

**NASPO VALUEPOINT
PARTICIPATING ADDENDUM (PA)
FOR COMMERCIAL CARD SOLUTIONS**

**Between
The State of Arkansas and U.S. Bank National Association**

Contractor: U.S. Bank National Association (“U.S. Bank” or “Contractor”)
Participating State: State of Arkansas (“Participating Entity”)
Master Agreement (MA) Number: 00612

This Participating Addendum is issued pursuant to that certain Master Agreement #00612, executed between the Contractor and the State of Washington, effective January 1, 2014 (“NASPO Master Agreement”), the terms and conditions of which are incorporated herein by reference.

1. WSCA-NASPO CONTRACT TERM

The initial term of the WSCA-NASPO Master Agreement #00612 Commercial Card Solutions shall be for five (5) years, from January 1, 2014 through December 31, 2018 with the option to extend for up to two (2) years upon mutual agreement between Washington State and U.S. Bank. The entire term shall not exceed seven (7) years.

2. EFFECTIVE DATE AND TERM OF PARTICIPATING ADDENDUM

This Participating Addendum shall be effective July 1, 2017. The term of the Participating Addendum shall run through the termination of the WSCA-NASPO Master Agreement or until the Participating Addendum is terminated, whichever occurs earlier.

3. SCOPE

This Participating Addendum covers Commercial Card Solutions-Category 1 and Category 2 of Master Agreement #00612 for State Agencies, political subdivisions and entities.

4. SERVICES

Participating Entities may choose to use services in Category 1 or Category 2 of the MA #00612.

Category 1: Purchasing, Travel, One Cards, Declining Balance/Managed Spend Cards

Category 2: Fleet Cards

5. PRIMARY CONTACTS

The primary contacts for this Participating Addendum is as follows:

Participating Entity Contact:

State:	Arkansas
Participating Entity:	State of Arkansas, Office of State Procurement
Name:	Angela Allman
Address:	1509 West 7 th Street, Room 300 Little Rock, AR 72201
Telephone:	501-371-6156
Email:	angela.allman@dfa.arkansas.gov
Fax:	501-324-9311

State:	Arkansas
Participating Entity:	State of Arkansas, Office of State Procurement
Name:	Darlene Hicks
Address:	1509 West 7 th Street, Room 300 Little Rock, AR 72201
Telephone:	501-371-1405
Email:	darlene.hicks@dfa.arkansas.gov
Fax:	501-324-9311

Vendor Contact:

Category 1 – P-Card, One Cards, and Declining Balance/Managed Spend Card

Name:	Paul Erickson
Contractor:	U.S. Bank
Address:	901 Marquette Ave. St., Suite 1800 Minneapolis, MN 55402
Telephone:	612-436-6532
Email:	Paul.Erickson@usbank.com
Web Address:	www.usbank.com

Category 2 – Fleet Card

Name:	Mark Hess
Contractor:	U.S. Bank
Address:	901 Marquette Ave. St., Suite 1800 Minneapolis, MN 55402
Telephone:	612-436-6544
Email:	Mark.Hess1@usbank.com
Web Address:	www.usbank.com

6. PRODUCTS

The State of Arkansas has indicated below which products the State intends to use:
Product Descriptions can be found in Appendix 5 to this Participating Addendum.

- A. Purchase Card with Corporate Liability (*Travel Accident Insurance not included with this product*)
 - Central Billing Accounts [Central Purchase Account/Event Planner/Central Relocation)
 - Managed Spend (Declining Balance Functionality)
 - Emergency Response Cards
- B. One Card with Corporate Liability (*Travel Accident Insurance included with this product*)
 - Central Billing Accounts (Central Travel Account/Event Planner/Central Relocation)
 - Managed Spend (Declining Balance functionality)
 - Emergency Response Cards
 - ATM Access / Cash Advances
- C. Fleet Card with Corporate Liability
- D. Corporate Card (*Travel Accident Insurance included*)
 - Contingent Liability
 - Joint and Several Liability

7. CONTRACT NUMBER

The contract number for the Participating State is 4600039961. All purchase orders issued by purchasing entities within the jurisdiction of this Participating Addendum shall include the Participating State contract number 4600039961 and the WSCA-NASPO Master Agreement Number, 00612.

This Participating Addendum and the WSCA-NASPO Master Agreement, Number 00612 , (administered by the State of Washington) together with its exhibits (including U.S. Bank's response to the WSCA-NASPO solicitation), set forth the entire agreement between the parties with respect to the subject matter of all previous communications, representations or agreements, whether oral or written, with respect to the subject matter hereof.

Terms and conditions inconsistent with, contrary or in addition to the terms and conditions of this Participating Addendum and the WSCA-NASPO Master Agreement Number 00612, together with its exhibits, shall not be added to or incorporated into this Participating Addendum or the WSCA-NASPO Master Agreement Number 00612 and its exhibits, by any subsequent purchase order or otherwise, and any such attempts to add or incorporate such terms and conditions are hereby rejected. The terms and conditions of this Participating Addendum and the WSCA-NASPO Master Agreement Number 00612 and its exhibits shall prevail and govern in the case of any such inconsistent or additional terms.

8. INCORPORATION OF DOCUMENTS

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

Appendix 1: WSCA-NASPO and U.S. Bank Commercial Card Solutions Category 1 Master Agreement, Number 00612

Appendix 2: WSCA-NASPO and U.S. Bank Fleet Card Category 2 Master Agreement Number 00612

Appendix 3: U.S. Bank Commercial Card Master Agreement for Government Entities

Appendix 4: U.S. Bank Fleet Card Program Agreement

Appendix 5: U.S. Bank Product Descriptions

Appendix 6: U.S. Bank Applicable Card Fees and Incentive Share Rebate Information

9. ORDER OF PRECEDENCE

In the event of a conflict in such terms, or between the terms and any applicable statute or rule, the inconsistency shall be resolved by giving precedence in the following order:

1. State of Arkansas Participating Addendum ("PA");
2. WSCA-NASPO Commercial Card Solutions Master Agreement Number 00612, Category 1 and Category 2
3. WSCA-NASPO Commercial Card Solutions RFP 00612
4. U.S. Bank Commercial Card Master Agreement for Government Entities and U.S. Bank Fleet Card Program Agreement
5. Approved portions of Contractor's response to WSCA-NASPO RFP 00612 for Commercial Card Solutions.

10. IMPLEMENTATION

Upon Participating Addendum execution, the Contractor shall work with the State of Arkansas to implement and/or transition to this Participating Addendum and shall submit an implementation timeline to the State of Arkansas.

Upon Participating Addendum execution, the Contractor shall provide the State of Arkansas with the following:

- Account set up and agency enrollment processes and procedures including applicable forms for review within fifteen (15) calendar days of Participating Addendum execution
- Contact information for the designated U.S. Bank customer service team dedicated to the State of Arkansas and knowledgeable in the WSCA-NASPO Commercial Card Solutions Contract
- Contact information for U.S. Bank Relationship Manager assigned to the State of Arkansas and familiar with all aspects of the WSCA-NASPO Commercial Card Solutions Contract having availability Monday through Friday, 8 a.m. until 5 p.m. CST.
- Contact information for the Account Coordinator assigned to the State of Arkansas and familiar with all aspects of the WSCA-NASPO Commercial Card Solutions Contract having availability Monday through Friday, 8 a.m. until 5 p.m. CST.
- A domestic and international toll-free number available to cardholders

11. CARD ISSUANCE

The Contractor shall mail cards issued to Participating Entity within five (5) business days after the receipt of required account set-up information. Bulk card issuance (defined as shipment of 500 cards or more) may take up to ten (10) business days. The Contractor shall mail all issued cards to the address requested by the Participating Entity.

12. TRAINING

The Contractor shall provide ongoing training to the Participating Entity regarding U.S Bank's Access Online® and/or other topics deemed necessary and requested by the Participating Entity including at a minimum, the following:

- Online web based training
- Onsite training
- Written User Reference Guides

13. INCENTIVE SHARE

A. Incentive Share Schedule

- Contract Incentive Shares shall be paid quarterly within 60 days following the last day of each 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

B. Incentive Share Calculation and Disbursement

- Contract Incentive Share payments shall be sent directly to the appointed account for each Participating Entity by U.S. Bank.
- A Participating Entity that does not earn a minimum of \$75.00 for combined Incentive Share components 1-3 per quarter will forfeit their Incentive Share for that quarter.
- The amount of the Incentive Share will be determined by combining Volume Sales for the State in question, Prompt Payment/Speed of Pay, and Large Ticket Sales.
- Incentive Share (Rebate) Formulas can be found in Appendix 4 of this Participating Addendum.

C. Incentive Share Commencement

The first Incentive Share payment pursuant to this Participating Addendum for the State of Arkansas, political subdivisions, and entities if any is earned shall be made within sixty (60) days after the end of the first Agreement Quarter. The first Agreement Quarter shall be defined as the first full Calendar Quarter which consists of the three (3) month calendar period beginning in January, April, July, or October following the Effective Date of this Participating Addendum.

14. DATA MANAGEMENT AND REPORTING SYSTEM

The Contractor shall provide access for State Agencies, political subdivisions, and entities to U.S. Bank's Access Online® or Fleet Commander® Online for the purposes of transaction data collection and management, administration of system accounts, and reporting output and data transfer. If requested, personnel authorized by the State Agencies, political subdivisions, and entities shall be provided appropriate permissions within Access Online® or Fleet Commander® Online.

15. REPORTS

The Contractor shall submit the following reports to the Program Administrator or their designee in Excel format via email:

- Quarterly Usage/Rebate Report: Due within thirty (30) days following the last day of the quarter for each Participating Agency showing the Agency name, volume sales, qualifying large ticket volume, calculated Incentive Share Rebates, and the total of the actual Incentive Share Rebate paid.
- Monthly Delinquency Report (Category 1 Only): Due within fifteen (15) days following the last day of the month, containing each Participating Agency and their respective balances that are more than 45 days past due.
- Quarterly Agency Program Administrator Contact Report: Due within thirty (30) days following the last day of the quarter, listing the Participating Agency name, Agency contact name, email, and phone number.

16. INSURANCE

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

U.S. Bank shall furnish to the State of Arkansas copies of certificates of all required insurance within thirty (30) calendar days of this 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 the Master Agreement Number 00612. Failure to provide evidence of coverage may, at the State of Arkansas's sole option, result in the termination of this Participating Addendum.

17. TRANSITION

At the expiration or termination of this Participating Addendum, should the State of Arkansas conduct another procurement and award a new contract, if requested, the Contractor shall work with the State to ensure an efficient and effective transition to the new Contractor.

18. ILLEGAL IMMIGRANTS

Pursuant to Arkansas Code Annotated §19-11-105, Contractor must have a current certification on file with Office of State Procurement stating they do not employ or contract with illegal immigrants.

19. DISCLOSURE

Contractor must make all disclosures required by Governor's Executive Order 98-04 as well as any violation of any rule, regulation, or policy adopted pursuant to that order. Failure to make required disclosure shall be a material breach of the terms of this Participating Addendum.

20. EQUAL OPPORTUNITY POLICY

Pursuant to Arkansas Code Annotated § 19-11-104, as a one-time requirement, the Contractor must submit a copy of their Equal Opportunity Policy prior to the Effective Date of this Agreement.

21. RECORD RETENTION & ACCESS

Contractor must maintain all pertinent financial and accounting records and evidence pertaining to this Participating Addendum in accordance with generally accepted principles of accounting and other procedures specified by the State of Arkansas. Financial and accounting records relevant to the State of Arkansas transactions, including materials generated under this Participating Addendum shall be subject to examination, review, or audit by appropriate State of Arkansas government authorities for a period of five (5) years from the expiration date and final payment on the Participating Addendum or extension thereof, provided that such government authorities shall provide thirty (30) days written notice to the contractor of its intent to conduct such examination, review, or audit contemplated by this section. Contractor will grant access at a mutually agreed upon offsite location within thirty (30) days of receipt of written notice, to State Government entities or its designated officials, or any of their duly authorized representatives.

22. PAYMENTS

Payments shall be submitted to the Contractor at the address shown on the invoice. Payment shall be tendered to the Contractor within thirty (30) days of the date of invoice. After the sixtieth (60th) day from the date of the invoice, unless mutually agreed to, interest shall be paid on the unpaid balance due to the Contractor at the rate of one half of one percent per month in accordance with Arkansas Code Annotated §19-11-224. The procuring agency shall make a good-faith effort to pay within thirty (30) days after date of invoice.

23. CONTRACTOR'S MASTER AGREEMENT

The signatories to this Addendum agree they will adhere to the terms and conditions of the U.S. Bank Commercial Card Master Agreement for Government Entities and the U.S. Bank Fleet Card Program Agreement.

24. TERMS AND CONDITIONS

Contractor and participants will adhere to the WSCA-NASPO Master Agreement Number 00612 Terms and Conditions unless otherwise specified in this Participating Addendum.

25. GOVERNING LAW

This Participating Addendum is governed by and shall be interpreted in accordance with the laws of the State of Arkansas.

26. CANCELLATION

Without limiting any other remedies the State may have, if the State no longer needs the service or commodity specified in the Participating Addendum or purchase order due to program changes that no longer necessitate use of Category 1 or Category 2 services by any provider, changes in law, rules, regulations, or relocation of offices, the State may cancel the Participating Addendum or purchase order by giving the Contractor written notice of such cancellation thirty (30) days prior to the date of cancellation.

The State may cancel this Participating Addendum for cause when the Contractor fails to perform its obligations under it by giving the Contractor written notice of such cancellation at least thirty (30) days prior to the date of proposed cancellation. In any written notice of cancellation for cause, the State will advise the Contractor in writing of the reasons why the State is considering cancelling the Participating Addendum, and provide the Contractor with an opportunity to avoid cancellation for cause by curing any deficiencies identified in the notice of cancellation for cause prior to the date of proposed cancellation. The parties may endeavor to agree to reasonable modifications in the Participating Addendum to accommodate the causes of the cancellation for cause and avoid the cancellation, to the extent permitted by law, and at the discretion of each party individually.

If upon cancellation the Contractor has provided services which the State of Arkansas has accepted, and there are no funds legally available to pay for the services, the Contractor may file a claim with the Arkansas Claims Commission under the laws and regulations governing the filing of such claims. NOTHING IN THIS CONTRACT SHALL BE DEEMED A WAIVER OF THE STATE'S RIGHT TO SOVEREIGN IMMUNITY.

27. CLAIMS

Any claims the Contractor may assert under this Participating Addendum shall be brought before the Arkansas State Claims Commission ("Commission"), which shall have exclusive jurisdiction over any and all claims that the Contractor may have arising from or in connection with this Participating Addendum. Unless the Contractor's obligations to perform are terminated by the State, the Contractor shall continue to provide the Services under this Participating Addendum, and Participating State shall continue to remit payment for services rendered, even in the event that the Contractor has a claim pending before the Commission.

28. DISCRIMINATION

In order to comply with the provision of Act 954 of 1977, relating to unfair employment practices, the Contractor agrees that: (a) the Contractor shall not discriminate against any employee or applicant for employment because of race, sex, color, age, religion, handicap, or national origin; (b) in all solicitations or advertisements for employees, the Contractor shall state that all qualified applicants shall receive consideration without regard to race, color, sex, age, religion, handicap, or national origin; (c) the Contractor will furnish such relevant information and reports as requested by the Human Resources Commission for the purpose of determining compliance with the statute; (d) failure of the Contractor to comply with the statute, the rules and regulations promulgated thereunder and this nondiscrimination clause shall be deemed a breach of this Participating Addendum and it may be cancelled, terminated or suspended in whole or in part; (e) the Contractor shall include the provisions of above items (a) through (d) in every subcontract so that such provisions shall be binding upon such subcontractor or Contractor.

29. CONTRACT SIGNATURES

This Participating Addendum and the NASPO Master Agreement 00612 set forth the entire agreement, and all the conditions, understandings, promises, warranties and representations among the parties with respect to this Participating Addendum and the NASPO Master Agreement 00612 supersedes any prior communications, representations, agreements whether oral, or written, with respect to the subject matter hereof.

Terms and conditions inconsistent with, contrary or in addition to the terms and conditions of this Participating Addendum and the NASPO Master Agreement 00612 that are included in any purchase order or otherwise shall be void. The terms and conditions of this Participating Addendum and the NASPO Master Agreement 00612 shall govern in the case of any such inconsistent, contrary, or additional terms.

IN VIEW OF THE ABOVE, the parties listed below agree to execute this Addendum by their signatures, on the dates below.

Participating Entity:	Contractor: U.S. Bank National Association
By: Randy Wright	By: Michael C. Leppones
Name: _____ Date _____	Name: _____ Date: _____
Office of State Procurement, Assistant Director	Vice President
Title:	Title: