

CONTRACT AWARD
RFP-38 Rev. 4/11/19
Prev. Rev. 11/18/16

STATE OF CONNECTICUT

DEPARTMENT OF ADMINISTRATIVE SERVICES

PROCUREMENT DIVISION

450 Columbus Boulevard, Hartford, CT 06103

Janet DelGreco Olson
Contract Specialist

860-713-5079
Telephone Number

CONTRACT AWARD NO.:

19PSX0154

Contract Award Date:

28 June 2019

RFP Due Date:

1 January 2014

CONTRACT AWARD

IMPORTANT: THIS IS NOT A PURCHASE ORDER. DO NOT PRODUCE OR SHIP WITHOUT AN AGENCY PURCHASE ORDER.

DESCRIPTION: NASPO Value Point - Commercial Card Solutions for Fleet Cards

FOR:
Department of Administrative Services

TERM OF CONTRACT:

1 July 2019 through 31 December 2020

AGENCY REQUISITION NUMBER: 0000005754

IN STATE (NON-SB) CONTRACT VALUE	DAS CERTIFIED SMALL BUSINESS CONTRACT VALUE	OUT OF STATE CONTRACT VALUE	TOTAL CONTRACT AWARD VALUE
n/a	n/a	\$45,000.00 (est.)	\$45,000.00

NOTICE TO CONTRACTORS: This notice is not an order to ship. Purchase Orders against contracts will be furnished by the using agency or agencies on whose behalf the contract is made. INVOICE SHALL BE RENDERED DIRECT TO THE ORDERING AGENCY.

NOTE: Dollar amounts listed next to each contractor are possible award amounts, however, they do not reflect any expected purchase amounts (actual or implied). They are for CHRO use only.

NOTICE TO AGENCIES: A complete explanatory report shall be furnished promptly to the Procurement Manager concerning items delivered and/or services rendered on orders placed against awards listed herein which are found not to comply with the specifications or which are otherwise unsatisfactory from the agency's viewpoint, as well as failure of the contractor to deliver within a reasonable period of time specified. Please issue orders and process invoices promptly.

CASH DISCOUNTS: Cash discounts, if any, shall be given SPECIAL ATTENTION, but such cash discount shall not be taken unless payment is made within the discount period.

PRICE BASIS: Unless otherwise noted, prices include delivery and transportation charges fully prepaid f.o.b. agency. No extra charge is to be made for packing or packages.

CONTRACTOR INFORMATION:

REFER TO THE CONTRACT ON THE DAS PROCUREMENT WEB PAGE FOR THE MOST CURRENT CONTRACTOR INFORMATION. (<http://das.ct.gov/mp1.aspx?page=8>)

Company Name: **U.S. Bank**

Company Address: **901 Marquette Avenue, Minneapolis MN 55402**

Contact Person: **Mark Hess**

Tel. No.: **612.436..6544**

Company/Contact Person Email Address: mark.hess1@usbank.com

Contact Person Address: **same as above**

Remittance Address: **n/a**

Company Web Site:

Delivery: **As Required**

Certification Type (SBE, MBE or None): **None**

Contract Value: **\$45,000.00 (est.)**

Prompt Payment Terms: **0% 00 Net 45**

Agrees to Supply Political SubDivisions: **n/a**

APPROVED _____

JANET DELGRECO OLSON

Contract Specialist

(Original Signature on Document in Procurement Files)

NASPO VALUEPOINT COMMERCIAL CARD SOLUTIONS FOR FLEET CARDS
CONTRACT AWARD 19PSX00154

INSTRUCTION SHEET

The State of Connecticut is piggybacking off the NASPO ValuePoint Commercial Card Solutions for Category 2 – Fleet Cards for this Contract.

The State of Connecticut will follow the terms and conditions that are attached to this Contract.

For program assistance please contact: Kerry DiMatteo at email: kerry.dimatteo@ct.gov
phone: 860 713-5072.

For contract assistance please contact the contract specialist listed on this Contract.

**Participating Addendum
to Contract #00612 Issued on behalf of
National Association of State Procurement Officials ValuePoint
Formerly WSCA-NASPO**

**Commercial Card Solutions
For Fleet Cards**



1. **Scope.** This Participating Addendum between the State of Connecticut ("**Participating Entity**") and U.S. Bank National Association ("**U.S. Bank**") governs the commercial card program offered pursuant to the NASPO Contract between the State of Washington ("**Washington**") and U.S. Bank. Participating Entity and U.S. Bank may be individually referred to as a "**Party**" or collectively as the "**Parties**".
2. **Term of NASPO Contract.** The initial term of the NASPO Contract term is five years and has been subsequently extended for two years. The term of the Contract runs from January 1, 2014 through December 31, 2020. The entire term shall not exceed seven years.
3. **Effective Date and Term of Participating Addendum.** The Participating Addendum is effective upon signing by the latter of the Parties. The term of the Participating Addendum shall run through the termination of the NASPO Contract or until the Participating Addendum is terminated, whichever occurs earlier.
4. **Incorporation of Documents and Order of Precedence.** The following documents are incorporated into this Participating Addendum in the order of precedence stated here.
 - The Washington NASPO ValuePoint Master Agreement – Category 2
 - Appendix 1: U.S. Bank Fleet Card Agreement
 - Appendix 2: Applicable Card Fees and Rebate Information
 - Appendix 3: Definitions
5. **NASPO Contract.** The NASPO Contract can be found on the following website:
<http://www.aboutwsca.org/contract.cfm/contract/13wn-2006>
6. **Products.** Participating Entity shall mark those products on the following list it is requesting to use.
 - A. **Fleet Card with Corporate Liability**
7. **Incentive Share Schedule.** Incentive Shares will be paid quarterly within sixty (60) days following the last day of each Calendar Quarter:
 - Quarter 1: January 1 - March 31st
 - Quarter 2: April 1 - June 30th
 - Quarter 3: July 1 - September 30th
 - Quarter 4: October 1 - December 31st
8. **Incentive Share Calculation.** If Participating Entity does not earn a minimum of \$75.00 for combined incentive share components 1-3 per quarter, it will forfeit its incentive share for that quarter.
9. **Commencement of the New Incentive Share Opportunity for each Participating Entity.** The first incentive share payment pursuant to this Participating Addendum, if any is earned, shall be made within sixty (60) days after the end of the first Agreement Quarter. The first Agreement Quarter is defined as the first full Calendar Quarter which consists of the three-month calendar period beginning in January, April, July or October following the Effective Date of the Participating Addendum.
10. **Automated Clearinghouse ("ACH").** To receive payment, Participating Entity must register for ACH in the manner prescribed by U.S. Bank. U.S. Bank will not make any payments until Participating Entity has registered for ACH. If Participating Entity fails to register for ACH by the end of the first Addendum Year, Participating Entity forfeits any payments for that Addendum Year and any subsequent Addendum Years in which Participating Entity fails to register for ACH. Participating Entity designates the following person to register Participating Entity for ACH.

Authorized Person's Name
 Authorized Person's Email Address

11. PRIMARY CONTACTS

Contractor -- Category 2 --Fleet Card

Name:	Mark Hess
Contractor:	U.S. Bank
Address:	901 Marquette Ave., Minneapolis, MN 55402
Telephone:	612-436-6544
Email:	mark.hess1@usbank.com

Participating Entity

Name:	Janet DelGreco Olson
State:	State of Connecticut
Participating Entity:	DAS/Procurement Division
Address:	450 Columbus Blvd., Suite 1202, Hartford CT 06103
Telephone:	860 713-5079
Email:	janet.delgreco@ct.gov

12. CONTRACT SIGNATURES. In witness whereof, the Parties have executed this Participating Addendum.

Date:

Date:

By PARTICIPATING ENTITY:

State of Connecticut

(Participating Entity Name)

SIGNATURE ON FILE

(Signature of Authorized Signer)

Janet DelGreco Olson

(Printed Name of Authorized Signer)

Contract Specialist

(Printed Title of Authorized Signer)

By U.S. BANK:

U.S. Bank National Association

(U.S. Company Name)

SIGNATURE ON FILE

(Signature of Authorized Signer)

Brian Richter

(Printed Name of Authorized Signer)

Senior Vice President

(Printed Title of Authorized Signer)

Please email a PDF copy of this fully executed document to PA@wsca-naspo.org to provide documentation of participation.

APPENDIX 1: FLEET CARD AGREEMENT

This Fleet Card Agreement (the "**Fleet Card Agreement**") governs the U.S. Bank Fleet Program provided by the NASPO Cooperative Purchasing Program Commercial Card Solutions Contract #00612, Category 2 (the "**Fleet Card Contract**") and is an attachment to the Participating Addendum entered into by and between U.S. Bank National Association ("U.S. Bank") and the Participating Entity which is a signatory to that Participating Addendum ("**Participating Entity**").

1. **EFFECTIVE DATE.** The date of execution of the Fleet Card Contract by the latter of the State of Washington and U.S. Bank shall be the "**Effective Date**" of the Fleet Card Program.
2. **PARTICIPATION.** Certain entities designated by Participating Entity may participate in the Fleet Card Program.
 - A. "**Participating Entity Agencies**" means those Participating Entity departments and agencies that rely upon the Participating Entity for funding, or are appropriated funds by the Participating Entity for the charges on the Accounts issued to the employees of those departments and agencies. In order for Participating Entity Agencies to participate in the Fleet Card Program, the Participating Entity will furnish to U.S. Bank a Participating Entity Agency Addendum listing those agencies allowed to participate. The Participating Entity has the right to exclude any agencies from the Fleet Card Agreement by providing written notice to U.S. Bank at any time.
 - B. "**Political Subdivisions**" means any municipalities, counties, and institutions of higher education that do not rely upon the Participating Entity for funding. Political Subdivisions may participate in this Fleet Card Program upon credit approval by U.S. Bank and upon the signing and submission of a properly completed Political Subdivision Addendum.
3. **SCOPE OF FLEET CARD PROGRAM.** U.S. Bank issues charge cards and has established a transaction processing, reporting and payment system for purchases of motor fuels and other products and services by fleet vehicle operations. Participating Entity shall be responsible for selecting a personal identification number ("**PIN**"), a driver identification number ("**Driver ID**"), and/or a vehicle identification number ("**Vehicle ID**") pursuant to the Fleet Card Program. Unless U.S. Bank notifies Participating Entity to the contrary, or a Fleet Card has been terminated as provided herein, all Fleet Cards will expire upon the expiration or termination of this Fleet Card Agreement.
4. **SOLE PROVIDER OF FLEET CARD SERVICES.** The Parties acknowledge and agree that U.S. Bank shall be the sole provider to Participating Entity of Fleet Cards and services pertaining to the Fleet Card Program.
5. **LIABILITY.**
 - A. Except as expressly provided to the contrary herein, Participating Entity shall be liable for all Charges incurred or arising by virtue of the use of a Fleet Card.
 - B. Participating Entity shall immediately, upon receipt of such information, notify U.S. Bank of any lost or stolen Fleet Cards, compromised Accounts or Account information or to cancel Fleet Cards, Accounts, or Account access. Such notification and/or request for cancellation can occur by telephone, in writing, or by any agreed to electronic means. Addresses and telephone numbers at the time of this writing appear at the end of this Section 5B. After notification has been made to U.S. Bank use of such Fleet Cards or Accounts is expressly prohibited. Failure to notify U.S. Bank immediately of lost or stolen Fleet Cards, compromised Accounts or Account information, or to request cancellation of Fleet Cards, Accounts or Account access, as required by this Section 5, may result in Participating Entity's liability for any Charges on such Fleet Cards or Accounts. Participating Entity shall not be liable for use of such Fleet Cards or Accounts following receipt by U.S. Bank of the notice required herein. Participating Entity agrees to assist U.S. Bank in determining the facts, circumstances and other pertinent information related to any loss or possible unauthorized use of Fleet Cards, Accounts or Account information, and to comply with such procedures as may be required by U.S. Bank in connection with the investigation. Such procedures may include the submission of pertinent information in writing, within sixty (60) days of the date of the loss. Notwithstanding the foregoing, U.S. Bank shall continue to process all claims for lost, stolen or unauthorized use of Fleet Cards or Accounts whether or not such information is submitted within sixty (60) days of the loss. In any event, Participating Entity acknowledges that by complying with all such procedures losses by both parties may be limited. Additionally, notwithstanding the foregoing, since Cardholders have no liability to U.S. Bank for lost, stolen or cancelled Fleet Cards or Accounts, should Participating Entity separately hold a Cardholder liable for any such loss related to unauthorized use by someone other than the Cardholder, Participating Entity agrees to advise Cardholder, in advance, of any liability that may be imposed on a Cardholder and Participating Entity acknowledges that any such liability imposed on any Cardholder cannot exceed fifty U.S. dollars (\$50.00). U.S. Bank is not responsible for controlling the use of any Fleet Card(s), Account(s) or Account information, other than as specifically provided herein. Notification can be made by telephone to 800-987-6591, in writing to U.S. Bank at PO Box 13050 Overland Park, KS 66282-3050 OR by facsimile at 800-987-6592.
 - C. Participating Entity agrees to use fraud controls provided by U.S. Bank and acknowledges that such use is required in order to exercise any recovery from U.S. Bank. At minimum, Participating Entity agrees to: (1) ensure that Account information and Fleet Cards are safeguarded and kept separate and apart from one another, and (2) have daily transaction and spending limits in place on Fleet Cards based on the spending needs of their drivers. U.S. Bank shall not be liable for any losses due to fraud if Participating Entity fails to demonstrate that both such fraud controls are in effect and actively used.
 - D. Subject to the terms set forth this Section 5, U.S. Bank agrees it shall be liable for fraudulent charges incurred or arising

by the use of Fleet Cards in the Fleet Card Program, however, U.S. Bank shall not in any event be liable for any employee or Cardholder misuse of a Fleet Card.

6. **PRICING.** Participating Entity shall pay to U.S. Bank the fees as set forth on Addendum A, attached hereto and made a part hereof. U.S. Bank reserves the right to renegotiate pricing in subsequent years of the Fleet Card Agreement if Participating Entity's estimated billing volume is substantially inaccurate.
7. **FINANCE CHARGES.** A Finance Charge can be avoided if U.S. Bank receives payment of Participating Entity's "**New Balance**" within twenty-five (25) days of the statement closing date (the "**Statement Date**"). If Participating Entity's New Balance is not paid in full, a Finance Charge will be computed using the average daily balance ("**ADB**"). To arrive at the ADB, U.S. Bank will take the beginning balance on Participating Entity's Account each day, add debits and any new purchases (except in the states of IL, ME, MA, MN, MS, MT, and NM) from the date of posting (if the New Balance is not received), then subtract any payments or credits, returned check fees, and unpaid Finance Charges. The result will be the "**Daily Balance.**" U.S. Bank will then add all the Daily Balances for the billing cycle and divide by the total number of days in the billing cycle. The result will be the ADB. The Finance Charge will be determined by multiplying the ADB by a Periodic (monthly) Rate for Participating Entity's state of mailing address as shown in Section 20, Notices, below.

State of Mailing Address	ADB	Periodic (monthly) Rate	Annual Percentage Rate
CN	ALL		

8. **DELINQUENCY.** The Fleet Card Account will become delinquent unless U.S. Bank receives the amount shown on the Statement as Total Payment Due, less any disputed amounts, before the next billing date (approximately twenty-five (25) days). Any unpaid portion of the Total Payment Due will be shown on subsequent Statements as the "**Past Due Amount.**" The Fleet Card Account will be suspended if any part of the Past Due Amount is unpaid for three (3) billing dates. In the event of Participating Entity's delinquency, U.S. Bank may elect to terminate this Fleet Card Agreement immediately upon notice to Participating Entity. Court costs plus reasonable attorney fees (as allowed by law) may be added to any delinquent balance referred to an attorney for collection.
9. **BILLING PROCEDURE.** U.S. Bank will send to Participating Entity a monthly billing statement (the "**Statement**"), which will itemize all charges for the billing period. The amount shown on the Statement as "**Total Payment Due**" shall be due and payable in U.S. Dollars upon Participating Entity's receipt of the Statement.
10. **DISPUTED BILLINGS.** Disputes regarding charges or billings hereunder shall be communicated by phone to U.S. Bank 1-800-987-6591. Written notice is not required but may be submitted to U.S. Bank by email to fueldisputes@usbank.com. Whether by phone or in writing communications should include Participating Entity's and, if applicable, the Participant's name(s) and account number, the dollar amount of any dispute or suspected error and a description of the dispute or error. Any communication regarding a dispute or suspected error must be received by U.S. Bank within sixty (60) days after the date on the billing statement on which the disputed or incorrect charge first appeared. Disputed billings are categorized as, but not necessarily limited to, failure to receive goods or services charged, fraud, forgery, altered charges and charges incurred by telephone order where the authenticity of the charge is in question.
11. **TERM, TERMINATION AND SUSPENSION.**
- A. This Fleet Card Agreement shall remain in full force and effect for an initial term of five (5) years from the Effective Date of this Fleet Card Agreement and shall continue thereafter until terminated by either Participating Entity or U.S. Bank upon ninety (90) days prior written notice to the other Party. The effective date of termination shall be stated in such written notice of termination. All Fleet Cards and related accounts shall be deemed canceled effective upon termination of this Fleet Card Agreement.
- B. Notwithstanding the foregoing, either Party shall have the right to terminate this Fleet Card Agreement immediately, by written notice of such termination to the other Party, upon any one (1) or more of the following events:
- (i) Dissolution or liquidation of the other Party;
 - (ii) Insolvency of the other Party or the filing of a bankruptcy or insolvency proceeding, the appointment of a receiver or trustee for benefit of creditors or the other Party enters into an arrangement with its creditors;
 - (iii) Any material and adverse change in the financial condition of the other Party;
 - (iv) Any failure to perform a material obligation of this Fleet Card Agreement.
- C. Upon termination of this Fleet Card Agreement for any reason, Participating Entity shall destroy all Fleet Cards. Participating Entity shall remain liable for all purchases, fees, Finance Charges and other charges incurred or arising by virtue of the use of a Fleet Card prior to the termination date.
- D. U.S. Bank shall have the right to suspend any and all services and obligations under this Fleet Card Agreement to Participating Entity in the event that: (i) Participating Entity has breached any term of this Fleet Card Agreement; (ii) the amount due from Participating Entity, as the result of purchases, fees, Finance Charges and other such charges, in the aggregate, exceeds the credit limit established pursuant to Section 16; or (iii) payment is not received by U.S. Bank within ninety (90) days after any Statement Date.
- E. **Regulatory Termination & Suspension.** U.S. Bank may immediately take the following action:
- 1. U.S. Bank may suspend or terminate any Account if Participating Entity fails to comply with requests for Cardholder Identification Information pursuant to Section 22.D. of the Fleet Card Agreement.

2. U.S. Bank may terminate any Account if U.S. Bank is unable to verify the identity of Cardholder based on the Identification Information submitted to U.S. Bank.
 3. U.S. Bank may terminate any Account if U.S. Bank is unable to verify that providing services to Cardholder does not pose a risk to U.S. Bank of violating any requirement in Section 22.D.
 4. U.S. Bank may terminate this Agreement for Participating Entity's failure to comply with Section 22.D; or
 5. U.S. Bank may terminate this Agreement if U.S. Bank determines that provision of services under this Agreement is counter to any existing, new or amended law, regulation, regulatory interpretation, anticipated regulatory interpretation, or any enforcement of existing, new, or amended law, regulation, regulatory interpretation, or anticipated regulatory interpretation.
- F. Rights, obligations or liability, which arise prior to the suspension or termination of this Fleet Card Agreement, shall survive the suspension or termination of this Fleet Card Agreement.

12. CONFIDENTIALITY.

- A. U.S. Bank considers the Fleet Card Program to be a unique service involving proprietary information of U.S. Bank. Participating Entity agrees that Fleet Card Program reports, manuals, documentation and related materials (whether or not in writing) will be circulated only to persons, and only to the extent necessary, in order that Participating Entity may participate in the Fleet Card Program. Participating Entity and Participants agree to take all reasonable steps to safeguard such proprietary information and not to release such information to any person or party not essential to participation in the Fleet Card Program as herein described.
- B. U.S. Bank agrees that it will maintain all data relative to Participating Entity's account(s) under the Fleet Card Program as confidential information and will exercise the same standard of care and security to protect such information as U.S. Bank uses to protect its own confidential information. U.S. Bank agrees to use such data exclusively for the providing of services to Participating Entity and Participants hereunder and not to release such information to any other party; provided, however, that U.S. Bank may collect, maintain and, at its option, disseminate information and data concerning charge activity which does not contain any direct or indirect identification of Participating Entity or Participants.

13. INDEMNIFICATION.

- A. Except to the extent that any injury is due to Participating Entity's or a Participant's negligent acts or omissions, U.S. Bank shall indemnify and hold Participating Entity and Participants harmless against all losses, damages, costs, expenses and liability which may result in any way from any negligent or wrongful act or omission of U.S. Bank, its agents, employees and subcontractors. U.S. Bank shall indemnify and hold Participating Entity and Participants harmless against demands, claims, suits, or proceedings alleging infringement of any patent of the United States, or any trademark, service mark, copyright or other proprietary right arising out of or incident to this Fleet Card Agreement.
- B. **Bank shall in no event be liable to participating entity for any consequential, special, indirect, or punitive damages of any nature.**

14. WARRANTIES.

- A. The Parties agree that the failure of any of the below representations and warranties to be true during the term of this Fleet Card Agreement shall constitute a material breach of this Fleet Card Agreement and the non-breaching Party will have the right, upon notice to the other Party, to immediately terminate this Fleet Card Agreement and all amounts outstanding hereunder shall be immediately due and payable.
- B. Participating Entity warrants that:
- (i) The financial information and all other information provided to U.S. Bank by Participating Entity or its officers, employees, agents, successors and assigns is true, complete and accurate;
 - (ii) This Fleet Card Agreement constitutes a valid, binding and enforceable agreement of Participating Entity;
 - (iii) The transaction contemplated by this Fleet Card Agreement is within the scope of the normal course of business and does not require further authorization for Participating Entity to be duly bound by this Agreement;
 - (iv) The execution of this Fleet Card Agreement and the performance of its obligations under this Fleet Card Agreement are within Participating Entity's powers; have been authorized by all necessary action; and do not constitute a breach of any agreement of Participating Entity with any party;
 - (v) Participating Entity has and continues to comply with all applicable state and federal statutes, ordinances, rules, regulations and requirements of governmental authorities as they relate to the use of the Fleet Card and/or participation in the Fleet Card Program;
 - (vi) The execution of this Fleet Card Agreement and the performance of its obligations under this Fleet Card Agreement will not cause a breach by it of any duty arising in law or equity; and
 - (vi) Participating Entity possesses the financial capacity to perform all of its obligations under this Fleet Card Agreement.
- C. U.S. Bank warrants that:
- (i) This Fleet Card Agreement constitutes a valid, binding and enforceable agreement of U.S. Bank;
 - (ii) The execution of this Fleet Card Agreement and the performance of its obligations under this Fleet Card Agreement are within U.S. Bank's powers; have been authorized by all necessary action; do not require action by or approval of any governmental or regulatory body, agency or official; and do not constitute a breach of any agreement of U.S. Bank with any party;
 - (iii) U.S. Bank has and continues to comply with all applicable state and federal statutes, ordinances, rules, regulations and requirements of governmental authorities as they relate to the Fleet Card Program;
 - (iv) The execution of this Fleet Card Agreement and the performance of U.S. Bank's obligations under this Fleet Card Agreement will not cause a breach by it of any duty arising in law or equity; and
 - (v) U.S. Bank possesses the financial capacity to perform all of its obligations under this Fleet Card Agreement.

- 15. FINANCIAL INFORMATION.** Since this Fleet Card Agreement is for an extension of credit with a financial institution and not a vendor services agreement, Participating Entity shall provide information as requested by U.S. Bank to perform periodic credit reviews. Unless such information is publicly available or available through U.S. Bancorp (the parent company of U.S. Bank) or any of its subsidiaries, Participating Entity shall provide audited financial statements, prepared by Participating Entity's independent certified public accountant, as soon as available and in any event not later than one hundred twenty (120) days after the end of each fiscal year of company. In the event U.S. Bank requires additional information to conduct its review of company, Participating Entity agrees to provide to U.S. Bank such other information regarding the business, operations, affairs, and financial condition of Participating Entity as U.S. Bank may reasonably request. Such information may include, but is not limited to, quarterly financial statements, organizational charts, executive biographies and other formal documentation.
- 16. AGGREGATE PRODUCT CREDIT LIMIT AND ACCOUNT CREDIT LIMITS.** Subject to credit approval by U.S. Bank, an account credit limit (an "ACL") for each Account and an aggregate product credit limit (the "PCL") for all Accounts shall be established by U.S. Bank pursuant to this Fleet Card Agreement.
- A. Revising the PCL.** U.S. Bank, at its sole discretion, shall have the right to revise the PCL. U.S. Bank shall provide notice to Participating Entity of any decrease in the PCL which results in a revised PCL that is lower than the aggregate current amount outstanding on all Accounts. Upon such notice, Participating Entity shall have ten (10) days to make a payment to U.S. Bank that is sufficient to reduce the aggregate current amount outstanding to an amount that is equal to or less than the revised PCL.
- B. Revising ACLs.** U.S. Bank, at its sole discretion, shall have the right to revise any ACL.
- (i) Participating Entity Accounts. U.S. Bank shall provide notice to Participating Entity of any decrease in an ACL which results in a revised ACL that is lower than the aggregate current amount outstanding on the Account. Upon such event, Participating Entity shall have ten (10) days to make a payment to U.S. Bank on the Account that is sufficient to reduce the aggregate current amount outstanding for such Account to an amount that is equal to or less than the revised ACL.
- (ii) Fraudulent Activity. U.S. Bank may revise any ACL and/or limit spending activity on any Account for which fraudulent activity is suspected.
- 17. REGISTERED MARKS AND TRADEMARKS.** Participating Entity and U.S. Bank each recognize that they have no right, title or interest, proprietary or otherwise, in or to the name or any logo, copyright, service mark or trademark owned or licensed by the other Party. Participating Entity and U.S. Bank each agree that, without prior written consent of the other Party, they will not use the name or any name, logo, copyright, service mark or trademark owned or licensed by the other Party.
- 18. SURVIVABILITY OF PAYMENT OBLIGATIONS, RIGHTS AND REMEDIES.** The obligation of Participating Entity to make payments as herein set forth shall continue until fully performed. Any rights and remedies Participating Entity or U.S. Bank may have with respect to each other arising out of either Party's performance of services or obligations hereunder shall survive the expiration or termination of this Fleet Card Agreement.
- 19. GOVERNING LAW.** The validity, interpretation and performance of this Fleet Card Agreement will be controlled by and construed under the laws of the State of where Participating Entity is located (without giving effect to the conflict of law principles thereof) and applicable federal laws.
- 20. NOTICES.** Except with respect to notices relating to the status of individual Fleet Cards which may be established in writing between U.S. Bank and Participating Entity or a Participant, all notices, requests and other communication provided for hereunder must be directed to the other Party at the respective addresses indicated below and, unless otherwise specified herein, must be in writing, postage prepaid or hand delivered or delivered by telecopy. Either Party may, by written notice to the other, change its address indicated below.

	Participating Entity
U.S. Bank National Association Corporate Payment Systems Mail Code EP-MN-A17S 901 Marquette Avenue Minneapolis, MN 55402 Attn: CPS Contract Services	

- 21. EMPLOYMENT OF AGENTS.** U.S. Bank may, in its sole discretion, employ agents to perform part or all of its obligations under this Fleet Card Agreement at any time without the consent of Participating Entity; provided, however, that such action shall not affect its obligations to Participating Entity hereunder.
- 22. MISCELLANEOUS.**
- A. Complete Agreement; Amendments.** This Fleet Card Agreement constitutes the complete understanding between the Parties with respect to the subject matter hereof and all prior oral or written communications and agreements with respect thereto are superseded. No failure on the part of either Party to exercise, and no delay in exercising any right under this

Fleet Card Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right under this Fleet Card Agreement preclude any other or further exercise thereof or the exercise of any other right.

- B. Successors and Assigns.** This Fleet Card Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns; provided, however, that this Fleet Card Agreement may not be assigned by Participating Entity without the prior written approval of U.S. Bank or its designate, which shall not unreasonably be withheld or delayed.
- C. Severability.** Should any provision of this Fleet Card Agreement be declared invalid for any reason, such decision shall not affect the validity of any other provisions, which other provisions shall remain in force and effect as if this Fleet Card Agreement had been executed with the invalid provision(s) eliminated. The Parties shall use their best efforts to agree upon a valid substitute provision in accordance with the purpose of this Fleet Card Agreement and the intent of the Parties.
- D. Compliance with Applicable Statutes and Regulations.** The parties shall maintain compliance with all statutes, regulations and U.S. Bank policy applicable to the products and services contemplated under this Agreement, including but not limited to Anti-Money Laundering and U.S. Economic Sanctions. To help the United States government fight the funding of terrorism and prevent money laundering activities, U.S. Federal law requires all financial institutions to obtain, verify, and record information that identifies each person (individual, corporation, partnership, trust, estate, or any other entity recognized as a legal person) who opens an account. U.S. Federal law also requires financial institutions to conduct ongoing customer due diligence, verify the identity of beneficial owners of certain legal entities, and comply with U.S. Economic Sanctions. U.S. Bank may require Identification Information on Participating Entity's Affiliates, Participating Entity Agencies, Related Parties, or Cardholders, as applicable, to allow U.S. Bank to remain in compliance with U.S. Federal law or U.S. Bank policy. Participating Entity shall promptly provide such Identification Information to U.S. Bank, and Participating Entity shall cause its Affiliates, Participating Entity Agencies, Related Parties or Cardholders, as applicable, to provide Identification Information to U.S. Bank.
- E. Headings.** The headings of the sections of this Fleet Card Agreement are intended for the convenience of the Parties only and shall in no way be held to explain, modify, amplify or aid in the interpretation of the provisions hereof.

**APPENDIX 2:
APPLICABLE CARD FEES AND REBATE INFORMATION**

	Fleet Card Fees The following fees will only be assessed to Government Entities and are subject to change without prior notice.	Charge
1.	Account Set Up – one-time fee	\$0.00
2.	Fleet Card Fees – monthly fee dependent on number of cards <ul style="list-style-type: none"> • 7-25 cards • 26-100 cars • 101-200 cards 	\$0.00 \$0.00 \$0.00
3.	Invoice, including statement, payments, adjustments and taxes	\$0.00
4.	Driver Report	\$0.00
5.	Exception Report	\$0.00
6.	Service Station Activity Report	\$0.00
7.	Product Purchase Summary	\$0.00
8.	Fleet Commander Online web access by user	\$0.00
9.	Card delivery charge when overnight delivery service used	\$20.00
10.	Expense Summary by Business Unit	\$0.00
11.	Logo Embossing Fee; a two-week delay may occur with Card issuance and implementation.	\$0.00
12.	Foreign Currency Fee. a foreign currency conversion fee (“Foreign Currency Conversion Fee”) for transactions made outside the United States; the Statement will reflect the conversion into U.S. Dollars on transactions that occurred in a different currency and an applicable exchange rate for such conversions.	2.0%

13.	<p>Finance Charges. Assessed on balances not paid by due date on statement at a periodic rate in accord with Entity's state rate as set forth herein and based on the Average Daily Balance ("ADB").</p> <p>To calculate, U.S. Bank will take the beginning balance on Entity's account each day, add debits and any new purchases (except in the states of IL, ME, MA, MN, MS, MT, and NM) from the date of posting (if the New Balance is not received), then subtract any payments or credits, returned check fees, and unpaid Finance Charges. The result will be the "Daily Balance." U.S. Bank will then add all the Daily Balances for the billing cycle and divide by the total number of days in the billing cycle. The result will be the "Average Daily Balance."</p>	<p>Periodic Rate APR</p>
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Incentive Share	Fleet Card Incentive Payments	Rebate BPS	Paid								
1	<p>Fleet Standard Volume Each Participating Entity will receive a basis point (percentage) of its quarterly fleet standard volume.</p> <p>The Formula to determine Quarterly Sales Volume Incentive Share:</p> <p><i>Quarterly Sales Volume per entity – Quarterly U.S. Bank Voyager Maintenance Solution Sales Volume X basis points (percentage) = Entity Quarterly Sales Volume Incentive</i></p>	124	Quarterly								
2	<p>U.S. Bank Voyager Maintenance Solution Sales Volume Each Participating Entity will receive a basis point (percentage) of its Quarterly U.S. Bank Voyager Maintenance Solution Sales Volume.</p> <p>Formula to determine Quarterly U.S. Bank Voyager Maintenance Solution Sales Volume Incentive Share:</p> <p><i>Quarterly U.S. Bank Voyager Maintenance Solution Sales Volume per entity X basis points (percentage) = Participating Entity Quarterly U.S Bank Voyager Maintenance Solution Incentive</i></p>	300	Quarterly								
3	<p>Prompt Payment</p> <p>A Prompt Payment Incentive is designed to provide an incentive to each Participating Entity when Client Held Days is less than 45 days. The Prompt Payment Incentive is based solely on the Client Held Days Payment Performance for each Participating Entity for each Agreement Quarter (3 calendar months).</p> <p>The Formula to determine Prompt Payment Incentive:</p> <p><i>(45 - Client Held Days) / 45 x 0.0045 x Quarterly Sales Volume = Participating Entity Quarterly Prompt Payment Incentive</i></p>	45 (max)	Quarterly								
4	<p>All NASPO States Annual Volume Incentive</p> <p>Each participating state will receive an additional NASPO ValuePoint Annual Sales Volume Incentive based on a tier established from all NASPO Value Point participating states' annual volume and applied to each state's annual sales volume</p> <p>Formula to determine NASPO ValuePoint Annual Sales Volume Incentive:</p> <p><i>Participating state Annual Sales Volume (Fleet volume) x applicable basis points (percentage) corresponding to the tier established for the Annual Overall NASPO ValuePoint Sales Volume (Fleet volume) = NASPO ValuePoint Participating State Annual Sales Volume Incentive</i></p> <table style="margin-left: auto; margin-right: auto;"> <tr> <td>\$50,000,000 - \$100,000,000</td> <td>37</td> </tr> <tr> <td>\$100,000,001 - \$300,000,000</td> <td>38</td> </tr> <tr> <td>\$300,000,001 - \$500,000,000</td> <td>40</td> </tr> <tr> <td>\$500,000,001 and above</td> <td>42</td> </tr> </table> <p>Note: Notwithstanding the foregoing, if a political subdivision in a non-participating state is allowed to join the contract, the Annual Aggregate State rebate component will be negotiated between the Bank, NASPO and that political subdivision so long as the net bps available for this component are not diminished.</p>	\$50,000,000 - \$100,000,000	37	\$100,000,001 - \$300,000,000	38	\$300,000,001 - \$500,000,000	40	\$500,000,001 and above	42		Annually
\$50,000,000 - \$100,000,000	37										
\$100,000,001 - \$300,000,000	38										
\$300,000,001 - \$500,000,000	40										
\$500,000,001 and above	42										

MINIMUM REQUIREMENTS

Any Entity does not earn at least \$75.00 in Incentive Share for Category 1 Incentive Share Components 1 through 3 and Category 2 Incentive Share Components 1 through 2 will forfeit Incentive share for the preceding quarter.

Any Incentive Share payment made pursuant to the Contract will be net of accumulated Charge-offs resulting from participation in Contractor programs regardless of whether the underlying Contract between the parties is valid or has been terminated.

In the event that the Card Program or the Contract is terminated prior to the completion of the Base Period or prior to the completion of any Agreement Quarter after the completion of the Base Period by Entity without cause, or by Contractor with cause, and/or the sole provider provision of this Contract is violated, in addition to any other remedies available to Contractor, this Incentive Share opportunity shall immediately terminate and no Incentive Share shall be paid to Entity.

Any Charge-offs in excess of the net Incentive Share from one (1) Agreement Quarter will be subtracted from one (1) or more of the following Agreement Quarters. Upon termination of the Contract, if the net Incentive Share is a negative dollar amount due to Charge-offs, Contractor may request, and Entity agrees to reimburse, Contractor up to the dollar amount previously paid by Contractor to Entity within thirty (30) days of the termination of the Contract.

APPENDIX 3: Definitions

1. **“Account”** means any account number to which charges and payments may be posted.
2. **“Affiliate”** means a Person that directly or indirectly controls, is controlled by, or is under common control with, the Person specified.
3. **“Agreement Quarter”** means a three (3) month period beginning with the first such period following the effective date of the Participating Addendum.
4. **“Agreement Year”** means a twelve (12) month period beginning with the first such period following the effective date of the Participating Addendum.
5. **“Annual Sales Volume”** means all Charges set forth on the Billing Statements furnished for all Accounts, less Fees, Cash Advances, Fraudulent Charges, Charge-backs, charges qualifying for discount interchange rate programs, Quarterly U.S. Bank Voyager Maintenance Solution Volume and amounts Charged-off by Contractor with respect to such accounts as uncollectible for each year.
6. **“Cardholder”** means an individual employee of Participating Entity, named as the holder of the Account or using the Account in the name of Participating Entity, regardless of whether a physical card is issued in conjunction with the Account.
7. **“Charge”** means any transaction posted to an Account that has a debit value, including without limitation, purchases, cash advances, and fees.
8. **“Charge-off”** means any amount due and owing to U.S. Bank or its Affiliates by Participating Entity that remains unpaid for one hundred fifty (150) days after the date that it was first billed.
9. **“Client Held Days”** means the number of days from billing cycle date to the date U.S. Bank applies payment (annual per statement cycle average).
10. **“Client Held Days Payment Performance”** means the average speed of repayment of Charges made for each Addendum Year and will be calculated as File Turn Days Payment Performance less fifteen (15) days.
11. **“File Turn Days”** means the number of days from the date U.S. Bank posts a charge transaction to the date payment for that transaction is posted, inclusive of the beginning and ending dates.
12. **“Fraudulent Charges”** means those Charges which are not initiated, authorized or otherwise requested by Participating Entity, its Participants, and/or a Cardholder by any means (electronic, telephonic or written) and do not directly or indirectly benefit Participating Entity, its Participants, and/or a Cardholder.
13. **“Incentive Share”** means actual monies paid to each Participating Entity based on volume and speed of pay.
14. **“Large Ticket Transaction”** means a transaction which qualifies for an incentive interchange rate that is lower than the standard interchange provided on a card transaction. Transaction size to qualify will vary over time with interchange rate changes set by card networks. Large ticket interchange rates may require the merchant to provide additional enhanced data to qualify for the lower rate, however exceptions to this requirement can occur.
15. **“Net Annual Charge Volume”** means all charges set forth on the Statements furnished for all Accounts, less fees, cash advances, Fraudulent Charges, chargebacks, charges qualifying for discount interchange rates and amounts Charged-off by U.S. Bank with respect to such Accounts as uncollectible for each Addendum Year.
16. **“Quarterly Sales Volume”** means all Charges set forth on the Billing Statements furnished for all Accounts, less Fees, Cash Advances, Fraudulent Charges, Charge-backs, charges qualifying for discount interchange rate programs, Quarterly U.S. Bank Voyager Maintenance Solution Volume and amounts Charged-off by Contractor with respect to such accounts as uncollectible for each quarter (3 calendar months).
17. **“Quarterly U.S. Bank Voyager Maintenance Solution Sales Volume”** means those Charges for each Agreement Quarter set forth on the Billing Statements furnished for all Accounts for transactions processed through Participating Entity's agreement with a merchant provider for the Voyager Maintenance Solution.

State of Washington Contracts & Procurement Division Department of Enterprise Services P.O. Box 41411 Olympia, WA 98504-1411	MASTER AGREEMENT AMENDMENT	
	Master Agreement No.:	00612
US Bank National Association Corporate Payment Systems Mail Code EP-MN-18 901 Marquette Avenue Minneapolis, MN 55402	Amendment No.:	2
	Effective Date:	January 1, 2019

**SECOND AMENDMENT
TO
MASTER AGREEMENT NO. 00612
COMMERCIAL CARD SERVICES
CATEGORY 2 – FLEET CARDS**

This Second Amendment (“Amendment”) to Master Agreement No. 00612 is made and entered into by and between the State of Washington acting by and through the Department of Enterprise Services, a Washington State governmental agency (“State”) on behalf of WSCA-NASPO Cooperative Purchasing Program and U.S. Bank National Association, a wholly owned subsidiary of U.S. Bancorp, a Delaware corporation (“Contractor”) and is dated and effective as of January 1, 2019.

RECITALS

- A. Enterprise Services, on behalf of the State of Washington, is authorized to participate in cooperative purchasing agreements pertaining to certain competitively awarded master agreements. See RCW 39.26.060.
- B. Enterprise Services, on behalf of the State of Washington, is a member of the NASPO ValuePoint Cooperative Purchasing Program, a nonprofit public cooperative contracting association in which all of the cooperative contracts are led by one of the fifty states on behalf NASPO ValuePoint Cooperative Purchasing Program member states.
- C. In 2013, Enterprise Services, on behalf of the State of Washington, led a competitive procurement, structured as a WSCA-NASPO cooperative procurement, for incentive-based commercial card services to facilitate authorized purchaser payments.
- D. State and Contractor (collectively the “Parties”) entered into that certain Master Agreement No. 00612 for Commercial Card Services, Category 2 – Fleet Cards dated effective as of January 1, 2014 (“Contract”).
- E. Parties amended that certain Master Agreement No. 00612 for Commercial Card Services, Category 2 – Fleet Cards dated effective as of January 1, 2019 and signed November 1, 2018 (Amendment 1). Said amendment extended the term of the contract, updated WSCA-NASPO to NASPO ValuePoint; and adjusted the incentive rebates definitions and rates.

- F. The parties desire to clarify a discrepancy that occurred in the previous amendment Incentive #4 – NASPO ValuePoint Annual Sales Volume definition.
- G. The amendment set forth herein is within the scope of the Contract.
- H. The Parties now desire to amend the Contract as set forth herein.

A G R E E M E N T

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth herein, the Parties hereby agree to amend the Contract as follows:

1. INCENTIVE SHARE. Section 3.1.e – Incentive #4 – NASPO ValuePoint Annual Sales Volume Incentive of the Master Agreement, is hereby amended by deleting the existing Section 3.1.e – NASPO ValuePoint Annual Sales Volume Incentive in its entirety and inserting the following in lieu thereof:
 - e. **Incentive #4 – NASPO ValuePoint Annual Sales Volume Incentive.** Each participating state will receive an additional NASPO ValuePoint Annual Sales Volume Incentive based on a tier established from all NASPO ValuePoint participating state annual volume and applied to each state's Annual Sales Volume incentive.
The formula for calculating NASPO ValuePoint Annual Sales Volume incentive is:
Participating state annual sales volume (Fleet Standard Volume) x applicable basis points (percentage) corresponding to the Tier established for the Annual Overall NASPO ValuePoint Annual Sales Volume (Fleet Standard Volume) = NASPO ValuePoint Participating State Annual Sales Volume Incentive.
2. NO CHANGE OTHER THAN AMENDMENT. Except as amended herein, the Contract is unaffected and remains in full force and effect.
3. INTEGRATED AGREEMENT; MODIFICATION. This Amendment constitutes the entire agreement and understanding of the Parties with respect to the subject matter and supersedes all prior negotiations and representations. In the event of any conflict between this Amendment and the Contract or any earlier amendment, this Amendment shall control and govern. This Amendment may not be modified except in writing signed by the Parties.
4. AUTHORITY. Each party to this Amendment, and each individual signing on behalf of each party, hereby represents and warrants to the other that it has full power and authority to enter into this Amendment and that its execution, delivery, and performance of this Amendment has been fully authorized and approved, and that no further approvals or consents are required to bind such party.
5. ELECTRONIC SIGNATURES. A signed copy of this Amendment or any other ancillary agreement transmitted by facsimile, email, or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this Amendment or such other ancillary agreement for all purposes.
6. COUNTERPARTS. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original, and all of which counterparts together shall constitute the same

instrument which may be sufficiently evidenced by one counterpart. Execution of this Amendment at different times and places by the parties shall not affect the validity thereof so long as all the parties hereto execute a counterpart of this Amendment.

7. INCORPORATION. The recitals provided above are incorporated in this Amendment by reference as if set forth at length.

EXECUTED AND EFFECTIVE as of the day and date first above written.

**U.S. BANK NATIONAL ASSOCIATION,
A NATIONAL ASSOCIATION**

**STATE OF WASHINGTON
DEPARTMENT OF ENTERPRISE SERVICES**

By: E-SIGNED by Brad Hoffelt
Name: Brad W. Hoffelt
Title: Senior Vice President
Date: December 17, 2018

By: E-SIGNED by Kim Kirkland
Name: Kim Kirkland
Title: Procurement Supervisor
Date: December 13, 2018

NASPO ValuePoint Commercial Card Services Contract Extended

The Commercial Card Services contract, led by the state of Washington, has executed its maximum extension, ensuring commercial card services until December 31, 2020.

This contract is executed via two (2) categories. ~~Category 1 – Purchase, Travel, One, and Declining Balance Cards~~ and **Category 2 – Fleet Cards**. Categories are awarded to US Bank and US Bank Voyager program respectively.

There were changes to incentive/rebates in both categories that will be effective on January 1, 2019. Rebate Changes for each category are explained in greater detail below.

~~Category 1 – Purchase, Travel, One and Declining Balance Card Changes~~

~~Change in Category 1 reflect an alteration to Incentive #2. Incentive #2 – Discount Interchange Rate Program (DIRP) Volume Incentive (previously Large Ticket) now includes all transactions that are processed using the DIRP rates. Those types of purchases include, large ticket, Visa Partnership program, and any other interchange programs entered into by the Associates, Customer, Merchant, or others whereby the parties to those interchange programs have agreed to lower interchange rates for certain transactions.~~

~~Effective January 1, 2019, the new rebate rates are:~~

- ~~• Incentive #1 - Standard Volume, 150 BPS (up from 130)~~
- ~~• Incentive #2 - DIRP Volume Incentive, 75 BPS – no change from previous Large Ticket Incentive~~
- ~~• Incentive #3 - Speed of Pay/Prompt Payment Incentive, 45 BPS (max) - no change~~
- ~~• Incentive #4 - NASPO Annual Sales Volume Incentive, 45 BPS - no change~~

Category 2 – Fleet Card Changes

US Bank Voyager now offers a tool to restrict, approve, and record vehicle maintenance purchases based on an entity's established guidelines. This is a cardless solution that works via an agreement between the maintenance vendor and US Bank Voyager.

Purchase restrictions, approvals, and records are accessed via a third party website. The third party, Auto Integrate, has an agreement with US Bank Voyager and houses purchase restriction, approval and historical transaction information. Participating Entities are not to submit any personally identifiable information and/or payment card information into the US Bank Voyager Maintenance Solution® (VMS).

If Participating Entities choose to implement the VMS they must agree to Auto Integrate's terms of use for the webpage. Compelled disclosure information can be found in Section 4 of the Category 2 Master Agreement, Amendment #1. Participating Entities are not required to use the VMS product and can choose to continue to make maintenance purchases at Voyager accepting locations with the Voyager card.

Effective January 1, 2019, the new rebate rates are:

- Incentive #1 – Fleet Standard Volume, 124 BPS (down from 130)
- Incentive #2 – Voyager Maintenance Solution® Volume, 300 BPS
- Incentive #3 - Speed of Pay/Prompt Payment Incentive, 45 BPS (max) - no change
- Incentive #4 - NASPO Annual Sales Volume Incentive, 37-42 BPS – depending on NASPO Fleet Standard Volume spend

CONTRACT

The State of Washington on Behalf of WSCA-NASPO Cooperative Purchasing Program Commercial Card Solutions Contract #00612, Category 2 - Fleet Cards

Lead State:
State of Washington
Department of Enterprise Services (DES)



For Purchases of Materials, Supplies, Services, and Equipment
Under the Authority of
Chapter 43.19 RCW

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OVERVIEW

1.1 CONTRACT SCOPE

The scope of this contract will be to establish a nationwide Commercial Card Services Contract led by the State of Washington Department of Enterprise Services (DES) on behalf of the WSCA-NASPO Cooperative Purchasing Program (WSCA-NASPO) for use by states, state agencies and political subdivisions for the as needed products/services related the Commercial Card Industry as described herein.

1.2 CONTRACT SCOPE AND MODIFICATIONS

DES reserves the right to modify this Contract by mutual written agreement between DES and the Contractor, so long as such modification is substantially within the scope of the original Contract. Such modifications will be evidenced by issuance of a written authorized amendment by the DES Contract Administrator.

1.3 RECITALS

The State of Washington, acting by and through DES on behalf of WSCA-NASPO, issued a Request for Proposal (RFP) dated 11/7/12 for the purpose of purchasing Commercial Cards including, but not limited to purchasing card, corporate (travel) cards, one cards, declining balance cards, and fleet cards in accordance with its authority under Chapter 43.19 RCW.

A Contract between a Contractor and a participating state other than the State of Washington may be subject to requirements in addition to or different from the Contract terms contained herein and from the statutes and rules contained in the Revised Code of Washington (RCW) and the Washington Administrative Code (WAC).

US Bank submitted a timely Response to the State of Washington DES RFP.

The State of Washington DES and the WSCA-NASPO Sourcing Team evaluated all properly submitted Responses to the above-referenced RFP and identified *US Bank* as the apparently successful Contractor for the following category:

Category 2 - Fleet Cards

The State of Washington has determined that entering into a Contract with U.S. Bank will meet Entities needs and will be in Entities best interest.

NOW THEREFORE, DES awards this Contract to U.S. Bank (Contractor), the terms and conditions of which shall govern Contractor's furnishing to Entities the option of purchasing Commercial Cards as outlined within the awarded category. This Contract is not for personal use.

1.4 ESTIMATED USAGE

The State of Washington does not represent or guarantee any minimum purchase.

1.5 CONTRACT TERM

The initial term of this contract is five (5) years from date of award which occurs when both parties have signed the Contract. The contract may be extended for additional term(s) or portions thereof. Any term extension is not automatic and may be exercised solely at Washington's option. However, any such extension for each additional term(s) or portion thereof is subject to the mutual agreement of DES and Contractor in the form of a Contract Amendment. The total contract term, including the initial term and all subsequent extensions, shall not exceed seven (7) years unless an emergency exists and/or special circumstances require a partial term extension.

1.6 ENTITIES

General Use

This Contract is for use by the State of Washington, WSCA-NASPO states, state agencies and political subdivisions. "Political subdivisions" means financially independent government entities such as cities and counties. Each Participating state which has executed a Participating Addendum and has been credit qualified by Contractor ("Participating State") may include any state specific requirements, terms and conditions which are mutually agreed to by Contractor. Additional non-state entities are also eligible to participate subject to approval from the State Chief Procurement Official and with the consent of the awarded Contractor through the execution of a Participating Addendum. The term "Participating Entity" shall include both Participating States and those entities which have signed a Participating Addendum. Each Participating state may choose to order any of the products and services listed in this Contract. All States may choose to not participate in every product/service.

PARTICIPANTS: WSCA-NASPO is the cooperative purchasing program of the National Association of State Procurement Officials. It is a cooperative group contracting consortium for state government departments, institutions, agencies and Political Subdivisions (e.g., colleges, school districts, counties, cities, etc.) for all 50 states, the District of Columbia and the organized US territories. Obligations under this Contract are limited to those Participating Entities who have signed a Participating Addendum. Financial obligations of Participating Entities are limited to the orders placed by the departments or other state agencies and institutions having available funds. Participating States incur no financial obligations on behalf of Political Subdivisions.

ENTITY PARTICIPATION: Use of specific WSCA-NASPO cooperative Contracts by state agencies, Political Subdivisions and other entities (including cooperatives) authorized by individual state's statutes to use state contracts are subject to the approval of the respective State Chief Procurement Official. Issues of interpretation and eligibility for participation are solely within the authority of the respective State Chief Procurement Official and subject to Contractor's approval.

2 CONTRACT ADMINISTRATION

2.1 DES CONTRACT ADMINISTRATOR

The DES shall appoint a single point of contact that will be the Contract Administrator for this Contract and will provide oversight of the activities conducted hereunder. The DES Contract Administrator will be the principal contact for the Contractor concerning business activities under this Contract. The DES will notify the Contractor, in writing, when there is a new DES Contract Administrator assigned to this Contract.

2.2 ADMINISTRATION OF CONTRACT

DES will maintain Contract information and pricing and make it available on the DES website. Contractor may propose a revision to its offering to reflect changes in technology appropriate to the scope of the Contract. Products and services may be added to this Contract by mutual agreement. New products or services will be added to the Contract by written amendment.

2.3 CONTRACTOR SUPERVISION AND COORDINATION

Contractor shall:

1. Competently and efficiently, supervise and coordinate the implementation and completion of all Contract requirements specified herein;
2. Identify the Contractor's Representative, who will be the principal point of contact for the DES Contract Administrator concerning Contractor's performance under this Contract;
3. Immediately notify the Contract Administrator in writing of any change of the designated Contractor's Representative assigned to this Contract;
4. Be bound by all written communications given to or received from the Contractor's Representative; and
5. Notify the Contract Administrator in writing, as soon as reasonably practicable, of any change of the designated Contractor's Representative assigned to this Contract.

Violation of any provision of this paragraph may be considered a material breach establishing grounds for Contract termination.

2.4 POST AWARD CONFERENCE

The Contractor may be required to attend a post award conference scheduled by the DES Contract Administrator to discuss contract performance requirements. The time and place of this conference will be scheduled following contract award.

2.5 CONTRACT MANAGEMENT

Upon award of this Contract, the Contractor shall:

1. Review the impact of the award and take the necessary steps needed to ensure that contractual obligations will be fulfilled.
2. Promote and market the use of this Contract to all authorized contract Entities.
3. Ensure that those who endeavor to utilize this Contract are authorized Entities under this Contract.
4. Ensure that transition/implementation timelines are adhered to so Customers are not without coverage.

2.6 CHANGES

Alterations to any of the terms, conditions, or requirements of this Contract shall be effective upon written issuance of a mutually agreed Contract Amendment by the Contract Administrator. However, applicable changes due to regulatory, legal and other rules that govern the Contractor's business that may impact this Contract may be made with reasonable notice without the written approval of DES. Additionally, changes to point of contact information may be updated without the issuance of a mutually agreed Contract Amendment.

2.7 WASHINGTON ELECTRONIC BUSINESS SOLUTION (WEBS)

Contractor shall be registered in the Contractor registration system, Washington Electronic Business Solution (WEBS) at, www.ga.wa.gov/webs maintained by DES. Contractors already registered need not re-register. It is the sole responsibility of Contractor to properly register with WEBS and maintain an accurate Contractor profile in WEBS.

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3 INCENTIVE SHARE

3.1 INCENTIVE SHARE COMPONENTS

Incentive Share will be a combined total of volume and speed of pay basis points. Incentive Share will be a single payment paid directly to Entity in each state unless the state's Participating Addendum chooses to disburse any of the Incentive Share Components in an alternate manner. Incentive Share payments will be either mailed or transmitted via ACH by the 60th day following the end of each quarter.

Incentive Share Components

Volume Incentive - Each Entity will receive a basis point (percentage) of their total quarterly sales volume. The formula for calculating the quarterly volume incentive share is:

Quarterly volume sales per entity - qualifying large ticket volume X basis points (percentage) = Entity Quarterly Volume Incentive

Speed of Pay Incentive – Each Entity will receive an additional incentive share based on speed of pay. Speed of Pay incentive will be determined by averaging quarterly days to pay (file-turn) and applying the appropriate percentage. Average days to pay will be from the date the transaction is posted to the account to the date payment is posted to the account. The formula for calculating Speed of Pay Incentive is:

(45 – Average number of days to pay) / 45 X basis points (percentage) X invoice amount (Quarter Sales Volume) = Entity Prompt Payment Incentive

WSCA/NASPO Annual Sales Volume Incentive – Each participating state will receive an additional WSCA-NASPO Annual Sales Volume Incentive based on a tier established from all WSCA-NASPO participating states annual volume and applied to each state's annual sales volume. The formula for calculating WSCA-NASPO Annual Sales Volume Incentive is:

Participating state annual sales volume (all products) X applicable basis points (percentage) corresponding to the Tier established for the Annual Overall WSCA-NASPO Sales Volume (all product) = WSCA-NASPO Participating State Annual Sales Volume Incentive.

Rebates Applicable to Purchase Card and One Card	Rebate BPS	Paid								
<p>Each Participating Entity will receive a basis point (percentage) of their quarterly sales volume. The Formula to determine quarterly volume incentive share: <u>Quarterly volume sales per entity - qualifying large ticket volume X basis points (percentage) = Entity Quarterly Volume Incentive</u></p>	130	Quarterly								
<p>The Prompt Payment Incentive calculation is designed to provide an incentive to each Entity, when Client Held Days is less than forty-five (45) days. The Prompt Payment Incentive is based solely on the Client Held Days Payment Performance for each Entity for each Agreement Quarter (3 calendar months). The Formula to determine Prompt Payment Incentive: <u>(45 - Client Held Days) / 45 x 0.0045 x Quarterly Sales Volume</u></p>		Quarterly								
<p>Annual Sales Volume Incentive- Each participating state will receive an additional WSCA-NASPO Annual Sales Volume Incentive based on a tier established from all WSCA-NASPO participating states annual volume and applied to each state's annual sales volume.</p> <p>The formula for calculating WSCA-NASPO Annual Sales Volume Incentive is: <u>Participating state annual sales volume (all products) X applicable basis points (percentage) corresponding to the Tier established for the Annual Overall WSCA-NASPO Sales Volume (all product) = WSCA/NASPO Participating State Annual Sales Volume Incentive.</u></p> <table style="margin-left: auto; margin-right: auto;"> <tr> <td style="text-align: right;">\$500,000,000 - \$2,000,000,000</td> <td style="text-align: center;">40</td> </tr> <tr> <td style="text-align: right;">\$2,000,000,001 - \$3,000,000,000</td> <td style="text-align: center;">41</td> </tr> <tr> <td style="text-align: right;">\$3,000,000,001 - \$4,000,000,000</td> <td style="text-align: center;">43</td> </tr> <tr> <td style="text-align: right;">\$4,000,000,001 - \$5,000,000,000</td> <td style="text-align: center;">45</td> </tr> </table> <p>Note: Notwithstanding the foregoing, if a political subdivision in a non-participating state is allowed to join the contract, the Annual Aggregate State rebate component will be negotiated between the Bank, WSCA/NASPO and that political subdivision so long as the net bps available for this component are not diminished.</p>	\$500,000,000 - \$2,000,000,000	40	\$2,000,000,001 - \$3,000,000,000	41	\$3,000,000,001 - \$4,000,000,000	43	\$4,000,000,001 - \$5,000,000,000	45		Annually
\$500,000,000 - \$2,000,000,000	40									
\$2,000,000,001 - \$3,000,000,000	41									
\$3,000,000,001 - \$4,000,000,000	43									
\$4,000,000,001 - \$5,000,000,000	45									

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Minimum Requirements:

If Any Entity does not earn at least \$75.00 in Incentive Share for Category 1 Incentive Share Components 1 through 3 and Category 2 Incentive Share Components 1 through 2 will forfeit Incentive share for the preceding quarter.

Any Incentive Share payment made pursuant to the Contract will be net of accumulated Charge-offs resulting from participation in Contractor programs regardless of whether the underlying Contract between the parties is valid or has been terminated.

In the event that the Card Program or the Contract is terminated prior to the completion of the Base Period or prior to the completion of any Agreement Quarter after the completion of the Base Period by Entity without cause, or by Contractor with cause, and/or the sole provider provision of this Contract is violated, in addition to any other remedies available to Contractor, this Incentive Share opportunity shall immediately terminate and no Incentive Share shall be paid to Entity.

Any Charge-offs in excess of the net Incentive Share from one (1) Agreement Quarter will be subtracted from one (1) or more of the following Agreement Quarters. Upon termination of the Contract, if the net Incentive Share is a negative dollar amount due to Charge-offs, Contractor may request, and Entity agrees to reimburse, Contractor up to the dollar amount previously paid by Contractor to Entity within thirty (30) days of the termination of the Contract.

3.2 INCENTIVE SHARE ADJUSTMENTS

In the event in a decrease or increase in the interchange rates by five percent (5%) or more, US Bank will have the right (but not obligation) to replace the current Revenue Sharing Opportunity with a new Revenue Sharing Opportunity proportionate to the change of the revised interchange rates.

If any Entity does not earn at least \$75.00 in Incentive Share for Category 1, Incentive Share Components 1 through 3 they will forfeit their Incentive Share for the preceding quarter.

Contractors shall not make extensions contingent on price adjustments.

4 CONTRACTOR QUALIFICATIONS AND REQUIREMENTS

4.1 ESTABLISHED BUSINESS

Prior to commencing performance, or prior to that time if required by the DES, law or regulation, Contractor must be an established business firm with all required licenses, fees, bonding, facilities, equipment and trained personnel necessary to meet all requirements and perform the work as specified in the RFP. Contractor shall maintain compliance with these requirements throughout the life of this contract.

The DES reserves the right to require receipt of proof of compliance with said requirements within ten (10) calendar days from the date of request, and to terminate this Contract as a material breach for noncompliance with any requirement of this paragraph.

4.2 USE OF SUBCONTRACTORS

Contractor shall take complete responsibility for all actions of Subcontractors.

Specific restrictions apply to contracting with current or former state employees pursuant to Chapter 42.52 RCW.

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The following credit card provider has been selected by U.S. Bank and is authorized to perform the services listed in the Product Offering section:

Category 1-Visa

Category 2-Voyager

4.3 SUBCONTRACTS AND ASSIGNMENT

Contractor shall not assign, sell, transfer, subcontract or sublet rights, or delegate responsibilities under this contract, in whole or in part, without the prior written approval of the WSCA-NASPO Contract Administrator. Notwithstanding the previous sentence, approval for assignment to a bank affiliate will not be unreasonably withheld.

4.4 RECORDS ADMINISTRATION AND AUDIT

The Contractor will maintain, or supervise the maintenance of all records necessary to properly account for the payments made to the Contractor for costs authorized by this contract. These records will be maintained by the Contractor for a rolling period of seven (7) years from the date of the transaction, or until all audits initiated within the seven (7) years have been completed, whichever is later. The Contractor agrees to allow WSCA-NASPO, State and Federal auditors, and state agency staff access to all the records of this Contract and any order placed under this Contract, for audit and inspection, and monitoring of services. Such access will be during normal business hours, or by appointment.

4.5 INDEPENDENT CONTRACTOR

The Contractor shall be an independent Contractor, and as such shall have no authorization, express or implied to bind WSCA-NASPO or the respective states to any agreements, settlements, liability or understanding whatsoever, and agrees not to perform any acts as agent for WSCA-NASPO or the states, except as expressly set forth herein.

4.6 INDIVIDUAL CUSTOMER

Except to the extent modified by a Participating Addendum, each Entity shall follow the terms and conditions of the Contract and applicable Participating Addendum and will have the same rights and responsibilities for their purchases as the Lead State has in the Contract, including but not limited to, any indemnity or to recover any costs allowed in the Contract and applicable Participating Addendum for their purchases. Each Entity will be responsible for its own charges, fees, and liabilities. The Contractor will apply the charges and invoice each Entity individually.

4.7 INSURANCE

Contractor shall, during the term of this Contract, maintain in full force and effect, the insurance described in this section. Contractor shall acquire such insurance from an insurance carrier or carriers licensed to conduct business in the Entity's state and having a rating of A-, Class VII or better, in the most recently published edition of Best's Reports. Failure to buy and maintain the required insurance may result in this Contract's termination or at a Entity's option, result in termination of its Participating Addendum.

Coverage shall be written on an occurrence basis. The minimum acceptable limits shall be as indicated below, with no deductible for each of the following categories:

1. Commercial General Liability covering the risks of bodily injury (including death), property damage and personal injury, including coverage for contractual liability, with a limit of not less than \$1 million per occurrence/\$2 million general aggregate;

2. Contractor must comply with any applicable State Workers Compensation or Employers Liability Insurance requirements.

Contractor shall pay premiums on all insurance policies. Such policies shall also reference this Contract and shall have a condition that they not be revoked by the insurer until thirty (30) calendar days after notice of intended revocation thereof shall have been given to Entity by the Contractor.

Prior to commencement of the work, Contractor shall provide to the Entity a written endorsement to the Contractor's general liability insurance policy that (i) names the Entity as an additional insured, (ii) provides that no material alteration, cancellation, non-renewal, or expiration of the coverage contained in such policy shall have effect unless the named Entity has been given at least thirty (30) days prior written notice, and (iii) provides that the Contractor's liability insurance policy shall be primary, with any liability insurance of the Entity as secondary and noncontributory.

Contractor shall furnish to Entity copies of certificates of all required insurance within thirty (30) calendar days of the Participating Addendum's effective date and prior to performing any work. Copies of renewal certificates of all required insurance shall be furnished within thirty (30) days after renewal date. These certificates of insurance must expressly indicate compliance with each and every insurance requirement specified in this section. Failure to provide evidence of coverage may, at State's sole option, result in this Contract's termination.

Coverage and limits shall not limit Contractor's liability and obligations under this Contract.

4.8 LAWS AND REGULATIONS

Any and all supplies, services and equipment offered and furnished shall comply fully with all applicable Federal and State laws and regulations.

4.9 REPORTS

The Contractor shall submit reports to the DES Contract Administrator or directly to WSCA-NASPO as requested.

5 INFORMATION AND COMMUNICATIONS

5.1 ADVERTISING

Contractor shall not publish or use any information concerning this Contract in any format or media for advertising or publicity without prior written consent from the DES Contract Administrator.

5.2 RETENTION OF RECORDS

Records for this contract will be maintained by the Contractor for a rolling period of seven (7) years from the date of a transaction. These records which shall be records related only to DES and its transactions, including materials generated under the Contract, at the sole cost and expense of DES, shall be subject at all reasonable times and with reasonable notice to inspection, review, or audit by the DES, personnel duly authorized by the DES, the Washington State Auditor's Office, and federal and state officials so authorized by law, regulation or agreement.

If any litigation, claim or audit is started before the expiration of the seven (7) year period, the records shall be retained until final resolution of all litigation, claims, or audit findings involving the records.

5.3 NON-ENDORSEMENT AND PUBLICITY

Neither the DES nor the Entities are endorsing the Contractor's Products or Services, nor suggesting that they are the best or only solution to their needs. Contractor agrees to make no reference to the State of Washington, DES, any Participating Entity or WSCA-NASPO in any literature, promotional material, brochures, sales presentation or the like, regardless of method of distribution, without the prior review and express written consent of the DES and Participating Entity.

5.4 PUBLIC INFORMATION

This Contract and all related documents are subject to disclosure pursuant to the State of Washington's and individual Participating Entity's public information laws.

5.5 CONFIDENTIALITY, NON-DISCLOSURE AND INJUNCTIVE RELIEF

5.5.1 CONFIDENTIALITY

Contractor acknowledges that it and its employees or agents may, in the course of providing the product under this Contract, be exposed to or acquire information that is confidential to Entity or Entity's clients. Any and all information of any form that is marked as confidential or would by its nature be deemed confidential obtained by Contractor or its employees or agents in the performance of this Contract, including, but not necessarily limited to (a) any Entity records, (b) personnel records, and (c) information concerning individuals, is confidential information of Entity ("Confidential Information"). Any reports or other documents or items (including software) that result from the use of the Confidential Information by Contractor shall be treated in the same manner as the Confidential Information. Confidential Information does not include information that (a) is or becomes (other than by disclosure by Contractor) publicly known; (b) is furnished by Entity to others without restrictions similar to those imposed by this Contract; (c) is rightfully in Contractor's possession without the obligation of nondisclosure prior to the time of its disclosure under this Contract; (d) is obtained from a source other than Entity without the obligation of confidentiality, (e) is disclosed with the written consent of Entity or; (f) is independently developed by employees, agents or subcontractors of Contractor who can be shown to have had no access to the Confidential Information.

5.5.2 NON-DISCLOSURE

Contractor shall hold Confidential Information in confidence, in accordance with its normal procedures for safeguarding customer information and its policies and using the same care to satisfy its obligations under the Contract as it uses with respect to its own confidential information, and not to copy, reproduce, sell, assign, license, market, transfer or otherwise dispose of, give, or disclose Confidential Information to third parties that do not have a "need to know" or use Confidential Information for any purposes whatsoever other than the performance of this Contract to Entity hereunder, and to advise each of its employees, affiliates and agents of their obligations to keep confidential information confidential. Notwithstanding anything to the contrary contained herein, the Contractor and its affiliates may disclose Confidential Information, without notice to DES, to any governmental agency, regulatory authority or self-regulatory authority (including, without limitation, bank and securities examiners) having or claiming to have authority to regulate or oversee any aspect of the Contractor's business or that of its affiliates in

connection with the exercise of such authority or claimed authority Contractor shall use commercially reasonable efforts to assist Entity in identifying and preventing any unauthorized use or disclosure of any Confidential Information. Without limiting the generality of the foregoing, Contractor shall advise Entity as soon as reasonably practicable if Contractor learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of this Contract and Contractor shall, at the request and expense of Entity, cooperate with Entity in seeking injunctive or other equitable relief in the name of Entity or Contractor against any such person. Except as directed by Entity, Contractor will not at any time during or after the term of this Contract disclose, directly or indirectly, any Confidential Information to any person, except in accordance with this Contract, and that upon termination of this Contract and at Entity's written request, Contractor shall, subject to applicable law, rule and regulation and Contractor's document retention policies and procedures, turn over to Entity all documents, papers, and other matter in Contractor's possession that was delivered to Contractor by or on behalf of Entity that embody Confidential Information. Notwithstanding the foregoing, Contractor may keep one (1) copy of such Confidential Information necessary for quality assurance, audits and evidence of the performance of this Contract.

5.5.3 INJUNCTIVE RELIEF

Contractor acknowledges that breach of this Section, including disclosure of any Confidential Information, will cause irreparable injury to Entity that is inadequately compensable in damages. Accordingly, Entity may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies that may be available. Contractor acknowledges and agrees that the covenants contained herein are necessary for the protection of the legitimate business interests of Entity and are reasonable in scope and content.

6 GENERAL PROVISIONS

6.1 GOVERNING LAW

The Contract shall be governed by and construed in accordance with the laws of the state sponsoring and administering the Contract. The construction and effect of any Participating Addendum or order against the contract(s) shall be governed by and construed in accordance with the laws of the Entity's State. Venue for any claim, dispute or action concerning an order placed against the contract(s) or the effect of a Participating Addendum shall be in the Purchasing Entity's State.

6.2 SEVERABILITY

If any provision of this Contract or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this Contract that can be given effect without the invalid provision, and to this end the provisions of this Contract are declared to be severable.

6.3 SURVIVORSHIP

All transactions executed for products and Services provided pursuant to the authority of this Contract shall be bound by all of the terms, conditions, notwithstanding the expiration of the initial term of this Contract or any extension thereof. Further, the terms, conditions and warranties contained in this Contract that by their sense and context are intended to survive the completion of the performance, cancellation or termination of this Contract shall so survive. In addition, the terms of the sections titled Overpayments to Contractor; Ownership/Rights in Data;

Contractor's Commitments, Warranties and Representations; Protection of Entity's Confidential Information; Section Headings, Incorporated Documents and Order of Precedence; Publicity; Retention of Records; Patent and Copyright Indemnification; Contractor's Proprietary Information; Disputes; and Limitation of Liability shall survive the termination of this Contract.

6.4 DEBARMENT

The Contractor certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction (contract) by any governmental department or agency.

6.5 FORCE MAJEURE

Neither party to this contract shall be held responsible for delay or default caused by fire, riot, acts of God and/or war which is beyond that party's reasonable control. The lead State of Washington's DES may terminate this contract after determining such delay or default will reasonably prevent successful performance of the contract.

6.6 INDEMNIFICATION

The Contractor shall defend, indemnify and hold harmless WSCA-NASPO, the Lead State and Participating Entities along with their officers, agencies, and employees as well as any person or entity for which they may be liable from and against all third party claims, damages or causes of action including reasonable attorneys' fees and related costs for any death, injury, or damage to property arising from act(s), error(s), or omission(s) of the Contractor, its employees or subcontractors or volunteers, at any tier, relating to the performance under the Contract. This section is not subject to any limitations of liability in this Contract or in any other document executed in conjunction with this Contract

6.7 INDEMNIFICATION – INTELLECTUAL PROPERTY

The Contractor shall defend, indemnify and hold harmless WSCA-NASPO, the Lead State and Participating Entities along with their officers, agencies, and employees as well as any person or entity for which they may be liable ("Indemnified Party") from and against all third-party claims, damages or causes of action including reasonable attorneys' fees and related costs arising out of third party claim that the product or its use, infringes any Berne Convention country copyright or any United States of America or United Kingdom patent, trade secret or trademark of any third party ("Intellectual Property Claim"). The Contractor's obligations under this section shall not extend to any combination of the product with any other product, system or method, unless:

1. the Product, system or method is:
 - (a) provided by the Contractor or the Contractor's subsidiaries or affiliates;
 - (b) specified by the Contractor to work with the product; or
 - (c) reasonably required, in order to use the product in its intended manner, and the infringement could not have been avoided by substituting another reasonably available product, system or method capable of performing the same function; or
2. it would be reasonably expected to use the product in combination with such product, system or method.

The Indemnified Party shall promptly notify the Contractor after receiving notice of an Intellectual Property Claim. Even if the Indemnified Party fails to provide prompt notice, the Contractor shall not be relieved from its obligations unless the Contractor can demonstrate that it was prejudiced in defending the Intellectual Property Claim resulting in increased expenses or loss to the

Contractor. If the Contractor promptly and reasonably investigates and defends any Intellectual Property Claim, it shall have control over the defense and settlement of it. However, the Indemnified Party must consent in writing for any money damages or obligations for which it may be responsible. The Indemnified Party shall furnish, at the Contractor's reasonable request and expense, information and assistance necessary for such defense. This section is not subject to any limitations of liability in this Contract or in any other document executed in conjunction with this Contract.

6.8 ASSIGNMENT OF ANTITRUST RIGHTS

Contractor irrevocably assigns to a Entity any claim for relief or cause of action which the Contractor now has or which may accrue to the Contractor in the future by reason of any violation of state or federal antitrust laws (15 U.S.C. § 1-15 or an Entity's state antitrust provisions), as now in effect and as may be amended from time to time, in connection with any goods or services provided to the Contractor for the purpose of carrying out the Contractor's obligations under this Contract or Participating Addendum; including, at an Entity's option, the right to control any such litigation on such claim for relief or cause of action.

Contractor shall require any subcontractors hired to perform any of Contractor's obligations, under this Contract or Participating Addendum, to irrevocably assign to an Entity, as third party beneficiary, any right, title or interest that has accrued or which may accrue in the future by reason of any violation of state or federal antitrust laws (15 U.S.C. § 1-15 or an Entity's state antitrust provisions), as now in effect and as may be amended from time to time, in connection with any goods or services provided to the subcontractor for the purpose of carrying out the subcontractor's obligations to the Contractor in pursuance of this Contract or Participating Addendum, including, at an Entity's option, the right to control any such litigation on such claim for relief or cause of action.

6.9 LICENSE OF PRE-EXISTING INTELLECTUAL PROPERTY

Contractor grants to the Entity a nonexclusive, revocable, non-transferable license for the use of the Software, which means any third-party software provided by Contractor and necessary for use of the Product and services under the Contract, and any Materials, which means any third-party materials provide by Contractor and necessary for use of the Product and series under the Contract, related to the Software provided to Entity under this Contract. Each license is granted solely for use in object code form only in connection with the Service.

6.10 NO WAIVER OF SOVEREIGN IMMUNITY

In no event shall this Contract, any Participating Addendum or any contract or any purchase order issued thereunder, or any act of a Lead State or a Entity, be a waiver by the Entity of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the Eleventh Amendment to the Constitution of the United States or otherwise, from any claim or from the jurisdiction of any court.

If a claim must be brought in a federal forum, then it must be brought and adjudicated solely and exclusively within the United States District Court for the Participating State. This section applies to a claim brought against the Participating State only to the extent Congress has appropriately abrogated the Participating State's sovereign immunity and is not consent by the Participating State to be sued in federal court. This section is also not a waiver by the Participating State of any form of immunity, including but not limited to sovereign immunity and immunity based on the Eleventh Amendment to the Constitution of the United States.

6.11 STANDARD OF PERFORMANCE AND ACCEPTANCE

The Standard of Performance, which shall be defined as that standard of performance which is customary in the industry, applies to all product(s) purchased under this Contract, including any additional, replacement, or substitute product(s) and any product(s) which are modified by or with the written approval of Contractor after Acceptance by the Entity. The Acceptance Testing period shall be thirty (30) calendar days or other time period identified in the RFP or the Participating Addendum, starting from the day after the product is installed and Contractor certifies that the product is ready for Acceptance Testing. If the product does not meet the Standard of Performance during the initial period of Acceptance Testing, Entity may, at its discretion, continue Acceptance Testing on a day-to-day basis until the Standard of Performance is met. Upon rejection, the Contractor will have fifteen (15) calendar days to cure the Standard of Performance issue(s). If after the cure period, the product still has not met the Standard of Performance Entity may, at its option: (1) declare Contractor to be in breach and terminate the Order; (2) demand replacement product from Contractor at no additional cost to Entity; or, (3) continue the cure period for an additional time period agreed upon by the Entity and the Contractor. Contractor shall pay all costs related to the preparation and shipping of product returned pursuant to the section. No product shall be accepted and no charges shall be paid until the Standard of Performance is met. The warranty period will begin upon Acceptance.

6.12 SYSTEM FAILURE OR DAMAGE

In the event of system failure, damage, data loss, or breach caused by the Contractor or its product, the Contractor agrees to use its best efforts to (i) provide required notice to affected entities and individuals and to (ii) restore or to assist in restoring the system to operational capacity.

6.13 TITLE OF PRODUCT

Upon Acceptance by the Entity, Contractor shall convey to Entity title to the product free and clear of all liens, encumbrances, or other security interests. Transfer of title to the product shall include an irrevocable and perpetual license to use the Embedded Software, which means software (if any) that functions within the Product, in the product. If Entity subsequently transfers title of the Product to another entity, Entity shall have the right to transfer the license to use the Embedded Software with the transfer of product title. A subsequent transfer of this software license shall be at no additional cost or charge to either Entity or Entity's transferee.

6.14 WARRANTY

Except as specifically stated above and in any Infringement Indemnity, which means indemnification of the Entity by the Contractor against any claim or suit with respect to such Entity's use of any Software, and notwithstanding any other provision in this Contract or otherwise, we make no representation or warranty, express or implied, written or oral, and, to the full extent permitted by law, disclaim all other warranties including, but not limited to, the implied warranties of merchantability or fitness for a particular purpose, regarding the Software, the materials, and all other property, services or rights covered by this Contract.

6.15 WSCA-NASPO eMARKET CENTER

Awarded responders are required to participate in the WSCA-NASPO eMarket Center and, working through WSCA-NASPO's Contractor (SciQuest), connect with the eMarket Center. The ideal situation would be to use either a hosted (by SciQuest) or Punchout Level 2 catalog configurations, but actual requirements will be determined by the Lead State Contract Administrator, WSCA-NASPO, WSCA-NASPO's Contractor (SciQuest) and the awarded Contractor, after award. Participation does not require an awarded responder to have any special level of technology or technological understanding.

7 DISPUTES AND REMEDIES

7.1 DEFAULTS & REMEDIES

The occurrence of any of the following events shall be an event of default under this Contract:

1. Nonperformance of contractual requirements; or
2. A material breach of any term or condition of this Contract; or
3. Any representation or warranty by Contractor in response to the RFP or in this Contract proves to be untrue or materially misleading; or
4. Institution of proceedings under any bankruptcy, insolvency, reorganization or similar law, by or against Contractor, or the appointment of a receiver or similar officer for Contractor or any of its property, which is not vacated or fully stayed within thirty (30) calendar days after the institution or occurrence thereof; or
5. Any default specified in another section of this Contract.

Upon the occurrence of an event of default, Lead State shall issue a written notice of default, identifying the nature of the default, and providing a period of 15 calendar days in which Contractor shall have an opportunity to cure the default. The Lead State shall not be required to provide advance written notice or a cure period and may immediately terminate this Contract in whole or in part if the Lead State, in its sole discretion, determines that it is reasonably necessary to preserve public safety or prevent immediate public crisis. Time allowed for cure shall not diminish or eliminate Contractor's liability for damages, including liquidated damages to the extent provided for under this Contract.

If Contractor is afforded an opportunity to cure and fails to cure the default within the period specified in the written notice of default, Contractor shall be in breach of its obligations under this Contract and Lead State shall have the right to exercise any or all of the following remedies:

1. Exercise any remedy provided by law; and
2. Terminate this Contract and any related Contracts or portions thereof; and
3. Impose liquidated damages as provided in this Contract; and
4. Suspend Contractor from receiving future bid RFPs; and
5. Suspend Contractor's performance; and
6. Withhold payment until the default is remedied.

In the event of a default under a Participating Addendum, a Entity shall provide a written notice of default as described in this section and have all of the rights and remedies under this paragraph regarding its participation in the Contract, in addition to those set forth in its Participating Addendum.

7.2 ADMINISTRATIVE SUSPENSION

When it is in the best interest of the state, the DES may at any time, and without cause, suspend the Contract or any portion thereof for a period of not more than thirty (30) calendar days per event by written notice from the Contract Administrator to the Contractor's Representative. Contractor shall resume performance on the next business day following the 30th day of suspension unless an earlier resumption date is specified in the notice of suspension. If no resumption date was specified in the notice of suspension, the Contractor can be demanded and required to resume performance within the 30 day suspension period by the Contract Administrator providing the Contractor's Representative with written notice of such demand.

7.3 ALTERNATIVE DISPUTE RESOLUTION FEES AND COSTS

In the event that the parties engage in arbitration, mediation or any other alternative dispute resolution forum to resolve a dispute in lieu of litigation, both parties shall share equally in the cost of the alternative dispute resolution method, including cost of mediator or arbitrator. In addition, each party shall be responsible for its own attorneys' fees incurred as a result of the alternative dispute resolution method.

7.4 NON-EXCLUSIVE REMEDIES

The remedies provided for in this Contract shall not be exclusive but are in addition to all other remedies available under law.

8 CONTRACT TERMINATION

8.1 WAIVER OF BREACH

Failure of Lead State or Entity to declare a default or enforce any rights and remedies shall not operate as a waiver under this Contract or Participating Addendum. Any waiver by the Lead State or Entity must be in writing. Waiver by the Lead State or Entity of any default, right or remedy under this Contract or Participating Addendum, or breach of any terms or requirements shall not be construed or operate as a waiver of any subsequent default or breach of such term or requirement, or of any other term or requirement under this Contract or Participating Addendum.

9 CONTRACT EXECUTION

9.1 PARTIES

This Contract ("Contract") is entered into by and between the State of Washington, acting by and through *State of Washington Department of Enterprise Services* an agency of Washington State government ("DES" or "State") located at *1500 Jefferson Street SW, Olympia, WA 98501* and *US Bank*, a *national banking association* licensed to conduct business in the State of Washington ("Contractor"), located at *200 South Sixth Street Minneapolis, Minnesota 55402* for the purpose of providing *commercial card solutions*.

9.2 ENTIRE AGREEMENT

This Contract document and all subsequently issued amendments comprise the entire Contract between the DES and the Contractor. No other statements or representations, written or oral, shall be deemed a part of the Contract unless otherwise provided in the each Individual state's Participating Addendum.

9.3 ORDER OF PRECEDENCE, INCORPORATED DOCUMENTS, CONFLICT AND CONFORMITY

Incorporated Documents:

Each of the documents listed below is, by this reference, incorporated into this Contract as though fully set forth herein.

1. The RFP document with all attachments and exhibits, and all amendments thereto; and
2. Approved portions of the Contractor’s response to the RFP dated January 24, 2013;

In the event of a conflict between the documents which are incorporated into the Participating Addendum for each Entity, or any applicable statute or rule, the inconsistency shall be resolved by giving precedence in the order listed in each Entities Participating Addendum.

9.4 LEGAL NOTICES

Any notice or demand or other communication required or permitted to be given under this Contract or applicable law (except notice of malfunctioning Equipment) shall be effective only if it is in writing and signed by the applicable party, properly addressed, and either delivered in person, or by a recognized courier service, or deposited with the United States Postal Service as first-class mail, postage prepaid [certified mail, return receipt requested, via facsimile or by electronic mail], to the parties at the addresses provided in this section. For purposes of complying with any provision in this Contract or applicable law that requires a “writing,” such communication, when digitally signed with a Washington State Licensed Certificate, shall be considered to be “in writing” or “written” to an extent no less than if it were in paper form.

To DES at:	To Contractor at:
State of Washington	U.S. Bank National Association
<i>Department of Enterprise Services</i>	Corporate Payment Systems
Attn: Cathy Moxley, Contracts Consultant	Mail Code EP-MN-L28C
1500 Jefferson Street SW	200 South Sixth Street
Olympia, WA 98501	Minneapolis, MN 55402
Phone: (360) 407-9434	Attn: CPS Contract Services
E-mail: cathy.moxley@des.wa.gov	

Notices shall be effective upon receipt or four (4) Business Days after mailing, whichever is earlier. The notice address as provided herein may be changed by written notice given as provided above.

In the event that a subpoena or other legal process commenced by a third party in any way concerning the Equipment or Services provided pursuant to this Contract is served upon Contractor or DES, such party agrees to notify the other party in the most expeditious fashion possible following receipt of such subpoena or other legal process. Contractor and DES further agree to cooperate with the other party in any lawful effort by the other party to contest the legal validity of such subpoena or other legal process commenced by a third party.

9.5 AUTHORITY TO BIND

The signatories to this Contract represent that they have the authority to bind their respective organizations to this Contract.

PAD

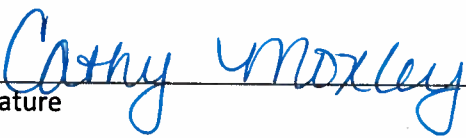

9.6 COUNTERPARTS



This Contract may be executed in counterparts or in duplicate originals. Each counterpart or each duplicate shall be deemed an original copy of this Contract signed by each party, for all purposes.

In Witness Whereof, the parties hereto, having read this Contract in its entirety, including all attachments, do agree in each and every particular and have thus set their hands hereunto.

This Contract is effective this 1st day of January, ~~2013~~ 2014 *cm*

This is a Total award for Category 2

Approved		Approved	
State of Washington Department of Enterprise Services		U.S. Bank National Association	
			
Signature		Signature	
Cathy Moxley	12/17/13	Kelly M. Caspers	12-13-13
Print or Type Name	Date	Print or Type Name	Date
Contracts Consultant		Vice President	
Title		Title	

Approved		Approved	
State of Washington Department of Enterprise Services		State of Washington Department of Enterprise Services	
			
Signature		Signature	
Christine Warnock,	12/17/13	Farrell Presnell	12/18/2013
Print or Type Name	Date	Print or Type Name	Date
State Purchasing Agent		Acting Deputy Director	
Title		Title	