

**Participating Addendum  
to Contract #00612 Issued on behalf of  
the Western States Contracting Alliance (WSCA-NASPO)**

**Commercial Card Solutions  
For Purchasing, Travel, One Cards, Declining Balance, and Fleet Cards**



**PARTICIPATING ADDENDUM**

1. **Scope.** This Participating Addendum between the Participating Entity signing below and U.S. Bank National Association ("U.S. Bank") governs the commercial card program offered pursuant to the WSCA-NASPO Contract between the State of Washington ("Washington") and U.S. Bank.
2. **Term of WSCA-NASPO Contract.** The initial term of the WSCA-NASPO Contract term is five years, from January 1, 2014 through December 31, 2018, with the option to extend for up to two years at the mutual agreement of Washington and U.S. Bank. The entire term shall not exceed seven years.
3. **Effective Date and Term of Participating Addendum.** The Participating Addendum is effective as of September 30, 2014. The term of the Participating Addendum shall run through the termination of the WSCA-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. These terms take precedence over the terms of the WSCA-NASPO Contract.

**Appendix 1:** Arizona Specific Terms and Conditions

**Appendix 2:** Arizona Uniform Terms and Conditions

**Appendix 3:** U.S. Bank Commercial Card Master Agreement

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

**Appendix 5:** U.S. Bank Product Descriptions

**Appendix 6:** Applicable Card Fees and Rebate Information

**Appendix 7:** Standard Contract Definitions

5. **WSCA-NASPO Contract.** The WSCA-NASPO Contract can be found on the following website:  
<http://www.aboutwsca.org/contract.cfm/contract/13wn-2006>
6. **Products.** The Participating Entity shall mark those products on the following list it is requesting to use.
  - 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 is included with this product*)
    - ☒ Central Billing Accounts (Central Travel Account/Event Planner/Central Relocation)
    - ☒ Managed Spend/Declining Balance functionality
    - ☒ Emergency Response Cards
  - C. ☒ **Fleet Card with Corporate Liability**
  - D. ☒ **Corporate Card** (*Travel Accident Insurance included*)
    - ☒ Contingent Liability
    - ☐ Joint and Several Liability
7. **Incentive Share Schedule.** Incentive Shares will be paid quarterly within 60 days following the last day of each Calendar Quarter:
  - Quarter 1: January 1 - March 31<sup>st</sup>
  - Quarter 2: April 1 - June 30<sup>th</sup>
  - Quarter 3: July 1 - September 30<sup>th</sup>
  - Quarter 4: October 1 - December 31<sup>st</sup>
8. **Incentive Share Calculation.** If Participating Entity that 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 Revenue Share Opportunity for each Participating Entity.** The first revenue share payment pursuant to this Participating Addendum, if any is earned, shall be made within sixty 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.

**PARTICIPATING ADDENDUM**

**10. Final Revenue Share Opportunity Pursuant to the First WSCA contract for Renewing Entities.** U.S. Bank shall pay to each entity signing a Participating Addendum that is also currently participating under the Master Services Agreement number 5-06-99-01 dated October 19, 2006 between the State of California and U.S. Bank ("the First WSCA Contract") a final revenue share pursuant to the terms of the First WSCA Contract, if any is earned, calculated from the beginning of the final Agreement Quarter of that entity's participation in the First WSCA Contract to the last day of that Agreement Quarter (the "Final Revenue Share Payment"). The Final Revenue Share Payment, if any, shall be made within sixty days after the end of the final Agreement Quarter under the First WSCA Contract.

**11. PRIMARY CONTACTS**

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

Name:	Kevin Noren
Contractor:	U.S. Bank
Address:	901 Marquette Ave., Minneapolis, MN 55402
Telephone:	
Email:	Kevin.noren@usbank.com

**Contractor -- Category 2 --Fleet Card**

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

**Participating Entity**

Name:	Gina DeCotiis
State:	Arizona
Participating Entity:	Arizona Department of Administration, State Procurement Office
Address:	100 North 15th Ave., Phoenix, AZ 85007
Telephone:	602-364-1087
Email:	gina.decotiis@azdoa.gov

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

Dated this 20<sup>th</sup> day of November, 2014

Dated this 4 day of December, 2014

**By PARTICIPATING ENTITY:**

Arizona Department of Administration, State  
Procurement Office  
(Participating Entity Name)

  
(Signature of Authorized Signer)

Barbara M. Corella  
(Printed Name of Authorized Signer)

State Procurement Administrator  
(Printed Title of Authorized Signer)

**By U.S. BANK:**

U.S. Bank National Association  
(U.S. Company Name)

  
(Signature of Authorized Signer)

Kelly M. Caspers  
(Printed Name of Authorized Signer)

Vice President  
(Printed Title of Authorized Signer)

Please email a PDF copy of this fully executed document to [PA@wsca-naspo.org](mailto:PA@wsca-naspo.org) to provide documentation of participation.



## Appendix 1 – Arizona Special Terms and Conditions

**1. CREDIT CHECKS.**

U.S. Bank performs periodic reviews of contingent liability cardholders which may include the receipt of cardholder credit bureau information. U.S. Bank agrees to minimize impact to individual cardholders through the use of soft credit checks to the extent they are available by third party credit bureaus.

**2. ELIGIBLE AGENCY.**

This Contract shall be for the use of all State of Arizona departments, agencies, commissions and boards. In addition, eligible State Purchasing Cooperative members may participate at their discretion. In order to participate in this contract, a cooperative member shall have entered into a Cooperative Purchasing Agreement with the Department of Administration, State Procurement Office as required by Arizona Revised Statutes § 41-2632, and will require mutual agreement from the Contractor.

Membership in the State Purchasing Cooperative is available to all Arizona political subdivisions including cities, counties, school districts, and special districts. Membership is also available to all non-profit organizations, as well as State governments, the US Federal Government and Tribal Nations. Non-profit organizations are defined in A.R.S. § 41-2631(4) as any nonprofit corporation as designated by the internal revenue service under section 501(c)(3) through 501(c)(6).

**3. INDEMNIFICATION CLAUSE:**

To the extent allowed by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees (hereinafter referred to as "Indemnatee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of, or recovered under, the Workers' Compensation Law or arising out of the failure of such contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnatee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnatee, be indemnified by Contractor from and against any and all claims. It is agreed that Contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. In consideration of the award of this contract, the Contractor agrees to waive all rights of subrogation against the State of Arizona, its officers, officials, agents and employees for losses arising from the work performed by the Contractor for the State of Arizona. This Indemnification clause in this Participating Addendum replaces all indemnification clauses in their entirety as part of this Agreement with the State of Arizona in accordance with A.R.S. § 41-621 and A.R.S. § 35-154.

Any language in this contract that reduces the States protection or shifts liability back to the State of Arizona are in direct violation of A.R.S. § 41-621 and A.R.S. § 35-154 and not applicable to this Contract.

**4. INSURANCE REQUIREMENTS:**

Contractor and subcontractors shall procure and maintain until all of their obligations have been discharged, under this Contract, are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors.

The *insurance requirements* herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under this contract by the Contractor, its agents, representatives, employees or subcontractors, and Contractor is free to purchase additional insurance.

- A. **MINIMUM SCOPE AND LIMITS OF INSURANCE:** Contractor shall provide coverage with limits of liability not less than those stated below.

1. **Commercial General Liability – Occurrence Form**

Policy shall include bodily injury, property damage, personal and advertising injury and broad form contractual liability coverage.



## Appendix 1 – Arizona Special Terms and Conditions

General Aggregate	\$2,000,000
Products – Completed Operations Aggregate	\$1,000,000
Personal and Advertising Injury	\$1,000,000
Damage to Rented Premises	\$ 50,000
Each Occurrence	\$1,000,000

- a. The policy shall be endorsed to include the following additional insured language: ***“The State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.”*** Such additional insured shall be covered to the full limits of liability purchased by the Contractor, even if those limits of liability are in excess of those required by this Contract.
- b. Policy shall contain a waiver of subrogation endorsement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

**2. Business Automobile Liability**

Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of this Contract.

Combined Single Limit (CSL) \$1,000,000

- a. The policy shall be endorsed to include the following additional insured language: ***“The State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor, involving automobiles owned, leased, hired or borrowed by the Contractor.”*** Such additional insured shall be covered to the full limits of liability purchased by the Contractor, even if those limits of liability are in excess of those required by this Contract.

Policy shall contain a waiver of subrogation endorsement in favor of the ***“State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees”*** for losses arising from work performed by or on behalf of the Contractor.

- b. Policy shall contain a severability of interest provision.

**3. Worker's Compensation and Employers' Liability**

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	\$1,000,000
Disease – Each Employee	\$1,000,000
Disease – Policy Limit	\$1,000,000

- a. Policy shall contain a waiver of subrogation endorsement in favor of the ***“State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees”*** for losses arising from work performed by or on behalf of the Contractor.
- b. This requirement shall not apply to: Separately, EACH contractor or subcontractor exempt under A.R.S. § 23-901, AND when such contractor or subcontractor executes the appropriate waiver (Sole Proprietor/Independent Contractor) form.

**4. Professional Liability (Errors and Omissions Liability)**

Each Claim	\$1,000,000
Annual Aggregate	\$2,000,000

- a. In the event that the professional liability insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of

## Appendix 1 – Arizona Special Terms and Conditions

---

---

this Contract; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Contract is completed.

- b. The policy shall cover professional, errors, omissions or negligent acts for those positions defined in the Scope of Work of this contract.

**5. Fidelity Insurance (Crime Bond)**

Policy Limit \$5,000,000.00

- a. The policy shall be issued with minimum limits of \$100,000.
- b. The policy shall include coverage for all directors, officers, agents and employees of the Contractor.
- c. The policy shall include coverage for theft.
- d. The policy shall contain no requirement for arrest and conviction.
- e. The policy shall cover loss outside the premises of the Named Insured.
- f. Contractor agrees to name the State of Arizona as loss payee relative to any proof of loss filed with Fidelity insurers arising out of the services provided under this Agreement.

**B. ADDITIONAL INSURANCE REQUIREMENTS:** The policies shall include, or be endorsed to include, the following provisions:

1. The Contractor agrees that its policies shall be primary insurance and that any insurance carried by the Department, and its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).
2. Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of this Contract.

**C. NOTICE OF CANCELLATION:** With the exception of (10) day notice of cancellation for non-payment of premium, any changes material to compliance with this contract in the insurance policies above shall require (30) days written notice to the State of Arizona. Such notice shall be sent directly to the Department.

**D. ACCEPTABILITY OF INSURERS:** Contractors insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have an "A.M. Best" rating of not less than A- VII. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

**E. VERIFICATION OF COVERAGE:** Contractor shall furnish the State of Arizona with certificates of insurance (ACORD form or equivalent approved by the State of Arizona) as required by this Contract. The certificates for each insurance policy are to be signed by an authorized representative.

All certificates and endorsements are to be received and approved by the State of Arizona before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

All certificates required by this Contract shall be sent directly to the State Procurement Office, 100 N 15th Ave, Suite 201, Phoenix AZ 85007. The State of Arizona project/contract number and project description shall be noted on the certificate of insurance. The State of Arizona reserves the right to require complete, certified copies of all insurance policies required by this contract where required by law pursuant to discovery proceedings under a filed claim."

**F. SUBCONTRACTORS:** Contractors' certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall furnish to the State of Arizona separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements identified above.

**G. APPROVAL:** Any modification or variation from the *insurance requirements* in this Contract shall be made by the contracting agency in consultation with the Department of Administration, Risk Management Division. Such action will not require a formal Contract amendment, but may be made by administrative action.



## Appendix 1 – Arizona Special Terms and Conditions

- H. EXCEPTIONS:** In the event the Contractor or sub-contractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a Certificate of Self-Insurance. If the contractor or sub-contractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

**5. PAYMENT / DUE DATE.**

All applicable Card Programs stated herein shall be set up and maintained pursuant to U.S. Bank's policies and procedures. State or Eligible Agency shall be liable for all purchases, fees, finance charges and other charges incurred or arising by virtue of the use of the Card. U.S. Bank shall send a monthly billing Statement, which will itemize all charges for the billing period. The full amount of each State or Eligible Agency's monthly balance or billing cycle balance, except for disputed or reported fraud items, will be due by the "Due Date", which is within forty five (45) days from the billing cycle date of the monthly billing Statement. Payment can be accepted by EFT. Payment will be posted per U.S. Bank policies and procedures.

**6. Termination for Convenience.** Either the State or the Contractor has the right to terminate the Contract, in whole or in part at any time when in the best interest of the State or the Contractor, without penalty or recourse. Upon receipt of the written notice, the State or the Contractor shall stop all work, as directed in the notice, notify all subcontractors of the effective date of the termination and minimize all further costs to the State or the Contractor. In the event of termination under this paragraph, all documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State upon demand. The Contractor shall be entitled to receive just and equitable compensation for work in progress, work completed and materials accepted before the effective date of the termination. The cost principles and procedures provided in A.A.C. R2-7-701 shall apply.

**7. DELINQUENCY.** Any account with an outstanding balance greater than sixty (60) days may be subject to an Account suspension. Any Account with an outstanding balance greater than ninety (90) days may be subject to cancellation. U.S. Bank shall have the right to bill Late Fees on all delinquent Accounts as specified in Appendix 5 – Applicable Card Fees and Rebate Information.

**8. REPORTING.**

The State shall receive a daily interface(s) from US Bank containing activity detail for all of the prior day Purchase Card, Voyager Card and Individual Corporate Card activity. Reports requested shall be at no additional charge to the State of Arizona or Eligible Agency.

**Inquiries and Reporting Methods, Set Up and Availability should be directed to:**

Access Online Program Support:

877-332-7461

[accessonline@usbank.com](mailto:accessonline@usbank.com)

**Reporting:**

Access Online's comprehensive reporting suite allows users to run predefined standard report or to define custom reports using the flex data reporting tool. All reports are parameter-driven and offer a high degree of flexibility and variety of output formats such as HTML, Microsoft Excel or PDF. Users can generate reports in real time or schedule recurring report delivery.

**Real-Time Reporting:**

Transactional data is accessible in real time for transaction management purposes once it has been received from the merchant. Once a transaction has posted, all actions on the transactions (such as reallocation, for example) are effective immediately and in real time. For reporting and analysis purposes, data is updated nightly (weeknights not weekends).

**Financial Extracts:**

U.S. Bank will work with program participants to integrate their commercial payment program information with financial systems. From accounts payable to electronic expense reporting and eProcurement, U.S. Bank has successfully integrated our solutions with all major financial systems, including JD Edwards, Oracle, PeopleSoft and SAP, as well as custom home grown systems. Access Online allows participants to extract the data needed in an efficient and convenient format, providing a wide variety of financial extract options to meet their specific integration requirements.

## Appendix 1 – Arizona Special Terms and Conditions

---

**Data Exchange:**

U.S. Bank can provide participants with a daily data file of all card transactions for employees. The Access Online Data Exchange Mailbox fully supports both upload and download capabilities for frequently used types of files such as statement billing files, general ledger data feeds and custom reports. This functionality provides easy, automated and secure access to data, facilitating complete integration with participants systems. Access Online's file transfer method allows users to transfer large numbers of files with consistent, uninterrupted access.

**Payment Analytics:**

U.S. Bank Payment Analytics is a web-based solution that enhances auditing practices by looking beyond the traditional card controls to provide 100% commercial card transaction monitoring. Using customizable rule templates, participants can automatically review all card transactions and flag suspected card misuse and out-of-policy spending. By automatically running policy rules on all transactions, Payment Analytics makes cardholder transaction monitoring more targeted, efficient and effective. Program Administrators can receive e-mail notifications of possible non-compliance and spend violations so they can safeguard against commercial card misuse and improve purchasing practices.



## Appendix 2 – Arizona Uniform Terms and Conditions

---

---

**1. Definition of Terms** - As used in this Solicitation and any resulting Contract, the terms listed below are defined as follows:

- 1.1 "Contract" means the combination of the Solicitation, including the Uniform and Special Instructions to Offeror's, the Uniform and Special Terms and Conditions, and the Specifications and Statement or Scope of Work; the Offer and any Best and Final Offers; and any Solicitation Amendments or Contract Amendments.
- 1.2 "Contract Amendment" means a written document signed by the Procurement Officer that is issued for the purpose of making changes in the Contract.
- 1.3 "Contractor" means any person who has a Contract with the State.
- 1.4 "Days" means calendar days unless otherwise specified.
- 1.5 "Exhibit" means any item labeled as an Exhibit in the Solicitation or placed in the Exhibits section of the Solicitation.
- 1.6 "Gratuity" means a payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value is received.
- 1.7 "Materials" means all property, including equipment, supplies, printing, insurance and leases of property but does not include land, a permanent interest in land or real property or leasing space.
- 1.8 "Procurement Officer" means the person, or his or her designee, duly authorized by the State to enter into and administer Contracts and make written determinations with respect to the Contract.
- 1.9 "Services" means the furnishing of labor, time or effort by a contractor or subcontractor which does not involve the delivery of a specific end product other than required reports and performance, but does not include employment agreements or collective bargaining agreements.
- 1.10 "Subcontract" means any Contract, express or implied, between the Contractor and another party or between a subcontractor and another party delegating or assigning, in whole or in part, the making or furnishing of any material or any service required for the performance of the Contract.
- 1.11 "State" means the State of Arizona and Department or Agency of the State that executes the Contract.
- 1.12 "State Fiscal Year" means the period beginning with July 1 and ending June 30.

**2. Contract Interpretation**

- 2.1. Arizona Law. The Arizona law applies to this Contract including, where applicable, the Uniform Commercial Code as adopted by the State of Arizona and the Arizona Procurement Code, Arizona Revised Statutes (A.R.S.) Title 41, Chapter 23, and its implementing rules, Arizona Administrative Code (A.A.C.) Title 2, Chapter 7.
- 2.2. Implied Contract Terms. Each provision of law and any terms required by law to be in this Contract are a part of this Contract as if fully stated in it.
- 2.3. Contract Order of Precedence. In the event of a conflict in the provisions of the Contract, as accepted by the State and as they may be amended, the following shall prevail in the order set forth in Section 9 of the State of Arizona-U.S. Bank Participating Addendum.
  - 2.3.7. Documents referenced or included in the Solicitation.

**Appendix 2 – Arizona Uniform Terms and Conditions**

- 
- 
- 2.4. **Relationship of Parties.** The Contractor under this Contract is an independent Contractor. Neither party to this Contract shall be deemed to be the employee or agent of the other party to the Contract.
- 2.5. **Severability.** The provisions of this Contract are severable. Any term or condition deemed illegal or invalid shall not affect any other term or condition of the Contract.
- 2.6. **No Parole Evidence.** This Contract is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this document and no other understanding either oral or in writing shall be binding.
- 2.7. **No Waiver.** Either party's failure to insist on strict performance of any term or condition of the Contract shall not be deemed a waiver of that term or condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.

**3. Contract Administration and Operation**

- 3.1. **Records.** Under A.R.S. § 35-214 and § 35-215, the Contractor shall retain and shall contractually require each subcontractor to retain all data and other "records" relating to the acquisition and performance of the Contract for a period of five (5) years after the completion of the Contract. All records shall be subject to inspection and audit by the State at reasonable times. Upon request, the Contractor shall produce a legible copy of any or all such records.
- 3.2. **Non-Discrimination.** The Contractor shall comply with State Executive Order No. 2009-09 and all other applicable Federal and State laws, rules and regulations, including the Americans with Disabilities Act.
- 3.3. **Audit.** Pursuant to ARS § 35-214, at any time during the term of this Contract and five (5) years thereafter, the Contractor's or any subcontractor's books and records shall be subject to audit by the State and, where applicable, the Federal Government, to the extent that the books and records relate to the performance of the Contract or Subcontract.
- 3.4. **Inspection and Testing.** The Contractor agrees to permit the State of Arizona to audit the data, processes, and services relevant to this Agreement at a mutually agreeable location. The State must cover their own audit and travel expenses, and Contractor will cover the location and Contractor related expenses.
- 3.5. **Notices.** Notices to the Contractor required by this Contract shall be made by the State to the person indicated on the Offer and Acceptance form submitted by the Contractor unless otherwise stated in the Contract. Notices to the State required by the Contract shall be made by the Contractor to the Solicitation Contact Person indicated on the Solicitation cover sheet, unless otherwise stated in the Contract. An authorized Procurement Officer and an authorized Contractor representative may change their respective person to whom notice shall be given by written notice to the other and an amendment to the Contract shall not be necessary.
- 3.6. **Advertising, Publishing and Promotion of Contract.** The Contractor shall not use, advertise or promote information for commercial benefit concerning this Contract without the prior written approval of the Procurement Officer.
- 3.7. **Property of the State.** Any materials, including reports, computer programs and other deliverables, created under this Contract are the sole property of the State. The Contractor is not entitled to a patent or copyright on those materials and may not transfer the patent or copyright to anyone else. The Contractor shall not use or release these materials without the prior written consent of the State.
- 3.8. **Ownership of Intellectual Property.** Any and all intellectual property, including but not limited to copyright, invention, trademark, trade name, service mark, and/or trade secrets created or conceived pursuant to or as a result of this contract and any related subcontract ("Intellectual Property"), shall be work made for hire and the State shall be considered the creator of such Intellectual Property. The agency, department, division, board or commission of the State of Arizona requesting the issuance of this contract shall own (for and on



## Appendix 2 – Arizona Uniform Terms and Conditions

---

---

behalf of the State) the entire right, title and interest to the Intellectual Property throughout the world. Contractor shall notify the State, within thirty (30) days, of the creation of any Intellectual Property by it or its subcontractor(s). Contractor, on behalf of itself and any subcontractor(s), agrees to execute any and all document(s) necessary to assure ownership of the Intellectual Property vests in the State and shall take no affirmative actions that might have the effect of vesting all or part of the Intellectual Property in any entity other than the State. The Intellectual Property shall not be disclosed by contractor or its subcontractor(s) to any entity not the State without the express written authorization of the agency, department, division, board or commission of the State of Arizona requesting the issuance of this contract.

3.9. Federal Immigration and Nationality Act. The contractor shall comply with all federal, state and local immigration laws and regulations relating to the immigration status of their employees during the term of the contract. Further, the Contractor shall flow down this requirement to all subcontractors utilized during the term of the contract. The State shall retain the right to perform random audits of Contractor and subcontractor records or to inspect papers of any employee thereof to ensure compliance. Should the State determine that the Contractor and/or any subcontractors be found noncompliant, the State may pursue all remedies allowed by law, including, but not limited to; suspension of work, termination of the contract for default and suspension and/or debarment of the contractor.

3.10 E-Verify Requirements. In accordance with A.R.S. § 41-4401, Contractor warrants compliance with all Federal immigration laws and regulations relating to employees and warrants its compliance with Section A.R.S. § 23-214, Subsection A.

3.11 Offshore Performance of Work Prohibited. Any services that are described in the specifications or scope of work that directly serve the State of Arizona or its clients and involve access to secure or sensitive data or personal client data shall be performed within the defined territories of the United States.

Unless specifically stated otherwise in the specifications, this paragraph does not apply to indirect or 'overhead' services, redundant back-up services or services that are incidental to the performance of the contract. This provision applies to work performed by subcontractors at all tiers.

#### 4. Costs and Payments

4.1. Payments. Payments shall comply with the requirements of A.R.S. Titles 35 and 41, Net 30 days. Upon receipt and acceptance of goods or services, the Contractor shall submit a complete and accurate invoice for payment from the State within thirty (30) days.

4.2. Delivery. Unless stated otherwise in the Contract, all prices shall be F.O.B. Destination and shall include all freight delivery and unloading at the destination.

##### 4.3. Applicable Taxes.

4.3.1. Payment of Taxes. The Contractor shall be responsible for paying all applicable taxes.

4.3.2. State and Local Transaction Privilege Taxes. The State of Arizona is subject to all applicable state and local transaction privilege taxes. Transaction privilege taxes apply to the sale and are the responsibility of the seller to remit. Failure to collect such taxes from the buyer does not relieve the seller from its obligation to remit taxes.

4.3.3. Tax Indemnification. Contractor and all subcontractors shall pay all Federal, state and local taxes applicable to its operation and any persons employed by the Contractor. Contractor shall, and require all subcontractors to hold the State harmless from any responsibility for taxes, damages and interest, if applicable, contributions required under Federal, and/or state and local laws and regulations and any other costs including transaction privilege taxes, unemployment, compensation insurance, Social Security and Worker's Compensation.

**Appendix 2 – Arizona Uniform Terms and Conditions**

---

4.3.4. IRS W-9 Form. In order to receive payment the Contractor shall have a current I.R.S. W-9 Form on file with the State of Arizona, unless not required by law.

4.4. Availability of Funds for the Next State Fiscal Year. Funds may not presently be available for performance under this Contract beyond the current state fiscal year. No legal liability on the part of the State for any payment may arise under this Contract beyond the current state fiscal year until funds are made available for performance of this Contract.

4.5. Availability of Funds for the Current State Fiscal Year. Should the State Legislature enter back into session and reduce the appropriations or for any reason and these goods or services are not funded, the State may take any of the following actions:

4.5.1. Accept a decrease in price offered by the Contractor;

4.5.2. Cancel the Contract; or

4.5.3. Cancel the Contract and re-solicit the requirements.

**5. Contract Changes**

5.1. Amendments. This Contract is issued under the authority of the Procurement Officer who signed this Contract. The Contract may be modified only through a Contract Amendment within the scope of the Contract. Changes to the Contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by a person who is not specifically authorized by the procurement officer in writing or made unilaterally by the Contractor are violations of the Contract and of applicable law. Such changes, including unauthorized written Contract Amendments shall be void and without effect, and the Contractor shall not be entitled to any claim under this Contract based on those changes.

5.2. Subcontracts. The Contractor shall not enter into any Subcontract under this Contract for the performance of this Contract without the advance written approval of the Procurement Officer. The Contractor shall clearly list any proposed subcontractors and the subcontractor's proposed responsibilities. The Subcontract shall incorporate by reference the terms and conditions of this Contract.

5.3. Assignment and Delegation. The Contractor shall not assign any right nor delegate any duty under this Contract without the prior written approval of the Procurement Officer. The State shall not unreasonably withhold approval.

**6. Risk and Liability**

6.1. Risk of Loss. The Contractor shall bear all loss of conforming material covered under this Contract until received by authorized personnel at the location designated in the purchase order or Contract. Mere receipt does not constitute final acceptance. The risk of loss for non-conforming materials shall remain with the Contractor regardless of receipt.

**6.2. Indemnification**

6.2.1. Contractor/Vendor Indemnification (Not Public Agency). The parties to this Contract agree that the State of Arizona, its departments, agencies, boards and commissions shall be indemnified and held harmless by the Contractor for the vicarious liability of the State as a result of entering into this Contract. However, the parties further agree that the State of Arizona, its departments, agencies, boards and commissions shall be responsible for its own negligence. Each party to this Contract is responsible for its own negligence.

6.2.2. Public Agency Language Only. Each party (as 'indemnitor') agrees to indemnify, defend, and hold harmless the other party (as 'indemnitee') from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as 'claims') arising out of bodily



## Appendix 2 – Arizona Uniform Terms and Conditions

---

---

injury of any person (including death) or property damage but only to the extent that such claims which result in vicarious/derivative liability to the indemnitee, are caused by the act, omission, negligence, misconduct, or other fault of the indemnitor, its officers, officials, agents, employees, or volunteers."

6.3. Indemnification - Patent and Copyright. The Contractor shall indemnify and hold harmless the State against any liability, including costs and expenses, for infringement of any patent, trademark or copyright arising out of Contract performance or use by the State of materials furnished or work performed under this Contract. The State shall reasonably notify the Contractor of any claim for which it may be liable under this paragraph. If the contractor is insured pursuant to A.R.S. § 41-621 and § 35-154, this section shall not apply.

6.4. Force Majeure.

6.4.1 Except for payment of sums due, neither party shall be liable to the other nor deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of force majeure. The term "*force majeure*" means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, force majeure includes acts of God; acts of the public enemy; war; riots; strikes; mobilization; labor disputes; civil disorders; fire; flood; lockouts; injunctions-intervention-acts; or failures or refusals to act by government authority; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence.

6.4.2. Force Majeure shall not include the following occurrences:

6.4.2.1. Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, or an oversold condition of the market;

6.4.2.2. Late performance by a subcontractor unless the delay arises out of a force majeure occurrence in accordance with this force majeure term and condition; or

6.4.2.3. Inability of either the Contractor or any subcontractor to acquire or maintain any required insurance, bonds, licenses or permits.

6.4.3. If either party is delayed at any time in the progress of the work by force majeure, the delayed party shall notify the other party in writing of such delay, as soon as is practicable and no later than the following working day, of the commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be delivered or mailed certified-return receipt and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The time of completion shall be extended by Contract Amendment for a period of time equal to the time that results or effects of such delay prevent the delayed party from performing in accordance with this Contract.

6.4.4. Any delay or failure in performance by either party hereto shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and to the extent that such delay or failure is caused by force majeure.

6.5. Third Party Antitrust Violations. The Contractor assigns to the State any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to the Contractor, toward fulfillment of this Contract.

## 7. Warranties

7.1. Liens. The Contractor warrants that the materials supplied under this Contract are free of liens and shall remain free of liens.

## Appendix 2 – Arizona Uniform Terms and Conditions

---

7.2. Quality. Unless otherwise modified elsewhere in these terms and conditions, the Contractor warrants that, for one year after acceptance by the State of the materials, they shall be:

7.2.1. Of a quality to pass without objection in the trade under the Contract description;

7.2.2. Fit for the intended purposes for which the materials are used;

7.2.3. Within the variations permitted by the Contract and are of even kind, quantity, and quality within each unit and among all units;

7.2.4. Adequately contained, packaged and marked as the Contract may require; and

7.2.5. Conform to the written promises or affirmations of fact made by the Contractor.

7.3. Fitness. The Contractor warrants that any material supplied to the State shall fully conform to all requirements of the Contract and all representations of the Contractor, and shall be fit for all purposes and uses required by the Contract.

7.4. Inspection/Testing. The warranties set forth in subparagraphs 7.1 through 7.3 of this Uniform Terms and Conditions.

7.5. Compliance with Applicable Laws. The materials and services supplied under this Contract shall comply with all applicable Federal, state and local laws, and the Contractor shall maintain all applicable licenses and permit requirements.

7.6. Survival of Rights and Obligations after Contract Expiration or Termination.

7.6.1. Contractor's Representations and Warranties. All representations and warranties made by the Contractor under this Contract shall survive the expiration or termination hereof. In addition, the parties hereto acknowledge that pursuant to A.R.S. § 12-510, except as provided in A.R.S. § 12-529, the State is not subject to or barred by any limitations of actions prescribed in A.R.S., Title 12, Chapter 5.

7.6.2. Purchase Orders. The Contractor shall, in accordance with all terms and conditions of the Contract, fully perform and shall be obligated to comply with all purchase orders received by the Contractor prior to the expiration or termination hereof, unless otherwise directed in writing by the Procurement Officer, including, without limitation, all purchase orders received prior to but not fully performed and satisfied at the expiration or termination of this Contract.

## 8. State's Contractual Remedies

8.1. Right to Assurance. If the State in good faith, has reason to believe that the Contractor does not intend to, or is unable to perform or continue performing under this Contract, the Procurement Officer may demand in writing that the Contractor give a written assurance of intent to perform. Failure by the Contractor to provide written assurance within the number of days specified in the demand may, at the State's option, be the basis for terminating the Contract under the Uniform Terms and Conditions or other rights and remedies available by law or provided by the contract.

8.2. Stop Work Order.

8.2.1. The State may, at any time, by written order to the Contractor, require the Contractor to stop all or any part, of the work called for by this Contract for period(s) of days indicated by the State after the order is delivered to the Contractor. The order shall be specifically identified as a stop work order issued under this clause. Upon receipt of the order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage.



## Appendix 2 – Arizona Uniform Terms and Conditions

8.2.2. If a stop work order issued under this clause is canceled or the period of the order or any extension expires, the Contractor shall resume work. The Procurement Officer shall make an equitable adjustment in the delivery schedule or Contract price, or both, and the Contract shall be amended in writing accordingly.

8.3. Non-exclusive Remedies. The rights and the remedies of the State under this Contract are not exclusive.

8.4. Non-conforming Tender. Materials or services supplied under this Contract shall fully comply with the Contract. The delivery of materials or services or a portion of the materials or services that do not fully comply constitutes a breach of contract. On delivery of non-conforming materials or services, the State may terminate the Contract for default under applicable termination clauses in the Contract, exercise any of its rights and remedies under the Uniform Commercial Code, or pursue any other right or remedy available to it.

## 9. Contract Termination

9.1. Cancellation for Conflict of Interest. Pursuant to A.R.S. § 38-511, the State may cancel this Contract within three (3) years after Contract execution without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the Contract on behalf of the State is or becomes at any time while the Contract or an extension of the Contract is in effect an employee of or a consultant to any other party to this Contract with respect to the subject matter of the Contract. The cancellation shall be effective when the Contractor receives written notice of the cancellation unless the notice specifies a later time. If the Contractor is a political subdivision of the State, it may also cancel this Contract as provided in A.R.S. § 38-511.

9.2. Gratuities. The State may, by written notice, terminate this Contract, in whole or in part, if the State determines that employment or a Gratuity was offered or made by the Contractor or a representative of the Contractor to any officer or employee of the State for the purpose of influencing the outcome of the procurement or securing the Contract, an amendment to the Contract, or favorable treatment concerning the Contract, including the making of any determination or decision about contract performance. The State, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three times the value of the Gratuity offered by the Contractor.

9.3. Suspension or Debarment. The State may, by written notice to the Contractor, immediately terminate this Contract if the State determines that the Contractor has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a subcontractor of any public procurement unit or other governmental body. Submittal of an offer or execution of a contract shall attest that the Contractor is not currently suspended or debarred. If the contractor becomes suspended or debarred, the Contractor shall immediately notify the State.

9.4. Termination for Convenience. The State reserves the right to terminate the Contract, in whole or in part at any time when in the best interest of the State, without penalty or recourse. Upon receipt of the written notice, the Contractor shall stop all work, as directed in the notice, notify all subcontractors of the effective date of the termination and minimize all further costs to the State. In the event of termination under this paragraph, all documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State upon demand. The Contractor shall be entitled to receive just and equitable compensation for work in progress, work completed and materials accepted before the effective date of the termination. The cost principles and procedures provided in A.A.C. R2-7-701 shall apply.

9.5. Termination for Default.

9.5.1. In addition to the rights reserved in the contract, the State may terminate the Contract in whole or in part due to the failure of the Contractor to comply with any term or condition of the Contract, to acquire and maintain all required insurance policies, bonds, licenses and permits, or to make satisfactory

## Appendix 2 – Arizona Uniform Terms and Conditions

---

progress in performing the Contract. The Procurement Officer shall provide written notice of the termination and the reasons for it to the Contractor.

9.5.2. Upon termination under this paragraph, all goods, materials, documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State on demand.

9.5.3. The State may, upon termination of this Contract, procure, on terms and in the manner that it deems appropriate, materials or services to replace those under this Contract.

9.6. Continuation of Performance Through Termination. The Contractor shall continue to perform, in accordance with the requirements of the Contract, up to the date of termination, as directed in the termination notice.

**10. Contract Claims.** All contract claims or controversies under this Contract shall be resolved according to A.R.S. Title 41, Chapter 23, Article 9, and rules adopted thereunder.

**11. Arbitration.** The parties to this Contract agree to resolve all disputes arising out of or relating to this Contract through arbitration, after exhausting applicable administrative review, to the extent required by A.R.S. § 12-1518, except as may be required by other applicable statutes (Title 41).

**12. Comments Welcome.** The State Procurement Office periodically reviews the Uniform Terms and Conditions and welcomes any comments you may have. Please submit your comments to: State Procurement Administrator, State Procurement Office, 100 North 15th Avenue, Suite 201, Phoenix, Arizona, 85007.



WSCA 00612 - Commercial Card Solutions – Participating Addendum  
Appendix 3 – U.S. Bank Commercial Card Master Agreement

**U.S. BANK COMMERCIAL CARD MASTER AGREEMENT**

---

This Commercial Card Master Agreement (the **"Agreement"**) governs the U.S. Bank Commercial Card Program provided by the WSCA-NASPO Cooperative Purchasing Program Commercial Card Solutions Contract #00612, Category 1 (the **"Commercial Card Program"**) and is an attachment to the Participating Addendum entered into by and between U.S. Bank National Association (**"U.S. Bank"**) and the Government Entity which is a signatory to that Participating Addendum (**"Government Entity"**).

**Participation in Commercial Card Program:**

Certain entities designated by Government Entity may participate in the Commercial Card Program.

**"Government Entity Agencies"** means those Government Entity departments and agencies that rely upon the Government Entity for funding, or are appropriated funds by the Government Entity for the charges on the accounts issued to the employees of those departments and agencies. In order for Government Entity Agencies to participate in the Commercial Card Program, the Government Entity will furnish to U.S. Bank a Government Entity Agency Addendum listing those agencies allowed to participate. The Government Entity has the right to exclude any agencies from the Agreement by providing written notice to U.S. Bank at any time.

**"Political Subdivisions"** means any municipalities, counties, and institutions of higher education that do not rely upon the Government Entity for funding. Political Subdivisions may participate in this Agreement upon credit approval by U.S. Bank and upon the signing and submission of a properly completed Political Subdivision Addendum.

**I. CREDIT PROVISIONS**

- A. Financial Information.** The establishment of a Commercial Card Program provides an extension of credit, and Government Entity shall provide sufficient information to enable U.S. Bank to perform periodic credit reviews.
- 1. Political Subdivisions.** Each Political Subdivision must individually credit qualify and submit a signed, properly completed Political Subdivision Addendum to U.S. Bank.
  - 2. Financial Information for Government Entity and Political Subdivisions.** To become credit qualified, the Government Entity and each Political Subdivision will provide the last three (3) years of audited financial statements to U.S. Bank prior to the issuance of any cards and will provide annual financial statements on or before one hundred eighty (180) days after the end of the Government Entity or Political Subdivision's fiscal year. Political Subdivision should provide this first set of financial statements with their signed, completed Political Subdivision Addendum. U.S. Bank will review the financial statements and provide notice to each Political Subdivision of the approval or decline of their credit qualification. If satisfactory financial information can be found on the website of Government Entity or Political Subdivision, U.S. Bank will not require the Government Entity or such Political Subdivision to provide financial information that U.S. Bank can obtain on its own.
- B. 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 Agreement.
- 1. 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 Government 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 event, Government 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.
  - 2. Revising ACLs.** U.S. Bank, at its sole discretion, shall have the right to revise any ACL.
    - a. Government Entity Accounts.** U.S. Bank shall provide notice to Government 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, Government 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.



**b. Cardholder Accounts.** U.S. Bank, at its sole discretion, shall have the right to revise any ACL and/or limit spending activity on any Cardholder Account. Based on the credit worthiness of Government Entity and/or its Cardholder, U.S. Bank, at its sole discretion, shall establish an ACL of no less than five hundred U.S. Dollars (\$500.00).

**c. Fraudulent Activity.** U.S. Bank may temporarily revise any ACL and/or limit spending activity on any Account for which fraudulent activity is suspected.

- ## II. U.S. COMMERCIAL CARD PROGRAMS

- Page 17 of 36



WSCA-NASPO Contract 00612 - Commercial Card Solutions -- Participating Addendum  
Appendix 3 – U.S. Bank Commercial Card Master Agreement

3. **U.S. Bank One Card.** The U.S. Bank One Card is a charge card designed for use by Cardholders that combines Corporate and Purchase Card capabilities on a single Account. The One Card can be utilized for travel and entertainment related expenses as well as to charge goods and services related to the business activities of Government Entity.
  4. **U.S. Bank Purchase Card.** The U.S. Bank Purchase Card is a charge card designed for use by Cardholders to charge goods and services related to the business activities of Government Entity. U.S. Bank also provides central purchase accounts, which can be used for the same purpose, but without the issuance of a physical card.
- B. **Card and Account Issuance.** Government Entity shall designate to U.S. Bank Cardholders that are authorized to incur expenses on behalf of Government Entity during the term of this Agreement and who are to receive Cards and/or be issued Account numbers by submitting to U.S. Bank completed, duly authorized applications, in a format specified by U.S. Bank, such as through Access Online, including any applicable consents and/or authorizations from such Cardholders as may be required by the applicable local law, rule or regulation.
1. **Credit Checks.** With respect to any such application, U.S. Bank reserves the right, at its sole cost and expense and to the extent permitted by applicable law, to conduct a credit check on any Cardholder who may have sole and/or shared liability for any Debt incurred under this Agreement.
  2. **Exclusion.** U.S. Bank shall have the right to reject any Cardholder application in which the Cardholder may have sole and/or shared liability for any Debt incurred under this Agreement.
  3. **Card Delivery.** Unless Government Entity notifies U.S. Bank to the contrary, U.S. Bank shall issue Cards and/or Accounts directly to Cardholders.
  4. **Creation of Cards by Government Entity.** Government Entity has the ability to create Cards on its own through the use of Access Online. Such Cards can be created with or without an individual's name embossed on the face of the Cards. Acceptance of Cards without a name embossed on the face of the Cards is at the discretion of Merchants.
- C. **Billing and Payment.** U.S. Bank provides a variety of billing options. The availability of billing options may differ between Card Products. Billing option availability and the billing options for which Government Entity has been approved is specified herein in the Participating Addendum. Government Entity or Cardholder shall pay the amount due on the Statement by the Due Date.
1. **Individual Bill.** Cardholders receive a Statement at the conclusion of each Billing Cycle and are responsible for ensuring the balance due is paid by the Due Date. Government Entity may elect to receive one or more Summary Statements or reports showing all Transactions billed to Cardholder Accounts.
  2. **Central Bill.** Each Transaction is either posted to a Cardholder Account and rolled up to a Central Account for billing or billed directly to a Central Account. Government Entity will receive one or more central account Statements at the conclusion of each Billing Cycle for all Cardholder and/or Central Account Transactions. With respect to Transactions posted to a Cardholder Account and rolled up to a Central Account, the Cardholder receives a memo Statement showing his/her respective Transactions but with no amount due. Government Entity receives a consolidated Statement, which includes the total amount due for all Cardholder Accounts and Central Accounts and is responsible for ensuring the balance due on the Statement is paid by the Due Date.
  3. **Billing Disputes.** Billing disputes must be communicated in writing to U.S. Bank at the address specified in Section V.L. herein or the address provided on the Statement. U.S. Bank must receive written communication of a dispute within sixty (60) days of the date on the Statement on which the disputed or allegedly incorrect Transaction first appeared. Association regulations govern the resolution of all billing disputes.
  4. **Merchant Category Disclaimer.** Upon request by Government Entity, U.S. Bank may either prevent or restrict usage of its Card Products to selected Merchants based on Merchant Category Code. To the extent this is requested, the following disclaimers apply:
    - a. **Limitation of Liability.** U.S. Bank can only enforce Merchant Category Code restrictions to the extent it receives accurate Merchant Category Code data with the Transaction authorization request. U.S. Bank has no liability for Transactions declined or approved contrary to the intent of Government Entity.



WSCA-NASPO Contract 00612 - Commercial Card Solutions – Participating Addendum  
Appendix 3 – U.S. Bank Commercial Card Master Agreement

- b. **Incorrect Merchant Category Codes.** To the extent Government Entity believes a Merchant has not been assigned an accurate Merchant Category Code, U.S. Bank will advise the Association of the inaccuracy. Whether or not the Merchant Category Code is changed is dependent upon applicable Association regulations.
5. **Trailing Transactions.** Upon cancellation of an Account, the Government Entity and/or Cardholder must cancel the billing of all reoccurring Transactions to the Account.
- D. **Liability.** U.S. Bank provides a variety of liability options. The availability of liability options may differ between Card Products. Liability option availability and the liability option(s) for which Government Entity has been approved is/are specified in the Participating Addendum.
1. **Corporate Liability.** Government Entity is solely liable to U.S. Bank for all billed Transactions.
  2. **Joint and Several Liability.** Government Entity and the Cardholder are jointly and severally liable to U.S. Bank for all billed Transactions.
  3. **Contingent Liability.** Cardholder is liable to U.S. Bank for all billed Transactions. Government Entity has contingent liability, which means Government Entity is liable for any billed Transactions that are legitimate business charges and have not been previously reimbursed by Government Entity to the Cardholder.
  4. **Liability Exceptions.** Government Entity may be liable for all billed Transactions, regardless of liability option specified in the Participating Addendum, in the following circumstances:
    - a. **Failure to Notify; Liability Exceptions.** Government Entity shall immediately notify U.S. Bank of any of the following:
      - (i) Termination of employment of any Cardholder;
      - (ii) Any lost or stolen Card for which the Government Entity has liability;
      - (iii) Any compromised Account for which the Government Entity has liability; or
      - (iv) Any compromised information regarding Cards, Accounts or other sensitive data including, but not limited to, Account numbers, personal identification numbers, passwords, or Cardholder information.
- Government Entity shall provide sufficient information as may be requested by U.S. Bank for U.S. Bank to act on such notifications. Failure of Government Entity to provide notification may result in Government Entity's or Cardholder's liability to pay for all Transactions on such Cards and/or Accounts notwithstanding any liability option specified in the Participating Addendum. Liability is limited to period of time from when notification should have been received to when notification is actually received and only for those Transactions that U.S. Bank cannot either charge back to the Merchant or collect directly from the Cardholder. In any event, regardless of the liability option chosen, Cardholder's liability will not exceed fifty U.S. Dollars (\$50.00).
- E. **Delinquency.** If the amount shown on the Statement as the current amount due has not been paid to U.S. Bank by Government Entity and/or Cardholder by the Due Date, U.S. Bank shall have the following rights:
1. **Suspension.** U.S. Bank shall have the right to suspend any Account that is delinquent for a period exceeding two (2) Billing Cycles.
  2. **Cancellation.** U.S. Bank shall have the right to cancel any Account that is delinquent for a period exceeding three (3) Billing Cycles.
  3. **Late Fees.** U.S. Bank shall have the right to bill Late Fees on all delinquent Accounts, as specified in the Participating Addendum.
  4. **Collection Fees.** U.S. Bank shall have the right to recover any reasonable legal fees and/or other expenses incurred in collecting any delinquent amount on a cancelled Account.

III. **SECURITY AND CONFIDENTIALITY**

- A. **Security.** U.S. Bank and the Government Entity shall safeguard information regarding Cards, Account numbers, passwords, personal identification numbers, and other sensitive information provided by U.S. Bank in a manner that is no less stringent than those applicable to each Party's own proprietary information. Each Party will utilize each Party's respective industry standards to maintain an appropriate information security program to prevent the unauthorized disclosure, misuse, alteration, or destruction of Confidential Information.
- B. **Confidentiality.** The Parties agree to the following provisions regarding the use and disclosure of Confidential Information:



WSCA-NASPO Contract 00612 - Commercial Card Solutions – Participating Addendum  
Appendix 3 – U.S. Bank Commercial Card Master Agreement

1. **Confidential Information.** For purposes of this Agreement, "**Confidential Information**" means information supplied by one Party ("**Disclosing Party**") to the other Party ("**Recipient**") that is expressly or implicitly protected from unrestricted use by persons not associated with Disclosing Party.
  - a. **U.S. Bank Confidential Information.** U.S. Bank and Government Entity agree that the Commercial Card Program and/or Global Commercial Card Program is a unique service involving the exchange of proprietary and/or Confidential Information between the Parties. Government Entity agrees that Commercial Card Program and/or Global Commercial Card Program reports, manuals, documentation, and related materials shall be circulated by it only to the extent necessary for Government Entity to manage the Commercial Card Program or Global Commercial Card Program and/or use such information in connection with Government Entity's business.
  - b. **Government Entity Confidential Information.** U.S. Bank and Government Entity agree that any non-public financial information of Government Entity and any non-public data regarding Government Entity Accounts, Transactions, charges, spending volume or repayment terms is Confidential Information of Government Entity and such information shall be circulated by U.S. Bank only to the extent necessary for U.S. Bank to offer the Commercial Card Program and/or Global Commercial Card Program.
2. **Restriction.** Government Entity and U.S. Bank agree to take all reasonable steps to safeguard the other Party's proprietary and Confidential Information and not to release such information to any person or Party not essential to participation in the Commercial Card Program and/or Global Commercial Card Program.
3. **Care.** The Recipient shall provide the same care to avoid an unauthorized disclosure, misuse, alteration or destruction of Confidential Information of the Disclosing Party as it provides to protect its own similar proprietary information, but in no event, less than a reasonable standard of care.
4. **Relief.** Because damages may be difficult to ascertain, the Parties agree that in the event of any violation of Section III.B., without limiting any other rights and remedies of each other, an injunction may be sought against the Party who has breached or threatened to breach the aforementioned Section.
5. **Exceptions.** With respect to Confidential Information, U.S. Bank and Government Entity agree that the other may use and disclose such information for the following purposes:
  - a. **Normal Business Operations.** U.S. Bank and Government Entity may use and disclose such Confidential Information of the other as is required by normal business operations in connection with the Commercial Card Programs and as may be required by Association Operating Regulations.
  - b. **Legal and Regulatory Requirements.** U.S. Bank and Government Entity may use and disclose Confidential Information of the other to legal authorities, agents, auditors or regulators of U.S. Bank and Government Entity, respectively, or as otherwise may be required by law, rule or regulation.
  - c. **Summarized Data.** U.S. Bank and Government Entity may use and disclose Data to any third party to the extent that such Data is aggregated, summarized, or otherwise presented in a manner that does not directly or indirectly identify such Data as attributable to U.S. Bank, Government Entity, and/or Cardholders.
  - d. **Archived Data.** U.S. Bank and Government Entity are entitled to retain Confidential Information of the other for archival purposes as required in accordance with applicable law, rule or regulations.
  - e. **Third Parties.** Government Entity acknowledges that portions of its Account and Transaction data are captured by third parties, including, but not limited to the Associations, third-party service providers, Merchants, and Merchant processors, during the course of normal business operations and that the confidentiality provisions of this Agreement do not extend to such third parties.

#### IV. TERM AND TERMINATION

- A. **Term.** This Agreement shall remain in effect for an initial "Base Period" of five (5) years beginning on the date indicated under the column labeled "Commencement Date" and shall continue thereafter until terminated by either party by giving (90) days prior written notice to the other Party. During the initial Base Period, however, as defined in the Participating Addendum, neither party may terminate this Agreement, in whole or in part, except by mutual consent or as otherwise provided under this Section.



WSCA-NASPO Contract 00612 - Commercial Card Solutions – Participating Addendum  
Appendix 3 – U.S. Bank Commercial Card Master Agreement

- B. Termination for Cause by Either Party.** Either Party shall have the right to immediately terminate this Agreement with respect to any Card Product and/or Ancillary Service provided on the Participating Addendum, or immediately terminate this Agreement in its entirety, by providing written notice of such termination to the other Party, upon one or more of the following events:
1. Dissolution or liquidation of the other Party, or Parent thereof, if applicable;
  2. Insolvency of, the filing of a bankruptcy or insolvency proceeding with respect to, or the appointment of a receiver or trustee for the benefit of creditors of, the other Party, or Parent thereof, if applicable or the other Party enters into any other similar proceeding or arrangement for the general benefit of its creditors;
  3. Any failure to perform a material obligation of this Agreement;
  4. If any material statement, representation or warranty of a Party, its affiliates or Parent at any time furnished to the other Party is untrue in any material respect when made;
  5. A material breach of any other agreement entered into by the Parties.
- C. Termination for Cause by Government Entity.** Government Entity shall also have the right to terminate this Agreement with respect to any Card Product and/or Ancillary Service provided on the Participating Addendum, or terminate this Agreement in its entirety, by providing ten (10) days prior written notice of such termination to U.S. Bank upon one or more of the following events:
1. U.S. Bank's reduction of Government Entity's PCL and/or ACL, as defined in Section I. B., has materially and adversely affected Government Entity's utilization of any Card Product or the Commercial Card Program.
  2. U.S. Bank's failure to reasonably perform in accordance with a material term of any written proposal and/or presentation provided to Government Entity by U.S. Bank in contemplation of this Agreement, provided that:
    - a. Government Entity has worked with U.S. Bank to develop a sixty (60) day action plan to ensure U.S. Bank's performance materially complies with any aforementioned proposal and/or presentation; and
    - b. U.S. Bank has failed to successfully complete all deliverables agreed to in the action plan.
- D. Termination for Cause by U.S. Bank.** U.S. Bank shall also have the right to terminate this Agreement with respect to any Card Product and/or Ancillary Service provided on the Participating Addendum, or terminate this Agreement in its entirety, by providing ten (10) days prior written notice of such termination to Government Entity upon one or more of the following events:
1. A material adverse change in the business prospects or financial condition of the Government Entity.
  2. The overall relationship is unprofitable for U.S. Bank, provided that:
    - a. U.S. Bank has worked with Government Entity to develop a sixty (60) day action plan to return the relationship to profitability; and
    - b. Government Entity has failed to successfully complete all deliverables agreed to in the action plan.
- E. Effect of Termination.** Upon termination of this Agreement, all applicable Cards, Accounts, and/or related services shall be deemed canceled as referenced in such termination notification. Such cancellation shall be effective upon notification of termination to the other Party as referenced herein. Upon termination, Government Entity shall instruct all Cardholders to destroy their Cards and/or any records of Account numbers. U.S. Bank shall terminate all applicable services thereunder upon a stated termination date. Government Entity shall remain liable for all Debts arising from the use of a Card and/or Account prior to the termination date, in accordance with the liability options on the Participating Addendum.
- F. Surviving Rights.** Rights, obligations and/or liabilities that arise prior to the termination of this Agreement with respect to any Card Product and/or Ancillary Service provided on the Participating Addendum, or termination of this Agreement in its entirety, shall survive any such termination.

**V. OTHER TERMS AND CONDITIONS**

- A. Intellectual Property.** Government Entity and U.S. Bank each recognizes that it has no right, title or interest, proprietary or otherwise, in or to the name or any logo, or Intellectual Property owned or licensed by the other. Government Entity and U.S. Bank each agree that, without prior written consent of the other, it shall not use the name, any logo, or Intellectual Property owned or licensed by the other.
- B. No Third Party Beneficiaries or Claims.** Any Commercial Card Program and/or Global Commercial Card Program provided to Government Entity by U.S. Bank is for the sole and exclusive benefit of Government Entity and no other persons or organizations shall have any rights and/or remedies arising under or in connection with this Agreement.



WSCA-NASPO Contract 00612 - Commercial Card Solutions – Participating Addendum  
Appendix 3 – U.S. Bank Commercial Card Master Agreement

- C. Limitation of Liability.** NEITHER GOVERNMENT ENTITY, U.S. BANK, NOR ANY PARTY'S AFFILIATES, REPRESENTATIVES AND ASSIGNS SHALL IN ANY EVENT BE LIABLE TO THE OTHER PARTY FOR ANY CONSEQUENTIAL, SPECIAL, INDIRECT, OR PUNITIVE DAMAGES OF ANY NATURE (INCLUDING LOST PROFITS) EVEN IF SUCH PARTY HAD BEEN NOTIFIED OF THEIR POSSIBLE EXISTENCE.
- D. Representations and Warranties.** Each Party represents and warrants with respect to such Party that:
1. This Agreement constitutes a valid, binding and enforceable agreement;
  2. The execution of this Agreement and the performance of the obligations hereunder are within such Party'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 material agreement of such Party;
  3. The execution of this Agreement and the performance of the obligations hereunder shall not cause a material breach of any duty arising in law or equity; and
  4. As of the date of this Agreement, such Party possesses the financial capacity to perform all of its obligations under this Agreement.

The Parties agree that the failure of any of the above representations and warranties to be true during the term of this Agreement shall constitute a material breach of this Agreement and the non-breaching Party shall have the right to terminate this Agreement in accordance with Section IV.B.3.

EXCEPT AS EXPRESSLY PROVIDED HEREIN, U.S. BANK MAKES NO WARRANTIES, EXPRESS OR IMPLIED, IN LAW OR IN FACT, INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE AND OF MERCHANTABILITY, EITHER TO GOVERNMENT ENTITY OR TO ANY OTHER PERSON OR THIRD PARTY, WITH RESPECT TO THE COMMERCIAL CARD PROGRAM OR THE GLOBAL COMMERCIAL CARD PROGRAM PROVIDED BY U.S. BANK OR ITS REPRESENTATIVES OR WITH RESPECT TO SOFTWARE SERVICES PROVIDED OR MADE AVAILABLE TO GOVERNMENT ENTITY OR ANY OTHER PERSON FOR ITS USE BY U.S. BANK IN CONNECTION WITH THIS AGREEMENT AND ANY SERVICE THEREUNDER.

- E. Modification or Amendment.** This Agreement shall not be modified or amended except by writing and signed by both Government Entity and U.S. Bank.
- F. Severability.** Should any provision of this Agreement be declared invalid for any reason, such declaration shall not affect the validity of any other provision of this Agreement, which shall remain in full force and effect as if this Agreement had been executed with the invalid provision(s) eliminated. The Parties shall use their commercially reasonable efforts to agree upon a valid substitute provision in accordance with the purpose of this Agreement and the intent of the Parties.
- G. Non-Waiver.** The failure of U.S. Bank or Government Entity to exercise any right, power or option arising under this Agreement, or to insist upon strict compliance with the terms of this Agreement shall not constitute a waiver of this Agreement with respect to any other or subsequent breach hereof, nor a waiver by either of U.S. Bank or Government Entity of its rights at any time thereafter to require exact and strict compliance with all the terms hereof.
- H. Binding Effect and Assignment.** This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns.
- I. Interpretation of this Agreement.** The Parties expressly agree that this Agreement shall not be construed more strongly against either Party regardless of which Party is more responsible for its preparation. This Agreement constitutes the entire agreement between the Parties concerning the matters addressed in this Agreement, and cancels and supersedes any prior agreements, undertakings, declarations or representations, written or verbal, in respect thereof. Unless the context otherwise requires, words importing the singular number shall include the plural and vice versa, words importing any gender include all genders and references to agreements and other contractual instruments shall be deemed to include all present or future amendments, supplements, restatements or replacements thereof or thereto. Headings are inserted for convenience of reference only and shall not affect the construction or interpretation of this Agreement.
- J. Sole Provider.** The Parties acknowledge and agree that U.S. Bank shall be the sole provider to Government Entity of the Card Products and Ancillary Services set forth in the Participating Addendum.



WSCA-NASPO Contract 00612 - Commercial Card Solutions – Participating Addendum  
Appendix 3 – U.S. Bank Commercial Card Master Agreement

- K. Commercial Card Program and Card Issuance.** U.S. Bank has approved Government Entity for the Commercial Card Program in the United States and shall provide the products and options indicated in the Participating Addendum. Government Entity shall designate to U.S. Bank proposed employees who are anticipated to incur expenses on behalf of Government Entity and who are to receive Accounts, with or without Cards, by submitting completed, duly authorized applications, in a format specified by U.S. Bank, and with any applicable consents or authorizations from such Cardholder applicant as may be required herein or in such applications. If an Account is used for Purchases or to obtain cash in a country other than the United States, the Statement shall reflect the conversion into U.S. Dollars of Transactions that occurred in a different currency and an applicable exchange rate for any such conversion. Due to fluctuations in foreign exchange rates, a credit transaction may not be in the same amount as the original debit transaction.
- L. Notice and Communication.** Except with respect to notices relating to the status of individual Cards and/or Accounts, all notices, requests and other communications provided for hereunder must be directed to the other Party at the respective addresses set forth below, unless otherwise specified herein, and must be in writing, postage prepaid or hand delivered. Either Party may change its address by written notice to the other Party.

U.S. Bank	Government Entity
U.S. Bank National Association Corporate Payment Systems Mail Code EP-MN-A17S 901 Marquette Avenue Minneapolis, MN 55402 U.S.A. Attn: CPS Contract Services	State of Arizona, Department of Administration 100 N. 15 <sup>th</sup> Avenue, Suite 201 Phoenix, AZ 85007 Attn: Procurement Officer

- M. USA PATRIOT Act.** In order to comply with the requirements of the USA PATRIOT Act, U.S. Bank may require Government Entity and Cardholders to provide their legal entity name, street address, taxpayer identification number and other information that will allow U.S. Bank to identify each Government Entity and Cardholders prior to establishing an Account under or in connection with the Agreement. U.S. Bank reserves the right to require that Government Entity and Cardholders promptly provide to U.S. Bank sufficient identification documents upon request and in connection with USA PATRIOT Act compliance.
- N. Governing Law.** Except as provided to the contrary herein, the law of the state in which Government Entity resides and applicable federal laws and regulations of the United States shall apply to all Commercial Card Program services provided by U.S. Bank under this Agreement. Notwithstanding the foregoing, the laws of the State of Minnesota and applicable federal laws and regulations of the United States shall govern Software Services provided to Government Entity under this Agreement.
- O. Interchange Rate.** The Revenue Sharing Opportunity described in this Agreement is based on current interchange rates determined by the Association. These interchange rates are subject to change by authorities outside the control of U.S. Bank. In the event the Visa U.S.A. Corporate and Purchasing Interchange Reimbursement Fees, including the Visa Large Purchase Advantage Fee Program, decrease or increase by five percent (5%) or more from the April 2014 published interchange rates, U.S. 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. U.S. Bank will provide written justification to the State Contract Administrator and propose a proportional change to the rebate, with proof of the change to the referenced interchange tables.
- P. Other Agreements and Regulations.** In addition to this Agreement, the products and services provided to Government Entity are subject to the following additional agreements and/or regulations:
- 1. Clearing House Operating Regulations.** Any applicable automated clearinghouse operating rules, including, without limitation, the National Automated Clearing House Association Operating Rules and Guidelines (collectively referred to as the "NACHA Rules");
  - 2. Association Operating Regulations.** Association operating rules and regulations, including, without limitation, Visa USA, Visa International, MasterCard USA, and MasterCard International; and
  - 3. Cardholder Agreement.** Each Cardholder may receive a Cardholder Agreement that governs the use of the Account. Activation of the Card or Account by the Cardholder and/or use of the Card or Account by the Cardholder constitutes concurrence with the terms and conditions of the Cardholder Agreement.



WSCA-NASPO Contract 00612 - Commercial Card Solutions – Participating Addendum  
Appendix 3 – U.S. Bank Commercial Card Master Agreement

- Q. Disputes.** All disputes regarding Charges or billings for the U.S. Bank Commercial Card Program shall be communicated in writing through Access Online or by mail within sixty (60) days of statement date to U.S. Bank at the address set forth below:

U.S. Bank P.O. Box 6344 Fargo, ND 58125-6344      U.S.A.
--

- R. Customer Service.** Government Entity and Cardholders may call the following telephone numbers to report termination of employment of any Cardholder, lost or stolen Cards or compromised Accounts, or to ask questions about Commercial Card Program Services or U.S. Bank Accounts.

800-344-5696 (Program Services)	24 hours per day / 7 days per week
877-887-9260 (Cardholders, Software Customer Service)	24 hours per day / 7 days per week
877-452-8083(Program Administrator, Software Customer Service)	6:30 a.m.-8:00 p.m., CST Monday-Friday

**VI. DEFINITIONS**

- A. Definitions.** All capitalized terms used in this Agreement are defined herein and shall have the following meaning:

1. **"Account"** means any account established by U.S. Bank pursuant to this Agreement in the name of Government Entity, Government Entity Agencies or Political Subdivisions and/or Cardholders, to which Debt is charged, regardless of whether or not a Card is issued in conjunction with such account.
2. **"Affiliate"** means a Person that directly or indirectly controls, is controlled by, or is under common control with, the Person specified.
3. **"Ancillary Services"** means any additional services offered in conjunction with an Account, including but not limited to Cash Advances, Convenience Checks and U.S. Bank Expense Management.
4. **"Association"** means, collectively, the Persons who govern commercial card issuance, including, without limitation, Visa USA, Inc., Visa International Service Association, Inc., MasterCard USA, and MasterCard International.
5. **"Billing Cycle"** means the period of time from which a Statement is generated until the next Statement is generated.
6. **"Card"** means, in connection with an Account, any commercial charge card issued by U.S. Bank pursuant to this Agreement in the name of Government Entity and/or Cardholders.
7. **"Cardholder"** means an individual employee of Government Entity, named as the holder of the Account or using the Account in the name of Government Entity, regardless of whether a physical card is issued in conjunction with the Account.
8. **"Cardholder Agreement"** means the U.S. Bank Cardholder agreement in standard form between U.S. Bank and the Cardholder.
9. **"Card Products"** means the standard U.S. Bank commercial card product offerings, including but not limited to the Purchase Card, Corporate Card, Managed Spend Card, Executive Card, One Card, Global Card.
10. **"Cash Advance"** means an advance of cash in the form of cash or check that, if permitted according to the terms of this Agreement, is charged to an Account.
11. **"Cash Advance Fee"** means the fee charged by U.S. Bank for a Cash Advance according to the terms of the Participating Addendum.
12. **"Central Billing Account"** means any Account used for consolidating Transactions from one or more other Accounts for centralized corporate billing purposes. Central Billing Account includes, but is not limited to **"Central Billing Accounts"**, **"Central Travel Accounts" (CTA)** and **"Central Travel System Accounts" (CTS)**.
13. **"Charge"** means any transaction posted to an Account that has a debit value, including without limitation, Purchases, Cash Advances, and Fees.
14. **"Charge-off"** means any amount due and owing that remains unpaid for one hundred fifty (150) days after the date that it was first billed.

WSCA-NASPO Contract 00612 - Commercial Card Solutions – Participating Addendum  
Appendix 3 – U.S. Bank Commercial Card Master Agreement

15. **"Commercial Card Program"** means the Card Products and Ancillary Services offered by U.S. Bank or a Participating Bank.
16. **"Control"** or **"Controlled"** means, with respect to a Person, the possession, directly or indirectly, of the power to direct or cause the direction of management or policies (whether through ownership of securities or partnership, membership or other ownership interests, by contract or otherwise) of such Person.
17. **"Convenience Checks"** means the drafts drawn against an Account by the Cardholder for Purchases.
18. **"Data"** means the information regarding or in connection with Accounts and/or Transactions associated with the Commercial Card Program and/or any such information provided by a Lead and/or Participating Bank associated with the Global Commercial Card Program.
19. **"Debt"** means all amounts charged to an Account including without limitation all amounts related to Charges that are owed to U.S. Bank by Government Entity, Government Entity Agencies and Political Subdivisions, and/or Cardholders.
20. **"Due Date"** means, with respect to a Statement, the date, as measured by the number of days after the Statement Date, for which the payment of Debt that is listed on the Statement is due.
21. **"Fees"** means all fees that are posted to an Account and due and payable to U.S. Bank by Government Entity, Government Entity Agencies and Political Subdivisions, and/or its Cardholders that are associated with any Commercial Card Program and/or Global Commercial Card Program, including but not limited to Cash Advance, Foreign Transaction and Late Fees.
22. **"Foreign Transaction Fee"** means the fee U.S. Bank charges on the amount of any Debt or other Transaction posted to an Account that is not in the same currency in which the Account is billed and which must be converted to the currency used for billing purposes.
23. **"Fraudulent Charges"** mean those Charges which are not initiated, authorized or otherwise requested by Government Entity and/or a Cardholder by any means (electronic, telephonic or written) and do not directly or indirectly benefit Government Entity and/or a Cardholder.
24. **"Intellectual Property"** or **"Intellectual Property Rights"** means any patent rights, copyrights, trade secrets, trade names, service marks, moral rights, know-how and any other similar rights or intangible assets recognized under any laws or international conventions, and in any country or jurisdiction in the world, as intellectual creations to which rights of ownership accrue, and all registrations, applications, disclosures, renewals, extensions, continuations or reissues of the foregoing now or hereafter in force.
25. **"Late Fee"** means the fees associated with any Debt that remains unpaid to U.S. Bank by Government Entity and/or Cardholders after the Due Date on the Statement.
26. **"MasterCard"** means MasterCard® USA, Inc., MasterCard International, and any other MasterCard entity identified in the Participating Addendum.
27. **"Merchant"** means any entity that has entered into an agreement that governs the acceptance of Cards.
28. **"Merchant Category Code"** means the code established by the Associations that identifies and classifies goods or services offered by a Merchant. Each Merchant designates its Merchant Category Code to the applicable Association.
29. **"Parent"** means any Person that Controls a Party.
30. **"Party"** means any one of U.S. Bank or Government Entity, and **"Parties"** means U.S. Bank and Government Entity.
31. **"Past Due Balance"** means, with respect to a Statement, the total amount of any Debt which remains unpaid to U.S. Bank by Government Entity and/or Cardholder after the Due Date specified on such Statement.
32. **"Person"** means any corporation, company, limited liability company, general partnership, limited partnership, limited liability partnership, unincorporated association, trust, joint venture, estate or other judicial entity or any governmental body.
33. **"Political Subdivision Addendum"** means the Commercial Card Program Political Subdivision Addendum used by Political Subdivisions to join Government Entity's Commercial Card Program.
34. **"Program Administrator"** means the employee designated by Government Entity to serve as the primary point of contact between Government Entity and U.S. Bank and shall be trained and have thorough knowledge of Commercial Card Programs offered by U.S. Bank to Government Entity.
35. **"Purchase"** means a purchase of goods and/or services that is charged to an Account.



WSCA-NASPO Contract 00612 - Commercial Card Solutions – Participating Addendum  
Appendix 3 – U.S. Bank Commercial Card Master Agreement

- 36. **“Statement”** means, with respect to one or more accounts, a periodic billing Statement from U.S. Bank listing all Transactions posted to such Accounts.
- 37. **“Summary Statement”** means, with respect to one or more accounts, a billing Statement that provides only an aggregate amount of all Transactions posted to such Accounts.
- 38. **“Transaction”** means any activity posted to an Account, both debit and credits, including but not limited to Purchases, Cash Advances, Fees and payments.
- 39. **“U.S. Bank Expense Management”** means the automated expense management and reporting solution offered by U.S. Bank.
- 40. **“Visa”** means Visa® USA, Inc., Visa International Service Association, Inc. and any other Visa entity.

WSCA-NASPO Contract 00612 - Commercial Card Solutions - Participating Addendum  
Appendix 4 - U.S. Bank Fleet Card Program Agreement

**U.S. BANK FLEET CARD PROGRAM AGREEMENT**

---

This Fleet Card Agreement (the "**Fleet Card Agreement**") governs the U.S. Bank Fleet Program provided by the WSCA-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 Government Entity which is a signatory to that Participating Addendum ("**Government Entity**").

1. **EFFECTIVE DATE.** The date of execution of the Fleet Card Contract by the latter of the State of Arizona and U.S. Bank shall be the "**Effective Date**" of the Fleet Card Program.
2. **PARTICIPATION.** Certain entities designated by Government Entity may participate in the Fleet Card Program.
  - A. "**Government Entity Agencies**" means those Government Entity departments and agencies that rely upon the Government Entity for funding, or are appropriated funds by the Government Entity for the charges on the accounts issued to the employees of those departments and agencies. In order for Government Entity Agencies to participate in the Fleet Card Program, the Government Entity will furnish to U.S. Bank a Government Entity Agency Addendum listing those agencies allowed to participate. The Government 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 Government 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. Government 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 Government 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 Government Entity of Fleet Cards and services pertaining to the Fleet Card Program.
5. **LIABILITY.**
  - A. Except as expressly provided to the contrary herein, Government Entity shall be liable for all purchases, fees, Finance Charges and other charges incurred or arising by virtue of the use of a Fleet Card.
  - B. Government Entity shall immediately, upon receipt of such information, notify U.S. Bank by telephone at 1-800-987-6591 as to any lost or stolen Fleet Card, PINS, Driver IDs, or Vehicle IDs. Government Entity shall also immediately notify U.S. Bank by telephone at 1-800-987-6591 to cancel a PINs, Driver IDs, or Vehicle IDs. After notification has been made to U.S. Bank to cancel such Fleet Card(s), use of such Fleet Card(s) is expressly prohibited. Government Entity is liable for the unauthorized use of the Fleet Card until U.S. Bank receives notification of the lost or stolen Fleet Card or to cancel the PIN, Driver ID, or Vehicle ID. Government Entity shall not be liable for any purchase, fees, finance charges or other charge incurred or arising by virtue of the use of a Fleet Card following receipt by U.S. Bank of notice of such loss, theft or request to cancel a PIN, Vehicle ID, or Driver ID. Government Entity agrees to assist U.S. Bank in determining the facts, circumstances and other pertinent information related to any loss, theft or possible unauthorized use of the Fleet Card and to comply with such procedures as may be required by U.S. Bank in connection with U.S. Bank's investigation. U.S. Bank is not responsible for controlling the use of a Fleet Card, other than as specifically provided herein.



WSCA-NASPO Contract 00612 - Commercial Card Solutions - Participating Addendum  
Appendix 4 - U.S. Bank Fleet Card Program Agreement

6. **PRICING.** Government 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 Government Entity's estimated billing volume is substantially inaccurate.
7. **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. 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 Government Entity's delinquency, U.S. Bank may elect to terminate this Fleet Card Agreement immediately upon notice to Government Entity. Court costs plus reasonable attorney fees (as allowed by law) may be added to any delinquent balance referred to an attorney for collection.
8. **BILLING PROCEDURE.** U.S. Bank will send to Government 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 Government Entity's receipt of the Statement.
9. **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](mailto:fueldisputes@usbank.com). Whether by phone or in writing communications should include Government 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.
10. **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 Government 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, Government Entity shall destroy all Fleet Cards. Government 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 Government Entity in the event that: (i) Government Entity has breached any term of this Fleet Card Agreement; (ii) the amount due from Government 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.

WSCA-NASPO Contract 00612 - Commercial Card Solutions - Participating Addendum  
Appendix 4 - U.S. Bank Fleet Card Program Agreement

- E. 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. Government 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 Government Entity may participate in the Fleet Card Program. Government 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 Government 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 Government 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 Government Entity or Participants.

- 15. FINANCIAL INFORMATION.** Since this Fleet Card Agreement is for an extension of credit with a financial institution and not a vendor services agreement, Government 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, Government Entity shall provide audited financial statements, prepared by Government 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, Government Entity agrees to provide to U.S. Bank such other information regarding the business, operations, affairs, and financial condition of Government 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 Government 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, Government 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) **Government Entity Accounts.** U.S. Bank shall provide notice to Government 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, Government 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.



WSCA-NASPO Contract 00612 - Commercial Card Solutions - Participating Addendum  
Appendix 4 - U.S. Bank Fleet Card Program Agreement

17. **REGISTERED MARKS AND TRADEMARKS.** Government 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. Government 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 Government Entity to make payments as herein set forth shall continue until fully performed. Any rights and remedies Government 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 Government 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 Government 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.

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

Government Entity:  
State of Arizona- Department of Administration  
100 N 15<sup>th</sup> Avenue  
Suite 201  
Phoenix, AZ 85007  
Attn: Procurement Officer

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 Government Entity; provided, however, that such action shall not affect its obligations to Government 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 Government 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.

WSCA-NASPO Contract 00612 - Commercial Card Solutions - Participating Addendum  
Appendix 4 - U.S. Bank Fleet Card Program Agreement

- D. **USA PATRIOT Act.** In order to comply with the requirements of the USA PATRIOT Act, U.S. Bank requires Government Entity to provide its legal entity name, street address, taxpayer identification number and other information that will allow U.S. Bank to Government Entity prior to establishing an account for such entity. U.S. Bank reserves the right to require that Government Entity promptly provide to U.S. Bank sufficient identification documents upon request in connection with USA PATRIOT Act compliance.
- 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.
- F. **Set Up Fees.** For Government Entities with two hundred (200) or more Fleet Cards and a monthly billing volume of at least seventeen thousand U.S. Dollars (\$17,000.00), U.S. Bank will not assess a fee to Government Entity for account set-up, Fleet Card issuance, transactions or standard monthly or annual billings. For Government Entities with less than two hundred (200) Fleet Cards and monthly billings of less than seventeen thousand U.S. Dollars (\$17,000.00), U.S. Bank will assess a fee to Government Entity for account set-up, Fleet Card issuance, transactions or standard monthly or annual billings as provided below. Government Entity may be automatically assessed all applicable fees provided in Addendum A without prior notice. For additional reporting and Government Entities with less than two hundred (200) Fleet Cards and less than seventeen thousand U.S. Dollars (\$17,000.00) in monthly billings, the fees are as follows.

**Set Up Fees**

Account Set Up (one-time fee) ----- Waived

**Fleet Card Fees**

Number of Cards (monthly):

7 – 25 ----- Waived

26 – 100 ----- Waived

101 – 200 ----- Waived

**Additional Reporting Fees**

Invoice (includes: statement, payments and adjustments and taxes) ----- Waived

Invoice Report ----- Waived

Driver Report ----- Waived

Vehicle Report ----- Waived

Exception Report ----- Waived

Service Station Activity Report ----- Waived

Product Purchase Summary ----- Waived

Expense Summary By Business Unit ----- Waived



### **U.S. BANK PRODUCT DESCRIPTIONS**

- 1. U.S. Bank Purchase Card.** The U.S. Bank Purchase Card is a charge card designed for use by Cardholders to charge goods and services related to the business activities of Customer. U.S. Bank also provides central purchase accounts, which can be used for the same purpose, but without the issuance of a physical card.
- 2. U.S. Bank One Card.** The U.S. Bank One Card is a charge card designed for use by Cardholders that combines Corporate and Purchase Card capabilities on a single Account. The One Card can be utilized for travel and entertainment related expenses as well as to charge goods and services related to the business activities of Customer.
- 3. U.S. Bank Fleet Card.** The U.S. Bank Fleet Card on the Voyager Network is a Corporate Liability charge card designed for purchases of motor fuels and other products and services by fleet vehicle operations using a transaction processing, reporting and payment system established by U.S. Bank.
- 4. U.S. Bank Managed Spend Card.** The U.S. Managed Spend Card is a specialized corporate liability card with declining balance functionality designed for use by Customers or Cardholders to charge business related goods and services. Customer may also elect to have Cards issued to family members relocating employees. Unless requested for a different duration, Managed Spend has a term of twelve (12) to thirty-six (36) months. U.S. Bank also provides Managed Spend Central Billing Accounts, which can also be used for business or relocation expenses. Based on the credit worthiness of Customer and/or its Cardholder, U.S. Bank, at its sole discretion, shall establish a credit limit of no less than five hundred U.S. Dollars (\$500.00).
- 5. U.S. Bank Emergency Response Card.** The U.S. Bank Emergency Response Card is a corporate liability charge card designed for use by Cardholders under unusual or special circumstances such as disaster relief/recovery efforts. Customer provides the Emergency Response Card to Cardholders to charge goods and services against a Corporate billed account.
- 6. U.S. Bank Corporate Card.** The U.S. Bank Corporate Card is a charge card designed for use by Cardholders to charge travel, entertainment and other goods and services that are related to the business activities of Customer. U.S. Bank also provides central travel accounts, which can be used for the same purpose, but without the issuance of a physical card.

**WSCA-NASPO Contract 00612 - Commercial Card Solutions - Participating Addendum**  
**Appendix 6 – Applicable Card Fees and Rebate Information**

	<b>Fees Applicable to Purchase, Corporate and One Card</b>	<b>Charge</b>
1.	Annual Card Fee	\$0.00
2.	Non-Sufficient Funds Fee, all Products, per occurrence	\$15.00
3.	Logo Embossing Fee; a two-week delay may occur with Card issuance and implementation	\$0.00
4.	Delinquency Fee, Purchasing or One Cards and Enhancements <ul style="list-style-type: none"> <li>• Not Paid by Due Date on entire past due amount</li> <li>• Not Paid by each subsequent Billing Cycle on the entire past due amount</li> <li>• Minimum Late Fee</li> </ul>	1.0% 2.5% \$2.00
5.	Delinquency Fee, Corporate <ul style="list-style-type: none"> <li>• Not Paid by Due Date on entire past due amount</li> <li>• Not Paid by each subsequent Billing Cycle on the entire past due amount</li> <li>• Minimum Late Fee</li> </ul>	0.0% 2.5% \$2.00
6.	Travel Accident Insurance Fee. Common Carrier Travel Accident Insurance for Corporate and/or One Cards is provided at no charge with a benefit amount of two hundred fifty thousand U.S. Dollars (\$250,000.00). Entity and/or Participant must notify U.S. Bank of the use of Central Billing Accounts for booking of travel to ensure appropriate insurance coverage is in place.	\$0.00
7.	Foreign Transaction Fee, all Products. Fee applies to transactions taking place outside the United States not in U.S. Dollars. U.S. Bank reserves the right to raise fee with sixty (60) days prior written notice to Entity.	2.5%

	<b>Fees Applicable to Fleet Card</b> The following fees will only be assessed for those customers with few than 200 Fleet Cards and monthly billings of less than \$17,000,000. The following fees are subject to change without prior notice.	<b>Charge</b>
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"> <li>• 7-25 cards</li> <li>• 26-100 cars</li> <li>• 101-200 cards</li> </ul>	\$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.	FleetCommander 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%



**WSCA-NASPO Contract 00612 - Commercial Card Solutions - Participating Addendum**  
**Appendix 6 – Applicable Card Fees and Rebate Information**

<b>Incentive Share</b>	<b>Rebates Applicable to Corporate Liability Purchase, Corporate, and One Cards (individual liability Corporate Cards are not included in Incentive Share Components 1, 2, and 3)</b>	<b>Rebate BPS</b>	<b>Paid</b>
<b>1</b>	Each Participating Entity will receive a basis point (percentage) of their quarterly sales volume. The Formula to determine quarterly volume incentive share: <u><i>Quarterly volume sales per entity - qualifying large ticket volume X basis points (percentage) = Participating Entity Quarterly Volume Incentive</i></u>	130	Quarterly
<b>2</b>	A Prompt Payment Incentive will be offered to each Entity. 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. Client held days cannot be less than zero (0) 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><i>(45 - Client Held Days) / 45 x 0.0045 x Quarterly Sales Volume</i></u>		Quarterly
<b>3</b>	Large Ticket Incentive-Entity will receive an incentive for qualifying large ticket transactions. Qualifying large ticket transactions will be subject to the same speed of pay incentive. Contractor will provide a quarterly report identifying all qualifying large ticket transactions to each Entity. The formula for calculating Large Ticket Incentive is: <u><i>Qualifying Quarterly Large Ticket volume sales per Entity x basis points (percentage) = Entity Large Ticket Volume Incentive.</i></u>	75	Quarterly
<b>4</b>	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: <u><i>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.</i></u>  <div style="text-align: right;">                     \$500,000,000 - \$2,000,000,000      45                      \$2,000,000,001 - \$3,000,000,000      45                      \$3,000,000,001 - \$4,000,000,000      45                      \$4,000,000,001 - \$5,000,000,000      45                 </div> <i>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.</i>		Annually

**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.

**WSCA-NASPO Contract 00612 - Commercial Card Solutions - Participating Addendum**  
**Appendix 6 – Applicable Card Fees and Rebate Information**

<b>Incentive Share</b>	<b>Rebates Applicable to Fleet Card</b>	<b>Rebate BPS</b>	<b>Paid</b>
<b>1</b>	Participating Entity Volume-Entity will receive a basis point (percentage) of their quarterly sales volume. The Formula to determine quarterly volume incentive share: <u><math>Quarterly\ volume\ sales\ per\ entity - qualifying\ large\ ticket\ volume \times basis\ points\ (percentage) = Entity\ Quarterly\ Volume\ Incentive</math></u>	130	Quarterly
<b>2</b>	Participating Entity Prompt payment-A prompt payment incentive will be offered and is designed to provide an incentive to each entity when Client Held Days is less than 45 days. Client held days cannot be less than zero (0) 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><math>(45 - Client\ Held\ Days) / 45 \times 0.0045 \times Quarterly\ Sales\ Volume</math></u>		Quarterly
<b>3</b>	All WSCA-NASPO States Annual Volume Incentive( per State) <div style="text-align: right;"> \$50,000,000 - \$100,000,000  \$100,000,001 - \$300,000,000  \$300,000,001 - \$500,000,000  \$500,000,001 - \$1,000,000,000 </div> <i>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.</i>	40 41 43 45	Annually

**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.



**STANDARD CONTRACT DEFINITIONS**

1. **"Account"** means any account number to which charges and payments may be posted.
2. **"Addendum Quarter"** means a three (3) month period beginning with the first such period following the effective date of the Participating Addendum.
3. **"Addendum Year"** means a twelve (12) month period beginning with the first such period following the effective date of the Participating Addendum.
4. **"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.
5. **"Client Held Days"** means the sum of the daily balances for the calendar quarter divided by the total Net Charge Volume for the calendar quarter less fifteen (15) days and cannot be less than zero (0) days.
6. **"Client Held Days Payment Performance"** means the average speed of repayment of Charges made for each calendar quarter
7. **"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.
8. **"Incentive Share"** means actual monies paid to each Participating Entity based on volume and speed of pay.
9. **"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.
10. **"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 large transaction interchange rates and amounts Charged-off by U.S. Bank with respect to such Accounts as uncollectible for each Addendum Year.
11. **"Quarterly Sales Volume"** means all Charges set forth on the Billing Statements furnished for all Accounts, less Fees, Cash Advances, Fraudulent Charges, Charge-backs, and amounts Charged-off by Contractor with respect to such accounts as uncollectible for each quarter (3 calendar months).
12. **"Quarterly Large Ticket Volume"** means those Charges for each Agreement Quarter which the Association governing Customer's Card Program has determined qualify for large ticket interchange rates and which are processed by such Association using large ticket interchange rates, less credits, for each Agreement Year. All other Charges and all amounts related to Fees, Cash Advances, Convenience Checks, Fraudulent Charges, chargebacks and Charge-offs are excluded from Large Ticket Volume.