whatsoever, including penalties and fines, liquidated damages or per diem penalties, any bodily injury or personal damage claim and any damage to or loss of use or loss of any personal or real property, which arises out of or relates to a) a material breach by either Party of any of the representations, warranties, covenants or other agreements of the other Party in this Agreement or b) any lawsuit arising out of a violation of the FDCPA by the Manager or the Servicer. For purposes of this Agreement, "Indemnifiable Losses" means any and all claims, liabilities, losses, damages, penalties, actions, judgments, fines, forfeitures, amounts paid in settlement, costs or expenses of any kind or nature whatsoever, including all reasonable attorneys' fees, costs, fees and expenses of defense, appeal and settlement of any proceedings instituted and all costs of investigation therewith. The provisions of this Section 16 shall survive the expiration or termination of this Agreement.

17. Indemnity Procedures.

(a) For an indemnified Party (the "Indemnified Party") to be entitled to any indemnification provided for under this Agreement, such Indemnified Party shall, following the discovery of the matters giving rise to any Indemnifiable Losses, notify the indemnifying party (the "Indemnifying Party") in writing of its claim for indemnification for such Indemnifiable Losses, specifying in reasonable detail the nature of such Indemnifiable Losses and the amount of the liability estimated to accrue therefrom; provided, however, that failure to give such notification shall not affect the indemnification provided hereunder except to the extent the Indemnifying Party shall have been actually prejudiced as a result of such failure (except that the Indemnifying Party shall not be liable for any expenses incurred during the period in which the Indemnified Party failed to give such notice if such expenses could have been avoided by the giving of such notice). Thereafter, the Indemnified Party shall deliver to the Indemnifying Party, within five (5) business days after the Indemnified Party's receipt of such notice, all the information and documentation reasonably required by the Indemnifying Party with respect to such Indemnifiable Losses.

(b) If the indemnification sought pursuant hereto involves a claim made by a third-party against the Indemnified Party (a "Third-Party Claim"), the Indemnifying Party shall be entitled to participate in the defense of such Third-Party Claim with counsel selected by the Indemnifying Party. Should the Indemnifying Party so elect to assume the defense of a Third-Party Claim, the Indemnifying Party shall not be liable to the Indemnified Party for any legal expenses subsequently incurred by the Indemnified Party in connection with the defense thereof. If the Indemnifying Party assumes such defense, the Indemnified Party shall have the right to

participate in the defense thereof and to employ counsel, at its own expense, separate from the counsel employed by the Indemnifying Party, it being understood that the Indemnifying Party shall control such defense.

(c) The Indemnifying Party shall be liable for the fees and expenses of counsel employed by the Indemnified Party for any period during which the Indemnifying Party has not assumed the defense thereof after a reasonable period of time has elapsed following notice of the claim (other than during any period in which the Indemnifying Party shall have failed to give notice of the Third-Party Claim as provided above.

(d) If the Indemnifying Party chooses to defend or prosecute a Third-Party Claim, all of the Parties hereto shall cooperate in the defense or prosecution thereof. Such cooperation shall include the retention and (upon the Indemnifying Party's request) the provision to the Indemnifying Party of records and information which are reasonably relevant to such Third-Party Claim, and making employees available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder

(e) If the Indemnifying Party chooses to defend or prosecute any Third-Party Claim, the Indemnified Party will agree to any settlement, compromise or discharge of such Third-Party Claim which the Indemnifying Party may recommend and which by its terms obligates the Indemnifying Party to pay the full amount of the liability in connection with such Third-Party Claim. Whether or not the Indemnifying Party shall have assumed the defense of a Third-Party claim, the Indemnifying Party shall not admit any liability with respect to, or settle, compromise or discharge such Third-Party Claim without the Indemnifying Party's prior written consent.

(f) The indemnification and advancement of expenses provided by, or granted pursuant to, this Section 17 shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under any agreement or otherwise.

(g) The indemnification and advancement of expenses provided by, or granted pursuant to, this Section 17 shall continue as to and shall inure to the benefit of the heirs, executors, administrators, successors and permitted assigns of each Indemnified Party.

18. Independent Contractor. In performing services under this Agreement, the Manager acknowledges that it is an "independent contractor" and that no other relationship with the City is hereby intended or created, including, without limitation, that of employer-employee, joint venturer, co-owner, partner, and/or agent. Nothing in this Agreement shall be interpreted or construed to constitute the Manager or any of its agents, representatives or employees to be the agent, employee or representative of the City.

19. Force Majeure. Notwithstanding anything to the contrary in this Agreement, no party shall have any liability to the other hereunder by reason of any delay or failure to perform any obligation or covenant other than obligations for the payment of money if the delay or failure to perform is occasioned by force majeure, meaning (but not limited to) any Acts of God, storm, war, civil commotion, terrorism, labor disputes or strikes, fire, flood, or

other casualty, governmental actions, governmental inactions, governmental priorities, or governmental regulations, or any cause beyond the Parties' direct and immediate control. Should any such event occur, the party so affected shall have such additional time within which to perform as may be reasonably necessary.

20. Notices. Any notice, payment, demand or communication (collectively, a "notice") required or permitted to be given by this Agreement or applicable law shall be in writing and sent by first class mail, overnight courier, hand delivery, telephone conversation, facsimile or e-mail; except, unless waived by the recipient, if such notice is made by telephone conversation, such telephone conversation shall be followed within forty eight (48) hours thereof by written notice sent by e-mail, first class mail, overnight courier or hand delivery. Charges for any notice hereunder shall be prepaid and addressed as follows, or to such other address as such Person may from time to time specify by notice to the Manager or the City, as the case may be:

If to the City, to:

City of Providence
25 Dorrance Street
Providence, RI 02903
Attention: Finance Department
Tel.: 401-680-7351
Email: lmancini@providenceri.gov

With a copy to Adrienne Southgate:

Law Department
444 Westminister Street, Suite 220
Providence, RI 02903
Tel.: 401-680-5333
Email: asouthgate@providenceri.gov

If to the Manager,

PFS IV, LLC
c/o Michael Lenza
54 Camp Street
Milford, MA 01757
Tel.: 508-634-3185
Email: mlenza@aol.com

With a copy to Scott H. Moskol

Burns & Levinson LLP
125 Summer Street
Boston, MA 02110
Tel.: 617-345-3522
Email:smoskol@burnslev.com

Unless otherwise indicated herein, any notice shall be deemed to be delivered, given and received for all purposes as of the date delivered, or if sent by first class mail, five (5) days after the date on which the same was deposited in a receptacle, regularly maintained by the United States Postal Service for the deposit of mail, whichever occurs first.

21. Binding Effect. This Agreement shall be binding upon, and shall inure to the benefit of, the Parties to this Agreement and assigns.

22. References to this Agreement; Headings; Scope. Unless otherwise indicated, "Sections," "Subsections" and "Clauses" mean and refer to designated Sections, Subsections, and Clauses of this Agreement. Words such as "herein," "hereby," "hereinafter," "hereof," "hereto," and "hereunder" refer to this Agreement as a whole, unless the context indicates otherwise. All headings in this Agreement are for convenience of reference only and are not intended to define or limit the scope or intent of this Agreement. This Agreement constitutes the entire understanding of the Parties hereto with respect to the subject matter hereof and supersedes all prior understandings and agreements in regard hereto. All exhibits referred to herein, and as the same may be amended from time to time, are by this reference made a part hereof as though fully set forth herein.

23. Construction. Common nouns and pronouns and any variations thereof shall be deemed to refer to masculine, feminine, or neuter, singular or plural, as the identity of the Person, Persons or other reference in the context requires. Every covenant, term and provision of this Agreement shall be construed simply according to its fair meaning and not strictly for or against any party hereto. Any reference to any statutes, laws, regulations, forms or schedules shall include any amendments, modifications, or replacements thereof. Whenever used herein, "or" shall include both the conjunctive and disjunctive, "any" shall mean "one or more," and "including" shall mean "including without limitation."

24. Validity of Agreement; Severability. Every provision of this Agreement is intended to be severable. If any provision hereof is illegal, invalid or unenforceable for any reason whatsoever, such provision will be fully severable; this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision were not a part of this Agreement; and the remaining provisions of this Agreement will remain in full force and effect and will not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Further, in lieu of such illegal, invalid, or unenforceable provision, there will be automatically included, as part of this Agreement, a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable. In the event the FDCPA, the Code or other controlling law is subsequently amended or interpreted in such a way to make any provision of this Agreement that was formerly invalid a valid provision, such provision shall be considered to be valid from the date provided in such interpretation or

amendment or in the event the interpretation or amendment does not otherwise provide, from the effective date of such interpretation or amendment.

25. Further Action. Each party, upon the request of any other party, agrees to perform all further acts and execute, acknowledge, or deliver any instruments or documents and to perform such additional acts as may be reasonably necessary, appropriate or desirable to carry out the provisions of this Agreement.

26. Governing Law. The laws of the State of Rhode Island, without reference to conflict of laws principles, shall govern the validity, construction and interpretation of this Agreement.

27. Counterpart Execution. This Agreement may be executed and transmitted by facsimile in any number of counterparts with the same effect as if the Parties hereto had signed the same document.

28. Confidentiality.

(a) Each of the Parties hereto shall, and shall cause its Affiliates to, keep confidential any Confidential Information regarding the other party and the Receivables and to use such Confidential Information only to perform its obligations under this Agreement and shall not disclose such Confidential Information to any third party, other than as contemplated herein, without the prior written consent of the other party. Each party shall maintain the Confidential Information of the other in confidence using at least the same degree of care as it employs in maintaining in confidence its own proprietary and confidential information, but in no event less than a reasonable degree of care.

(b) For the purpose of this Section 28, the term "Confidential Information" shall include all data, reports, and records, financial or otherwise, including or reflecting information about or concerning a party and any Receivable which is not available to the general public (whether received before or after the date hereof and whether transmitted orally or in writing). The term "Confidential Information" does not include information that:

(i) is or becomes generally available to the public other than as a result of a disclosure by the party to whom such Confidential Information relates;

(ii) was or becomes available to a party on a non-confidential basis from a source other than the other party; provided that such source is not bound by a confidentiality agreement with or other contractual, legal or fiduciary obligation of confidentiality to the other party with respect to such information;

(iii) is developed by a party independently of, or was known by a party prior to, any disclosure of such information made by such party;

(iv) is required to be disclosed by order of a Court of competent jurisdiction, administrative agency or governmental body, or by any law, rule or regulation, or by subpoena, summons or any other administrative or legal process, or by

applicable regulatory standards, after notice of such requirement has been given to the other party, and the other party has had a reasonable opportunity to oppose such disclosure; or

(v) is disclosed with the written consent of the other party.

29. No Implied Waiver. The Manager and the City shall have the right at all times to enforce the provisions of this Agreement in strict accordance with the terms hereof, and no waiver of any provision of this Agreement shall constitute a waiver of any other provision, nor shall any waiver constitute a continuing waiver unless otherwise provided in writing.

30. Arbitration.

(a) The Parties agree that the arbitration procedure set forth below shall be the sole and exclusive method for resolving and remedying any and all disputes regarding claims for money damages based upon, arising out of or in any way connected with this Agreement or the transactions contemplated hereby (each a "Dispute"). Nothing in this Section 30 shall prohibit a party hereto from instituting litigation to enforce any Final Determination (as defined below). The Parties hereby agree and acknowledge that, except as otherwise provided in this Section 30 or in the Commercial Arbitration Rules of the American Arbitration Association as in effect from time to time, the arbitration procedures and any Final Determination hereunder shall be governed by and shall be enforced pursuant to the Uniform Arbitration Act as in effect in Rhode Island.

(b) If any party asserts that there exists a Dispute, such party shall deliver a written notice to the other party involved therein specifying the nature of the asserted Dispute and requesting a meeting to attempt to resolve the same. If no such resolution is reached within thirty (30) days after such delivery of such notice, the party delivering such notice of Dispute may, within sixty (60) days after delivery of such notice, commence arbitration hereunder by delivering to the other party a notice of arbitration (a "Notice of Arbitration") and by filing a copy of such Notice of Arbitration with the Providence office of the American Arbitration Association. Such Notice of Arbitration shall specify the matters as to which arbitration is sought, the nature of any Dispute, the claims of each party to the arbitration and the amount and nature of damages or other relief sought to be recovered as a result of any alleged claim and any other matters required by the Commercial Arbitration Rules of the American Arbitration Association as in effect from time to time to be included therein.

(c) The Parties shall attempt to select a sole arbitrator satisfactory to each of the City and the Manager. If the Parties fail to select such a sole arbitrator as set forth herein within thirty (30) days after the delivery of a Notice of Arbitration, then City shall select one arbitrator (the "City's Arbitrator") and Manager shall select one arbitrator (the "Manager's Arbitrator"). If either party fails to select an arbitrator as set forth herein within thirty (30) days after the delivery of a Notice of Arbitration, then the matter shall be resolved by the arbitrator selected by the other party. City's Arbitrator and Manager's Arbitrator shall select a third independent, neutral arbitrator, and the three arbitrators so selected shall resolve the Dispute according to the procedures set forth in this Section 30. If City's Arbitrator and Manager's

Arbitrator are unable to agree on a third arbitrator within forty-five (45) days after their selection, then the Providence office of the American Arbitration Association shall select the third arbitrator.

(d) The arbitration shall be conducted in Rhode Island under the Commercial Arbitration Rules of the American Arbitration Association as in effect from time to time, except as otherwise set forth herein. The arbitrators shall conduct the arbitration such that a final result, determination, finding, judgment and/or award (the "Final Determination") is made or rendered as soon as practicable, after the delivery of the Notice of Arbitration nor later than sixty (60) days following completion of the arbitration. The Final Determination shall be made in writing, shall state the basis for such determination and shall be agreed upon and signed by the sole arbitrator or by at least two of the three arbitrators (as the case may be). The arbitrators shall have the discretion to award to the prevailing party all reasonable costs and expenses, including, without limitation, reasonable attorneys' fees and disbursements, incurred by the prevailing party in connection with such arbitration. Such costs, expenses, fees and disbursements shall be included in and made a part of the Final Determination. The Final Determination shall be final and binding on all Parties, and there shall be no appeal from or reexamination of the Final Determination, except for fraud, perjury, evident partiality or misconduct by an arbitrator prejudicing the rights of any party and to correct manifest clerical errors.

(e) The Parties hereto may enforce any Final Determination in any state or federal Court in Rhode Island having jurisdiction over the Dispute. For the purpose of any action or proceeding instituted with respect to any Final Determination, each party hereto hereby irrevocably submits to the jurisdiction of such Courts, irrevocably consents to the service of process by registered mail or personal service and hereby irrevocably waives, to the fullest extent permitted by law, any objection which it may have or hereafter have as to personal jurisdiction, the laying of the venue of any such action or jurisdiction, the laying of the venue of any such action or proceeding brought in any such City and any claim that any such action or proceeding brought in any City has been brought in an inconvenient forum.

31. Amendment. This Agreement may be amended from time to time only upon written agreement of the Manager and the City.

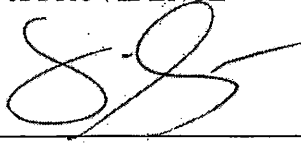
32. Assignment. Neither Party may assign, delegate or otherwise freely transfer its respective rights and obligations under this Agreement to any other Person without the prior written consent of the non-assigning Party, with such written consent not to be unreasonably withheld.

[Remainder of Page Intentionally Left Blank; Signature Page to Follow]

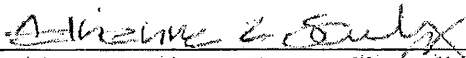
EXECUTION COPY

IN WITNESS WHEREOF, the Parties have entered into this Agreement as of the date first above written.

THE CITY of PROVIDENCE

By: 
Name: Jorge O. Elorza
Title: Mayor

Approved as to form and correctness:


Adrienne Southgate, Deputy City Solicitor

PFS IV, LLC

By: _____
Name: Michael Lenza
Title: Manager

IN WITNESS WHEREOF, the Parties have entered into this Agreement as of the date first above written.

THE CITY of PROVIDENCE

By: _____
Name: Jorge O. Elorza
Title: Mayor

Approved as to form and correctness:

Jeffrey Dana, City Solicitor

PFS IV, LLC

By:  _____
Name: Michael Lenza
Title: Manager

EXHIBIT B

ASSIGNED RECEIVABLES

EXHIBIT C

SUMMARY SHEET OF ASSIGNED RECEIVABLES

4825-5575-6848.9

MASTER ASSET MANAGEMENT AGREEMENT

THIS MASTER ASSET MANAGEMENT AGREEMENT (the "Agreement"), dated as of August 5, 2016 (the "Effective Date") is entered into by and between the City of Providence (the "City") and PFS IV, LLC, a Delaware limited liability company, and its successors and assigns (the "Manager"). The City and Manager are sometimes collectively referred to herein as the "Parties" and each individually as a "Party".

WITNESSETH:

WHEREAS, the City is the owner of rights to payment of monetary obligations composed of, *inter alia*, parking tickets and red light violations (the "Receivables") assessed by the City or by the Providence Municipal Court (the "Court") upon persons found to have violated parking and red lights statutes, regulations and ordinances (collectively, the "Violators"); and

WHEREAS, the Manager is amenable to enter into an advance funding arrangement with the City, and the City wishes engage the Manager in order to manage and collect such identified Receivables (the "Assigned Receivables"); and

WHEREAS, the specific financial terms of this advance funding arrangement for the engagement of the Manager with respect to identified Assigned Receivables, *inter alia*, is set forth in that separate Assignment, Funding and Collection Terms Agreement between the City and the Manager, a copy of which is attached hereto as Exhibit A and incorporated herein (the "Assignment Agreement").

NOW, THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, the City and the Manager agree as follows.

1. Definitions. In addition to the terms defined elsewhere in this Agreement, the following terms shall have the meanings specified below:

"Affiliate" of a specified Person means any other Person who (a) directly or indirectly controls, is controlled by, or is under common control with, such specified Person, or (b) owns or controls more than fifty percent (50%) of the outstanding voting stock or other voting equity or beneficial interests of such specified Person. For purposes of the preceding sentence, "control" of a Person means possession, directly or indirectly (through one or more intermediaries), of the power to direct or cause the direction of management and policies of such Person through ownership of voting securities (or other ownership interests), contract, voting trust or otherwise.

"Applicable Law" means all provisions of statutes, rules and regulations, interpretations and orders of any Governmental Authority applicable to a Person, and all orders and decrees of all Courts and arbitrators in proceedings or actions in which the Person in question is a party including applicable federal, state and local laws and regulations thereunder.

"Assigned Receivable(s)" means (a) those Receivables dated January 1, 2010 through June 30, 2016 (the "Present Receivables") and (b) those future Receivables dated July 1, 2016 through June 30, 2018 (the "Future Receivables") for which the City has assigned to the Manager the right to manage and collect under the terms of Section 3 hereunder and the Assignment Agreement.

"Assignment Agreement" has the meaning assigned to it in the preamble hereto.

"Assignment Date" means each date on which Receivables are assigned by the City to and accepted by the Manager pursuant to the related Assignment Agreement.

"Bankruptcy" means, with respect to any Person:

(a) the institution (or consenting to the institution) of proceedings or filing an answer or other pleading to be adjudicated as bankrupt or insolvent or seeking for such Person any liquidation, winding up, dissolution, reorganization, rearrangement, adjustment, protection, composition or other similar relief of such Person or such Person's debts under any law relating to bankruptcy, insolvency, reorganization, liquidation or other relief of debtors, including Title 11 of the United States Code, as amended ("Bankruptcy Law") or any similar law;

(b) the seeking, consenting to, or acquiescing in any entry of an order for relief or the appointment of a receiver, trustee, liquidator, custodian or other similar official for such Person or all or any substantial part of such Person's property under any Bankruptcy Law or any similar law;

(c) the making of an assignment for the benefit of creditors;

(d) the admission, in writing, by such Person of the inability to pay its debts generally as they become due;

(e) the entering of an order for relief or approving a petition or other pleading for relief or reorganization or any other petition or other pleading seeking any liquidation, winding up, dissolution, reorganization, rearrangement, adjustment, composition or other similar relief against such Person under any Bankruptcy Law or any similar law;

(f) the filing of any such petition or other pleading against such Person which petition is not dismissed within sixty (60) days of such filing;

(g) without the consent or acquiescence of such Person, the entering of an order appointing a receiver, trustee, liquidator, custodian or other similar official for such Person or of all or any substantial part of such Person's property, which order is not discharged or dismissed within sixty (60) days of the date it is entered; or

(h) a creditor executes upon, forecloses or otherwise involuntarily acquires, otherwise receives in satisfaction of any obligation or obtains a judgment lien against substantially all of or a material portion of the assets of such Person.

"Breached Receivable" has the meaning ascribed to such term in Section 8(c)(i).

"City" has the meaning assigned to it in the preamble hereto.

"Code" means the Uniform Commercial Code in the State of Rhode Island as in effect on the date hereof and as the same may subsequently be amended from time to time, the substantive provisions of which are applicable to any of the property of the City in which the Manager is granted a security interest pursuant hereto.

"Collateral" means all of the City's right, title and interest in, to and under each Assigned Receivable including, without limitation, the City's right, title and interest in, to and under each bank account established under the terms of this Agreement, all contract rights and privileges in respect of such accounts and all cash, checks, credit card receipts, money orders, and other items of value now or hereafter paid, deposited, credited, held (whether for collection, provisionally or otherwise) or otherwise in the possession or under the control of, or in transit to, any bank account maintained by Manager, and any agent, bailee or custodian thereof (the "Receipts") and all Proceeds of the foregoing.

"Collections" has the meaning assigned to it in Section 10.

"Default Premium" shall have the meaning assigned to it in Section 15(h).

"DMV" means the Department of Motor Vehicles of the State of Rhode Island.

"Due Diligence Information" has the meaning assigned to it in Section 8(c)(i).

"Effective Date" has the meaning assigned to it in the Preamble.

"Event of Default" shall mean the occurrence of one or more of the following:

(a) the failure by the City or the Manager, as the case may be, to perform any of its covenants or obligations, in accordance with the terms of this Agreement, or the breach by either such party of a representation or warranty hereunder, which breaches individually or in the aggregate constitute a material breach of this Agreement;

(b) the Bankruptcy of the City or of the Manager, but only to the extent that such Bankruptcy affects the ability of such party to perform its obligations under this Agreement or the Assignment Agreement;

(c) the failure of the Manager to have (i) a perfected first priority security interest in the Collateral in which a security interest may be perfected under the Code and (ii) a first priority perfected lien or security interest available under State of Rhode Island statutes and case law in the Collateral in which a security interest may not be perfected under the Code;

(d) any act or omission on the part of the City and its employees, agents or independent contractors including, but not limited to, any Processor employed by the City that

results in the inability of the Manager, Servicer and their respective employees, agents and independent contractors to enforce and collect the Collections;

(e) any act or omission on the part of the City and its employees, agents or independent contractors, including, but not limited to Xerox State and Local Solutions, Inc., that results in the Manager, Servicer and their respective employees, agents and independent contractors to collect less than the face amount of the violation or citation as provided for in the Due Diligence Information for any Assigned Receivable; and

(f) the failure of the City and its employees, agents or independent contractors, including, but not limited to, Xerox State and Local Solutions, Inc. to pay to the Manager, Servicer and/or their respective employees, agents and independent contractors, within thirty (30) days upon invoicing by Manager or Servicer, any and all payments and collections with respect to Assigned Receivables actually received by the City (including, without limitation, by the Court or by any other agency or administrative body of the City) from Violators (as more fully described in Section 11(f) below) (each a "City Payment"); in the event the City does not pay the Manager the City Payments within thirty (30) days of being invoiced, the City shall have ninety (90) days in which to assign to the Manager replacement Receivables equal to two (2) times the aggregate face amount of the City Payments (the "Default Receivables"); and any failure by the City to assign said Default Receivables within this time period shall constitute an "Event of Default" under this subsection; provided, however, Manager shall cause self-addressed stamped envelopes to be placed with the City's clerks and/or the City's traffic tribunals (collectively, the "City Recipients") such that if a Violator attempts to pay any City Recipient, such Violator will be directed to mail their respective payments directly to the Manager and/or the Servicer.

"FDCPA" means the Fair Debt Collection Practices Act.

"Governmental Authority" means the government of any nation, state, City, locality or other political subdivision of any of the foregoing, any entity exercising executive, legislative, individual, regulatory or administrative functions of or pertaining to government and any corporation or other entity owned or controlled, through stock, capital ownership or otherwise, by any of the foregoing.

"Impaired Receivable" has the meaning assigned to it in Section 11(e).

"Person" means any natural person or any corporation, partnership, joint venture or enterprise, limited liability company, unincorporated association, trust, estate, governmental entity or other entity or organization, and shall include the successor (by merger or otherwise) of any entity or organization.

"Pool" means a new pool of receivables assigned to the Manager in the future.

"Proceeds" has the meaning assigned to it in the Code.

"Processor" has the meaning assigned to it in Section 2(c).

"Receivable(s)" has the meaning assigned to it in the preamble hereto.

"Replacement Receivables" has the meaning assigned to such term in Section 8(c)(i) hereof.

"Servicer" shall mean [Professional Account Management, LLC, a Wisconsin limited liability company wholly-owned by Duncan Solutions, Inc.], or any subsequent Person that replaces it and which agrees to be bound by the terms and conditions of the Servicing Agreement.

"Servicing Agreement" means the agreement, dated as of the date hereof, between the Manager and Servicer.

"Violators" has the meaning assigned to it in the preamble.

2. Engagement of the Manager; Servicer; Subservicer.

(a) The City hereby engages the Manager, and the Manager hereby accepts such engagement, as the City's sole and exclusive provider of management and collection services with respect to Assigned Receivables assigned as of the Effective Date through June 30, 2022 (the "Collection Period"); provided that the Collection Period may be extended from time to time by the Parties, as more fully set forth in Section 3(c) below. The Parties expressly acknowledge that the City shall, at all times, remain the owner of the Assigned Receivables.

(b) The Parties acknowledge and agree that the Manager will engage, pursuant to the terms of the Servicing Agreement, a copy of which is attached hereto as Exhibit B, the Servicer to perform, on the Manager's behalf, the management and collection services described herein with respect to the Assigned Receivables, and the City hereby consents to the Manager's engagement of the Servicer to perform such services on the Manager's behalf. The Parties agree that the Manager will have the right, from time to time during the term of this Agreement, to change the Servicer upon written notice to and consent from the City, which consent shall not be unreasonably withheld, denied or delayed, it being agreed that (i) it shall be unreasonable for the City to withhold, deny or delay its consent if the proposed new Servicer has not been found in violation of the FDCPA in the prior thirty six (36) months and (ii) such consent shall be deemed granted if the City does not respond within thirty (30) days of its receipt of the notice of change from the Manager. The Parties further acknowledge and agree that the Manager shall remain fully responsible for the performance of such management and collection services described herein.

(c) Within five (5) business days of the Effective Date hereof, the Manager and the Servicer shall have full access to any Database (as defined in Section 11(b)) maintained by the City or any third party processors that the City may have engaged to manage the City's cases, which are presently Xerox State and Local Solutions, Inc. (each, a "Processor") in order to fulfill their respective obligations hereunder.

(d) The Manager may also engage any other servicer or subservicer or other service provider to perform certain actions related to the management of the Assigned

Receivables, without the consent of the City; provided, that the Manager shall remain fully responsible for the performance of the management and collection services described herein.

3. Identification and Assignment of Assigned Receivables.

(a) Assignment of Assigned Receivables. Pursuant to and in accordance with the terms of the Assignment Agreement, the City assigns to the Manager the exclusive right to manage and collect the Assigned Receivables as follows:

(i) City shall assign all the Assigned Receivables to the Manager for it to manage and collect as of the Effective Date.

(ii) Manager may commence collection efforts with respect to all Assigned Receivables commencing two (2) years from the date of issuance. Thus, on the Effective Date, the Manager may commence collection efforts for those Assigned Receivables dated January 1, 2010 through June 30, 2014.

(iii) By the tenth (10th) day of each month, Processor shall provide to Servicer in electronic format or such other format that Servicer requests information as to what Assigned Receivable remain unpaid so that collection efforts may commence. Thus, by way of example, on or before August 10, 2016, Processor will have informed Servicer which of the Assigned Receivables from July of 2014 remain unpaid, so that Manager and Service may commence collection efforts with such unpaid and uncollected Assigned Receivables. This monthly flow of information shall continue through July 10, 2020 (i.e. two years after the date of the last of the Assigned Receivables, which would be June 30, 2018).

(iv) Notwithstanding anything contained herein to the contrary, in the event that the Manager is unable to collect One Million Three Hundred Seventy Thousand Dollars and 00/100 Cents (\$1,370,000.00), plus a preferred return equal to fifteen percent (15%) per annum on the amount first stated above in this Section 3(a)(iv) (collectively, the "Preferred Recovery") during the Collection Period, then the Manager shall receive each month, commencing with the month immediately following expiration of the Collection Period, an additional Pool of Receivables to manage and collect until the Manager receives its Preferred Recovery, in which case the Collection Period shall be extended in accordance with Section 3(c)(i)(D) below. By way of example: if by the last day of the Collection Period (June 30, 2022) the Manager has not received the Preferred Recovery, the City shall assign to the Manager the right to manage and collect Receivables for the month of July, 2018, or such other Pool of different Receivables as agreed to by the Parties.

(b) Future Receivables. Assigned Receivables.

(i) By the fifteenth (15th) day of each month, Processor shall provide the Parties with a list of new Future Receivables and the City and the Manager shall cause a new schedule to be added to the Assignment Agreement for each of month's Future Receivables. Thus by way of example, on or before August 15, 2016, the Processor shall

provide a list to Manager of all Future Receivables incurred for the month of July 2016, which list shall be attached as a schedule to the Assignment Agreement.

(ii) The effectiveness of the present Assignment Agreement and any future assignment agreement will be subject to the receipt by the Manager of each of the following, in form and substance satisfactory to the Manager (the date when the Manager has received and accepted all of such items being the "Effective Date" of such Assignment Agreement):

(A) a completed assignment agreement in the form of Exhibit A hereto with respect to the Assigned Receivables, to be supplemented on a monthly basis to include all such Future Receivables, duly executed by an authorized official of the City and by the Manager;

(B) UCC-1 financing statements containing a description of the Assigned Receivables in the form of Exhibit C hereto, for filing in the appropriate jurisdictions to perfect or otherwise protect, to the extent such perfection or protection is possible under the Code, the Manager's security interest in the Assigned Receivables in such Pool and the Proceeds thereof pursuant to Section 5 hereof;

(C) opinion of counsel to the City covering the matters set forth in Exhibit D hereto; and

(D) such other documents and instruments as the City has the authority to convey or deem reasonable to facilitate the Manager's perfection or protection of its security interest in the Assigned Receivables.

(iii) The Parties to this Agreement acknowledge that the City will retain title to and ownership of any and all Assigned Receivables; provided, that the Manager shall acquire a security interest in the Collateral as provided in Section 5, and shall have the rights to receive distributions out of the Collections on the Assigned Receivables as provided in Section 5 and the Assignment Agreement.

(c) The Manager shall have the exclusive right to manage and collect each Assigned Receivable for the Collection Period in accordance with Section 3(a) above. Upon expiration of the Collection Period, or upon termination of this Agreement as provided for herein, the Manager's right to manage and collect all such Assigned Receivables shall terminate, at which time the right to manage and collect all such Assigned Receivables shall revert to the City. All such Collections shall be distributed in accordance with the Assignment Agreement.

EXECUTION COPY

(i) The Collection Period, with respect to the Assigned Receivables in a Pool, may be extended:

- (A) For an additional twelve (12) months, upon the mutual written agreement of the Parties hereto;
- (B) For an additional twelve (12) months, by the Manager upon written notice to the City at any time following a change in applicable law which has an adverse and material impact on the ability of the Manager to collect Assigned Receivables or on the value of the Assigned Receivables;
- (C) For an additional twelve (12) months, by the Manager upon written notice to the City in the event that the City fails to perform, in any material respect, any of its obligations in accordance with the terms of this Agreement and the City has not cured such failure to perform within forty five (45) days after written notice of such failure to perform is given by the Manager to the City; or
- (D) For an additional two (2) years upon each time the Manager receives an additional Pool to manage and collect.

4. Advance. Upon complete satisfaction of the terms and conditions contained in Section 2(c) above, the Manager shall advance to the City the amount agreed upon by the City and the Manager and set forth in the Assignment Agreement (the "Advance"). The Advance (a) is based on the Servicer's representations as to its experience in collections (b) shall be non-recourse to the City except as provided for in this Agreement and (c) shall be reimbursable only out of Collections on the Assigned Receivables pursuant to Section 3 hereof and the Assignment Agreement; provided, however, if there is an Event of Default committed by the City such that the City owes Manager the Default Premium as provided for in Section 15(h) herein or is awarded at arbitration a monetary award, such amounts shall be paid first out of Collections and then second, such amounts shall be an obligation of the City.

5. Security Interest.

(a) In order to secure the full and timely payments to the Manager for all amounts due hereunder, the City HEREBY GRANTS TO and creates in favor of the Manager, a first priority lien and security interest in the Collateral under Rhode Island law, including, without limitation, under the Code to the extent such grant may be made under the Code.

(b) The City will:

(i) Faithfully preserve, protect and defend the Manager's security interest in the Collateral as a prior perfected security interest under Rhode Island law, including without limitation, under the Code to the extent perfection is permitted under the Code, superior and prior to the rights of all third persons, and will do all such other acts and things and will, upon request therefor by the Manager, execute, deliver, file and record all such other documents and instruments, including without limitation, financing statements, security agreements, assignments and documents and powers of attorney with respect to the Collateral, and pay all filing fees and taxes thereto, as the Manager in its reasonable discretion may deem necessary or advisable from time to time in order to attach, continue, preserve, perfect and protect said security interest;

(ii) Not pledge, mortgage or create, or suffer to exist any right of any person in or claim by Person to the Collateral, or any security interest, lien or other encumbrance in or on the Collateral in favor of any Person, other than the Manager, and the City shall not permit any of the Collateral to be levied upon under any legal process;

(iii) Not file or authorize or permit to be filed in any jurisdiction any financing statement relating to any of the Collateral naming any secured party other than the Manager;

(iv) Keep and stamp or otherwise mark any of its instruments and its books and records relating to the Collateral in such manner as the Manager may reasonably require, to include, without limitation, identifying that the Manager has been granted a security interest in said Collateral;

(v) Not permit anything to be done that may impair the value of the Collateral or the security intended to be afforded thereby; and

(vi) Not sell, transfer, assign or otherwise dispose or offer to sell, transfer, assign or otherwise dispose, of the Collateral or any interest therein.

(c) The City hereby irrevocably authorizes the Manager at any time and from time to time to file in any filing office in any Uniform Commercial Code jurisdiction any initial financing statements and amendments thereto that (i) describe the Collateral and (ii) provide any other information required by Article 9 of the Code for the sufficiency or filing office acceptance of any financing statement or amendment.

(d) If an Event of Default shall have occurred and be continuing, the Manager, without any other notice to or demand upon the City, shall have, in addition to all other rights and remedies, the rights and remedies of a secured party under the Code; however in any case, the Advance is not refundable even if the Collections are less than the Advance; provided, however, if the City owes Manager the Default Premium or other damages pursuant to an award through arbitration, then such amounts shall be paid first from the Collections and second from the City.

(e) The City shall pay to the Manager on demand any and all expenses, including reasonable attorneys' fees and disbursements, incurred or paid by the Manager in legal proceedings to assert or defend its rights in the Collateral or defending legal proceedings which challenge its rights to the Collateral or to payments, regardless if such proceedings arise in connection with a bankruptcy of the City. Notwithstanding the foregoing, the ability to deduct the above-recited costs are limited to actions to enforce the Manager's right to or priority in the Collateral, but in no case includes costs incurred to enforce payment of an Assigned Receivable. After deducting all of said expenses, the residue of any proceeds of collection or sale or other disposition of the Collateral shall, to the extent actually received in cash, be applied to the payment of the amounts due to the Manager hereunder.

6. Establishment of Account. The Manager shall establish a deposit account (each an "Account") with Bank of America or such other bank reasonably acceptable to the Parties (the "Bank") in which all Proceeds of Assigned Receivables shall be immediately deposited (the "Collections"). The City and/or Processor, as the case may be, shall immediately forward all payments actually received by the City (including, without limitation, by the Court or by any other agency or administrative body of the City) from Violators with respect to Assigned Receivables to the Bank for deposit in the applicable Account. The Servicer will direct all Violators to make payments directly to the Account. After the Servicer invoices the Manager for payment for its services (the "Fee") and payment is made to the Servicer in accordance with the Servicer Agreement, all amounts deposited into the applicable Account shall be distributed to the Manager as set forth in Section 5 of the Assignment Agreement and as provided for herein. The City and the Servicer shall direct (or request that the Court or other agency or administrative body of the City to direct) all of the Violators with respect to the Assigned Receivables to make their payments to the applicable Account for that Pool, with checks or money orders naming Manager as payee. To the extent any Violator tries to pay any Assigned Receivable directly with the City, the City shall cause its employees to direct such Violator to make payment directly with the Servicer. The City and Servicer shall mark their respective records with respect to the Assigned Receivables and institute standing instructions that will cause any payments which they (including the Court or any other agency of the City) receive directly from a Violator to be forwarded to the applicable Account immediately. Additionally, all credit card receipts attributable to the Assigned Receivables shall be deposited daily in the Account by the Servicer and/or the City, as applicable. Until such payments are so delivered to the Account, the City and the Servicer shall be deemed to be holding such payments in trust for the Manager.

7. Distributions of Collections. With respect to the Collections, the Servicer shall invoice the Manager for its Fee, which shall be paid within thirty (30) days of receipt of such invoice; then, after the Servicer is paid its Fee, the Manager shall distribute, or cause to be distributed, the remainder of the Collections to the Manager and the City on a monthly basis in the order of priority set forth in Section 5 of the Assignment Agreement.

8. Representations and Warranties; Breach; Remedies.

(a) The City hereby makes the following representations and warranties to the Manager:

EXECUTION COPY

(i) The City is a municipal corporation created and existing under the laws of the State of Rhode Island and Providence Plantations.

(ii) The City (A) has the full power and authority to execute, deliver and perform its obligations under this Agreement, and (B) has taken all action necessary to duly authorize the execution, delivery and performance of this Agreement, and has duly executed and delivered the same.

(iii) The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the performance of or compliance with the terms and conditions of this Agreement by the City does not (and will not) conflict with, violate or result in a breach of (i) any of the terms, conditions or provisions of the City's Home Rule Charter, (ii) any agreement or instrument to which the City is now a party or by which the City is bound, or (iii) any law, regulation, order, writ, injunction, decree, determination or award of any court, any other Governmental Authority or any arbitrator, now applicable to the City or any of its agencies, or constitute a default under any of the foregoing.

(iv) There are no actions, suits, proceedings or investigations pending or, to the knowledge of the City, threatened against or affecting the City (or any of its properties, assets or operations) in any court or before or by any Governmental Authority, or any arbitrator which would reasonably be expected to materially affect the City's ability to perform its obligations under this Agreement. The City has not received any notice of any default, and the City is not in default, under any applicable order, write, injunction, decree, permit, determination or award of any court, any other Governmental Authority or any arbitrator which would reasonably be expected to materially affect the City's ability to perform its obligations under this Agreement.

(v) No consent, approval, authorization nor order of any court or governmental agency or body is required by the City for the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the performance of or compliance with the terms and conditions of this Agreement by the City.

(vi) This Agreement, and each other document and agreement executed and delivered by the City in connection herewith, constitutes the legal, valid and binding obligation of the City, enforceable against the City in accordance with its terms.

(vii) The City is or, on the Effective Date of an Assignment Agreement will be, the owner of the Collateral, free from any right or claim of any person or any adverse lien, security interest or other encumbrance, except for the security interest created by this Agreement.

(viii) This Agreement creates a valid, binding and enforceable first priority security interest in the collateral securing the payment of all amounts due to the Manager under this Agreement and upon the filing of a financing statement with the Department of State of the State of Rhode Island, such security interest will be perfected first priority security interest to the extent such perfection can be obtained under this Code.

EXECUTION COPY

(ix) Other than the filing of the financing statement set forth in subsection (viii) above, no authorization, approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required either (A) for the grant by the City of the security interest granted hereby, or (B) for the perfection, to the extent such perfection can be obtained under the Code, of or the exercise by the Manager of its rights and remedies hereunder.

(x) The City hereby makes the following representations and warranties with respect to each Assigned Receivable:

(A) The City is the owner of such Assigned Receivable (or will be the owner of the Future Receivables) and any Proceeds therefrom, free from any adverse lien, security interest or other encumbrance.

(B) Each Assigned Receivable is a valid obligation, enforceable against the related Violator and due and payable to the City, none of which have been previously adjudicated or dismissed by the Court or are unenforceable for any reason against such Violator.

(C) No Assigned Receivable has been released, waived or adjusted in dollar amounts, in whole or in part.

(D) All information the City has provided to the Manager in connection with the Assigned Receivables is true, correct and complete in all material respects.

(b) The Manager makes the following representations and warranties to the City:

(i) The Manager (A) is a limited liability company, duly organized, validly existing and in good standing under the laws of the State of Delaware, and (B) is, or will be, qualified to transact business in, and is, or will be, in good standing under the laws of the State of Rhode Island.

(ii) The Manager has the full power and authority to execute, deliver and perform all transactions contemplated by this Agreement, and the Manager has duly authorized the execution, delivery and performance of this Agreement, and has duly executed and delivered this Agreement.

(iii) The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the performance of or compliance with the terms and conditions of this Agreement does not (and will not) conflict with, violate or result in a breach of (i) any of the terms, conditions or provisions of the Manager's operating agreement, (ii) any agreement or instrument to which the Manager is now a party, by which the Manager is bound, or (iii) any law, regulation, order, writ, injunction, decree, determination or

award of any court, any other Governmental Authority or any arbitrator, now applicable to the Manager or any of its Affiliates, or constitute a default under any of the foregoing.

(iv) There are no actions, suits, proceedings or investigations pending or, to the knowledge of the Manager, threatened against or affecting the manager (or any of their properties, assets or businesses) in any court or before or by any Governmental Authority, or any arbitrator which would reasonably be expected to materially affect the Manager's ability to default, and the Manager is not in default, under any applicable order, writ, injunction, decree, permit, determination or award of any court, any other Governmental Authority or any arbitrator which would reasonably be expected to materially affect the Manager's ability to perform its obligations under this Agreement.

(v) No consent, approval, authorization or order of any court or governmental agency or body is required by the Manager for the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the performance of or noncompliance with the terms and conditions of this Agreement by the Manager.

(vi) This Agreement, and each other document and agreement executed and delivered by the Manager in connection herewith, constitutes the legal, valid and binding obligation of the Manager, enforceable against the manager in accordance with its terms.

(c) Upon discovery by the City or the Manager of a breach of any representation or warranty set forth in Section 8, the Party discovering such breach shall give prompt written notice thereof to the other.

(i) Within five (5) business days of the earlier of discovery by or notice to the City of any breach of a representation or warranty set forth in Section 8(a) arising from the failure of an Assigned Receivable assigned to the Manager under this Agreement and the related Assignment Agreement to be in compliance with any representation or warranty at any time (each, a "Breached Receivable"), the City shall propose one or more Receivables in an aggregate dollar amount not less than the aggregate dollar amount of the Breached Receivables with respect to which the related breach has occurred (the "Replacement Receivables"). In connection with such proposal, the City shall provide the Due Diligence Information provided in connection with the related Pool of Receivables and any other information that the Manager may reasonably request (the "Due Diligence Information"). Within five (5) business days of its receipt of such proposed Receivables and the information related thereto, the Manager shall approve or disapprove, in its sole and exclusive discretion, of all or any portion of such Replacement Receivables.

(ii) If the Manager disapproves of any portion of the Replacement Receivables, the City shall have five (5) business days to propose one or more Receivables in an aggregate dollar amount not less than the aggregate dollar amount of the portion of Breached Receivables with respect to which the Manager has not approved replacement Receivables. With respect to such additional proposed Receivables, the City shall

provide the Manager the information described in Section 3(b)(i). Within five (5) business days of its receipt of the Replacement Receivables and the information related thereto, the Manager shall approve or disapprove, in its sole and exclusive discretion, of all or any portion of such Replacement Receivables.

(iii) If the Manager disapproves of all or any portion of the Replacement Receivables the City shall refund the portion of the Breached Receivables with respect to which Replacement Receivables have not been approved by the Manager in accordance with this Section 8 at the Receivables Refund Price specified in the related Assignment Agreement. The right to manage and collect each Replacement Receivable accepted by the Manager pursuant to this Section 8 shall be assigned to the Manager in accordance with the terms of Section 3, and upon the assignment of the right to manage and collect any such Replacement Receivables, the Manager shall assign the right to manage and collect the applicable Breached Receivables to the City.

9. Reserved.

10. Duties of the Manager.

(a) The Manager, acting through any Servicer (or any applicable subservicer), shall manage and receive Collections on the Assigned Receivables pursuant to the terms and conditions of this Agreement and the Assignment Agreement. The Manager, acting through any Servicer, and acting as an agent of the City, shall make reasonable commercial efforts to collect all amounts due on the Assigned Receivables provided that, except as contemplated by Section 10(e), neither the Manager nor the Servicer may waive, alter or agree to any adjustments to the amount of any Assigned Receivable, and City delegates to Manager such power and authority in order to collect the Assigned Receivables. The management and collection services to be provided hereunder shall include, but not be limited to, the following:

(i) Mailing a first notice to the Violators within ninety (90) days of the Effective Date of the Assignment Agreement for a Pool;

(ii) Updating payments received in the Account within seventy two (72) hours after receipt;

(iii) Providing refreshed name and address acquisitions within thirty (30) days prior to initial mailing;

(iv) Providing new name and address for non-refreshed accounts within sixty (60) days after receipt thereof;

(v) Providing return mail locate processing and re-mailing within sixty (60) days after mail is returned;

(vi) Providing DMV notification of license or registration suspension monthly on all applicable Assigned Receivables;

(vii) Providing credit bureau reporting monthly and no later than one hundred eighty (180) days from first mailing on all out of state Assigned Receivables and those Rhode Island Assigned Receivables subject to registration suspension;

(viii) Allowing tax refund and lottery intercept data if authorized by state statute;

(ix) Establishing pay by web and pay by phone functions to service the assigned Pool population; and

(x) Providing the following collection efforts and notices to Violators:

- Initial notice – FDCPA compliant.
- Follow-up notice.
- Notice of intent to suspend or hold license or registration for Rhode Island resident Violators.
- License suspension notice.
- Notice of Driver Registry notification.
- Notice of pending credit bureau reporting, to the extent permissible by applicable law.
- Notice of credit bureau notification to the extent permissible by applicable law.
- Notice of pending tax refund and lottery intercept activity.
- Follow-up notice.
- Provide ALPR for booting towing.
- Provide ALPR for scanning traffic violators with police.

(b) The Servicer shall, in its discretion, be permitted to engage an attorney to represent the Parties before any municipal court in order to collect on any of the Assigned Receivables.

(c) In performing its obligations under this Agreement, the Manager shall at times act in good faith and in the best interests of the City with respect to the Assigned Receivables and shall carry out all of its obligations under this Agreement in accordance with

customary commercial standards and consistent with the Manager's duties to the City hereunder. To assist the Manager in the fulfillment of this obligation, when and if the City represents to the Manager that the City's best interests are harmed by specific collection practices or conduct which constitute violations of the FDCPA, the City shall retain the right to instruct the Manager to cause such conduct to cease.

(d) The Manager assumes no responsibility under this Agreement to assure any particular level of Collections on the Assigned Receivables and shall be responsible only to render the services called for hereunder in accordance with the standards set forth above and shall not be responsible to the City or others, for any failure of a Violator to make payment of a Receivable. Except as provided for herein and the Assignment Agreement, the Manager and its Affiliates shall not in any event be liable in performing its obligations under this Agreement.

(e) Notwithstanding any provision of this Agreement to the contrary, neither the Manager nor the Servicer nor any of their Affiliates shall have the authority on behalf of the City without obtaining the prior written approval of City, i) waive or reduce the face amount of any Assigned Receivable or ii) act on behalf of, or hold itself out as having the authority to act on behalf of, the City in any manner that is beyond the scope of this Agreement; provided, however, the Manager shall not need the prior written permission of the City to waive or reduce the amount of any penalties or interest associated with an Assigned Receivable or to enter into a payment plan with any Violator so long as any such Payment Plan does not extend past the Collection Period.

(f) The Manager and/or the Servicer shall employ, at their sole cost and expense, adequate personnel, appropriately trained to ensure compliance with the FDCPA, to perform their duties hereunder. The Manager and/or the Servicer shall at all times provide the services hereunder in accordance with all applicable state, federal and other governmental laws, rules and regulations. The Manager assumes no responsibility with respect to the servicing and administration of Assigned Receivables other than, through the Servicer, to render the services expressly provided for in this Agreement or as otherwise expressly agreed to with the City.

11. Covenants of the City.

(a) The City, through any Processor it engages, shall provide the Manager and the Servicer with access at all times to information regarding the Assigned Receivables through a data warehouse facility or other secure electronic access. Such access shall be provided by the Processor in a manner which conforms to the security requirements of the City.

(b) The City shall ensure that all Assigned Receivables are identifiable on a database maintained by the City or the Processor (the "Database"), to which the Manager and the Servicer shall have access as provided in Section 2(c). At least seven (7) days prior to the Effective Date of each assignment agreement pursuant to Section 3(b), the City shall provide, or shall cause the Processor to provide, to the Manager, (i) a written statement that the Database has been marked or the data in respect of the Receivables otherwise has been isolated to identify the Receivables in the assigned Pool and (ii) information with respect to the Receivables in the assigned Pool including, without limitation, the aggregate dollar amount of such Receivables.

(c) The City also shall provide, or shall cause the Processor to provide, to the Manager, on a timely basis, such data regarding the Assigned Receivables in each Pool as is reasonably requested by the Manager in connection with its performance of the management and collection services described herein. Such data shall include, but not be limited to, with respect to each Assigned Receivable:

- (i) the Violator's name, address and license number;
- (ii) the registration number, license plate number, and description (i.e. make, model, year and color) of the Violator's vehicle;
- (iii) the place, date and type of violation;
- (iv) the identity of the officer issuing the citation;
- (v) proper jurisdictional issuance; and
- (vi) amounts owed (including all penalties and interest).

(d) As and when requested by the Manager, and otherwise as is reasonable and appropriate, the City shall exercise its enforcement powers and perform all enforcement procedures not already assumed by the Manager under this Agreement, which are available to it under applicable law in a timely and diligent manner to assist in the collection of the Assigned Receivables. Without limiting the generality of the foregoing, subject to the inherent discretion of the Court, the City will seek:

(i) to have the Court enforce Rhode Island General Laws ("RIGL") Sec. 31-41.1.1-5 and will enter default judgments and related appropriate orders against Violators, including suspending a Violator's driver's license and registration for failure to appear.

(ii) to have the Court enforce provisions of RIGL Sec. 31-3-5, non-renewal of registration for all Violators receiving fines in excess of \$200 resulting from guilty pleadings or guilty verdicts, including defaults from failure to appear. The Servicer will submit to the DMV the requisite amount for every request of non-renewal when it submits the data file of requested non-renewals to DMV.

(e) In the event that the processing of citations by the Court is not performed on a timely basis such that the collectability of the Assigned Receivable is impaired (each an "Impaired Receivable"), then the Manager shall assign the right to manage and collect such Impaired Receivable back to the City and the City shall assign to the Manager additional Replacement Receivables. Beginning one-hundred eighty (180) days after the commencement of the Collection Period for the Pool containing such Impaired Receivable, the City shall make monthly assignments of Replacement Receivables. For each one-hundred eighty (180) day period thereafter, the City shall make additional assignments of Replacement Receivables at the end of each subsequent one hundred eighty (180) day period. The City shall assign such Replacement Receivables in accordance with the provisions of 8(c) in the aggregate dollar amount not less than

the Impaired Receivables so removed in connection with either of the events described in this subsection. The period of time governing collection of such Replacement Receivables shall begin on the date of such assignment and shall be governed by the provisions set forth in Section 3(c).

(f) If the City receives any Collections that are derived from any of the Assigned Receivables, regardless whether from the Court or from a Violator, the City shall ensure a proper accounting of receipt of such Collections and will transfer such Collections daily to the Account for distribution in accordance with this Agreement and Assignment Agreement. Any such amounts shall be deemed held by the City in trust for the Manager.

(g) The City shall ensure a prompt hearing in compliance with applicable law with respect to any Violators who request a hearing before the Court.

12. Reports.

(a) The Manager will cause the Servicer to provide the City with a monthly report, which will provide a summary of Collections on the Assigned Receivables as of the last day of the month most recently completed, duly completed and executed by the Manager and delivered to the City by the 15th day of the following month.

(b) The City will provide the Manager and Servicer with a monthly report in electronic and hard copy format identifying (i) all amounts received directly by the City (including the City and any other City agency) in payment of Assigned Receivables during the month and (ii) all Assigned Receivables with respect to which any adjudication, waiver, dismissal, or other reduction in the receivable amount has taken place within that month. Such report shall be delivered to the Manager by the 10th day of the following month.

13. Rights to Examine Records. During the term of this Agreement, the City and its duly authorized agents, representatives or employees may, upon reasonable prior notice, examine, audit and copy, during normal business hours or at such other times as might be reasonable under applicable circumstances, any and all of the books, records, files or other information of the Manager relating to the Pools assigned to the Manager hereunder. The City shall maintain any non-public information obtained during such examination or in performing any obligations hereunder in accordance with the confidentiality provisions of Section 28 hereof.

14. Retention of Records. Unless returned or otherwise disposed of in accordance with the direction of the City, on the one hand, and the Manager, on the other hand, for a period of twelve (12) months after the date of termination or expiration of this Agreement, the City and the Manager shall continue to maintain all files and records pertaining to the performance of this Agreement, and in each case, shall maintain such files and records in accordance with the confidentiality provisions in Section 28 hereof.

15. Term and Termination.

(a) The Term (as defined in the Assignment Agreement) of this Agreement shall commence as of the date hereof and shall continue until either the expiration of the Term or this Agreement is terminated pursuant to Section 15(b) or Section 15(c) below,

provided that such termination shall not be effective until the Manager has received all amounts to which it is entitled pursuant to the terms of this Agreement including, without limitation, pursuant to Sections 4 and 5 of the Assignment Agreement entered into pursuant to this Agreement.

(b) This Agreement may be terminated upon the mutual written consent of the City and the Manager.

(c) The City or the Manager may terminate this Agreement by providing written notice to the other at any time following the occurrence of an Event of Default by the other and the failure to cure such Event of Default within the cure period provided herein, if any.

(d) In the event of the occurrence of an Event of Default, the non-defaulting party shall provide the defaulting party (the "Defaulting Party") with written notice setting forth the nature of such Event of Default, and the Defaulting Party shall have thirty (30) days to cure such Event of Default, provided, however, that there shall be no notice requirement or cure period for an Event of Default described in subsection (b) of the definition of Event of Default.

(e) Upon the effective date of termination of this Agreement, for whatever reason, or as soon thereafter as is reasonably possible, the Manager shall provide the City with a final report containing the same information as required by Section 12.

(f) Upon the effective date of termination of this Agreement, for whatever reason, the Manager, as directed by the City, will either:

(i) within ten (10) Business Days, deliver all documents, files, books, paper, accounts, and transferable computer files relating to the Assigned Receivables (the "Records") that are in the Manager's possession or control, or the possession or control of the Servicer or any Affiliates of the Manager, to the City, which Records shall be transported in the manner required by the City and at the cost of the City; or

(ii) hold the Records for up to twelve (12) months or until such earlier time as the City directs the Manager to deliver the Records.

In any event, the Manager may make and maintain copies of the Records for its files and shall have access, for any reasonable purpose, to those Records delivered to the City.

(g) Upon the effective date of termination of this Agreement, the Manager will assign the right to manage and collect all outstanding Assigned Receivables to the City and the City may, at its sole discretion, retain any other Person to provide the services provided by the Manager pursuant to this Agreement and the Manager shall cooperate in good faith with the City and such Person retained by the City to effect a smooth transition of responsibility for the management and collection of the Assigned Receivables.

(h) If the City commits an Event of Default that remains uncured for thirty (30) days such that this Agreement is terminated, the City shall owe Manager a Default Premium. The Default Premium shall be calculated as the difference between (A) \$3.0 million;

and (B) the amount of Collections that has been paid to Manager net of servicing fees, if any, pursuant to this Agreement and the Assignment Agreement (the "Default Premium").

(i) Notwithstanding Section 30 herein, if an Event of Default arises, either Party may seek declaratory or injunctive relief.

16. Indemnification. To the extent permitted by applicable law, a Party that has breached this Agreement shall indemnify and hold the non-breaching Party, its Affiliates, if any, and their respective employees, officers, directors, agents, consultants, contractors, attorneys, elected officials and legal representatives harmless from and against all liability (including reasonable attorneys' fees and costs) for all damages of any nature whatsoever, including penalties and fines, liquidated damages or per diem penalties, any bodily injury or personal damage claim and any damage to or loss of use or loss of any personal or real property, which arises out of or relates to a) a material breach by either Party of any of the representations, warranties, covenants or other agreements of the other Party in this Agreement or b) any lawsuit arising out of a violation of the FDCPA by the Manager or the Servicer. For purposes of this Agreement, "Indemnifiable Losses" means any and all claims, liabilities, losses, damages, penalties, actions, judgments, fines, forfeitures, amounts paid in settlement, costs or expenses of any kind or nature whatsoever, including all reasonable attorneys' fees, costs, fees and expenses of defense, appeal and settlement of any proceedings instituted and all costs of investigation therewith. The provisions of this Section 16 shall survive the expiration or termination of this Agreement.

17. Indemnity Procedures.

(a) For an indemnified Party (the "Indemnified Party") to be entitled to any indemnification provided for under this Agreement, such Indemnified Party shall, following the discovery of the matters giving rise to any Indemnifiable Losses, notify the indemnifying party (the "Indemnifying Party") in writing of its claim for indemnification for such Indemnifiable Losses, specifying in reasonable detail the nature of such Indemnifiable Losses and the amount of the liability estimated to accrue therefrom; provided, however, that failure to give such notification shall not affect the indemnification provided hereunder except to the extent the Indemnifying Party shall have been actually prejudiced as a result of such failure (except that the Indemnifying Party shall not be liable for any expenses incurred during the period in which the Indemnified Party failed to give such notice if such expenses could have been avoided by the giving of such notice). Thereafter, the Indemnified Party shall deliver to the Indemnifying Party, within five (5) business days after the Indemnified Party's receipt of such notice, all the information and documentation reasonably required by the Indemnifying Party with respect to such Indemnifiable Losses.

(b) If the indemnification sought pursuant hereto involves a claim made by a third-party against the Indemnified Party (a "Third-Party Claim"), the Indemnifying Party shall be entitled to participate in the defense of such Third-Party Claim with counsel selected by the Indemnifying Party. Should the Indemnifying Party so elect to assume the defense of a Third-Party Claim, the Indemnifying Party shall not be liable to the Indemnified Party for any legal expenses subsequently incurred by the Indemnified Party in connection with the defense thereof. If the Indemnifying Party assumes such defense, the Indemnified Party shall have the right to

participate in the defense thereof and to employ counsel, at its own expense, separate from the counsel employed by the Indemnifying Party, it being understood that the Indemnifying Party shall control such defense.

(c) The Indemnifying Party shall be liable for the fees and expenses of counsel employed by the Indemnified Party for any period during which the Indemnifying Party has not assumed the defense thereof after a reasonable period of time has elapsed following notice of the claim (other than during any period in which the Indemnifying Party shall have failed to give notice of the Third-Party Claim as provided above.

(d) If the Indemnifying Party chooses to defend or prosecute a Third-Party Claim, all of the Parties hereto shall cooperate in the defense or prosecution thereof. Such cooperation shall include the retention and (upon the Indemnifying Party's request) the provision to the Indemnifying Party of records and information which are reasonably relevant to such Third-Party Claim, and making employees available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder

(e) If the Indemnifying Party chooses to defend or prosecute any Third-Party Claim, the Indemnified Party will agree to any settlement, compromise or discharge of such Third-Party Claim which the Indemnifying Party may recommend and which by its terms obligates the Indemnifying Party to pay the full amount of the liability in connection with such Third-Party Claim. Whether or not the Indemnifying Party shall have assumed the defense of a Third-Party claim, the Indemnifying Party shall not admit any liability with respect to, or settle, compromise or discharge such Third-Party Claim without the Indemnifying Party's prior written consent.

(f) The indemnification and advancement of expenses provided by, or granted pursuant to, this Section 17 shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under any agreement or otherwise.

(g) The indemnification and advancement of expenses provided by, or granted pursuant to, this Section 17 shall continue as to and shall inure to the benefit of the heirs, executors, administrators, successors and permitted assigns of each Indemnified Party.

18. Independent Contractor. In performing services under this Agreement, the Manager acknowledges that it is an "independent contractor" and that no other relationship with the City is hereby intended or created, including, without limitation, that of employer-employee, joint venturer, co-owner, partner, and/or agent. Nothing in this Agreement shall be interpreted or construed to constitute the Manager or any of its agents, representatives or employees to be the agent, employee or representative of the City.

19. Force Majeure. Notwithstanding anything to the contrary in this Agreement, no party shall have any liability to the other hereunder by reason of any delay or failure to perform any obligation or covenant other than obligations for the payment of money if the delay or failure to perform is occasioned by force majeure, meaning (but not limited to) any Acts of God, storm, war, civil commotion, terrorism, labor disputes or strikes, fire, flood, or

EXECUTION COPY

other casualty, governmental actions, governmental inactions, governmental priorities, or governmental regulations, or any cause beyond the Parties' direct and immediate control. Should any such event occur, the party so affected shall have such additional time within which to perform as may be reasonably necessary.

20. Notices. Any notice, payment, demand or communication (collectively, a "notice") required or permitted to be given by this Agreement or applicable law shall be in writing and sent by first class mail, overnight courier, hand delivery, telephone conversation, facsimile or e-mail; except, unless waived by the recipient, if such notice is made by telephone conversation, such telephone conversation shall be followed within forty eight (48) hours thereof by written notice sent by e-mail, first class mail, overnight courier or hand delivery. Charges for any notice hereunder shall be prepaid and addressed as follows, or to such other address as such Person may from time to time specify by notice to the Manager or the City, as the case may be:

If to the City, to:

City of Providence
25 Dorrance Street
Providence, RI 02903
Attention: Finance Department
Tel.: 401-680-7351
Email: lmancini@providenceri.gov

With a copy to Adrienne Southgate:

Law Department
444 Westminster Street, Suite 220
Providence, RI 02903
Tel.: 401-680-5333
Email: asouthgate@providenceri.gov

If to the Manager,

PFS IV, LLC
c/o Michael Lenza
54 Camp Street
Milford, MA 01757
Tel.: 508-634-3185
Email: mlenza@aol.com

With a copy to Scott H. Moskol

Burns & Levinson LLP
125 Summer Street
Boston, MA 02110
Tel.: 617-345-3522
Email:smoskol@burnslev.com

Unless otherwise indicated herein, any notice shall be deemed to be delivered, given and received for all purposes as of the date delivered, or if sent by first class mail, five (5) days after the date on which the same was deposited in a receptacle, regularly maintained by the United States Postal Service for the deposit of mail, whichever occurs first.

21. Binding Effect. This Agreement shall be binding upon, and shall inure to the benefit of, the Parties to this Agreement and assigns.

22. References to this Agreement; Headings; Scope. Unless otherwise indicated, "Sections," "Subsections" and "Clauses" mean and refer to designated Sections, Subsections, and Clauses of this Agreement. Words such as "herein," "hereby," "hereinafter," "hereof," "hereto," and "hereunder" refer to this Agreement as a whole, unless the context indicates otherwise. All headings in this Agreement are for convenience of reference only and are not intended to define or limit the scope or intent of this Agreement. This Agreement constitutes the entire understanding of the Parties hereto with respect to the subject matter hereof and supersedes all prior understandings and agreements in regard hereto. All exhibits referred to herein, and as the same may be amended from time to time, are by this reference made a part hereof as though fully set forth herein.

23. Construction. Common nouns and pronouns and any variations thereof shall be deemed to refer to masculine, feminine, or neuter, singular or plural, as the identity of the Person, Persons or other reference in the context requires. Every covenant, term and provision of this Agreement shall be construed simply according to its fair meaning and not strictly for or against any party hereto. Any reference to any statutes, laws, regulations, forms or schedules shall include any amendments, modifications, or replacements thereof. Whenever used herein, "or" shall include both the conjunctive and disjunctive, "any" shall mean "one or more," and "including" shall mean "including without limitation."

24. Validity of Agreement; Severability. Every provision of this Agreement is intended to be severable. If any provision hereof is illegal, invalid or unenforceable for any reason whatsoever, such provision will be fully severable; this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision were not a part of this Agreement; and the remaining provisions of this Agreement will remain in full force and effect and will not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Further, in lieu of such illegal, invalid, or unenforceable provision, there will be automatically included, as part of this Agreement, a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable. In the event the FDCPA, the Code or other controlling law is subsequently amended or interpreted in such a way to make any provision of this Agreement that was formerly invalid a valid provision, such provision shall be considered to be valid from the date provided in such interpretation or

amendment or in the event the interpretation or amendment does not otherwise provide, from the effective date of such interpretation or amendment.

25. Further Action. Each party, upon the request of any other party, agrees to perform all further acts and execute, acknowledge, or deliver any instruments or documents and to perform such additional acts as may be reasonably necessary, appropriate or desirable to carry out the provisions of this Agreement.

26. Governing Law. The laws of the State of Rhode Island, without reference to conflict of laws principles, shall govern the validity, construction and interpretation of this Agreement.

27. Counterpart Execution. This Agreement may be executed and transmitted by facsimile in any number of counterparts with the same effect as if the Parties hereto had signed the same document.

28. Confidentiality.

(a) Each of the Parties hereto shall, and shall cause its Affiliates to, keep confidential any Confidential Information regarding the other party and the Receivables and to use such Confidential Information only to perform its obligations under this Agreement and shall not disclose such Confidential Information to any third party, other than as contemplated herein, without the prior written consent of the other party. Each party shall maintain the Confidential Information of the other in confidence using at least the same degree of care as it employs in maintaining in confidence its own proprietary and confidential information, but in no event less than a reasonable degree of care.

(b) For the purpose of this Section 28, the term "Confidential Information" shall include all data, reports, and records, financial or otherwise, including or reflecting information about or concerning a party and any Receivable which is not available to the general public (whether received before or after the date hereof and whether transmitted orally or in writing). The term "Confidential Information" does not include information that:

(i) is or becomes generally available to the public other than as a result of a disclosure by the party to whom such Confidential Information relates;

(ii) was or becomes available to a party on a non-confidential basis from a source other than the other party; provided that such source is not bound by a confidentiality agreement with or other contractual, legal or fiduciary obligation of confidentiality to the other party with respect to such information;

(iii) is developed by a party independently of, or was known by a party prior to, any disclosure of such information made by such party;

(iv) is required to be disclosed by order of a Court of competent jurisdiction, administrative agency or governmental body, or by any law, rule or regulation, or by subpoena, summons or any other administrative or legal process, or by

applicable regulatory standards, after notice of such requirement has been given to the other party, and the other party has had a reasonable opportunity to oppose such disclosure; or

(v) is disclosed with the written consent of the other party.

29. No Implied Waiver. The Manager and the City shall have the right at all times to enforce the provisions of this Agreement in strict accordance with the terms hereof, and no waiver of any provision of this Agreement shall constitute a waiver of any other provision, nor shall any waiver constitute a continuing waiver unless otherwise provided in writing.

30. Arbitration.

(a) The Parties agree that the arbitration procedure set forth below shall be the sole and exclusive method for resolving and remedying any and all disputes regarding claims for money damages based upon, arising out of or in any way connected with this Agreement or the transactions contemplated hereby (each a "Dispute"). Nothing in this Section 30 shall prohibit a party hereto from instituting litigation to enforce any Final Determination (as defined below). The Parties hereby agree and acknowledge that, except as otherwise provided in this Section 30 or in the Commercial Arbitration Rules of the American Arbitration Association as in effect from time to time, the arbitration procedures and any Final Determination hereunder shall be governed by and shall be enforced pursuant to the Uniform Arbitration Act as in effect in Rhode Island.

(b) If any party asserts that there exists a Dispute, such party shall deliver a written notice to the other party involved therein specifying the nature of the asserted Dispute and requesting a meeting to attempt to resolve the same. If no such resolution is reached within thirty (30) days after such delivery of such notice, the party delivering such notice of Dispute may, within sixty (60) days after delivery of such notice, commence arbitration hereunder by delivering to the other party a notice of arbitration (a "Notice of Arbitration") and by filing a copy of such Notice of Arbitration with the Providence office of the American Arbitration Association. Such Notice of Arbitration shall specify the matters as to which arbitration is sought, the nature of any Dispute, the claims of each party to the arbitration and the amount and nature of damages or other relief sought to be recovered as a result of any alleged claim and any other matters required by the Commercial Arbitration Rules of the American Arbitration Association as in effect from time to time to be included therein.

(c) The Parties shall attempt to select a sole arbitrator satisfactory to each of the City and the Manager. If the Parties fail to select such a sole arbitrator as set forth herein within thirty (30) days after the delivery of a Notice of Arbitration, then City shall select one arbitrator (the "City's Arbitrator") and Manager shall select one arbitrator (the "Manager's Arbitrator"). If either party fails to select an arbitrator as set forth herein within thirty (30) days after the delivery of a Notice of Arbitration, then the matter shall be resolved by the arbitrator selected by the other party. City's Arbitrator and Manager's Arbitrator shall select a third independent, neutral arbitrator, and the three arbitrators so selected shall resolve the Dispute according to the procedures set forth in this Section 30. If City's Arbitrator and Manager's

Arbitrator are unable to agree on a third arbitrator within forty five (45) days after their selection, then the Providence office of the American Arbitration Association shall select the third arbitrator.

(d) The arbitration shall be conducted in Rhode Island under the Commercial Arbitration Rules of the American Arbitration Association as in effect from time to time, except as otherwise set forth herein. The arbitrators shall conduct the arbitration such that a final result, determination, finding, judgment and/or award (the "Final Determination") is made or rendered as soon as practicable, after the delivery of the Notice of Arbitration nor later than sixty (60) days following completion of the arbitration. The Final Determination shall be made in writing, shall state the basis for such determination and shall be agreed upon and signed by the sole arbitrator or by at least two of the three arbitrators (as the case may be). The arbitrators shall have the discretion to award to the prevailing party all reasonable costs and expenses, including, without limitation, reasonable attorneys' fees and disbursements, incurred by the prevailing party in connection with such arbitration. Such costs, expenses, fees and disbursements shall be included in and made a part of the Final Determination. The Final Determination shall be final and binding on all Parties, and there shall be no appeal from or reexamination of the Final Determination, except for fraud, perjury, evident partiality or misconduct by an arbitrator prejudicing the rights of any party and to correct manifest clerical errors.

(e) The Parties hereto may enforce any Final Determination in any state or federal Court in Rhode Island having jurisdiction over the Dispute. For the purpose of any action or proceeding instituted with respect to any Final Determination, each party hereto hereby irrevocably submits to the jurisdiction of such Courts, irrevocably consents to the service of process by registered mail or personal service and hereby irrevocably waives, to the fullest extent permitted by law, any objection which it may have or hereafter have as to personal jurisdiction, the laying of the venue of any such action or jurisdiction, the laying of the venue of any such action or proceeding brought in any such City and any claim that any such action or proceeding brought in any City has been brought in an inconvenient forum.

31. Amendment. This Agreement may be amended from time to time only upon written agreement of the Manager and the City.

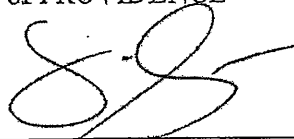
32. Assignment. Neither Party may assign, delegate or otherwise freely transfer its respective rights and obligations under this Agreement to any other Person without the prior written consent of the non-assigning Party, with such written consent not to be unreasonably withheld.

[Remainder of Page Intentionally Left Blank; Signature Page to Follow]

EXECUTION COPY

IN WITNESS WHEREOF, the Parties have entered into this Agreement as of the date first above written.

THE CITY of PROVIDENCE

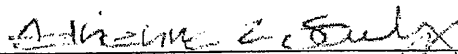


By: _____

Name: Jorge O. Elorza

Title: Mayor

Approved as to form and correctness:



Adrienne Southgate, Deputy City Solicitor

PFS IV, LLC

By: _____

Name: Michael Lenza

Title: Manager

IN WITNESS WHEREOF, the Parties have entered into this Agreement as of the date first above written.

THE CITY of PROVIDENCE

By: _____
Name: Jorge O. Elorza
Title: Mayor

Approved as to form and correctness:

Jeffrey Dana, City Solicitor

PFS IV, LLC

By:  _____
Name: Michael Lenza
Title: Manager

EXECUTION COPY

EXHIBIT A

ASSIGNMENT, FUNDING AND COLLECTION TERMS AGREEMENT

ASSIGNMENT, FUNDING AND
COLLECTION TERMS AGREEMENT

This ASSIGNMENT, FUNDING AND COLLECTION TERMS AGREEMENT (the "Agreement"), dated as of August 5, 2016 (the "Effective Date"), is entered into by and between the City of Providence (the "City") and PFS IV, LLC a Delaware limited liability company, and its successors and assigns (the "Manager"). The City and the Manager are sometimes collectively referred to herein as the "Parties", and each individually as a "Party."

1. This Agreement is entered into pursuant to that certain Master Asset Management Agreement dated August 5, 2016 between the City and the Manager (the "Master Agreement"), a copy of which is attached hereto as Exhibit A and the terms of which are incorporated herein by reference. Unless otherwise defined, capitalized words and terms used herein will have the meanings given to them in the Master Agreement.

2. The City hereby assigns to the Manager the right to manage and collect the Assigned Receivables pursuant to the terms of the Master Agreement. The aggregate dollar amount of the Present Receivables is approximately Eighteen Million Dollars and 00/100 Cents (\$18,000,000.00) and such Present Receivables are specifically listed on the e-files contained on the disk that is attached hereto and incorporated herein as Exhibit B and more generally summarized in the summary sheet attached hereto and incorporated herein as Exhibit C. As provided for in the Master Agreement and this Agreement, the City shall assign to the Manager on a monthly basis the right to manage and collect the Future Receivables. Each month, the Parties shall supplement this Agreement and Exhibits B and C with a schedule that details that month's Future Receivables being assigned to the Manager hereunder.

3. Upon complete satisfaction of the terms and conditions contained in Section 2(c) of the Master Agreement, the Manager shall advance to the City the amount of One Million Dollars and 00/100 Cents (\$1,000,000.00) (the "Advance").

4. The Advance shall be non-recourse to the City except as provided for in the Master Agreement. In consideration for making such Advance, the Manager shall be compensated as provided for in Section 5 of this Agreement and in accordance with the Master Agreement, with such compensation payable only out of the Collections; provided, however, if an Event of Default arises causing a Default Premium to be owed to the Manager or the Manager is awarded a monetary award as a result of arbitration pursuant to Section 30 of the Master Agreement, such monetary damages shall be paid first out of Collections and then second by the City, all in accordance with the Master Agreement.

5. All Collections with respect to the Assigned Receivables shall be paid to the Manager and the City during the Term (as defined below) in the following order or priority:

(a) First, all Collections shall be paid to the Manager until the aggregate amount paid under this Section 5(a) shall be equal to Eight Million Dollars and 00/100 Cents (\$8,000,000.00) (the "Cap Amount"); and

(b) Second, once the Manager receives the Cap Amount, the remaining balance of all Collections, net of (i) the Fee of the Servicer and (ii) costs of Collections that are reimbursable to the Manager by the City, including, but not limited to, license suspension, registration on hold or tax intercept/lottery proceed intercepts, shall be paid fifty percent (50%) to the City and fifty percent (50%) to the Manager.

6. The City represents and warrants to the Manager as follows:

(a) the representations and warranties of the City set forth in the Master Agreement are true and correct in all material respects on the date hereof as though made on the date hereof;

(b) no Event of Default has occurred and is continuing as of the Effective Date;

(c) the City (i) has the full power and authority to execute, deliver and perform its obligations under this Agreement, and (ii) has taken all action necessary to duly authorize the execution, delivery and performance of this Agreement, and has duly executed and delivered this Agreement;

(d) the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the performance of or compliance with the terms and conditions of this Agreement by the City does not (and will not) conflict with, violate or result in a breach of (i) any of the terms, conditions or provisions of the City's Home Rule Charter, (ii) any agreement or instrument to which the City is now a party or by which the City is bound, or (iii) any law, regulation, order, writ, injunction, decree, determination or award of any City, any other Governmental Authority or any arbitrator, now applicable to the City or any of its agencies, or constitute a default under any of the foregoing;

(e) there are no actions, suits, proceedings or investigations pending or, to the knowledge of the City, threatened against or affecting the City (or any of its properties, assets or operations) in any City or before or by any Governmental Authority, or any arbitrator which would reasonably be expected to materially affect the City's ability to perform its obligations under this Agreement; the City has not received any notice of any default, and the City is not in default, under any applicable order, writ, injunction, decree, permit, determination or award of any City, any other Governmental Authority or any arbitrator which would reasonably be expected to materially affect the City's ability to perform its obligations under this Agreement.

(f) no consent, approval, authorization or order of any City or governmental agency or body is required by the City for the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the performance of or compliance with the terms and conditions of this Agreement by the City; and

(g) this Agreement constitutes the legal, valid and binding obligation of the City, enforceable against the City in accordance with its terms.

7. The term of this Agreement shall commence as of the Effective Date and shall continue until June 30, 2022 (the "Term"); provided, however, that the Manager shall be entitled to receive all amounts to which it is entitled pursuant to the terms of the Master Agreement. The Parties shall have the authority to extend the Term hereunder upon the mutual written consent of both Parties.

8. The Receivables Refund Price (as defined below) for any of the Receivables assigned hereunder that becomes a Breached Receivable and is not replaced by the City in accordance with Section 8(c)(i) of the Master Agreement shall be an amount equal to the product of (A) the aggregate dollar amount of such Assigned Receivable, multiplied by (B) the quotient of (x) the purchase price paid by the Manager to the City for the Assigned Receivables pool transferred hereunder, divided by (y) the aggregate dollar amount of all Assigned Receivables included in the Assigned Receivables pool transferred hereunder (the "Receivable Refund Price").

9. This Agreement may be executed in any number of counterparts and by the Parties in separate counterparts, each of which shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of this Agreement by telefacsimile or electronic mail shall be equally as effective as delivery of an original executed counterpart of this third Assignment.

10. This Agreement shall be governed by the laws of the State of Rhode Island.

11. This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and assigns.

12. Every provision of this Agreement is intended to be severable. If any provision hereof is illegal, invalid or unenforceable for any reason whatsoever, such provision will be dully severable; the Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision were not part of this Agreement.

13. Each Party, upon the request of the other Party, agrees to perform all further acts and execute, acknowledge or deliver any instruments or documents and to perform such additional acts as may be reasonably necessary, appropriate or desirable to carry out the provisions of this Agreement.

[Remainder of Page Intentional Left Blank; Signature Page to Follow]

IN WITNESS WHEREOF, the Parties have entered into this Assignment, Funding and Collection Terms Agreement as of the date written above.

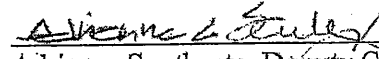
THE CITY OF PROVIDENCE

By: 

Name: Jorge O. Elorza

Title: Mayor

Approved as to form and correctness:



Adrienne Southgate, Deputy City Solicitor

PFS IV, LLC

By: _____

Name: Michael Lenza

Title: Manager

IN WITNESS WHEREOF, the Parties have entered into this Agreement as of the date first above written.

THE CITY of PROVIDENCE

By: _____
Name: Jorge O. Elorza
Title: Mayor

Approved as to form and correctness:

Jeffrey Dana, City Solicitor

PFS IV, LLC

By:  _____
Name: Michael Lanza
Title: Manager

EXECUTION COPY

EXHIBIT B
SERVICER AGREEMENT

SERVICER AGREEMENT

THIS SERVICER AGREEMENT (the "Agreement"), dated as of August 5, 2016 (the "Effective Date"), is entered into by and between PROFESSIONAL ACCOUNT MANAGEMENT, LLC ("PAM"), a Wisconsin limited liability company which is wholly-owned by Duncan Solutions, Inc. ("Duncan"), and PFS IV, LLC, a Delaware limited liability company ("PFS"). PFS and PAM are sometimes collectively referred to herein as the "Parties", and each individually as a "Party."

WITNESSETH:

WHEREAS, PFS has entered into that certain Master Asset Management Agreement dated August 5, 2016 (the "Management Agreement") with the City of Providence, Rhode Island (the "City"), pursuant to which the City has engaged PFS to manage and collect certain Assigned Receivables.

WHEREAS, as permitted by the Management Agreement, PFS desires to engage PAM to perform, on PFS's behalf, the management and collection services described in the Management Agreement with respect to the Assigned Receivables (the "Services");

WHEREAS, PAM is in the business of providing management and collection services and desires to provide the Services for PFS on the terms and conditions of this Agreement; and

NOW, THEREFORE, for good and valuable consideration, PFS and PAM agree as follows:

1. Management Agreement. The Management Agreement is attached hereto as Exhibit A and incorporated herein by reference. Unless otherwise defined herein, capitalized terms used herein shall have the meanings given to such terms in the Management Agreement.

2. Services. PFS hereby engages PAM to provide, and PAM hereby agrees to provide on PFS's behalf, the Services with respect to Assigned Receivables required to be provided by PFS pursuant to the terms of the Management Agreement, including but not limited to those services listed on attached Exhibit B. Without limiting the generality of the foregoing, PAM shall perform such other duties and responsibilities as PFS shall reasonably determine is necessary to carry out the intent and purposes of the Management Agreement. If these duties and responsibilities are outside the core scope of Exhibit B, the Parties shall negotiate in good faith reasonable compensation for any such duties and responsibilities. PAM shall be engaged for the entire Collection Period; provided, however, PFS may terminate PAM's engagement in accordance with the provisions of this Agreement.

3. Account/Compensation. PAM shall ensure that all amounts collected with respect to the Assigned Receivables shall be deposited into a bank account to be held by PAM in the name of and for the benefit of PFS (the "Account"). PAM shall release by wire transfer all amounts held in the Account, without any setoff, to an account designated in writing by and maintained under the sole custody and control of PFS on a weekly basis (the "Weekly Wire"), as well as provide PFS with a weekly accounting of all amounts deposited into the Account. Other than the Weekly Wire, PAM shall have no authority to make any other disbursements or

payments from the Account without the express written consent of PFS. PAM's responsibilities under this Section 3 shall constitute a material duty and/or obligation under this Agreement, such that PAM's breach of its covenants under this Section 3 shall constitute "cause" in accordance with Section 9(d). For providing the Services on behalf of PFS, PFS shall pay PAM in accordance with the fee schedule set forth in Exhibit C attached hereto and incorporated herein by reference (the "Fee"). PAM shall invoice PFS on a monthly basis for the Fee due and owing to it, which shall then be payable in accordance with Section 7 of the Management Agreement. The Parties agree that Fees due and owing to PAM under this Agreement shall be paid without set-off unless PAM is terminated for cause.

4. Compliance and Staffing. PAM represents, warrants and agrees as follows:

(a) PAM, its officers, directors, employees, independent contractors and agents shall provide the Services in a manner that complies with all applicable licensing requirements and all applicable federal, state and/or local laws, regulations, rules and/or ordinances, including without limitation the federal Fair Debt Collection Practices Act, Fair Credit Reporting Act, Telephone Consumer Protection Act and those federal, state and local laws, regulations, rules and/or ordinances relating to debt collection services being performed by collection agencies;

(b) PAM and its officers, directors, employees, independent contractors and agents shall comply with all debt collection policies and procedures periodically adopted by the City or PFS (so long as approved by the City) as communicated by PFS to PAM provided that PAM may request an adjustment to the Fee where such changes require additional resources beyond the original scope of Exhibit B and such adjustment shall not be unreasonably withheld;

(c) PAM shall employ, dedicate and assign a sufficient number of qualified and trained employees to provide the Services as required herein and pursuant to the Management Agreement (the "Authorized Employees");

(d) PAM agrees that it will, at all times while providing the Services, cause its officers, directors, employees, independent contractors and agents to (i) act in a professional manner and abide by such ethical and other standards as may be promulgated from time to time by the Association of Credit and Collection Professionals and the International Association of Commercial Collectors, Inc. and (ii) refrain from seeking to collect the Assigned Receivables by use of prohibited means or in non-compliance with this Section 4;

(e) PAM acknowledges and agrees that, in the course of its engagement by PFS, PAM may receive or have access to certain highly-sensitive personal and confidential information with respect to Violators including but not limited to (a) an individual's government-issued identification number such as a social security number, driver's license number or state-issued identification number, (b) financial account number, credit card number, debit card number, credit report information, (c) an individual's biometric or health data and (d) such other information that can be used to identify an individual including but not limited to names, signatures, addresses, telephone numbers, email addresses and other unique identifiers (collectively, "Personal Information"). PAM shall comply with the terms and conditions of this Agreement and applicable state and federal law with respect to the collection, receipt,

transmission, storage, disposal, use and disclosure of such Personal Information to any third party; and

- (f) PAM agrees and covenants that, with respect to all Personal Information, it shall:
- (i) keep and maintain all Personal Information in strict confidence, using a commercially reasonable degree of care to avoid unauthorized access, use or disclosure;
 - (ii) use and disclose Personal Information solely and exclusively for the purposes for which the Personal Information, or access to it, is provided pursuant to the terms and conditions of this Agreement, and shall not use, sell, rent, transfer, distribute or otherwise make available such Personal Information for its own purposes or for the benefit of any other third party other than in accordance with this Agreement; and
 - (iii) not directly or indirectly disclose Personal Information to any person or entity other than those Authorized Employees who need access to such Personal Information in order to comply with PAM's duties under this Agreement.

5. Indemnification and Other Liability.

(a) PAM Indemnity. Subject to Section 5(d) below, PAM and its successors and assigns (collectively, the "PAM Parties") shall indemnify, defend and hold a) PFS, and its employees, officers, directors, members, agents, attorneys, successors and assigns (collectively, the "PFS Group") and b) the City, its employees, directors, officers, independent contractors, agents, attorneys, successors and assigns (the "City Parties") harmless from and against all debts, demands, costs, liabilities, damages, losses and expenses (including, without limitation, reasonable attorneys' fees and expenses) to the extent caused by or that result from or are related to the negligent or more culpable acts or omissions of the PAM Parties and their respective officers, directors, attorneys, employees, agents and independent contractors (collectively, the "PAM Group"). The PAM Parties shall defend at their sole cost and expense and shall hold the PFS Group and the City Parties harmless from and against any and all damages, liabilities, penalties and/or settlements resulting from any suit, counterclaim or claim asserted by any third party related to the performance of the Services hereunder by the PAM Group or resulting from a breach of any representation or warranty made by PAM in this Agreement or a failure by the PAM Group to perform a material duty and/or obligation included in this Agreement.

(b) PFS Indemnity. Subject to Section 5(d) below, PFS and its successors and assigns (collectively, the "PFS Parties"), shall indemnify, defend and hold the PAM Parties harmless from and against all debts, demands, costs, liabilities, damages, losses and expenses (including, without limitation, reasonable attorneys' fees and expenses) to the extent caused by or that result from or are related to the negligent or more culpable acts or omissions of the PFS Group. The PFS Parties shall defend at their sole cost and expense and shall hold the PAM Group harmless from and against any and all damages, liabilities, penalties and/or settlements resulting from any suit, counterclaim or claim asserted by any third party resulting from a breach

of any representation or warranty made by PFS in this Agreement or a substantial failure by the PFS Group to perform a material duty and/or obligation included in this Agreement.

(c) Indemnity Procedures. If a Party intends to seek indemnification pursuant to this Section 5, such Party shall give prompt written notice to the other Party of the claim, demand, assessment, action, suit, or proceeding (collectively, "Claim") to which the indemnity applies. Such notice shall provide, in reasonable detail, any information that the notifying Party may have with respect to the Claim (including, without limitation, copies of any summons, complaints, or other pleadings, which may have been served on the notifying Party or its agents and any written claim, demand, invoice, billing, or other document evidencing the same). Failure to give prompt notice of a matter, which may give rise to indemnification hereunder shall not affect the rights of a Party to seek indemnification hereunder from the other Party so long as such failure to notify does not adversely affect in any material respect the other Party's ability to defend the matter for which indemnification is sought. The indemnifying Party shall have the right to control the defense of the matter for which indemnification is sought under this Agreement, provided that the indemnifying Party must conduct the defense actively and diligently thereafter in order to preserve its rights in this regard; and provided further, however, that the indemnifying Party shall not agree to settle any Litigation involving the indemnified Party without the written consent of such indemnified Party (which consent shall not be unreasonably withheld or delayed) unless the judgment or proposed settlement involves only the payment of money damages (notwithstanding reasonable and customary settlement terms and provisions that are not material to the indemnified Party), resolves the claim entirely, and does not impose an injunction or other equitable relief upon the indemnified Party. The Party seeking indemnification shall have the right, at its own expense, to have its own counsel participate in the defense.

(d) Limitation of Liability. EXCEPT IN CONNECTION WITH CLAIMS RELATING TO BREACH OF CONFIDENTIALITY OBLIGATIONS, MISUSE OF INTELLECTUAL PROPERTY, AND/OR WILLFUL MISCONDUCT, IN NO EVENT SHALL A PARTY BE LIABLE UNDER THIS AGREEMENT FOR THE OTHER PARTY'S OWN CONSEQUENTIAL, INCIDENTAL, INDIRECT, LOST PROFIT OR SPECIAL DAMAGES. The phrase "Party's own" is meant to distinguish a Party's own damages from a third party's damages.

(e) The provisions of this Section 5 shall survive the expiration or termination of this Agreement.

6. Insurance. PAM shall obtain and keep in force during the term of this Agreement insurance policies with not less than the following coverage:

(a) General Liability - \$1,000,000 per occurrence; \$2,000,000 general aggregate. The commercial general liability policy shall name PFS and the City as an additional insured party and loss payee.

(b) Worker's Compensation - as required by law.

(c) Errors and Omissions Coverage - \$2,000,000 per claim.

(d) Fidelity Bond Insurance - PAM shall provide fidelity bond insurance, which will protect PAM against employee dishonesty, and shall insure, at a minimum, against losses, including as a result of theft, embezzlement, fraud and other similar dishonest acts by employees of PAM acting alone or in collusion with others in the amount of \$1,000,000 per loss while the Assigned Receivables and funds related thereto are in PAM's care, custody, or control. PFS shall be listed as a joint loss payee, as its interest may appear, on PAM's fidelity bond insurance policy. If a claim were to be made, the insurance company would make the applicable payout to each Party suffering a financial loss arising from or relating to any such PAM employee's dishonest act subject to the \$1,000,000 per loss limit. If it has been determined that PFS or the City has an uncompensated loss as a result of an PAM employee's dishonest act, PAM shall be responsible to make PFS and/or the City whole on the applicable financial loss resulting from such dishonest act, whether or not PAM is reimbursed through insurance.

No insurance provided for under this Section 6 shall diminish or relieve the PAM Parties of their respective duties and obligations as set forth in this Agreement including their obligations to indemnify the PFS Group or the City under Section 5 of this Agreement.

The insurance policies shall insure PAM from and against, among other things, claims of negligent errors and omissions by PAM and its officers, directors, independent contractors and/or employees. PAM shall furnish to PFS and the City standard ACORD form certificates of insurance, and forward renewal certificates, expiration and/or termination notices within ten (10) days after PAM's receipt of any such notice related to its insurance policies.

7. Periodic Review of Records. At any time during the term of this Agreement, with at least five (5) days prior written notice to PAM, PFS or the City and/or their designated accountants or representatives shall be entitled and authorized to examine and PAM shall provide reasonable assistance to them and/or any designated accountant or representative in examining PAM's records related to Assigned Receivables. PAM shall use commercially reasonable efforts to make available any records related to Assigned Receivables requested by PFS or the City and/or their designated accountants or representatives within five (5) days of such request.

8. Effective Date and Term. This Agreement shall be effective as of the date first shown above and shall continue until the expiration of the Collection Period, unless otherwise terminated in accordance with this Agreement (the "Term"). Throughout the Term and after termination of this Agreement, PFS shall remain fully responsible for the performance of the management and collection services herein and pursuant to, and in accordance with, the Management Agreement.

9. Termination.

(a) Upon the expiration of twelve (12) months from the commencement of the Collection Period, PFS shall have the right to terminate this Agreement for any reason, with or without cause; provided, however, if PAM fails to do any of the following (the "Benchmarks") within six (6) months from the Effective Date, PFS may provide written notice to PAM of its failure to comply with the Benchmarks and, if PAM does not remedy such failure within thirty

(30) days of receipt of such written notice, PFS may then terminate this Agreement thereafter at its discretion:

- (i) mail at least two (2) collection letters with respect to each Violation;
- (ii) perform a skip tracing attempt at least four (4) times for those accounts requiring phone number and/or address updates;
- (iii) make at least forty (40) outbound phone call attempts for those accounts with a valid phone number; and
- (iv) extract and assign any commercial (business) accounts to a specialty business-to-business collection agency partner.

(b) If PFS elects to terminate this Agreement, PFS shall provide written notice to PAM and PAM and PFS agree that they will then negotiate a new or amended Agreement for ongoing services to be performed by PAM, which shall include new financial terms for the Fee to be paid to PAM. If PAM and PFS cannot reach agreement as to terms of a new or amended Agreement within thirty (30) days of such written notice, PFS may, in its sole option, terminate this Agreement upon an additional thirty (30) days written notice to PAM (the "Final Notice Period") with the termination being effective upon the expiration of the additional thirty (30) day notice (the "Termination Date"). If this Agreement is terminated by PAM for any reason, PAM will continue to provide the Services to PFS for an additional thirty (30) day period after the date in which PAM notifies PFS that it deems this Agreement terminated, which thirty (30) day period will also be deemed to be the Final Notice Period and the last day of such thirty (30) day period shall be deemed to be the Termination Date.

(c) Upon any such termination, (a) PFS shall compensate PAM in accordance with this Agreement for any and all Services performed on its behalf prior to the Termination Date, and (b) PAM shall take all such actions as are reasonably necessary or reasonably requested by PFS to ensure a prompt and orderly transition of responsibilities to the successor to PAM as provider of the Services during the thirty (30) days of the Final Notice Period including but not limited to providing to PFS and/or any successor servicer with a data file detailing what collection efforts have been taken with respect to each Violation, the date such action was taken, what amounts were collected and such additional information as reasonably requested by PFS. After sixty (60) days have elapsed from the Termination Date, PFS shall calculate what amounts are due and owing to PAM for any Services that PAM performed prior to such termination but which collections relating to such Services were received after the termination. PFS shall then pay PAM such amounts within five (5) business days of PFS making such calculation. All representations, warranties and indemnification provisions contained herein shall survive the termination of this Agreement.

(d) Notwithstanding Section 9(a) above, this Agreement may be terminated by either Party immediately if there is cause with respect to the other Party. For purposes hereof, "cause" shall mean, any one or all of the following:

- i. Material default in the performance, or material breach of any covenant in this Agreement and continuance of such default or breach for a period of

thirty (30) days after the date on which written notice, specifying such default or breach and requiring it to be remedied;

- ii. Commencement of a voluntary bankruptcy case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts or seek the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, or shall consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it, or shall make a general assignment for the benefit of creditors, or an involuntary bankruptcy case or other proceeding shall be commenced seeking liquidation, reorganization or other relief with respect to it or its debts or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, and such involuntary case or other proceeding shall remain undismissed and unstayed for a period of sixty (60) days; or an order for relief shall be entered under the Federal bankruptcy laws as now or hereafter in effect;
- iii. With respect to PAM only, cause shall exist upon the imposition of any lien on any assets of PFS or the City as a result of action by PAM which is not released or bonded over within thirty (30) days after PAM receives actual written notice hereof.

(e) Upon the occurrence of an event of default or termination as provided for herein, PFS shall have the right to recall all or any portion of the Assigned Receivables from PAM along with all other rights and remedies available under this Agreement or applicable law.

10. Representations and Warranties of PFS. PFS represents and warrants to PAM as follows:

(a) PFS (i) is a limited liability company, duly organized, validly existing and in good standing under the laws of the State of Delaware and (ii) is or will be qualified to transact business in, and is or will timely be in good standing under, the laws of the State of Rhode Island;

(b) PFS has the full power and authority to execute, deliver and perform all transactions contemplated by this Agreement, and PFS has duly authorized the execution, delivery and performance of this Agreement, and has duly executed and delivered this Agreement;

(c) the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the performance of or compliance with the terms and conditions of this Agreement and each other document and agreement executed and delivered by PFS in connection herewith does not (and will not) conflict with, violate or result in a breach of (i) any of the terms, conditions or provisions of PFS's operating agreement, (ii) any agreement or instrument to which PFS is now a party, by which PFS is bound, or (iii) any law, regulation, order, writ, injunction, decree, determination or award of any court, any other Governmental

Authority or any arbitrator, now applicable to PFS or any of its Affiliates, or constitute a default under any of the foregoing;

(d) to the best of its knowledge, there are no actions, suits, proceedings or investigations pending or, to the knowledge of PFS, threatened against or affecting PFS (or any of its properties, assets or businesses) in any court or before or by any Governmental Authority, or any arbitrator which would reasonably be expected to materially affect PFS's ability to perform its obligations under this Agreement and each other document and agreement executed and delivered by PFS in connection herewith. PFS has not received any notice of any default, and PFS is not in default, under any applicable order, writ, injunction, decree, permit, determination or award of any court, any other Governmental Authority or any arbitrator which would reasonable be expected to materially affect PFS's ability to perform its obligations under this Agreement and each other document and agreement executed and delivered by PFS in connection herewith;

(e) to the best of its knowledge, no consent, approval, authorization or order of any court or governmental agency or body is required by PFS for the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the performance of or noncompliance with the terms and conditions of this Agreement by PFS and each other document and agreement executed and delivered by PFS in connection herewith;

(f) this Agreement, and each other document and agreement executed and delivered by PFS in connection herewith, constitutes the legal, valid and binding obligation of PFS, enforceable against PFS in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting creditor's rights generally, or general principles of equity;

(g) to the best of its knowledge, PFS is not in default or violation of any applicable federal, state or local statutes, laws, ordinances, rules or regulations which relate to the Services or similar services;

(h) to the best of its knowledge, PFS has not received any written notice of termination or non-renewal of any contract to which it is a party; and

(i) to the best of its knowledge, no officer, director, employee or agent of PFS, nor any person acting with or on behalf of PFS, has directly or indirectly offered, agreed to make or made any contribution, gift, bribe, rebate, payoff, influence payment, kickback or other payment to any person, private or public, regardless of form, whether in money, property or services to (i) obtain favorable business treatment in securing business, permits or licenses, (ii) to pay for favorable treatment for business, permits or licenses secured, (iii) to obtain any special concessions of for special concessions already obtained, or (iv) in violation of any legal requirement.

11. Representations and Warranties of PAM. PAM represents and warrants to PFS as follows:

(a) PAM (i) is a corporation, duly organized, validly existing and in good standing under the laws of the State of Wisconsin and is qualified to transact business in and in good standing under the laws of the State of Rhode Island;

(b) PAM (i) has the full power and authority to execute, deliver and perform its obligations under this Agreement, and (ii) has taken all action necessary to duly authorize the execution, delivery and performance of this Agreement, and has duly executed and delivered this Agreement;

(c) the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the performance of or compliance with the terms and conditions of this Agreement by PAM does not (and will not) conflict with, violate or result in a breach of (i) any of the terms, conditions or provisions of PAM's bylaws or charter, (ii) any agreement or instrument to which PAM is now a party or by which PAM is bound, or (iii) any law, regulation, order, writ, injunction; decree, determination or award of any court, any other Governmental Authority or any arbitrator, now applicable to PAM or any of its affiliates, or constitute a default under any of the foregoing;

(d) to the best of its knowledge, there are no actions, suits, proceedings or investigations pending or, to the knowledge of PAM, threatened against or affecting PAM (or any of its properties, assets or business) in any court or before or by any Governmental Authority, or any arbitrator which would reasonably be expected to materially affect PAM's ability to perform its obligations under this Agreement. PAM has not received any notice of any default, and PAM is not in default, under any applicable order, writ, injunction, decree, permit, determination or award of any court, any other Governmental Authority or any arbitrator which would reasonably be expected to materially affect PAM's ability to perform its obligations under this Agreement;

(e) no consent, approval, authorization or order of any court or governmental agency or body is required by PAM for the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the performance of or compliance with the terms and conditions of this Agreement by PAM;

(f) this Agreement, and each other document and agreement executed and delivered by PAM in connection herewith, constitutes the legal, valid and binding obligation of PAM, enforceable against PAM in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting creditor's rights generally, or general principles of equity;

(g) to the best of its knowledge, PAM is not in default or violation of any applicable federal, state or local statutes, laws, ordinances, rules or regulations which relate to the Services or similar services;

(h) except as previously communicated to PFS, to the best of its knowledge, PAM has not received any written notice of termination or non-renewal of any government collections or service contract, or contracts ancillary to such government collection or service contracts, to which it is a party;

(i) to the best of its knowledge, no officer, director, employee or agent of PAM, nor any person acting with or on behalf of PAM, has directly or indirectly offered, agreed to make or made any contribution, gift, bribe, rebate, payoff, influence payment, kickback or other payment to any person, private or public, regardless of form, whether in money, property or services to (i) obtain favorable business treatment in securing business, permits or licenses, (ii) to pay for favorable treatment for business, permits or licenses secured, (iii) to obtain any special concessions or for special concessions already obtained, or (iv) in violation of any legal requirement;

(j) to the best of its knowledge, any information supplied, and representations and warranties made by PAM in all submittals to PFS or the City are true, correct and complete in all material respects; and

(k) to the best of its knowledge, its collection, access, use, storage, disposal and disclosure of Personal Information does and will comply with all applicable federal, state and municipal privacy and data protection law, as well as all other applicable regulations and directives.

12. Employment. During the term of this Agreement, PAM shall not engage the services of any person or persons now employed by the City, including any department, agency, board or commission thereof, to provide services relating to this Agreement without written consent from the City.

13. Confidentiality.

(a) To the extent permitted by applicable law, each of the Parties hereto shall, and shall cause its Affiliates to, keep confidential any Confidential Information regarding the other Party, the City and the Assigned Receivables and to use such Confidential Information only to perform its obligations under this Agreement and shall not disclose such Confidential Information to any third-party, other than as contemplated herein, without the prior written consent of the other Party. Each Party shall maintain the Confidential Information of the other in confidence using at least the same degree of care as it employs in maintaining in confidence its own proprietary and confidential information, but in no event less than a reasonable degree of care.

(b) For the purpose of this Section 13, the term "Confidential Information" shall include but not be limited to all data, reports, and records, financial or otherwise, including or reflecting information about or concerning a Party, the City and any Assigned Receivable which is not available to the general public (whether received before or after the date hereof and whether transmitted orally or in writing). The term "Confidential Information" does not include information that:

- i. is or becomes generally available to the public other than as a result of a disclosure by the Party to whom such Confidential Information relates; or
- ii. was or becomes available to a Party on a non-confidential basis from a source other than the other Party; provided that such source is not bound by a confidentiality agreement with or other contractual, legal or fiduciary

obligation of confidentiality to the other Party with respect to such information; or

- iii. is developed by a Party independently of, or was known by a Party prior to, any disclosure of such information made by such Party; or
- iv. is required to be disclosed by order of a court of competent jurisdiction, administrative agency or governmental body; or by any law, rule or regulation; or by subpoena, summons or any other administrative or legal process, or by applicable regulatory standards, after notice of such requirement has been given to the other Party; or
- v. is disclosed with the written consent of the other Party.

14. Independent Contractor; Waiver of Conflict. Nothing contained in this Agreement shall be deemed to constitute PFS and PAM as partners, joint venturers, principal and agent or employer and employee. Each Party is solely responsible for maintaining its own business insurance and worker's compensation policy and paying all its applicable taxes, assessments, fees, costs and expenses. Nothing in this Agreement shall constitute or authorize either Party to bind the other Party to any obligations, or to assume or create any responsibility for or on behalf of the other Party to any third party. Any arrangements made by PAM with outside agents or attorneys related to the Services provided under this Agreement shall be PAM's sole responsibility and shall in no way constitute or imply any additional obligation on the part of PFS, whose obligation is limited to payment to PAM of compensation earned in accordance with this Agreement. In the event any account is referred by PAM to an attorney or outside agent, the applicable conditions of this Agreement shall be made part of PAM's arrangement with such attorney or outside agent. PAM and PFS understand and agree that the relationship between PFS and PAM is not an exclusive relationship and that (i) PFS shall have the right to retain other servicers to provide the same services for PFS as are described herein and (ii) PAM shall have the right to collect and initiate collection litigation proceedings on behalf of other clients as described herein. To the extent that such activity by PAM shall be a conflict of interest, PFS hereby waives all such conflicts of interest.

15. Sub-Servicing. In the event PAM subcontracts any of its duties hereunder, no such subcontracting of duties shall relieve PAM of its primary responsibility with respect to such duties. PAM shall require that its subcontractors comply with the representations and warranties set forth in Section 11 herein.

16. Force Majeure. Notwithstanding anything to the contrary in this Agreement, no Party shall have any liability to the other hereunder by reason of any delay or failure to perform any obligation or covenant if the delay or failure to perform is occasioned by force majeure, meaning (but not limited to) any Acts of God, storm, war, civil commotion, terrorism, labor disputes or strikes, fire, flood or other casualty, governmental actions, inactions, priorities, or regulations, or any cause beyond the Parties' direct and immediate control. Should any such event occur, the Party so affected shall have such additional time within which to perform as may be reasonably necessary.

17. Notices. Any notice, payment, demand or communication required or permitted to be given by this Agreement or applicable law shall be in writing and sent by first class mail, overnight courier, hand delivery, telephone conversation, facsimile or e-mail; except, unless waived by the recipient, if such notice is made by telephone conversation, such telephone conversation shall be followed within 48 hours thereof by written notice sent by e-mail, first class snail, overnight courier or hand delivery. Charges for any notice hereunder shall be prepaid and addressed as follows, or to such other address as such Person may from time to time specify by notice to PAM, the City or PFS, as the case may be:

If to PAM, to:

Professional Account Management, LLC
Attention: Contract Administration
633 W. Wisconsin Avenue, Suite 1600
Milwaukee, WI 53203
Email: contracts@DuncanSolutions.com
Fax: (866) 449-7575

If to PFS, to:

PFS IV, LLC
c/o Michael Lenza
54 Camp Street
Milford, MA 01757
Tel.: 508-634-3185
Email: mlenza@aol.com

With a copy to:

Scott H. Moskol, Esq.
Burns & Levinson LLP
125 Summer Street
Boston, MA 02110
Email: smoskol@burnslev.com
Telephone: (617) 345-3522
Facsimile: (617) 345-3299

Unless otherwise indicated herein, any notice shall be deemed to be delivered, given and received for all purposes as of the date delivered, or if sent by first class mail, five (5) days after the date on which the same was deposited in a receptacle, regularly maintained by the United States Postal Service for the deposit of mail, whichever occurs first.

18. Binding Effect. This Agreement shall be binding upon, and shall inure to the benefit of, the Parties to this Agreement, and their successors and permitted assigns.

19. Scope of Agreement. This Agreement constitutes the entire understanding of the Parties hereto with respect to the subject matter hereof and supersedes all prior understandings and agreements in regard hereto. All exhibits referred to herein and as the same may be amended from, time to time, are by this reference, made a part hereof as though fully set forth herein.

20. Validity of Agreement; Severability. Every provision of this Agreement is intended to be severable. If any provision hereof is illegal, invalid or unenforceable for any reason whatsoever, such provision will be fully severable; this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision were not a part of this Agreement; and the remaining provisions of this Agreement will remain in full force and effect and will not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Further, in lieu of such illegal, invalid, or unenforceable provision, there will be automatically included, as part of this Agreement, a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable. In the event the Act or other controlling law is subsequently amended or interpreted in such a way to make any provision of this Agreement that was formerly invalid a valid provision, such provision shall be considered to be valid from the date provided in such interpretation or amendment or in the event the interpretation or amendment does not otherwise provide, from the effective date of such interpretation or amendment.

21. Further Action. Each Party, upon the request of any other Party, agrees to perform all further acts and execute, acknowledge, or deliver any instruments or documents and to perform such additional acts as may be reasonably necessary, appropriate or desirable to carry out the provisions of this Agreement.

22. Governing Law. The laws of the State of Delaware without reference to conflict of laws principles, shall govern the validity, construction and interpretation of this Agreement. The parties agree and acknowledge that any state or federal court in the Commonwealth of Massachusetts shall have non-exclusive jurisdiction to hear any matter, claim, complaint or action with respect to this Agreement.

23. Counterpart Execution. This Agreement may be executed and transmitted electronically in any number of counterparts with the same effect as if the Parties hereto had signed the same document.

24. No Implied Waiver. PAM and PFS shall have the right at all times to enforce the provisions of this Agreement in strict accordance with the terms hereof, and no waiver of any provision of this Agreement shall constitute a waiver of any other provision, nor shall any waiver constitute a continuing waiver unless otherwise provided in writing.

25. Jurisdiction. Each Party to this Agreement hereby irrevocably agrees that any suit, action or proceeding arising out of or relating to this Agreement or any agreements or transactions contemplated hereby must be brought in the courts of the Commonwealth of Massachusetts or of the United States of America for the District of Massachusetts and hereby expressly submits to the personal jurisdiction and venue of such courts for the purposes thereof and expressly waives any claim of improper venue and any claim that such courts are an inconvenient forum. Each Party hereby irrevocably consents to the service of process of any of

the aforementioned courts in any such suit, action or proceeding by the mailing of copies thereof by registered or certified mail, postage prepaid, to the address provided to PAM and PFS in accordance with Section 17, such service to become effective ten (10) days after such mailing.

26. Amendment. This Agreement may be, amended from time to time only upon written agreement of both PAM and PFS.


27. Assignment. The rights and obligations of PAM under this Agreement may not be assigned, delegated or otherwise transferred to any other Person, whether by operation of law or otherwise, without the prior written consent of PFS and the City, which may not be unreasonably withheld as long as such Person confirms in writing that it will assume all of PAM's obligations under this Agreement and PFS is satisfied that such Person shall provide the Services in the same manner and with the same level of quality as PAM.

28. Waiver of Jury Trial. EACH PARTY TO THIS AGREEMENT HEREBY IRREVOCABLY WAIVES TRIAL BY JURY IN ANY ACTION, SUIT OR PROCEEDING, WHETHER AT LAW OR EQUITY, BROUGHT BY ANY OF THEM IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

[Remainder of Page Intentionally Left Blank; Signature Page to Follow]

IN WITNESS WHEREOF, the Parties have entered into this Servicer Agreement as of the date first above written.

PROFESSIONAL ACCOUNT MANAGEMENT,
LLC.

By: 
Name: TIM WENDT
Title: CHIEF EXECUTIVE OFFICER

PFS IV, LLC

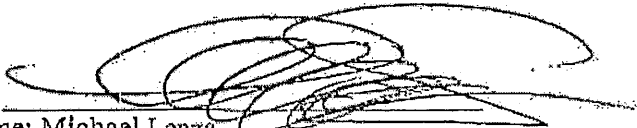
By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the Parties have entered into this Servicer Agreement as of the date first above written.

**PROFESSIONAL ACCOUNT
MANAGEMENT, LLC**

By: _____
Name: _____
Title: _____

PFS IV, LLC

By: 
Name: Michael Lenza
Title: Manager

EXECUTION COPY

EXHIBIT C

UCC-1 FINANCING STATEMENT

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional) Bryan C. Natale, Esq.; (617) 345-3000
B. E-MAIL CONTACT AT FILER (optional)
C. SEND ACKNOWLEDGMENT TO: (Name and Address) Bryan C. Natale, Esq. c/o Burns & Levinson LLP 125 Summer Street Boston, MA 02110

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S NAME: Provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

1a. ORGANIZATION'S NAME City of Providence, Rhode Island*				
OR	1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
1c. MAILING ADDRESS 25 Dorrance Street		CITY Providence	STATE RI	POSTAL CODE 02903
			COUNTRY USA	

2. DEBTOR'S NAME: Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

2a. ORGANIZATION'S NAME				
OR	2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
2c. MAILING ADDRESS		CITY	STATE	POSTAL CODE
				COUNTRY

3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY): Provide only one Secured Party name (3a or 3b)

3a. ORGANIZATION'S NAME PFS IV, LLC				
OR	3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
3c. MAILING ADDRESS 54 Camp Street		CITY Milford	STATE MA	POSTAL CODE 01757
				COUNTRY USA

4. COLLATERAL: This financing statement covers the following collateral:

All right, title and interest in the Debtor's right to payment of monetary obligations composed of, inter alia, parking tickets and red light violations, for which the Debtor has assigned to the Secured Party the right to manage and collect pursuant to the Assignment, Funding and Collection Terms Agreement dated July __, 2016, between the Debtor and the Secured Party (the "Assignment Agreement") and the related Master Asset Management Agreement dated July __, 2016, between the Debtor and the Secured Party (the "Master Agreement"), including without limitation the all of the Debtor's right, title and interest in, to and under each Assigned Receivable including, without limitation, the Debtor's right, title and interest in, to and under, each bank account established under the terms of the Master Agreement, all contract rights and privileges in respect of such accounts and all cash, checks, credit card receipts, money orders, and other items of value now or hereafter paid, deposited, credited, held (whether for collection, provisionally or otherwise) or otherwise in the possession or under the control of, or in transit to, any bank account maintained by Secured Party, and any agent, bailee or custodian thereof and all Proceeds of the foregoing.

"Proceeds" has the meaning assigned to it in the Uniform Commercial Code of Rhode Island.

5. Check <u>only</u> if applicable and check <u>only</u> one box: Collateral is <input type="checkbox"/> held in a Trust (see UCC1Ad, item 17 and Instructions) <input type="checkbox"/> being administered by a Decedent's Personal Representative	
6a. Check <u>only</u> if applicable and check <u>only</u> one box: <input type="checkbox"/> Public-Finance Transaction <input type="checkbox"/> Manufactured-Home Transaction <input type="checkbox"/> A Debtor is a Transmitting Utility	
6b. Check <u>only</u> if applicable and check <u>only</u> one box: <input type="checkbox"/> Agricultural Lien <input type="checkbox"/> Non-UCC Filing	
7. ALTERNATIVE DESIGNATION (if applicable): <input type="checkbox"/> Lessee/Lessor <input type="checkbox"/> Consignee/Consignor <input type="checkbox"/> Seller/Buyer <input type="checkbox"/> Bailee/Bailor <input type="checkbox"/> Licensee/Licensor	
8. OPTIONAL FILER REFERENCE DATA: Rhode Island Secretary of State (49685-0)	

UCC FINANCING STATEMENT ADDENDUM

FOLLOW INSTRUCTIONS

9. NAME OF FIRST DEBTOR: Same as line 1a or 1b on Financing Statement; if line 1b was left blank because Individual Debtor name did not fit, check here ☐

9a. ORGANIZATION'S NAME

City of Providence, Rhode Island*

OR

9b. INDIVIDUAL'S SURNAME

FIRST PERSONAL NAME

ADDITIONAL NAME(S)/INITIAL(S)

SUFFIX

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

10. DEBTOR'S NAME: Provide (10a or 10b) only one additional Debtor name or Debtor name that did not fit in line 1b or 2b of the Financing Statement (Form UCC1) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name) and enter the mailing address in line 10c

10a. ORGANIZATION'S NAME

OR

10b. INDIVIDUAL'S SURNAME

INDIVIDUAL'S FIRST PERSONAL NAME

INDIVIDUAL'S ADDITIONAL NAME(S)/INITIAL(S)

SUFFIX

10c. MAILING ADDRESS

CITY

STATE

POSTAL CODE

COUNTRY

11. ☐ ADDITIONAL SECURED PARTY'S NAME or ☐ ASSIGNOR SECURED PARTY'S NAME: Provide only one name (11a or 11b)

11a. ORGANIZATION'S NAME

OR

11b. INDIVIDUAL'S SURNAME

FIRST PERSONAL NAME

ADDITIONAL NAME(S)/INITIAL(S)

SUFFIX

11c. MAILING ADDRESS

CITY

STATE

POSTAL CODE

COUNTRY

12. ADDITIONAL SPACE FOR ITEM 4 (Collateral):

13. ☐ This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS (if applicable)

14. This FINANCING STATEMENT:

☐ covers timber to be cut

☐ covers as-extracted collateral

☐ is filed as a fixture filing

15. Name and address of a RECORD OWNER of real estate described in item 16 (if Debtor does not have a record interest):

16. Description of real estate:

17. MISCELLANEOUS:

*Type of Organization: Public Instrumentality and Body Corporate and Politic

EXECUTION COPY

EXHIBIT D

LEGAL OPINION OF CITY SOLICITOR

4819-0832-6448.12

August 2, 2016

PFS IV
c/o Scott Moskol
Burns & Levinson LLP
One Citizens Plaza
Suite 1100
Providence RI 02903

Re: Assignment, Funding and Collection Terms Agreement dated August 1, 2016 (the "Agreement") between the City of Providence, Rhode Island (the "City") and PFS IV (the "Manager")

Gentlemen:

I have acted as counsel for the City in connection with the above-referenced Agreement and the related Master Asset Management Agreement dated August 1, 2016 between the City and PFS IV (the "Master Agreement").

I have examined the Agreement and the Master Agreement, and all other agreements and documents executed and delivered pursuant to the Master Agreement (collectively, the "Transaction Documents"), and such other agreements and documents, such records of the City, and such laws, regulations, court decisions and proceedings I deemed necessary or appropriate. I have also made such other inquiries and examinations as we deemed appropriate in order to render this opinion.

Based upon the foregoing, it is my opinion that:

1. The City is a municipal corporation created and existing under the laws of the State of Rhode Island and Providence Plantations and has full power and authority to execute, deliver and perform its obligations under the Transaction Documents.
2. The City has taken all actions necessary to duly authorize the execution, delivery and performance of the Transaction Documents and has duly executed and delivered the Transaction Documents.

3. The execution and delivery of the Transaction Documents, the consummation of the transactions contemplated thereby, and the performance of or compliance with the terms and conditions of the Transaction Documents by the City does not (and will not) conflict with, violate or result in a breach of (i) any of the terms, conditions or provisions of the City's Charter, (ii) any material agreement or instrument to which the City is now a party or by which the City is bound, or (iii) any law, regulation, order, writ, injunction, decree, determination or award of any court, any other Governmental Authority or any arbitrator, now applicable to the City or any of its agencies, or constitute a default under any of the foregoing.

4. No consent, approval, authorization or order of any court or governmental agency or body is required by the City for the execution and delivery of the Transaction Documents, the consummation of the transactions contemplated thereby, and the performance of or compliance with the terms and conditions of the Transaction Documents by the City.

5. Each Transaction Document constitutes the legal, valid and binding obligation of the City, enforceable against the City in accordance with its terms except as may be limited by bankruptcy, insolvency, moratorium, fraudulent conveyance or other laws applicable to creditors' rights generally and by generally applicable equitable principles, whether considered in an action at law or in equity.

Very truly yours,

Adrienne G. Southgate
Deputy City Solicitor