

**PMI Resource
Administrative Services Agreement**

This Agreement entered into in the month of _____ day of _____, 2014 between PMI Resource (hereinafter "PMI"), a Louisiana Limited Liability Company, and City of Hammond, Louisiana; FEIN _____, (hereinafter "Client").

Provisions

I. Relationship Established and Restriction of Liabilities.

PMI agrees to provide, and Client agrees to subscribe for, the administrative services described in this Agreement for the employees of Client in accordance with the terms and conditions of this Agreement. PMI shall perform these services in good faith, in compliance with all applicable laws and in a manner commensurate with reasonable standards of competence among professionals in human resources and payroll management. The parties intend that this Agreement shall not affect the employment of the Employees by Client. PMI shall act only as an agent of the Client in accordance with the terms of this Agreement and shall exercise no authority over the Employees consistent with that of an employer, and in all respects shall be deemed the agent of the Client rather than an employer of the Employees and this Agreement shall be so construed and interpreted.

Client agrees to provide PMI with accurate and complete records with in three (3) business days of a written request. Client is responsible for the accuracy and verification of such information.

Client understands that all services rendered by PMI are based upon the information furnished by the Client, and, therefore, Client agrees to indemnify and hold PMI harmless from any claim against Client and/or PMI arising out of the use of information provided to PMI by the Client.

II. Contract Term.

Subject to the provisions of this Section, this Agreement becomes effective June 1, 2014, and will remain in force until terminated pursuant to the provisions below. This Agreement may be terminated as follows:

- A. Either party may terminate this Agreement by giving the other party thirty (30) days advance written notice. If Client terminates this Agreement without giving 30 days advance written notice, Client agrees that PMI will be damaged and that the actual amount of such damage will be impractical to determine. Client, therefore, agrees that a reasonable estimate of such damages, which Client agrees to pay to PMI on demand, is equal to five (5) percent of the per annum fee of this Agreement by Client.
- B. By either party upon written notice, if the other party has materially breached one or more provisions of this Agreement and has not cured such breach within ten (10) business days of receipt of written notice of such breach; provided that if the breach is the failure of the Client to pay over any monies then due to PMI (including service fees), PMI may terminate this Agreement immediately and without need for notification. Client also agrees to reimburse PMI for reasonable attorneys fees and costs of litigation necessary to collect monies due PMI.
- C. By mutual written agreement of the parties. Termination of this Agreement shall relieve PMI of all of its obligations hereunder for which it has received payment from Client. Termination shall not relieve Client of any due and unpaid obligations under this Agreement.

III. Service Fees.

Client agrees to pay PMI a Service Fee for services performed of seventy thousand (\$70,000.00) dollars per annum in twelve (12) equal installments, starting July 1st, 2014. In addition to this Service Fee, Client agrees to pay PMI the following costs and expenses:

- A. If elected by Client, the following optional services, and related costs and fees, shall also be paid by Client to PMI:
 - 1. Customized reports, safety inspections and audits, employer sponsored employee benefit audits and/or workers' compensation premium audits. Fees are based on scope of service requested and will be agreed to in writing prior to commencement.
 - 2. Consumer reports (Public records search) - Client agrees to pay a fee of \$35.00 for each county criminal background, education/professional credential verification and/or motor vehicle record report.
- B. PMI will not adjust any service fee during the first twelve (12) months of the Agreement except for the following:
 - 1. Engagement for services rendered to Hammond Municipal Fire and Police Civil Service Board.
 - 2. Engagement of new platform services offered by PMI Resource, Inc.
- E. After the first twelve (12) months of the Agreement, any adjustment to the service fee, other than item B.1. and/or B.2. listed above, will become effective upon thirty (30) days written notice to Client.
- F. Client agrees to pay PMI all service fees on or before the fifteenth (15) of the month services are rendered. If for any reason payment is not made when due, Client agrees that PMI will be damaged and the actual amount of such damage will be impractical to determine. Client, therefore, agrees that a reasonable estimate of such damages, which Client agrees to pay to PMI on demand, is five percent (5%) of the delinquent amount as liquidated damages plus twelve percent (12%) per annum of the

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delinquent amount until paid. Client also agrees to reimburse PMI for reasonable attorneys fees and costs of litigation necessary to collect monies due PMI. PMI reserves the right to require payment in certified funds or to demand an increase in deposited funds based on Client's payment history. Client acknowledges that payroll advances by PMI are wages, and, accordingly, may qualify as a priority administrative claim under the United States Bankruptcy Code.

IV. General Provisions.

- A. Assignment. Neither PMI nor Client shall assign this Agreement or its rights and duties hereunder, or any interest herein; provided that PMI may assign its interest in this Agreement to an affiliated corporation in which case both PMI and the permitted assignee will be bound by the provisions hereof.
- B. Governing Law. This Agreement shall not be effective until accepted and executed by PMI in Shreveport, Caddo Parish, Louisiana; and shall be governed by and construed in accordance with the laws of the State of Louisiana.
- C. Integration. This Agreement, together with any Exhibits and/or Addendum(s) which are hereby incorporated by reference word for word, constitutes the entire agreement between the parties with regard to the subject matter, and no other agreement, statement, promise, or practice between the parties relating to the subject matter, shall be binding upon the parties. All prior and contemporaneous agreements, whether written or oral, are merged herein.
- D. Waiver. Failure of either party at any time to require performance by the other party or to claim a breach of any provision of this Agreement, or any part hereof, shall not prejudice either party as to any subsequent performance, actions, or breaches.
- E. Survival. The representations, warranties, and indemnities provided herein shall survive the termination of this Agreement.
- F. Construction. Each party has reviewed this Agreement, has had the opportunity to have counsel review the Agreement, and, accordingly, the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement.
- G. Third Party Beneficiaries. The parties specifically agree that no persons, other than the parties hereto, have any interest in this Agreement and specifically agree that no persons, including without limitation the Employees, shall be considered intended third party beneficiaries and shall be entitled to rely upon the provisions of this Agreement for any purpose.
- H. Severability. In the event one or more of the provisions (or portions thereof) of this Agreement is determined to be illegal or unenforceable, the remainder of this Agreement shall not be affected thereby and each remaining provision or portion thereof shall continue to be valid and effective and shall be enforceable to the fullest extent permitted by law.
- I. Reliance. Client acknowledges that PMI is relying upon the accuracy and completeness of the information provided by Client and used by PMI in negotiating the terms and conditions of this Agreement, and that PMI will continue to rely on information furnished or to be furnished by Client during the term of this Agreement, including without limitation Client's exempt and non-exempt job positions, workers' compensation codes for its job positions and its highly compensated job positions, to carry out PMI's duties and obligations under this Agreement. Client warrants the accuracy and completeness of all such information furnished or to be furnished at PMI's request. Failure of Client to provide accurate and complete information shall be a material breach of this Agreement.
- J. Disclosure. Client acknowledges that it, and its representatives and advisors, have been provided with all information necessary or desirable for it to make an informed decision regarding PMI and the subject matter of this Agreement, that it has had an opportunity to ask questions of PMI and its representatives, that it has read this Agreement, understands the services to be provided, and is capable of making an informed business judgment as to the use of the services to be provided under this Agreement.
- K. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the successors, assigns, and personal representatives or heirs of the respective parties.
- L. Confidentiality. The parties acknowledge in the course of performing their respective obligations under this Agreement, they may gain access to or have disclosed to them in writing, orally or in any other medium, certain confidential, non-public, or proprietary information and trade secrets concerning the business, operations, and assets of the other party. Each party hereby agrees to use confidential, non-public, or proprietary information only to perform its obligations under this Agreement and further agrees not to disclose that confidential, non-public, or proprietary information or trade secrets to any third party without the written consent of the other party. Neither party shall use the other party's name, logos, trademarks or service marks in any advertising or marketing campaign without the other party's written consent.
- M. Authority. Client represents and warrants that Client's name as set forth in this Agreement is Client's exact legal name, that Client is an entity in good standing in those states in which its business requires it to be such, that the person signing this Agreement on behalf of Client has been duly authorized to do so, and that Client has taken all action necessary, including without limitation, resolution of its board of directors or other governing body, to authorize Client to enter into this Agreement and perform its obligations hereunder.

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N. Notice. Formal notice given to either party of this Agreement must be received by certified mail to the following addresses:

PMI Resource
242 Lynbrook Blvd
Shreveport, Louisiana 71106

Client: City of Hammond, Louisiana
310 E. Charles Street
Hammond, LA 70404

IN WITNESS WHEREOF, this Agreement has been executed the date first written above.

PMI Resource

City of Hammond, Louisiana

BY: _____

BY: _____

Mark A. Waniewski, Chief Executive Officer, or

Mayson Foster, Mayor

William M. Byrd, Chief Financial & Operating Officer

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**ADDENDUM "A"
Authorization Agreement for Direct Payments (ACH Debits)**

Company Name: City of Hammond, Louisiana

Company FEIN: _____

I/we hereby authorize PMI Resource, hereinafter called COMPANY, to initiate debit entries to my/our (*select one*) () checking account () savings account indicated below at the depository financial institution named below, hereinafter called DEPOSITORY, and to debit the same to such account.

Depository Name _____

Branch _____ Phone Number _____

City _____ State _____ ZIP _____

Routing Number _____ Account Number _____

This authorization is to remain in full force and effect until COMPANY has received written notification from me (or either of us) of its termination in such time and in such manner as to afford COMPANY and DEPOSITORY a reasonable opportunity to act on it.

NAME _____ NAME _____

SIGNED _____ SIGNED _____

DATED _____ DATED _____

[Tape Voided Check Here]