



Howard County, Maryland

OFFICE OF PURCHASING

6751 Columbia Gateway Drive, Suite 501  
Columbia, MD 21046  
(410) 313-6370  
Tax Exemption No. 30001219

US BANK CORPORATE PAYMENT SYSTEMS  
200 SOUTH 6TH STREET  
MINNEAPOLIS MN 55402  
USA

Service Contract	
Contract Number:	4400000002
Vendor Number:	1106345
Date:	08/19/2009
Contract Term:	01/24/2009 to 06/12/2012
Header Target:	\$17,000,000.00
Ceiling Value:	Over 10 Years
Buyer:	Shelley Liby
Telephone:	410-313-6379
Fax Number:	410-313-6388
Email:	sliby@howardcountymd.gov

Contract text:

Contract Change No. 8, 06/17/2011. This Service Contract, Procurement Card Services is issued to incorporate the Revised and Restated Agreement dated 06/13/2011 which aggregates spend from among the users and increases the rebate paid to the County. This change also revises the contract period from 06/13/2011 to 06/12/2012 with nine (9) one-year renewal options. All other terms and conditions remain unchanged.

Vendor Contact: Pirosch Thomas, Phone #540-349-0983

Agency Contact: Darla Herbold, Office of Purchasing, 410-313-6370

Item	NIGP Code	Description	Unit	Price
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1 94630 Procurement Card Svc

Material Text:

Financial, Procurement Card Services as per Government Purchasing Card Program Agreement effective January 24, 2005 and the Revised and REstated Agreement dated June 13, 2011 with a maximum Aggregate Net Annual Charge Volume of \$100,000,000.

TERMS AND CONDITIONS APPLICABLE TO CONTRACTS

1. This is notice that the contract referenced above has been awarded to you based on the bid or proposal you submitted. All terms, conditions and specifications of the solicitation will apply to all orders.
2. Any County agency authorized to purchase from this contract must issue a release Purchase Order and reference the contract number and line number for each of the goods and/or services on the contract.
3. This is not an order to ship goods or begin services. A release Purchase Order must be issued before you are authorized to ship goods or begin services.



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4. Changes in goods to be furnished or services to be performed are not permitted unless approved by the Office of Purchasing prior to goods being shipped or services being performed. Prior approval of the Office of Purchasing is also required before goods or services can be added or deleted.
5. The contractor must supply actual goods and services ordered at the contract price.
6. Contractors must maintain, in full force and current, the insurance coverage required under the terms and conditions of this contract while this contract is in effect, including any renewals thereof.
7. The County is exempt from State and Federal Excise Taxes. Maryland Sales and Use Tax Exemption Certificate No. 30001219.
8. Invoices for release Purchase Orders against this contract must include:
  - Contractor's name;
  - Address;
  - Federal tax identification number;
  - Contract number (the first two digits are 44XXXXXXXX) and Contract Line number (shown under each item description as 44XXXXXXXX/X - the last digit is the contract line number)
  - Purchase Order number (the first digit is 2XXXXXXXX);
  - Unit price and extended price (the unit price must match a line on the contract); and
  - Description of goods provided and/or services performed as shown on this contract.

Buyer

Authorized Signature

**U.S. BANK COMMERCIAL CARD MASTER AGREEMENT  
MARYLAND CONSORTIUM  
REVISED AND RESTATED GOVERNMENT PURCHASING CARD PROGRAM AGREEMENT**

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This Commercial Card Master Agreement (the "Agreement") revises and restates the terms and conditions of the Government Purchasing Card Program Agreement dated March 15, 2005 that was executed in accordance with the Howard County, Maryland Request for Proposal No. 17-02 and co-governs the U.S. Bank Commercial Card Maryland Consortium ("MD Consortium") Program (the "Commercial Card Program") in conjunction with the Commercial Card Master Agreement of the Board of Education of Baltimore County and is entered into by and between U.S. Bank National Association ND ("U.S. Bank") and the entity identified herein and executing this Agreement as ("Customer"). This Agreement shall become effective upon signing by or on the behalf the later of the parties ("Effective Date") and supersedes any previous and like agreement(s) with Customer.

**Participation In Commercial Card Program.**

Agencies of Customer and Political Subdivisions in the State of Maryland may participate in the Commercial Card Program.

**Participation by Agencies.**

While this Agreement is in effect, Customer may request that U.S. Bank also issue cards and establish accounts for any of Customer's agencies ("Agencies"), provided that U.S. Bank approves such participation. Customer may designate Agencies by providing to U.S. Bank a list, in writing, of the legal entity names of the Agencies that are approved by Customer for participation in the Commercial Card Program. Customer may exclude any Agency or employee from the Commercial Card Program by providing written notice to U.S. Bank.

**Participation by Political Subdivisions.**

"Political Subdivisions" may include any municipalities, cities, other governmental entities and/or non-profit organizations within the State of Maryland and their agencies. 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 (the "Political Subdivision Addendum"), or upon signing of another type of agreement, if applicable. For the purposes of this agreement, "Political Subdivision" also includes any and all agencies of that Political Subdivision participating in the Commercial Card Program.

**I. CREDIT PROVISIONS**

**A. Financial Information.** The establishment of a Commercial Card Program provides an extension of credit, and Customer 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, completed Political Subdivision Addendum to U.S. Bank.
2. **Financial information for Customer and Political Subdivisions.** To become credit qualified, Customer and each Political Subdivision will be required to provide the last three (3) years of audited financial statements to U.S. Bank prior to the issuance of any cards and annual financial statements provided on or before one hundred eighty (180) days after the end of the Customer's or Political Subdivision's fiscal year. Political Subdivision should provide this first set of financial statements with their signed 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 Customer's website, U.S. Bank will not require the Customer or such Political Subdivision to provide financial information that it 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 Customer 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, Customer 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. **Customer Accounts.** U.S. Bank shall provide notice to Customer 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, Customer 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 Customer 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.

U.S. Bank Commercial Card Master Agreement – Maryland Consortium

- C. **ATM Access / Cash Advances.** U.S. Bank provides access to Cash Advances through owned and participating bank Automated Teller Machines and Association member offices. If Customer elects to use Cash Advances, U.S. Bank will establish predetermined Cash Advance limits for Cardholders, either as a group or individually. U.S. Bank reserves the right to suspend or terminate Cash Advance access for Cardholders, either as a group or individually. In the event U.S. Bank determines that continued access presents a risk of loss or liability to U.S. Bank or Customer. Any request on behalf of Customer or any of Customer's Agencies to activate this feature must be approved in writing by Customer's Travel Program Card Manager.
- D. **Convenience Checks.** U.S. Bank can issue Convenience Checks to Cardholders designated by Customer. Replenishment of Convenience Checks will occur upon request by the Cardholder, subject to the Cardholder's Account status and cash availability. Convenience Check transactions are posted to the Cardholder Statement as a Cash Advance. U.S. Bank reserves the right to suspend or terminate Convenience Check access for Cardholders, either as a group or individually. In the event U.S. Bank determines that continued access presents a risk of loss or liability to U.S. Bank or Customer. Any request on behalf of Customer or any of Customer's Agencies to activate this feature must be approved in writing by Customer's Travel Program Card Manager. There are a number of limitations associated with Convenience Checks:
1. **Authorization.** There is no authorization process associated with the use of Convenience Checks. At the time of Purchase, U.S. Bank is unable to verify the authenticity of the signature on a Convenience Check, the identity of the person signing the Convenience Check, or restrict the use of Convenience Checks to specific merchant types.
  2. **Disputes.** Use of Convenience Checks and disputes arising therefrom are not covered by Association regulations. Other than the fraudulent use of a Convenience Check by an individual other than the Cardholder, which is governed by the applicable law pertaining to negotiable instruments, there are no dispute rights once a Convenience Check is used to make a Purchase.
  3. **Returned Checks.** U.S. Bank reserves the right to return a Convenience Check unpaid to the payee if (i) the amount of the Convenience Check exceeds the Cardholder's Cash Advance limit or (ii) U.S. Bank determines that honoring the check presents a risk of loss or liability to U.S. Bank or Customer.
  4. **Limitation of Liability.** U.S. Bank is not liable for any damages resulting from U.S. Bank's refusal to honor a Convenience Check presented for payment.
- II. **U.S. COMMERCIAL CARD PROGRAMS**
- A. **Card Products.** U.S. Bank may provide the following Card Products to Customer and its Cardholders. Card Product availability and the Card Products for which Customer has been approved are specified in Schedule 1.
1. **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.
  2. **U.S. Bank Managed Spend Card.** The U.S. Managed Spend Card is a specialized corporate liability card designed for use by 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 the Customer and 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). Any request on behalf of Customer or any of Customer's Agencies to activate this product must be approved in writing by Customer's Program Card manager.
  3. **U.S. Bank Executive Card.** The U.S. Bank Executive Card is a specialized Corporate Card that includes a premium package of services for top executives of Customer. Issuance of Executive Cards is limited to select employees.
  4. **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.
  5. **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.
- B. **Card and Account Issuance.** Customer shall designate to U.S. Bank Cardholders that are authorized to incur expenses on behalf of Customer 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 Customer notifies U.S. Bank to the contrary, U.S. Bank shall issue Cards and/or Accounts directly to Cardholders.

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- 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 Customer has been approved is specified herein in Schedule 1. Customer 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. Customer 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. Customer 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. Customer 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.J 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 Customer, 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 Customer.
    - b. **Incorrect Merchant Category Codes.** To the extent Customer 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 Customer and/or Cardholder must cancel the billing of all recurring Transactions to the Account.
  6. **Reporting.** Each Political Subdivision participating in the Commercial Card Program shall have access to its own data. Customer and the Board of Education of Baltimore County shall also have access to information that may contain direct or indirect identification of Political Subdivisions participating in the Commercial Card Program in order to carry out the requirements of the Commercial Card Program.
- 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 Customer has been approved is/are specified in Schedule 1.
1. **Corporate Liability.** Customer is solely liable to U.S. Bank for all billed Transactions.
  2. **Joint and Several Liability.** Customer and the Cardholder are jointly and severally liable to U.S. Bank for all billed Transactions.
  3. **Contingent Liability.** The Cardholder is liable to U.S. Bank for all billed Transactions. Customer has contingent liability, which means Customer is liable for any billed Transactions that are legitimate business charges and have not been previously reimbursed by Customer to the Cardholder.
  4. **Liability Exceptions.** Customer may be liable for all billed Transactions, regardless of liability option specified in Schedule 1, in the following circumstances:
    - a. **Failure to Notify; Liability Exceptions.** Customer shall notify U.S. Bank as soon as possible by telephone at the number provided herein at Section V.S or via Access Online of any of the following:
      - (i) Termination of employment of any Cardholder;
      - (ii) Any lost or stolen Card for which the Customer has liability;
      - (iii) Any compromised Account for which the Customer has liability; or
      - (iv) Any compromised information regarding Cards, Accounts and/or other sensitive data including, but not limited to, Account numbers, personal identification numbers, passwords, or Cardholder information.Customer shall provide sufficient information as may be requested by U.S. Bank for U.S. Bank to act on such notifications. Failure of Customer to provide notification may result in Customer's liability to pay for all Transactions on such Cards and/or Accounts notwithstanding any liability option specified in Schedule 1. 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.
- E. **Delinquency.** If the amount shown on the Statement as the current amount due has not been paid to U.S. Bank by Customer 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 Schedule 1.
  4. **Collection Fees.** To the extent permitted by law, U.S. Bank shall have the right to recover any reasonable fees and/or other expenses incurred in collecting any delinquent amount on a cancelled Account.

**III. SECURITY AND CONFIDENTIALITY**

- A. Security.** U.S. Bank, the Customer, Agencies and Political Subdivisions, 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:
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 Customer 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. Customer 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 Agencies and Political Subdivisions to manage the Commercial Card Program and/or Global Commercial Card Program and/or use such information in connection with Customer's business.
    - b. **Customer Confidential Information.** U.S. Bank and Customer agree that any non-public financial information of Customer and any non-public data regarding Customer Accounts, Transactions, charges, spending volume or repayment terms is Confidential Information of Customer 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.
    - c. **Other Confidential Information.** The Parties agree that the terms of this Agreement, including, but not limited to any pricing, rebate or related terms constitute Confidential Information, except to the extent required by law or regulation.
  2. **Restriction.** Customer 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 Customer agree that the other may use and disclose such information for the following purposes:
    - a. **Normal Business Operations.** U.S. Bank and Customer 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 Customer may use and disclose Confidential Information of the other to legal authorities, agents, auditors or regulators of U.S. Bank and Customer, respectively, or as otherwise may be required by law, rule or regulation.
    - c. **Summarized Data.** U.S. Bank and Customer 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, Customer, and/or Cardholders.
    - d. **Archived Data.** U.S. Bank and Customer are entitled to retain Confidential Information of the other for archival purposes as required in accordance with applicable law, rule or regulations and in accordance with the Data Security Agreement between the parties.
    - e. **Third Parties.** Customer 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 one (1) year, beginning on the date indicated under the column on Schedule 1 labeled "Commencement Date." At the end of the Initial Base Period, this Agreement may be renewed by mutual agreement of the Parties for nine (9) additional one (1) year terms (each a "Renewal Term"). The Customer shall give written notice to U.S. Bank of the Customer's intent to exercise its renewal options hereunder at least ninety (90) days prior to the end of the Initial Base Period and any Renewal term. The Customer reserves the right to negotiate the terms of each Renewal Term.
- 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 Schedule 1, 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;

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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 Customer.** Customer shall also have the right to terminate this Agreement with respect to any Card Product and/or Ancillary Service provided on Schedule 1, 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 Customer's Credit Line and/or Credit Limits, as defined in Section I.B, has materially and adversely affected Customer'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 Customer by U.S. Bank in contemplation of this Agreement, provided that:
    - a. Customer 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 Schedule 1, or terminate this Agreement in its entirety, by providing ten (10) days prior written notice of such termination to Customer upon one or more of the following events:
1. Customer merges, sells or otherwise transfers all or substantially all of its assets that causes a material change to Customer's business and/or financial condition.
  2. A material adverse change in the business prospects or financial condition of the Customer.
  3. The overall relationship is unprofitable for U.S. Bank, provided that:
    - a. U.S. Bank has worked with Customer to develop a sixty (60) day action plan to return the relationship to profitability; and
    - b. Customer 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, Customer 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. Customer 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 Schedule 1.
- 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 Schedule 1, or termination of this Agreement in its entirety, shall survive any such termination.

V. **OTHER TERMS AND CONDITIONS**

- A. **Intellectual Property.** Customer 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. Customer 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 Customer by U.S. Bank is for the sole and exclusive benefit of Customer and no other persons or organizations shall have any rights and/or remedies arising under or in connection with this Agreement.
- C. **Indemnification.** Except as otherwise provided herein, the Parties' Indemnification obligations under this Agreement are as follows:
1. **Customer and U.S. Bank Indemnification.** To the extent permitted by law, Customer and U.S. Bank shall indemnify and hold the other harmless against all losses, damages, costs, expenses and liability that may directly result from (i) the gross negligence or willful act or omission of Customer or U.S. Bank, or each Party's representatives, successors or permitted assigns, representatives, contractors or subcontractors at any tier, or (ii) any breach by Customer or U.S. Bank of any material provision of this Agreement that is not cured by such Party within sixty (60) days of the breaching Party's receipt of written notice from the non-breaching Party of such breach, except to the extent that any such losses, damages, costs, expenses and liability is due or attributable to the gross negligence or willful acts or omissions of the non-breaching Party or Agencies and Political Subdivisions.
  2. **Intellectual Property Indemnification.** Except to the extent that injury is due to the other Party's negligent or intentional acts or omissions, to the extent permitted by law, each Party shall indemnify and hold the other Party harmless against third-party demands, claims, suits, or proceedings alleging infringement of any Intellectual Property of such Party arising out of or incidental to this Agreement.
- D. **Limitation of Liability.** NEITHER CUSTOMER, NOR U.S. BANK, NOR ANY PARTY'S AFFILIATES, REPRESENTATIVES OR 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.
- E. **Representations and Warranties.** Each Party represents and warrants with respect to such Party that:
1. This Agreement constitutes a valid, binding and enforceable agreement;

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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 CUSTOMER 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 CUSTOMER OR ANY OTHER PERSON FOR ITS USE BY U.S. BANK IN CONNECTION WITH THIS AGREEMENT AND ANY SERVICE THEREUNDER.

- 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 Customer 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 Customer 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; provided, however, that this Agreement may not be assigned by either Party without the prior written approval of the other Party.
- 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, including any attached addenda or exhibits, 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. **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	Customer
U.S. Bank National Association ND Corporate Payment Systems Mail Code EP-MN-L26C 200 South Sixth Street Minneapolis, MN 55402 U.S.A. Attn: CPS Contract Services	Howard County

- K. **Sole Provider.** The Parties acknowledge and agree that U.S. Bank shall be the sole provider to Customer of the Card Products and Ancillary Services selected in Schedule 1.
- L. **Commercial Card Program and Card Issuance.** U.S. Bank has approved Customer for the Commercial Card Program in the United States and shall provide the products and options indicated in Schedule 1. Customer shall designate to U.S. Bank proposed employees who are anticipated to incur expenses on behalf of Customer 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.
- M. **USA PATRIOT Act.** In order to comply with the requirements of the USA PATRIOT Act, U.S. Bank may require Customer and/or Cardholders to provide their legal entity name, street address, taxpayer identification number and other information that will allow U.S. Bank to identify each Customer and/or Cardholders prior to establishing an Account under or in connection with the Agreement. U.S. Bank reserves the right to require that Customer and/or

**U.S. Bank Commercial Card Master Agreement – Maryland Consortium**

Cardholders promptly provide to U.S. Bank sufficient identification documents upon request and in connection with USA PATRIOT Act compliance.

- N. **Governing Law.** The validity, interpretation and performance of this Agreement will be controlled by and construed under the laws of the state in which Customer is primarily located, without giving effect to the conflict of law principles thereof, and applicable federal laws.
- O. **Interchange Rate.** U.S. Bank predicates the pricing contained within this Agreement on the industry business model used to regulate interchange rates. Should a material change in the industry business model occur either in the (1) interchange rates (from those rates in effect as of the Commencement Date that is shown in Schedule 1, Section C of this Agreement) or (2) regulation of such interchange rates, U.S. Bank shall have the right to negotiate a new offering with Customer. If the Parties cannot reach an agreement on the new offering, either Party may terminate this Agreement upon sixty (60) days prior written notice.
- P. **Other Agreements and Regulations.** In addition to this Agreement, the products and services provided to Customer 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.
- 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.** In the United States, to contact a customer service representative for all Commercial Card Program services, the Customer, Agencies, Political Subdivisions and Cardholders may call the following telephone numbers for answers to questions about U.S. Bank Accounts, take reports of lost or stolen Cards, compromised Accounts and/or to answer questions about Ancillary Services.

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 Customer, 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, through one or more intermediaries, 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 and Convenience Checks.
  - 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 Customer and/or Cardholders.
  - 7. **"Cardholder"** means an individual employee of Customer, named as the holder of the Account or using the Account in the name of Customer, 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 and One 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 Schedule 1.

U.S. Bank Commercial Card Master Agreement – Maryland Consortium

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.
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. "Credit Limit" means, with respect to an Account, the maximum amount of Debt that can remain outstanding and unpaid on an Account.
19. "Credit Line" means, with respect to all Accounts, the maximum aggregated amount of Debt that can remain outstanding and unpaid on all Accounts belonging to Customer.
20. "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.
21. "Debt" means all amounts charged to an Account including without limitation all amounts related to Charges that are owed to U.S. Bank by Customer, Agency, Political Subdivision, and/or Cardholders.
22. "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.
23. "Fees" means all fees that are posted to an Account and due and payable to U.S. Bank by Customer, Agencies, Political Subdivisions or 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.
24. "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.
25. "Fraudulent Charges" mean those Charges which are not initiated, authorized or otherwise requested by Customer and/or a Cardholder by any means (electronic, telephonic or written) and do not directly or indirectly benefit Customer and/or a Cardholder.
26. "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.
27. "Late Fee" means the fees associated with any Debt that remains unpaid to U.S. Bank by Customer, Agencies, Political Subdivisions, and/or Cardholders after the Due Date on the Statement.
28. "MasterCard" means MasterCard<sup>®</sup> USA, Inc., MasterCard International, and any other MasterCard entity identified in Schedule 1.
29. "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.
30. "Parent" means any Person that Controls a Party.
31. "Party" means any one of U.S. Bank or Customer, and "Parties" means U.S. Bank and Customer.
32. "Past Due Balance" means, with respect to a Statement, the total amount of any Debt which remains unpaid to U.S. Bank by Customer and/or Cardholder after the Due Date specified on such Statement.
33. "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.
34. "Program Administrator" means the employee designated by Customer to serve as the primary point of contact between Customer and U.S. Bank and shall be trained and have thorough knowledge of Commercial Card Programs offered by U.S. Bank to Customer.
35. "Political Subdivision Addendum" means the Political Subdivision Addendum provided by U.S. Bank for eligible Political Subdivisions to use to join Customer's Commercial Card Program.
36. "Purchase" means a purchase of goods and/or services that is charged to an Account.
37. "Statement" means, with respect to one or more accounts, a periodic billing Statement from U.S. Bank listing all Transactions posted to such Accounts.
38. "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.
39. "Transaction" means any activity posted to an Account, both debit and credits, including but not limited to Purchases, Cash Advances, Fees and payments.
40. "Visa" means Visa<sup>®</sup> USA, Inc., Visa International Service Association, Inc. and any other Visa entity noted in Schedule 1.

U.S. Bank Commercial Card Master Agreement – Maryland Consortium

VII. SCHEDULES. The following schedules are attached to and incorporated into this Agreement:

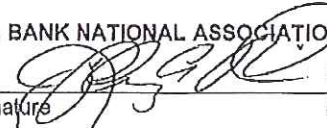
- A. Schedule 1 – Approved Card & Account Products/ Ancillary Services/Fees
- B. Schedule 2 – Revenue Sharing Opportunity
- C. Schedule 3 – Large Ticket Revenue Sharing Opportunity

VIII. AUTHORIZATION AND EXECUTION

Customer certifies to U.S. Bank that the person executing this Agreement is authorized by Customer in accordance with its organization rules and applicable law to bind the Customer to this Agreement, and has the authority to incur Debt in the name of the Customer. Customer has read, understood and agrees to this Agreement and U.S. Bank is entitled to act individually and collectively in reliance upon the authorizations and certifications set forth in this Agreement.

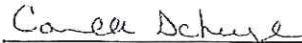
In witness whereof, the parties hereto have, by their authorized representatives, executed this Agreement.

U.S. BANK NATIONAL ASSOCIATION ND

  
Signature \_\_\_\_\_ Date 5/20/11

Jeffrey A. Rankin, Senior Vice President

WITNESS:

  
Signature \_\_\_\_\_ Date 5/20/11

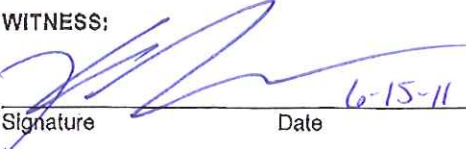
Camille Schuyler  
Printed Name \_\_\_\_\_ Title

HOWARD COUNTY, MARYLAND  
a body corporate and politic

  
Signature \_\_\_\_\_ Date 6/13/11

Lonnie R. Robbins, Chief Administrative Officer

WITNESS:

  
Signature \_\_\_\_\_ Date 6-15-11

Ken Ulman, County Executive

APPROVED FOR LEGAL SUFFICIENCY

  
Signature \_\_\_\_\_ Date 6/2/11

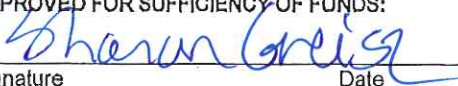
Margaret Ann Nolan, County Solicitor

DEPARTMENT APPROVED:

  
Signature \_\_\_\_\_ Date 6/1/11

Lonnie R. Robbins, Chief Administrative Officer

APPROVED FOR SUFFICIENCY OF FUNDS:

  
Signature \_\_\_\_\_ Date

Sharon Greisz, Director of Finance



**Schedule 1**  
**Approved Card & Account Products/ Ancillary Services/Fees**

**A. Commercial Cards & Accounts**

CARD PRODUCT FEES					
Card Product	Liability Option	Billing Cycle	Payment Due Date	Card Product Fees	
Corporate Cards/Accounts <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Travel Accident Ins. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Corporate	Monthly	25 Days	Not Paid by Due Date on the entire past due amount  Not Paid by Each Subsequent Billing Cycle on the entire past due amount  Minimum Late Fee  Travel Accident Insurance: \$500,000.00	0%  2.5%  \$2.00  \$0.00
Purchase Cards/Accounts <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Corporate	Monthly	14 Days	Not Paid by Due Date on the entire past due amount  Not Paid by Each Subsequent Billing Cycle on the entire past due amount  Minimum Late Fee	1.0%  2.5%  \$2.00
One Cards <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Travel Accident Ins. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Corporate	Monthly	14 Days	Not Paid by Due Date on the entire past due amount  Not Paid by Each Subsequent Billing Cycle on the entire past due amount  Minimum Late Fee  Travel Accident Insurance: \$500,000.00	1.0%  2.5%  \$2.00  \$0.00
Central Billing Accounts  [Central Travel Account/Event Planner/Central Relocation] <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Travel Accident Ins. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Corporate	Monthly	14 Days	Not Paid by Due Date on the entire past due amount  Not Paid by Each Subsequent Billing Cycle on the entire past due amount  Minimum Late Fee  Travel Accident Insurance: \$500,000.00	0%  2.5%  \$2.00  \$0.00
Managed Spend/Declining Balance Accounts <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Product or Program Type: <input checked="" type="checkbox"/> Corporate Card <input checked="" type="checkbox"/> One Card <input checked="" type="checkbox"/> Purchase Card  Travel Accident Ins. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Corporate	Monthly	Corporate Card:  26 Days  Purchase Card and One Card:  14 Days	Corporate Card: Not Paid by Due Date on the entire past due amount  Not Paid by Each Subsequent Billing Cycle on the entire past due amount  Minimum Late Fee  Purchase Card and One Card: Not Paid by Due Date on the entire past due amount  Not Paid by Each Subsequent Billing Cycle on the entire past due amount  Minimum Late Fee  Travel Accident Insurance: \$250,000.00	0%  2.5%  \$2.00  1.0%  2.5%  \$2.00  \$0.00
Executive Cards <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Contingent	Monthly	25 Days	Annual Card Fee: Up to 1% of Cards Issued Over 1% of Cards Issued  Travel Accident Insurance: \$1,000,000.00  Not Paid by Due Date Not Paid by Each Subsequent Billing Cycle  Minimum Late Fee	\$0.00 \$100.00  \$0.00  0% 2.5%  \$2.00

**Schedule 1**  
**Approved Card & Account Products/ Ancillary Services/Fees**

**The Following Fees Apply to All Card Products**

Annual Card Fee	\$ 0.00
Overnight Card Delivery Fee	\$20.00
Non-Sufficient Funds Fee	\$15.00
Statement Copy	\$ 5.00
Draft Copy	\$ 5.00

**B. Ancillary Services and Fees**

Ancillary Service	Description	Fee
Convenience Checks <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Product or Program Type <input checked="" type="checkbox"/> Corporate Card <input checked="" type="checkbox"/> One Card <input checked="" type="checkbox"/> Purchase Card	Transaction Fee	2.5%
	Minimum Fee	\$2.00
	Returned Check Fee	\$15.00
	Stop Payment Fee	\$15.00
	Copy Fee	\$5.00
ATM Access / Cash Advances  <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Product or Program Type <input checked="" type="checkbox"/> Corporate Card <input checked="" type="checkbox"/> One Card <input checked="" type="checkbox"/> Purchase Card	Transaction Fee	2.5%
	Minimum Fee	\$2.00

**C. Contract Term**

Commencement Date	Base Period
<input checked="" type="checkbox"/> Date of Contract Execution by U.S. Bank	One Year
<input type="checkbox"/> Other Date:	

- D. **Foreign Transaction Fees.** U.S. Bank currently assesses a two and one half percent (2.5%) Foreign Transaction Fee but reserves the right to raise the fee with sixty (60) days prior written notice to Customer.
- E. **Sales Volume Estimates.** Schedule 2 has been prepared by U.S. Bank using the following non-binding sales volume estimates which were provided to U.S. Bank by Customer:

**1. Corporate Card**

Year	Estimated Sales Volume
1	\$0.00
2	\$0.00
3	\$0.00
4	\$0.00
5	\$0.00

**2. Purchase Card**

Year	Estimated Sales Volume
1	\$0.00
2	\$0.00
3	\$0.00
4	\$0.00
5	\$0.00

**3. One Card**

Year	Estimated Charge Volume
1	\$15,000,000.00
2	\$15,000,000.00
3	\$15,000,000.00
4	\$15,000,000.00
5	\$15,000,000.00

Schedule 2  
Revenue Sharing Opportunity

A. Purchase Card and One Card Revenue Share.

1. Terminology

- a. "Account" means any account number to which Charges and payments may be posted. This includes Purchase Cards, One Cards and Central Billing Accounts.
- b. "Aggregate Net Annual Charge Volume" means the aggregate of all Charges set forth on the Statements furnished for all Accounts of Members of the MD Consortium for whom the sum of the Entity Net Annual Charge Volume and the Large Ticket Volume equals at least fifty thousand U.S. Dollars (\$50,000.00), less Fees, Cash Advances, Convenience Checks, Fraudulent Charges, chargebacks, Large Ticket Volume and amounts Charged-off by U.S. Bank with respect to such Accounts as uncollectible for each Agreement Year. Members of the Maryland Consortium include Customer, Customer's Agencies, if any, the Board of Education of Baltimore County, and all other Political Subdivisions who joined or will be joining the MD Consortium Commercial Card Program through a Political Subdivision Addendum or a Master Agreement.
- c. "Agreement Year" means a twelve (12) month period beginning December 1, 2010 and ending November 31, 2011.
- d. "Average Transaction Size" means the Entity Net Annual Charge Volume divided by the number of purchase transactions during each Agreement Year. A purchase transaction is a debit point of sale purchase transaction.
- e. "Charge-off" means any amount due and owing to U.S. Bank or its Affiliates by Customer that remains unpaid for one hundred fifty (150) days after the date that it was first billed.
- f. "Entity Net Annual Charge Volume" means all Charges set forth on the Statements furnished for all Accounts of Customer and all of Customer's Agencies, if any, or for any other individual Political Subdivision, less Fees, Cash Advances, Convenience Checks, 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 Agreement Year.
- g. "File Turn Days" means the number of days from the date U.S. Bank funds a Charge transaction to the date payment for that transaction is posted, inclusive of the beginning and ending dates.
- h. "File Turn Days Payment Performance" means the average speed of repayment of Charges made for each Agreement Year.
- i. "Fraudulent Charges" means those Charges which are not initiated, authorized or otherwise requested by Customer, Agencies, Political Subdivision, and/or a Cardholder by any means (electronic, telephonic or written) and do not directly or indirectly benefit Customer, a Agencies, Political Subdivision and/or a Cardholder.
- j. "Large Ticket Volume" means only those Charges which the Association has determined qualify for large ticket interchange rates and which are processed by the Association using large ticket interchange rates, less credits, for each Agreement Year. To qualify for large ticket interchange rates, (1) the transaction must be over a specified U.S. Dollar amount as agreed to by the Association and each merchant, (2) the transaction must pass through the Association with associated transactional data as agreed to by the Association and each merchant, and (3) the merchant must be signed up as a participant through their Acquirer in the large ticket program offered by the Association. All other Charges and all amounts related to fees, cash advances, Fraudulent Charges, chargebacks and Charge-offs are excluded from Large Ticket Volume.
- k. "Revenue Share" means the combination of the Performance Rebate, the Aggregate Program Rebate, the Transaction Size Rebate, and the Volume Rebate.
- l. "Total Rebate Percentage" means the sum of the Performance Rebate Percentage, the Aggregate Program Rebate Percentage, the Transaction Size Rebate Percentage, and the Volume Rebate Percentage.

2. Revenue Share Conditions. The Revenue Share shall be calculated and paid as follows:

- a. **Previous Revenue Share Payment.** U.S. Bank shall pay to Customer a pro rata portion of its Performance Rebate and Volume Rebate pursuant to the U.S. Bank Government Purchasing Card Program Performance Volume Rebate Addendum dated March 15, 2005 between Customer and U.S. Bank, earned from the beginning of the previous Rebate Addendum Year to the Commencement Date herein (the "Previous Revenue Share Payment"). The Previous Revenue Share Payment, if any, shall be made within ninety (90) days after the Commencement Date herein.
- b. **Revenue Share Payment.** The first Revenue Share payment pursuant to this Agreement, if any, shall be made within ninety (90) days after the end of the first Agreement Year. Subsequent calculations and payments, if any, shall be made in a similar fashion on each twelve (12) month anniversary of the first calculation. If any Revenue Share payment date falls on a non-business day, Revenue Share payments due shall be made on the next business day. All Revenue Share payments shall be paid in the form of an Automated Clearing House (ACH) payment. Customer must provide any information necessary for U.S. Bank to facilitate electronic payments.
- c. **Customer and Agencies.** U.S. Bank shall collectively calculate the Revenue Share for all Accounts of Customer and all Agencies and shall pay one (1) Revenue Share payment to Customer for each Agreement Year.
- d. **Political Subdivisions.** U.S. Bank shall individually calculate the Revenue Share payments for all Accounts of each qualifying Political Subdivision and shall make payments each Agreement Year individually to each Political Subdivision.
- e. **Adjustments.** Any Revenue Share payment made pursuant to the Agreement will be net of accumulated Charge-offs resulting from participation in U.S. Bank or U.S. Bancorp Card Services, Inc. programs regardless of whether the underlying agreement between the parties is valid or has been terminated. In the event that any Revenue Share payment under this Schedule 2, Section B, net of Charge-offs, would be less than one hundred U.S. Dollars (\$100.00), no Revenue Share payment will be made to Customer for that Agreement Year.
- f. **Early Termination.** In the event that this Agreement is terminated prior to the completion of the Base Period, in addition to any other remedies available to U.S. Bank, this Revenue Sharing Opportunity shall immediately

**Schedule 2  
Revenue Sharing Opportunity**

terminate. Revenue Share payments are made on an annual basis, using performance and charge volume totals, and cannot be paid to Customer for Incomplete Agreement Years. In the event that the Sole Provider provision of this Agreement is violated, in addition to any other remedies available to U.S. Bank, this Revenue Share opportunity shall immediately terminate, no rebate shall be paid in the year in which the Sole Provider provision is violated, and all rights hereunder shall cease. Any Revenue Share payment owed to Customer at the time of termination for the completion of any prior Agreement Year shall be paid in accordance with the terms stated herein.

- g. **Confidentiality.** Customer and Agencies expressly agree that the terms and conditions of this Revenue Share opportunity are confidential and may not be disclosed to third parties, unless required by law or regulation, without U.S. Bank's prior written consent, which may be exercised at its sole option.
3. **Minimum Performance Requirements for Customer and All Other Political Subdivisions.** No Revenue Share calculation for Customer or for Political Subdivisions shall be made unless:
- This Agreement was in effect through the end of the Agreement Year (no Revenue Share payment shall be made in the event that this Agreement is terminated prior to the end of the Agreement Year);
  - The File Turn Days Payment Performance for all Account Statements of each Political Subdivision, including Customer, is equal to or less than forty-five (45) File Turn Days;
  - The Aggregate Net Annual Charge Volume of all Political Subdivisions for whom the sum of the Entity Net Annual Charge Volume and the Large Ticket Volume equals at least fifty thousand U.S. Dollars (\$50,000.00) is equal to or greater than one million U.S. Dollars (\$1,000,000.00);
  - The Average Transaction Size for each Political Subdivision, including Customer, is equal to or greater than one hundred twenty-five U.S. Dollars (\$125.00);
  - The sum of the Entity Net Annual Charge Volume and the Large Ticket Volume for each Political Subdivision, including Customer, is equal to or greater than five hundred thousand U.S. Dollars (\$500,000.00), unless such Political Subdivision has not yet completed a full Agreement Year since executing this Application, in which case the Net Annual Charge Volume and Large Ticket Volume must be equal to or greater than fifty thousand U.S. Dollars (\$50,000.00); and
  - The annual average per card charge volume for each Political Subdivision, including Customer, is equal to or greater than four thousand U.S. Dollars (\$4,000.00), unless such Political Subdivision has not yet completed a full Agreement Year since executing this Application.
4. **Performance Rebate.** U.S. Bank will separately calculate and pay to Customer and to each Political Subdivision a portion of the Aggregate Net Annual Charge Volume through a rebate ("Performance Rebate"). The Performance Rebate shall be calculated separately for Customer and each Political Subdivision. The Performance Rebate will be based on the File Turn Days Payment Performance for all Accounts for each Agreement Year. The Performance Rebate calculation will be made in accordance with the Table A, below.

File Turn Days	Performance Rebate Percentage	File Turn Days	Performance Rebate Percentage	File Turn Days	Performance Rebate Percentage
45	0.0000%	29	0.1600%	14	0.3100%
44	0.0100%	28	0.1700%	13	0.3200%
43	0.0200%	27	0.1800%	12	0.3300%
42	0.0300%	26	0.1900%	11	0.3400%
41	0.0400%	25	0.2000%	10	0.3500%
40	0.0500%	24	0.2100%	9	0.3600%
39	0.0600%	23	0.2200%	8	0.3700%
38	0.0700%	22	0.2300%	7	0.3800%
37	0.0800%	21	0.2400%	6	0.3900%
36	0.0900%	20	0.2500%	5	0.4000%
35	0.1000%	19	0.2600%	4	0.4100%
34	0.1100%	18	0.2700%	3	0.4200%
33	0.1200%	17	0.2800%	2	0.4300%
32	0.1300%	16	0.2900%	1	0.4400%
31	0.1400%	15	0.3000%	0	0.4500%
30	0.1500%				

5. **Aggregate Program Rebate.** U.S. Bank shall separately pay to Customer and to each Political Subdivision a portion of the Aggregate Net Annual Charge Volume through a rebate ("Aggregate Program Rebate"). However, the Aggregate Program Rebate will be based on the Aggregate Net Annual Charge Volume, which collectively includes Customer, Agencies and all Political Subdivisions for whom the sum of the Entity Net Annual Charge Volume and the Large Ticket Volume equals at least fifty thousand U.S. Dollars (\$50,000.00). If the sum of Customer or any Political Subdivision's Entity Net Annual Charge Volume and Large Ticket Volume is less than fifty thousand U.S. Dollars (\$50,000.00) in an Agreement Year, that Customer or Political Subdivision's Entity Net Annual Charge Volume will not be included in the Aggregate Net Annual Charge Volume for that Agreement Year. The Aggregate Program Rebate will be calculated once for each Agreement Year, and the resulting Aggregate Program Rebate Percentage shall be used for all individually paid Revenue Share payments to Customer and Political Subdivisions. The Aggregate Program Rebate calculation will be made in accordance with Table B, below.

Schedule 2  
Revenue Sharing Opportunity

Aggregate Net Annual Charge Volume	Aggregate Program Rebate Percentage	Aggregate Net Annual Charge Volume	Aggregate Program Rebate Percentage
\$1,000,000.00	0.0000%	\$50,000,000.00	0.3830%
\$2,000,000.00	0.0610%	\$52,500,000.00	0.3850%
\$3,000,000.00	0.1220%	\$55,000,000.00	0.3870%
\$4,000,000.00	0.1820%	\$57,500,000.00	0.3890%
\$5,000,000.00	0.2430%	\$60,000,000.00	0.3910%
\$10,000,000.00	0.3030%	\$62,500,000.00	0.3920%
\$15,000,000.00	0.3160%	\$65,000,000.00	0.3930%
\$20,000,000.00	0.3280%	\$67,500,000.00	0.3946%
\$25,000,000.00	0.3400%	\$70,000,000.00	0.3960%
\$27,500,000.00	0.3460%	\$72,500,000.00	0.3970%
\$30,000,000.00	0.3520%	\$75,000,000.00	0.3980%
\$32,500,000.00	0.3580%	\$77,500,000.00	0.3990%
\$35,000,000.00	0.3640%	\$80,000,000.00	0.4000%
\$37,500,000.00	0.3700%	\$82,500,000.00	0.4015%
\$40,000,000.00	0.3760%	\$85,000,000.00	0.4030%
\$42,500,000.00	0.3780%	\$90,000,000.00	0.4050%
\$45,000,000.00	0.3800%	\$95,000,000.00	0.4080%
\$47,500,000.00	0.3815%	\$100,000,000.00	0.4100%

6. **Transaction Size Rebate.** U.S. Bank shall separately calculate and pay to Customer and to each Political Subdivision a portion of the Aggregate Net Annual Charge Volume through a rebate ("Transaction Size Rebate"). The Transaction Size Rebate shall be calculated separately for Customer and each Political Subdivision. The Transaction Size Rebate will be based on the Average Transaction Size for Customer and each Political Subdivision. The Transaction Size Rebate calculation will be made in accordance with Table C, below.

Average Transaction Size	Transaction Size Rebate Percentage
\$125.00 to \$149.99	0.2920%
\$150.00 to \$174.99	0.3940%
\$175.00 to \$199.99	0.4660%
\$200.00 to \$224.99	0.5200%
\$225.00 to \$249.99	0.5630%
\$250.00 to \$274.99	0.5980%
\$275.00 to \$299.99	0.6240%
\$300.00 to \$324.99	0.6470%
\$325.00 to \$349.99	0.6660%
\$350.00 to \$374.99	0.6830%
\$375.00 to \$399.00	0.6980%
\$400.00 to \$424.99	0.7100%
\$425.00 to \$449.99	0.7210%
\$450.00 to \$474.99	0.7310%
\$475.00 to \$499.99	0.7400%
\$500.00 and above	0.7480%

7. **Volume Rebate.** U.S. Bank shall separately calculate and pay to Customer and to each Political Subdivision a portion of its Entity Net Annual Charge Volume through a rebate ("Volume Rebate"). The Volume Rebate shall be calculated separately for Customer and each Political Subdivision. The Volume Rebate will be based on the Entity Net Annual Charge Volume for Customer and each Political Subdivision. The Volume Rebate calculation will be made in accordance with Table D, below.

**Schedule 2  
Revenue Sharing Opportunity**

Table D	
Entity Net Annual Charge Volume	Volume Rebate Percentage
\$20,000,000.00 and above	0.1000%
\$15,000,000.00 to \$19,999,999.99	0.0900%
\$10,000,000.00 to \$14,999,999.99	0.0800%
\$5,000,000.00 to \$9,999,999.99	0.0600%
\$4,000,000.00 to \$4,999,999.99	0.0500%
\$3,000,000.00 to \$3,999,999.99	0.0400%
\$2,000,000.00 to \$2,999,999.99	0.0200%
\$1,000,000.00 to \$1,999,999.99	0.0100%
\$500,000.00 to \$999,999.99	0.0000%

**8. Revenue Share Calculation.**

- a. U.S. Bank will calculate the File Turn Days Payment Performance for the Agreement Year to find the Performance Rebate Percentage on Table A for the Performance Rebate.
- b. U.S. Bank will calculate the Aggregate Net Annual Charge Volume for the same Agreement Year to find the Aggregate Program Rebate Percentage on Table B for the Aggregate Program Rebate.
- c. U.S. Bank will calculate the Average Transaction Size for the same Agreement Year to find the Transaction Size Rebate Percentage on Table C for the Transaction Size Rebate.
- d. U.S. Bank will calculate the Entity Net Annual Charge Volume for the Agreement Year to find the Volume Rebate Percentage on Table D for the Volume Rebate.
- e. U.S. Bank will add the Performance Rebate Percentage, the Aggregate Program Rebate Percentage, the Transaction Size Rebate Percentage and the Volume Rebate Percentage together to arrive at the Total Rebate Percentage.
- f. Annually, U.S. Bank will multiply the Total Rebate Percentage by the Entity Net Annual Charge Volume for Customer, Agencies and each Political Subdivision for that same Agreement Year. The result will be the gross Revenue Share for Customer or for that Political Subdivision.
- g. U.S. Bank will subtract any Charge-offs that have not been subtracted at any time during any of the past Agreement Year(s) from the gross Revenue Share for Customer or for that Political Subdivision. The result will be the net Revenue Share for Customer or for that Political Subdivision. Any Charge-offs in excess of the net Revenue Share for Customer or for that Political Subdivision from one (1) Agreement Year will be subtracted from one (1) or more of the following Agreement Years. Upon termination of the Master Agreement, if the net Revenue Share for Customer or for any Political Subdivision is a negative dollar amount due to Charge-offs, Customer and/or Political Subdivision agrees to reimburse, U.S. Bank up to the dollar amount previously paid by U.S. Bank to Customer or that Political Subdivision.

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Schedule 3  
Large Ticket Revenue Sharing Opportunity

A. Purchase Card and One Card Large Ticket Revenue Share.

1. **Definitions.** All capitalized terms used in this Schedule are defined herein and shall have the following meaning:
  - a. "Account" means any account number to which Charges and payments may be posted. This includes Purchase Cards, One Cards and Central Billing Accounts.
  - b. "Aggregate Net Annual Charge Volume" means the aggregate of all Charges set forth on the Statements furnished for all Accounts of Customer, including Customer's Agencies, if any, and all other Political Subdivisions for whom the sum of the Entity Net Annual Charge Volume and the Large Ticket Volume equals at least fifty thousand U.S. Dollars (\$50,000.00), less Fees, Cash Advances, Convenience Checks, Fraudulent Charges, chargebacks, Large Ticket Volume and amounts Charged-off by U.S. Bank with respect to such Accounts as uncollectible for each Agreement Year. Political Subdivisions include Customer and any other entity joining the MD Consortium Commercial Card Program through a Political Subdivision Application or a new Master Agreement.
  - c. "Agreement Year" means a twelve (12) month period beginning with the first such period following the Commencement Date of this Agreement.
  - d. "Charge-off" means any amount due and owing to U.S. Bank or its Affiliates by Customer that remains unpaid for one hundred fifty (150) days after the date that it was first billed.
  - e. "Entity Net Annual Charge Volume" means all Charges set forth on the Statements furnished for all Accounts of Customer and all of Customer's Agencies, if any, or for any other individual Political Subdivision, less Fees, Cash Advances, Convenience Checks, 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 Agreement Year.
  - f. "File Turn Days" means the number of days from the date U.S. Bank funds a Charge transaction to the date payment for that transaction is posted, inclusive of the beginning and ending dates.
  - g. "File Turn Days Payment Performance" means the average speed of repayment of Charges made for each Agreement Year.
  - h. "Fraudulent Charges" means those Charges which are not initiated, authorized or otherwise requested by Customer and/or a Cardholder by any means (electronic, telephonic or written) and do not directly or indirectly benefit Customer and/or a Cardholder.
  - i. "Large Ticket Average Transaction Size" means the Large Ticket Volume divided by the number of large ticket purchase transactions during each Agreement Year. A purchase transaction is a debit point of sale purchase transaction.
  - j. "Large Ticket Revenue Share" means the combination of the Large Ticket Performance Rebate and Large Ticket Volume Rebate.
  - k. "Large Ticket Volume" means only those Charges which the Association has determined qualify for large ticket interchange rates and which are processed by the Association using large ticket interchange rates, less credits, for each Agreement Year. To qualify for large ticket interchange rates, (1) the transaction must be over a specified U.S. Dollar amount as agreed to by the Association and each merchant, (2) the transaction must pass through the Association with associated transactional data as agreed to by the Association and each merchant, and (3) the merchant must be signed up as a participant through their Acquirer in the large ticket program offered by the Association. All other Charges and all amounts related to fees, cash advances, Fraudulent Charges, chargebacks and Charge-offs are excluded from Large Ticket Volume.
  - l. "Total Large Ticket Rebate Percentage" means the sum total of the Large Ticket Performance Rebate Percentage and the Large Ticket Transaction Size Rebate Percentage.
2. **Large Ticket Revenue Share Conditions.** The following conditions apply to all Large Ticket Revenue Share opportunities:
  - a. **Previous Revenue Share Payment.** U.S. Bank shall pay to Customer a pro rata portion of its Large Ticket Performance Rebate and Large Ticket Volume Rebate pursuant to U.S. Bank Government Purchasing Card Program Performance Volume Rebate Addendum dated June 1, 2005 between Customer and U.S. Bank, earned from the beginning of the previous Rebate Addendum Year to the Commencement Date herein (the "Previous Large Ticket Revenue Share Payment"). The Previous Large Ticket Revenue Share Payment, if any, shall be made within ninety (90) days after the Commencement Date herein.
  - b. **Large Ticket Revenue Share Payment.** The first Large Ticket Revenue Share payment, if any, shall be made within ninety (90) days after the end of the first Agreement Year. Subsequent calculations and payments, if any, shall be made in a similar fashion on each twelve (12) month anniversary of the first calculation. If any Large Ticket Revenue Share payment date falls on a non-business day, Large Ticket Revenue Share payments due shall be made on the next business day. All Revenue Share payments shall be paid in the form of an Automated Clearing House (ACH) payment. Customer must provide any information necessary for U.S. Bank to facilitate electronic payments.
  - c. **Adjustments.** Any Large Ticket Revenue Share payment made pursuant to the Agreement will be net of accumulated Charge-offs resulting from participation in U.S. Bank or U.S. Bancorp Card Services, Inc. programs regardless of whether the underlying agreement between the Parties is valid or has been terminated. In the event that any Large Ticket Revenue Share payment under this Schedule 3, Section A, net of Charge-offs, would be less than one hundred U.S. Dollars (\$100.00), no Large Ticket Revenue Share payment will be made to Customer for that Agreement Year.
  - d. **Early Termination.** In the event that this Agreement is terminated prior to the completion of the Base Period, in addition to any other remedies available to U.S. Bank, this Large Ticket Revenue Sharing Opportunity shall immediately terminate. Large Ticket Revenue Share payments are made on an annual basis, using performance

**Schedule 3**  
**Large Ticket Revenue Sharing Opportunity**

and charge volume totals, and cannot be paid to Customer for incomplete Agreement Years. In the event that the Sole Provider provision of this Agreement is violated, in addition to any other remedies available to U.S. Bank, this Large Ticket Revenue Share opportunity shall immediately terminate, no rebate shall be paid in the year in which the Sole Provider provision is violated, and all rights hereunder shall cease. Any Large Ticket Revenue Share payment owed to Customer at the time of termination for the completion of any prior Agreement Year shall be paid in accordance with the terms stated herein.

- e. **Confidentiality.** Customer expressly agrees that the terms and conditions of this Large Ticket Revenue Share opportunity are confidential and may not be disclosed to third parties, unless required by law or regulation, without U.S. Bank's prior written consent, which may be exercised at its sole option.
3. **Minimum Performance Requirements for Customer and Political Subdivisions.** No Large Ticket Revenue Share calculation for Customer, Agencies and each Political Subdivision shall be made unless:
- a. This Agreement was in effect through the end of the Agreement Year (no Revenue Share payment shall be made in the event that this Agreement is terminated prior to the end of the Agreement Year);
  - b. The File Turn Days Payment Performance for all Account Statements for Customer and all Agencies or that Political Subdivision is equal to or less than forty-five (45) File Turn Days; and
  - c. The Aggregate Net Annual Charge Volume of all Political Subdivisions for whom the sum of the Entire Net Annual Charge Volume and the Large Ticket Volume equals at least fifty thousand U.S. Dollars (\$50,000.00) is equal to or greater than one million U.S. Dollars (\$1,000,000.00);
  - d. The sum of the Net Annual Charge Volume and the Large Ticket Volume is equal to or greater than five hundred thousand U.S. Dollars (\$500,000.00), unless Customer has not yet completed a full Agreement Year since executing this Agreement, in which case the sum of the Net Annual Charge Volume and the Large Ticket Volume must be equal to or greater than fifty thousand U.S. Dollars (\$50,000.00).
4. **Large Ticket Performance Rebate.** U.S. Bank shall pay to Customer and each Political Subdivision a portion of the aggregate Large Ticket Volume through a rebate ("Large Ticket Performance Rebate"). The Large Ticket Performance Rebate will be based on the File Turn Days Payment Performance for all Accounts for each Agreement Year. The Large Ticket Performance Rebate calculation will be made in accordance with the Table E, below.

Table E			
File Turn Days	Large Ticket Performance Rebate Percentage	File Turn Days	Large Ticket Performance Rebate Percentage
45	0.0000%	22	0.2300%
44	0.0100%	21	0.2400%
43	0.0200%	20	0.2500%
42	0.0300%	19	0.2600%
41	0.0400%	18	0.2700%
40	0.0500%	17	0.2800%
39	0.0600%	16	0.2900%
38	0.0700%	15	0.3000%
37	0.0800%	14	0.3100%
36	0.0900%	13	0.3200%
35	0.1000%	12	0.3300%
34	0.1100%	11	0.3400%
33	0.1200%	10	0.3500%
32	0.1300%	9	0.3600%
31	0.1400%	8	0.3700%
30	0.1500%	7	0.3800%
29	0.1600%	6	0.3900%
28	0.1700%	5	0.4000%
27	0.1800%	4	0.4100%
26	0.1900%	3	0.4200%
25	0.2000%	2	0.4300%
24	0.2100%	1	0.4400%
23	0.2200%	0	0.4500%

- 5. **Large Ticket Volume Rebate.** U.S. Bank will pay to Customer and each Political Subdivision a portion of the aggregate Large Ticket Volume through a rebate ("Large Ticket Volume Rebate"). The Large Ticket Volume Rebate will be based on the Large Ticket Average Transaction Size. The Large Ticket Volume Rebate calculation will be made in accordance with Table F, below.

Schedule 3  
Large Ticket Revenue Sharing Opportunity

Table F	
Large Ticket Average Transaction Size	Large Ticket Transaction Size Rebate Percentage
LT Minimum to \$10,000.00	0.3660%
\$10,000.01 to \$25,000.00	0.1610%
\$25,000.01 to \$75,000.00	0.0700%
\$75,000.01 to \$250,000.00	0.0380%
\$250,000.01 to \$750,000.00	0.0290%
\$750,000.01 to \$2,000,000.00	0.0280%
\$2,000,000.01 and above	0.0260%

6. **Large Ticket Revenue Share Calculation.** U.S. Bank will calculate the File Turn Days Payment Performance for the Agreement Year to find the Large Ticket Performance Rebate Percentage on Table E for the Large Ticket Performance Rebate. U.S. Bank will calculate the Large Ticket Average Transaction Size for the same Agreement Year to find the Large Ticket Transaction Size Rebate Percentage on Table F for the Large Ticket Volume Rebate. Annually, U.S. Bank will multiply the Total Large Ticket Rebate Percentage by the Large Ticket Volume for that same Agreement Year. The result will be the gross Large Ticket Revenue Share. U.S. Bank will subtract any Charge-offs that have not been subtracted at any time during any of the past Agreement Year(s) from the gross Large Ticket Revenue Share. The result will be the net Large Ticket Revenue Share. Any Charge-offs in excess of the net Large Ticket Revenue Share from one (1) Agreement Year will be subtracted from one (1) or more of the following Agreement Years. Upon termination of the Agreement, if the net Large Ticket Revenue Share is a negative dollar amount due to Charge-offs, U.S. Bank may request, and Customer agrees to reimburse, U.S. Bank up to the dollar amount previously paid by U.S. Bank to Customer.

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EXHIBIT 1

**POLITICAL SUBDIVISION ADDENDUM  
MARYLAND CONSORTIUM**

This Political Subdivision Addendum constitutes an addendum to and modification of the U.S. Bank Commercial Card Master Agreement Maryland Consortium (the "Agreement"), dated \_\_\_\_\_ between Howard County, Maryland ("Customer") and U.S. Bank National Association ND ("U.S. Bank"). This Political Subdivision Addendum is entered into by and between U.S. Bank and the Political Subdivision identified herein, as those terms are defined in the Agreement. This Political Subdivision Addendum shall become effective upon signing by or on the behalf of U.S. Bank ("Effective Date") and supersedes any previous and like addenda with the Political Subdivision.

RECITALS

- A. Customer has entered into the Agreement for the purpose of making available a Corporate Card, Purchase Card or One Card Program as described in the Agreement ("Card Program") for use by Political Subdivisions participating in the U.S. Bank Commercial Card Maryland Consortium Program;
- B. Customer is willing to permit Political Subdivision to participate in the Card Program provided that Political Subdivision assumes all responsibility and liability for Political Subdivision's performance of the terms and conditions of the Agreement as if Political Subdivision was the entity signing the Agreement as Customer. Customer shall not bear liability or responsibility for Political Subdivision under the Agreement or this Political Subdivision Addendum; and
- C. Political Subdivision has received a copy of the Agreement from Customer, and after a thorough review of the Agreement, desires to participate as a Political Subdivision under this Agreement. Political Subdivision assumes all responsibility and liability for Political Subdivision's performance of the terms and conditions of this Political Subdivision Addendum as well as the Agreement as if Political Subdivision was the entity signing the Agreement as Customer, but Political Subdivision shall not be liable for the acts and omissions of Customer under the Agreement or this Political Subdivision Addendum.

AGREEMENT

Now therefore, in consideration of the foregoing Recitals, which are incorporated herein by reference, the mutual promises and covenants set forth in the Agreement, which are incorporated herein by reference, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, all parties agree as follows:

1. Capitalized terms used in this Political Subdivision Addendum and not otherwise defined in this Political Subdivision Addendum are used with the same respective meanings attributed thereto in the Agreement.
2. Political Subdivision agrees to accept and perform all duties, responsibilities and obligations required of Customer as set forth in the Agreement. Cards shall be issued to designated employees of Political Subdivision upon execution of this Political Subdivision Addendum by Political Subdivision and U.S. Bank.
3. In order to determine credit qualifications for Political Subdivision, Political Subdivision shall provide U.S. Bank with the last three (3) years of audited financial statements with this signed Political Subdivision Addendum. Political Subdivision shall provide to U.S. Bank annual financial statements thereafter. U.S. Bank will review the financial statements and notify Political Subdivision of the approval or decline of its credit qualification. If such financial statements can be independently obtained by U.S. Bank, Political Subdivision will not be required to provide such financial statements.
4. Political Subdivision shall make payment to U.S. Bank for all Debt incurred by Political Subdivision, its Cardholders and Accountholders as provided in the Agreement. "Debt" means all amounts charged to a card and/or account including without limitation all amounts related to purchases, fees and other Charges that are owed to U.S. Bank by Political Subdivision, its Cardholders and Accountholders.
5. Political Subdivision declares that cards shall be used for official Political Subdivision purchases only, and shall not be used for individual, consumer purchases or to incur consumer debt. Political Subdivision warrants that it possesses the financial capacity to perform all of its obligations under the Agreement and this Political Subdivision Addendum.
6. Each Political Subdivision participating in the Commercial Card Program shall have access to its own data. Howard County and the Board of Education of Baltimore County shall also have access to information that may contain direct or indirect identification of Political Subdivisions participating in the Commercial Card Program in order to carry out the requirements of the Commercial Card Program.
7. The representations, warranties and recitals of Political Subdivision set forth in this Political Subdivision Addendum and the Agreement constitute valid, binding and enforceable agreements of Political Subdivision. All extensions of credit made pursuant to this Political Subdivision Addendum and the Agreement to Political Subdivision will be valid and enforceable.

U.S. Bank Commercial Card Master Agreement -- Maryland Consortium

obligations of Political Subdivision and Political Subdivision shall pay to U.S. Bank all Debts Incurred by Political Subdivision in accordance with the terms of the Agreement and this Political Subdivision Addendum. The execution of this Political Subdivision Addendum and the performance of the obligations hereunder and under the Agreement are within the power of Political Subdivision, have been authorized by all necessary action and do not constitute a breach of any agreement to which Political Subdivision is a party or is bound.

8. The notice address for Political Subdivision is:

Political Subdivision:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attn: \_\_\_\_\_

9. This Political Subdivision Addendum shall continue whether Customer's Agreement with U.S. Bank continues or terminates.

10. Because this Political Subdivision Addendum creates Political Subdivision's participation in a consortium program, in the event of a significant change in the structure of the consortium, U.S. Bank may change the terms of the Agreement or this Political Subdivision Addendum at any time by giving Political Subdivision written notice. If permitted by applicable law, the changes will apply to existing Account balances as well as future transactions. If Political Subdivision refuses to accept the changes, Political Subdivision must notify U.S. Bank in writing within ninety (90) days from the date of the notice that Political Subdivision refuses to accept the changes and elects to terminate this Political Subdivision Addendum. In the event that Political Subdivision elects to terminate this Political Subdivision Addendum pursuant to this Section 10, all Debt outstanding shall become due and payable by Political Subdivision to U.S. Bank, according to the terms of the existing Political Subdivision Addendum. Political Subdivision will also be responsible for ensuring the destruction of all Cards.

11. Authorization and Execution. Political Subdivision represents and warrants that this transaction is within the scope of the normal course of business and does not require further authorization for Political Subdivision to be duly bound by this Political Subdivision Addendum. This Political Subdivision Addendum requires approval as to form by the Attorney for Political Subdivision. If this Political Subdivision Addendum is not approved as to form by the Attorney for the Political Subdivision, the completion of a Certificate of Authority is required and must accompany this Political Subdivision Addendum.

In witness whereof, the parties have, by their authorized representatives, executed this Political Subdivision Addendum.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_ by:

Howard County, Maryland

\_\_\_\_\_  
Legal Name of Political Subdivision  
(See Signature Page)

\_\_\_\_\_  
(Signature of Authorized Individual)

\_\_\_\_\_  
(Printed Name of Authorized Individual)

\_\_\_\_\_  
(Printed Title of Authorized Individual)

Dated this 20<sup>th</sup> day of May 2011 by:

U.S. Bank National Association-NB

  
\_\_\_\_\_  
(Signature of Authorized Individual)

Jeffrey A. Rankin

\_\_\_\_\_  
(Printed Name of Authorized Individual)

Senior Vice President

\_\_\_\_\_  
(Printed Title of Authorized Individual)

Approved as to form:

(See Signature Page)

\_\_\_\_\_  
(Signature of Attorney for Political Subdivision)

\_\_\_\_\_  
(Printed Name of Attorney)

CERTIFICATE OF AUTHORITY

1. **Organizational Information.** This Certificate of Authority has been completed on behalf of the following Political Subdivision (the "Political Subdivision"):

Political Subdivision Name: \_\_\_\_\_  
 Federal Tax Identification Number: \_\_\_\_\_

2. **Authorized Persons.** In accordance with the governance rules relating to the Political Subdivision, the following individuals (the "Authorized Person(s)") are authorized, on behalf of the Political Subdivision, to execute and deliver to U.S. Bank National Association ND ("U.S. Bank") and/or its affiliates the applicable card program agreement(s), any applicable addenda and/or amendments thereto and any other documents or writings required by U.S. Bank (collectively, the "Documents") for the purpose of establishing one (1) or more card programs, extending credit and providing related services to the Political Subdivision with U.S. Bank in the United States (collectively, the "Services"):

Name	Title	Signature

3. **Execution Requirements.** The governance rules relating to the Political Subdivision require the following number of Authorized Persons to sign the Documents for the Services (choose only one):

- One (1) Authorized Person  
 Two (2) Authorized Persons

4. **Execution.** By signing the Documents, each individual signing in his or her capacity as an authorized signing officer of the Political Subdivision and not in his or her personal capacity, certifies and warrants that (a) all action required by Political Subdivision's organizational documents to authorize the signer(s) to act on behalf of the Political Subdivision in all actions taken under the Documents, including but not limited to, the authority to incur debt on behalf of the Political Subdivision, has been taken, (b) each signer is empowered in the name of and on behalf of the Political Subdivision to enter into all transactions and Services contemplated in the Documents and (c) the signatures appearing on all supporting documents of authority are authentic.

5. **Certification.** I certify that I am the \_\_\_\_\_ and I am acting in my official capacity as an authorized officer who has been given the authority by the Political Subdivision to certify that the Authorized Person(s) has/have the full power and authority under applicable law and the governance rules relating to the Political Subdivision to execute and deliver to U.S. Bank, on behalf of the Political Subdivision, and to bind the Political Subdivision under, the Documents for the purpose of establishing and extending the Services. I also certify that the name(s) and title(s) of the Authorized Person(s) set forth above are correct and that the signature appearing beside each name is a true and genuine specimen of his/her signature.

Howard County, Maryland

\_\_\_\_\_  
 (Printed Name of the \_\_\_\_\_ of the Political Subdivision)  
 (See Signature Page)

\_\_\_\_\_  
 (Signature of the \_\_\_\_\_ of the Political Subdivision)  
 (Cannot be an Authorized Person listed in Section 2) \_\_\_\_\_ Date

I certify that I am an officer of the Political Subdivision, and as such, I certify that the above-named \_\_\_\_\_ is acting in such capacity on behalf of the Political Subdivision, the signature below is my genuine signature and the signature above is the genuine signature of such \_\_\_\_\_.

\_\_\_\_\_  
 (Printed Name & Title of Individual Signing Below)  
 (See Signature Page)

\_\_\_\_\_  
 (Signature Attested by One (1) Other Individual of the Political Subdivision)  
 (Cannot be an Authorized Person listed in Section 2) \_\_\_\_\_ Date

**SIGNING INSTRUCTIONS  
FOR  
CERTIFICATE OF AUTHORITY**

*Note that three different individuals must sign and date this document.*

**SECTION 1 Political Subdivision Information**

Enter the Political Subdivision name and the tax ID number on the document.

Note that the legal name of the Political Subdivision is required. The legal name is usually the name on the Political Subdivision financial statements.

**SECTION 2 Authorized Persons**

The individual who signed the Card Agreement must complete and sign Section 2.

**SECTION 3 Execution Requirement**

Check *only one* box in Section 3 to indicate how many individuals (either 1 or 2) at your Political Subdivision are required to sign legal documents on behalf of the organization

**SECTION 4 Execution**

No action required.

**SECTION 5 Certification**

Two individuals must each sign **and date** this section and insert their names and titles. If this document is not dated, it is invalid.

The individual(s) who signed Section 2 cannot sign this section or this document is invalid.

The Secretary or Assistant Secretary of the Political Subdivision is required to sign this section attesting to the signatures in Section 2 *and* one other officer of the Political Subdivision must sign as well below the signature of the Secretary or Asst. Secretary *attesting to the signature of the Secretary or Asst. Secretary.*