

PURCHASE CARD SERVICES

STANDARD AGREEMENT

STD 213 (Rev 06/03)

AGREEMENT NUMBER / AGENCY BILLING CODE
5-06-99-01. Amendment #1
REGISTRATION NUMBER

1. This Agreement is entered into between the State Agency and the Contractor named below:

STATE AGENCY'S NAME
Department of General Services

CONTRACTOR'S NAME
U.S. Bank National Association N.D. (U.S. Bank)

2 The term of this Agreement is: November 28, 2006 through October 18, 2011

3. The maximum amount of this Agreement is: \$ 0

4. The parties agree to comply with the terms and conditions of the following which are by this reference made a part of the Agreement.

The Standard Agreement (STD. 213) between the State of California and the Contractor is hereby amended to include the following contract language:

1. Distribution of the Quarterly Average Transaction Rebate shall include the following condition:
Computed Quarterly Average Transaction Rebate to the Participating Agency shall not exceed 2% of the Participating Agency's Quarterly Total Spend. Amount in excess of 2% of the Participating Agency's Quarterly Total Spend shall be forwarded to the Department of General Services under the heading of Administrative Fee – Excess Quarterly Average Transaction Rebate.

STATE OF CALIFORNIA

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR

CONTRACTOR'S NAME (if other than an individual, state whether a corporation, partnership, etc.)
U.S. Bank National Association N.D. (U.S. Bank)

BY (Authorized Signature) <i>[Signature]</i>	DATE SIGNED (Do not type) 11/7/06
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PRINTED NAME AND TITLE OF PERSON SIGNING
Charles L. Wilkins Senior Vice President

ADDRESS
800 Nicollet Mall, Minneapolis MN 55402
STATE OF CALIFORNIA

AGENCY NAME
Department of General Services

BY (Authorized Signature) <i>[Signature]</i>	DATE SIGNED (Do not type) 11/28/06
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PRINTED NAME AND TITLE OF PERSON SIGNING
Rita Hamilton, Deputy Director

ADDRESS
707 Third Street, 2nd Floor
West Sacramento, CA 95605—2811

California Department of General Services
Use Only

[Handwritten initials]

**GENERAL SERVICES
LEGAL SERVICES**

Exempt

Agreement Number 5-06-99-01, Amendment #1 (Continued):

2. Western State Contract Alliance (WSCA) Contract Administration
 - A. Lead state (State of California) administers contract, based on the approved budget.
3. WSCA Managing Participation
 - A. WSCA participating states are responsible for managing participation of its entities.
4. WSCA Amendments
 - A. Lead state (State of California) is responsible for amending the base contract if required.
 1. If amendment has substantial impact on contract, amendment should be sent to WSCA Directors for review.
 - B. Participating states are responsible for negotiating with Contractor any amendments to their own participating agreement with Contractor, but must keep lead state informed of changes made to such participating agreement.
5. Incentive (Rebate) Programs
 - A. The attached Exhibit F, dated November 1, 2006, shall replace the original Exhibit F.
 - B. WSCA states are entitled to the same Incentive (Rebate) Programs that are provided to the Lead state. Therefore, the WSCA states will benefit from the Incentive (Rebate) Programs and be entitled to all incentives (Average Transaction Incentive, Volume Sales Incentive, Prompt Payment Incentive, and Administrative Fee) in this agreement.

All other terms and conditions remain the same.

Exhibit F

(11/1/06)

A. INTRODUCTION

The cost/rebate tables shall be in force for the term of this contract.

B. INCENTIVE PROGRAMS

The Contractor is providing an Average Transaction Incentive, Volume Sales Incentive, and a Prompt Payment Incentive to all Participating Agencies and will comply with the Administrative Fee in Section C below. All incentives and fees will be paid via a check to each Participating Agency, unless the participating agency requests another form of payment (i.e., electronic payment, reduction in outstanding invoices, etc.).

1. Average Transaction Incentive

An Average Transaction Incentive will be given to each Participating Agency (see Table D.1 – Average Transaction Incentive). The Average Transaction Incentive calculation is designed to provide an incentive to each Participating Agency. The Average Transaction Incentive is **based solely on the average per transaction dollar amount for the quarterly (3 calendar months) total sales for each Participating Agency.** “Average Transaction” means the Quarterly Total Sales Volume divided by the number of purchase transactions during each quarter (3 calendar months).

The Contractor will pay the earned Average Transaction Incentive payment by the fiftieth (50th) calendar day after the end of each quarter (3 calendar months).

2. Volume Sales Incentive

A Volume Sales Incentive will be given to each Participating Agency (see Table D.2 – Volume Sales Incentive). The Volume Sales Incentive table is designed to provide an incentive to each Participating Agency. The Volume Sales Incentive is **based solely on the quarterly (3 calendar months) total sales for each Participating Agency.**

The Contractor will pay the earned Volume Sales Incentive payment by the fiftieth (50th) calendar day after the end of each quarter (3 calendar months).

3. Prompt Payment Incentive

A Prompt Payment Incentive will be given to each Participating Agency (See Table D.3 – Prompt Payment Incentive). The Prompt Payment Incentive calculation is designed to provide an incentive to each Participating Agency. The Prompt Payment Incentive is based solely on the Client Held Days Payment Performance by each Participating Agency for each quarter (3 calendar months). No Prompt Payment Incentive calculation shall be made unless the Client Held Days Payment Performance for all account statements for each Participating Agency, individually, is equal to or less than forty-five

(45) Client Held Days. “**Client Held Days**” means the actual number of days from billing cycle date to the date on the check or date of the wire transfer.

The Contractor will pay the dollar amount calculated by the fiftieth (50th) calendar day after the end of each quarter (3 calendar months).

Note: If the aggregated incentive amounts (Average Transaction Incentive, Volume Sales Incentive, and Prompt Payment Incentive) are less than seventy-five U.S. Dollars (\$75.00) on a quarterly basis for any Participating Agency, the Incentive payments will be carried over to the next quarter.

Any Average Transaction Incentive, Volume Sales Incentive, and/or Prompt Payment Incentive payment made pursuant to this Agreement will be reduced by the accumulated Fraudulent Charges and/or Charge-offs. “**Charge-off**” means any amount due and owing to Contractor or its affiliates by the State, any Participating Agency and any Participating State Agency, as the case may be, that remains unpaid for one hundred fifty (150) days after the date that it was first billed.

C. ADMINISTRATIVE FEE

The Contractor will reimburse the Department of General Services (DGS), Procurement Division an Administrative Fee. The Administrative Fee is a flat rate of .004 (4/10 of 1%) on the total sales for all Participating Agencies.

The Contractor will pay the dollar amount by the 50th calendar day after the end of each quarter (3 calendar months). The Administrative Fee will be paid via a check to DGS, unless DGS requests another form of payment (i.e., electronic payment, etc.).

D. TABLES

1. Average Transaction Incentive

The following formula will be used to determine the Average Transaction Incentive for each participating agency:

$$\frac{\text{Quarterly Total Sales}}{\text{\# of Transactions}^*} \times 0.75 = \text{Average Transaction Incentive}$$

* The number of transactions will be the transactions that occurred in the same quarter as the Volume Sales Incentive.

Note: Distribution of the Quarterly Average Transaction Rebate shall include the following condition: Computed Quarterly Average Transaction Rebate to the Participating Agency shall not exceed 2% of the Participating Agency’s Quarterly Total Spend. Amount in excess of 2% of the Participating Agency’s Quarterly Total Spend shall be forwarded to the Department of General Services under the heading of Administrative Fee – Excess Quarterly Average Transaction Rebate.

2. Volume Sales Incentive

The following formula will be used to determine the Volume Sales Incentive for each Participating Agency:

Quarterly Volume Sales (Individually for each Participating Agency) x **.00393**
= Quarterly Volume Sales Incentive

3. Prompt Payment Incentive

The following formula will be used to determine the Prompt Payment Incentive for each Participating Agency:

(45 - Actual Client Held Days Performance)/45 X 0.0045 X Invoice Amount
= Prompt Payment Incentive

4. Administrative Fee

The following formula will be used to determine the Administrative Fee:

Total Sales for all Participating Agencies x **.0040** = Administrative Fee

E. COMMERCIALLY AVAILABLE PRICE LIST

Contractor is allowed to include a commercially available price list.

The scope, for additional purchasing card services and/or technologies to be included with the cost/incentive tables. Contractor is required to provide a government discount for each additional service and/or technology. Each discount will be applied to either the service or technology to determine the participating agency's price. The price list may be updated on an annual basis and the discount(s) will be fixed for the term of the contract.

Note: Contractor is required to provide the CAL-Card program with a verifiable commercially available price list, i.e., pricing that is comparable to the pricing provided to customers (commercial or government) with the same or similar annual volume sales. The state reserves the right to verify the pricing information by contacting customers and/or visiting websites. The contractor shall cooperate with the procurement official by providing the necessary information to conduct this verification. If pricing can not be verified, contractor will not be allowed to offer additional purchasing card services and technologies.

F. Additional Services (Cost Items)

1. Customer Extract Files – The Bank will offer (5) custom extract files to the contract at no cost. Any requested mappers beyond five will be at a cost of \$5,000 per mapper.
2. Cash Advance Fees – 2% with a \$2.00 minimum
3. Convenience Fees – 1.7% of the convenience check dollar amount
4. Foreign Currency Conversion Fees – 2.5% per transaction