

SERIAL 02059 RFP PROCUREMENT CARD SERVICES (Contract – American Express)

DATE OF LAST REVISION: December 20, 2007 CONTRACT END DATE: February 28, 2013

CONTRACT PERIOD THROUGH FEBRUARY 28, ~~2008~~ 2013

TO: All Departments

FROM: Department of Materials Management

SUBJECT: Contract for **PROCUREMENT CARD SERVICES**

Attached to this letter is published an effective purchasing contract for products and/or services to be supplied to Maricopa County activities as awarded by Maricopa County on **February 19, 2003**.

All purchases of products and/or services listed on the attached pages of this letter are to be obtained from the vendor holding the contract. Individuals are responsible to the vendor for purchases made outside of contracts. The contract period is indicated above.

Wes Baysinger, Director
Materials Management

SD/mm
Attach

Copy to: Clerk of the Board
 Walt Weglarz, MM
 Wes Baysinger, MM
 Lillian Patnode, MM
 Materials Management

(Please remove Serial 98090-RFP from your contract notebooks)

CONTRACT FOR PROCUREMENT CARD SERVICES

SERIAL 02059-RFP AETRS

This Contract is entered into this APRIL 15, 2003 by and between Maricopa County ("County"), a political subdivision of the State of Arizona, and AMERICAN EXPRESS TRAVEL RELATED SERVICES COMPANY, INC., a New York corporation ("Contractor") for the purchase of Procurement Card services.

1.0 TERM

- 1.1 This Contract is for a term of Five (5) years, beginning on the February 19 and ending the 29th day of February, 2008.
- 1.2 The County may, at its option and with the agreement of the Contractor, extend the period of this Contract for additional one (1) year terms up to a maximum of Five (5) additional terms. The County shall notify the Contractor in writing of its intent to extend the Contract period at least thirty (30) calendar days prior to the expiration of the original contract period, or any additional term thereafter.

2.0 PAYMENT

- 2.1 As consideration for performance of the duties described herein, County shall pay Contractor for charges incurred on the Corporate Purchasing Card Account in accordance with the terms and conditions set forth in the Corporate Purchasing Card Account Agreement, attached hereto and incorporated herein as Exhibit "B".
- 2.2 Payment will be made by EFT within 14 days after account closing date. A grace period of an additional 14 days will be allowed if the contractor fails to deliver data as required or due to system error.
- 2.3 As consideration for performance of the duties described herein, Contractor shall pay County financial incentives in accordance with the terms and conditions set forth in the Corporate Card Financial Incentives for the United States, attached hereto and incorporated herein as Exhibit "A".

3.0 DUTIES

- 3.1 The Contractor shall perform all duties stated in the Agreed Corporate Purchasing Card Agreement, attached hereto and incorporated herein as Exhibit "B."

4.0 TERMS & CONDITIONS

4.1 INDEMNIFICATION AND INSURANCE:

4.1.1 Indemnification.

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the County, its agents, representatives, officers, directors, officials, and employees from and against all claims, damages, losses and expenses, including but not limited to attorney fees and costs, relating to this Contract.

The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

The scope of this indemnification does not extend to the negligence of the County.

The parties agree that the total damages that can be awarded in any claim, lawsuit, arbitration or litigation arising out of any and all causes of action which may be alleged by the County relating to our obligations hereunder shall not exceed the combined total of amounts paid by the County to the Contractor, if any, pursuant to the terms of this Agreement, during the twelve calendar months immediately preceding the indemnifying event.

4.1.2 Insurance Requirements.

Contractor, at its own expense, shall purchase and maintain the herein stipulated minimum insurance with companies duly licensed, possessing a current A.M. Best, Inc. Rating of B++6, or approved unlicensed companies in the State of Arizona.

All insurance required herein shall be maintained in full force and effect until all work or service required to be performed under the terms of the Contract is satisfactorily completed and formally accepted. Failure to do so may, at the sole discretion of the County, constitute a material breach of this Contract.

The Contractor's insurance shall be primary insurance as respects the County, and any insurance or self-insurance maintained by the County shall not contribute to it.

Any failure to comply with the claim reporting provisions of the insurance policies or any breach of an insurance policy warranty shall not affect coverage afforded under the insurance policies to protect the County.

The Contractor shall be solely responsible for the deductible and/or self-insured retention.

The insurance policies required hereunder, except Workers' Compensation, shall contain a waiver of transfer of rights of recovery (subrogation) against the County, its agents, representatives, officers, directors, officials and employees for any claims arising out of Contractor's work or service.

4.1.2.1 Commercial General Liability. Contractor shall maintain Commercial General Liability insurance with a limit of not less than \$1,000,000 for each occurrence with a \$2,000,000 Products/Completed Operations Aggregate and a \$2,000,000 General Aggregate Limit. The policy shall include coverage for bodily injury, broad form property damage, personal injury, products and completed operations and blanket contractual coverage including, but not limited to, the liability assumed under the indemnification provisions of this Contract which coverage will be at least as broad as Insurance Service Office, Inc. Policy Form CG 00 01 10 93 or any replacements thereof.

The policy shall contain a severability of interest provision, and shall not contain a sunset provision or commutation clause, or any provision which would serve to limit third party action over claims.

The Commercial General Liability additional insured endorsement shall be at least as broad as the Insurance Service Office, Inc.'s Additional Insured, Form CG 20 10 11 85.

4.1.2.2 Automobile Liability. Contractor shall maintain Automobile Liability insurance with an individual single limit for bodily injury and property damage of no less than \$1,000,000, each occurrence, with respect to Contractor's vehicles (whether owned, hired, non-owned), assigned to or used in the performance of this Contract.

4.1.2.3 Workers' Compensation. The Contractor shall carry Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Contractor's employees engaged in the performance of the work or services, as well as Employer's Liability insurance of not less than \$1,000,000 for each accident, \$1,000,000 disease for each employee, and \$1,000,000 disease policy limit.

If any work is subcontracted, the Contractor will require Subcontractor to provide Workers' Compensation and Employer's Liability insurance to at least the same extent as required of the Contractor.

4.1.3 Certificates of Insurance.

4.1.3.1 Prior to commencing work or services under this Contract, Contractor shall have insurance in effect as required by the Contract in the form provided by the County, issued by Contractor's insurer(s), as evidence that policies providing the required coverage, conditions and limits required by this Contract are in full force and effect. Such certificates shall be made available to the County upon 48 hours notice. **BY SIGNING THE AGREEMENT PAGE THE CONTRACTOR AGREES TO THIS REQUIREMENT AND FAILURE TO MEET THIS REQUIREMENT WILL RESULT IN CANCELLATION OF CONTRACT.**

If a policy does expire during the life of the Contract, a renewal certificate must be sent to the County fifteen (15) days prior to the expiration date.

4.1.3 Cancellation and Expiration Notice.

Insurance required herein shall not be permitted to expire, be canceled, or materially changed without thirty (30) days prior written notice to the County.

4.2 INTERNET ORDERING CAPABILITY:

It is the intent of Maricopa County at it's option to utilize the Internet to place orders under this Contract.

4.3 NOTICES :

All notices given pursuant to the terms of this Contract shall be addressed to:

For County:

Maricopa County
Department of Materials Management
Attn: Director of Purchasing
320 West Lincoln Street
Phoenix, Arizona

For Contractor:
American Express Travel Related Services
Company, Inc.
Travel Group Service Center
20022 North 31st Avenue, Mail Code 203
Phoenix, AZ 85027
Attn.: Corporate Purchasing Card Unit
Facsimile No.: (623) 492-1777

4.4 REQUIREMENTS CONTRACT:

Contractor signifies its understanding and agreement by signing this document, that this Contract is a requirements contract. This Contract does not guarantee any services will be made

Contractor shall take no action under this Contract unless specifically requested by County.

4.5 PARTICIPATING PUBLIC AGENCIES

The COUNTY and CONTRACTOR have agreed to make this contract available to other governmental entities (Participating Public Agencies) through the U.S. Communities Government Purchasing Alliance (U.S. Communities). The County, as Lead Public Agency, may, at COUNTY'S sole discretion and option through U.S. Communities, inform Participating Public Agencies that they may participate in this agreement. Such participation shall be at the prices stated herein. In no event shall County be considered a dealer, remarketeer, agent or other representative of CONTRACTOR. The terms and conditions of CONTRACTOR'S participation in U.S. Communities are set forth in the U.S. Communities Government Purchasing Alliance Administration Agreement (Administration Agreement) incorporated herein by reference. CONTRACTOR shall execute the Administration Agreement forthwith and return it to U.S. Communities at the address shown in the Administration Agreement. (The COUNTY, and U.S. Communities understand and agree that in order for CONTRACTOR to provide those products and services contemplated herein, each Participating Public Agency shall be required to execute CONTRACTOR'S

standard Corporate Purchasing Card Account Agreement in the same format, containing the same content as set forth in Exhibit C, which is annexed hereto and is incorporated herein by reference). In addition, each Participating Public Agency shall agree to fully cooperate in CONTRACTOR'S application process and shall complete all required business forms and applications necessary for Corporate Purchasing Card Program implementation, including those forms and licenses associated with CONTRACTOR's @Work products.

COUNTY WILL NOT BE LIABLE OR RESPONSIBLE FOR ANY OBLIGATIONS, INCLUDING, BUT NOT LIMITED TO PAYMENT, FOR ANY ITEM ORDERED BY PARTICIPATING PUBLIC AGENCIES.

COUNTY MAKES NO REPRESENTATION OR GUARANTEES AS TO ANY MINIMUMS BEING PURCHASED BY COUNTY OR PARTICIPATING PUBLIC AGENCIES.

4.6 TERMINATION:

County may unconditionally terminate this Contract for convenience by providing thirty (30) calendar days advance notice to the Contractor.

County may terminate this Contract if Contractor fails to pay any charge when due or fails to perform or observe any other material term or condition of the Contract, and such failure continues for more than ten (10) days after receipt of written notice of such failure from County, or if Contractor becomes insolvent or generally fails to pay its debts as they mature.

In addition, either party may terminate this Agreement immediately upon written notice to the other in the event of: (1) the liquidation or dissolution of the other party, (2) the making of an assignment of a substantial portion of its assets for the benefit of its creditors, (3) the filing of a voluntary or involuntary petition under any federal or state bankruptcy statute by the other party, or (4) the inability of the other party to pay its debts as they become due.

4.7 STATUTORY RIGHT OF CANCELLATION FOR CONFLICT OF INTEREST:

Notice is given that pursuant to A.R.S. § 38-511 the County may cancel this Contract without penalty or further obligation within three years after execution of the contract, if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the County is at any time while the Contract or any extension of the Contract is in effect, an employee or agent of any other party to the Contract in any capacity or consultant to any other party of the Contract with respect to the subject matter of the Contract. Additionally, pursuant to A.R.S § 38-511 the County may recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the County from any other party to the contract arising as the result of the Contract.

4.8 OFFSET FOR DAMAGES;

In addition to all other remedies at law or equity, the-either party may offset from any money due to the other party any amounts a breaching party owes the non-breaching party for damages resulting from breach or deficiencies in performance under this contract.

4.9 ADDITIONS/DELETIONS OF SERVICE:

The County reserves the right to add and/or delete products and/or services provided under this Contract. If a requirement is deleted, payment to the Contractor will be reduced proportionately to the amount of service reduced in accordance with the bid price. If additional services and/or products are required from this Contract, prices for such additions will be negotiated between the Contractor and the County.

4.10 AMENDMENTS:

All amendments to this Contract must be in writing and signed by both parties.

4.11 RETENTION OF RECORDS:

The Contractor agrees to retain all financial books, records, and other documents relevant to this Contract for five (5) years after final payment or until after the resolution of any audit questions which could be more than five (5) years, whichever is longer.

Upon the County's request, Contractor will gather information from its various databases and systems and provide such information to the County, which will show all the components utilized by Contractor to formulate the County's reimbursement payment. These components include delinquency fees, write-offs and/or credit losses, recoveries, charge volume, speed of pay, and if applicable, foreign exchange credits or losses.

If the Contractor's records and documentation relevant to this Contract are not sufficient to support and document that requested services were provided the Contractor will verify same and if appropriate, shall make the County whole.

4.12 AUDIT DISALLOWANCES:

If at any time County determines that a cost for which payment has been made is a disallowed cost, such as overpayment, County shall notify the Contractor in writing of the disallowance. The parties will work together to determine the means to correct such an error and prevent future occurrences.

4.13 VALIDITY:

The invalidity, in whole or in part, of any provision of the Contract shall not void or affect the validity of any other provision of this Contract.

4.14 RIGHTS IN DATA:

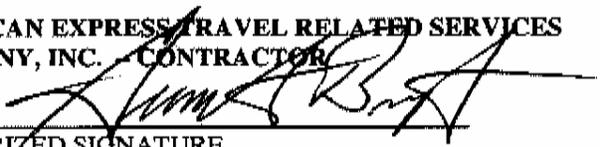
The County shall have the use of data and reports resulting from this Contract without additional cost or other restriction except as provided by law. Each party shall supply to the other party, upon request, any available information that is relevant to this Contract and to the performance hereunder.

4.15 INTEGRATION

This Contract represents the entire and integrated agreement between the parties and supersedes all prior negotiations, proposals, bids, communications, understandings, representations, or agreements, whether oral or written, express or implied.

IN WITNESS WHEREOF, this Contract is executed on the date set forth above.

**AMERICAN EXPRESS TRAVEL RELATED SERVICES
COMPANY, INC. CONTRACTOR**



AUTHORIZED SIGNATURE

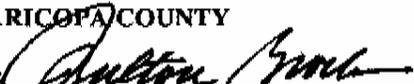
Gunther Bright, Senior Vice President
PRINTED NAME AND TITLE

40 Wall Street, New York, New York 10005
ADDRESS

DATE

4/16/03

MARICOPA COUNTY

BY: 
CHAIRMAN, BOARD OF SUPERVISORS

4/29/03
DATE

ATTESTED:

CLERK OF THE BOARD

4/29/03
DATE

APPROVED AS TO FORM:


MARICOPA COUNTY ATTORNEY

4/29/03
DATE

02/19/03

EXHIBIT A

CORPORATE PURCHASING CARD FINANCIAL INCENTIVES FOR THE UNITED STATES

U.S. COMMUNITIES PARTICIPATING PUBLIC AGENCIES

1. Annual Corporate Purchasing Card Fees

We agree to waive annual fees for Corporate Purchasing Cards issued under this United States Agreement for the term of these Financial Incentives.

2. Public Agency Financial Incentives

Those Participating Public Agencies which pay all Charges shown on the consolidated monthly statements sent to the Participating Public Agency within 14 calendar days (which is equivalent to 14 Client Held Days) following the Closing Date of each such statement in accordance with Section 6 of the Agreement, shall be eligible to receive the Financial Incentives set forth below.

2.1. Incentive Payment

We will calculate an Incentive Payment each for each 12-month period from April 15 to the following April 14 (“Contract Year”). The Incentive Payment will be calculated by first determining the Gross Incentive Amount for the Contract Year, and then adjusting the Gross Incentive Amount as described in Section 2.3 below. We will pay the Incentive Payment, to each individual Participating Public Agency that qualifies for an incentive, via the EFT Payment system, within ninety (90) days following the end of the applicable Contract Year. In the event this Agreement is terminated for any reason prior to the completion of any Contract Year by any/all Participating Public Agencies, no Incentive Payment will be made to said Agency or Agencies for that Contract Year or any portion thereof.

2.2. Gross Incentive Amount

- (A) The Gross Incentive Amount will be calculated by tallying each Participating Public Agency’s Net Annual Charge Volume (“NACV”) and then multiplying each Participating Public Agency’s NACV for the applicable Contract Year in accordance with Table 1 below:

Table 1

Individual Public Agency Incentive		
Annual Charge Volume	Client Held Days (CHD)	Basis Point Incentive
\$2-5 Million	5	31.25 bp
	10	25.00 bp
	14	20.00 bp
\$5-10 Million	5	46.25 bp
	10	40.00 bp
	14	35.00 bp
\$10-20 Million	5	61.25 bp
	10	55.00 bp
	14	50.00 bp
\$20 Million +	5	81.25 bp
	10	75.00 bp
	14	70.00 bp

- (B) NACV for any Contract Year means the aggregate total amount of Charges incurred during the applicable Contract Year on Corporate Purchasing Cards issued under this Agreement minus Credit Losses (as defined in Section 2.5 below), delinquency assessments, fees, unauthorized charges, direct write-offs, and credits, in each case for the applicable Contract Year. The Gross

Incentive Amount is paid on Net Annual Charge Volume that has been billed or invoiced during the applicable Contract Year. American Express recognizes NACV as billed or invoiced as of the cycle cut date. "Unbilled" Charges are Charges that you have incurred, but that have not been billed or invoiced by American Express. Unbilled Charges are not considered in calculations for the Gross Incentive Amount or any other part of the financial incentive.

2.3. Adjustments and Deductions to Gross Incentive Amount

- (A) The Gross Incentive Amount will be adjusted (either increased or decreased as applicable) to reflect the Client Held Day ("CHD") Adjustment for the applicable Contract Year calculated as described in Section 2.4 below; and
- (B) Credit Losses for the applicable Contract Year as described in Section 2.5 below will then be deducted from the Gross Incentive Amount.

2.4. Client Held Days

- (A) CHD Performance for any Contract Year is determined by calculating the weighted average of CHD Performance during each billing cycle during the Contract Year. CHD Performance is calculated for each billing cycle by aggregating the total cumulative outstanding daily balance on the Corporate Purchasing Card Account during the applicable billing cycle and dividing that sum by the total amount of new Charges incurred on the Corporate Purchasing Card Account during the applicable billing cycle. CHD Performance for each billing cycle is then weighted according to the proportionate amount of Charges incurred during the applicable billing cycle.
- (B) The CHD Adjustment for any Contract Year is calculated by determining the difference between your CHD Performance for the applicable Contract Year and 14.00 days ("14 Days"). For each whole day (or a fraction thereof) that CHD Performance for the applicable Contract Year is less than 14 Days, NACV will be multiplied by 1.25 basis points (0.0125%) to determine your CHD Adjustment for the applicable Contract Year.
 - (i) If your CHD Performance for the applicable Contract Year is 13.99 days or below, the CHD Adjustment will be added to the Gross Incentive Amount. If your CHD Performance for the applicable Contract Year is less than 1.00 day ("1 Day"), the CHD Adjustment for the applicable Contract Year will be made based upon CHD Performance of 1 Day.

2.5. Credit Losses

- (A) Credit Losses for any Contract Year means the total dollar amount of Charges for which payment becomes 180 days or more past due during the applicable Contract Year. Credit Losses include all pre-empts, defined as any charges accelerated to collection or written off early due to such factors as death or bankruptcy.
- (B) Credit Losses for each Contract Year will be deducted from the Gross Incentive Amount for the applicable Contract Year. However, for the first Contract Year, Credit Losses will be annualized and then deducted from the Gross Incentive Amount.

2.6. @Work Web Reconciliation Fee Waiver and Technology Credit

American Express agrees to waive fees associated with the license and implementation of @Work Web Reconciliation for US Communities. This fee waiver represents a \$12,000 value. We further agree provide US Communities with an @Work Web Reconciliation Technology Credit, for the Term of these Financial Incentives waiving all fees against your usage of @Work Web Reconciliation.

2.7. Modification of Incentives

If at any time during the term of the Agreement, the incentive structure specified herein negatively impacts either party, such change may be the basis upon which the parties may mutually agree to discuss the modification of these financial incentives.

EXHIBIT B

CORPORATE PURCHASING CARD ACCOUNT AGREEMENT FOR THE UNITED STATES

This Agreement, dated February 19, 2003, is between **CORPORATE SERVICES, A BUSINESS UNIT OF AMERICAN EXPRESS TRAVEL RELATED SERVICES COMPANY, INC.** (“we,” “us,” “our”, and “American Express”) and **MARICOPA COUNTY** (“you”, “your”, and “Company”) and covers your participation in the American Express Corporate Purchasing Card Program (“Program”) for Cards issued in the United States of America.

1. CORPORATE PURCHASING CARD ISSUANCE

Upon prior financial approval, we will establish an American Express Corporate Purchasing Card Account (“Account”) in your name and will issue American Express® Corporate Purchasing Cards (“Corporate Purchasing Cards”) to certain of your employees who are designated by you and who are authorized by you to incur expenses on your behalf (“Employees”) in accordance with this Agreement. You agree that a report about your finances, and the finances of any of your subsidiaries or affiliates for which you request us to establish a Corporate Purchasing Card Account hereunder, may be requested from a credit reporting agency or other agency and reviewed by us in connection with this Agreement. Upon your written request, we will also establish an account in the name of, and issue Corporate Purchasing Cards to certain employees of, your subsidiaries and/or affiliates which are approved by us and which agree in writing to be bound by this Agreement. You represent that you have the authority to execute this Agreement on behalf of each of your subsidiaries and affiliates designated by you to receive Corporate Purchasing Cards hereunder. You further agree to cause each such subsidiary and/or affiliate to comply with this Agreement and you are liable to us for any breach of this Agreement by any such subsidiary and/or affiliate.

We reserve the right to cancel or suspend any Corporate Purchasing Card at any time with or without cause and with or without prior notice. We will issue renewal or replacement Corporate Purchasing Cards, subject to the preceding sentence, until you or the Employee(s) advise us to stop issuance. Notwithstanding the foregoing, we may cancel all inactive Corporate Purchasing Cards prior to card re-issuance or renewal. Inactive cards are defined as Corporate Purchasing Cards with no charge activity for the previous 12-month period.

2. CHARGES

All amounts charged to Corporate Purchasing Cards including, without limitation, purchases, fees, and delinquency assessments are called “Charges”. You are liable for payment to us for all Charges, except for Charges resulting from an unauthorized use of a Corporate Purchasing Card. Unauthorized use means any use of a Corporate Purchasing Card that does not benefit you and

that was incurred by someone who was not your employee or who did not have actual, implied, or apparent authority to use the Corporate Purchasing Card.

You will also notify us if an Employee’s authority to incur Charges on your behalf terminates (due to termination of employment or any other reason). You will use reasonable efforts to collect and dispose of Corporate Purchasing Cards issued to Employees whose authority to incur expenses on your behalf is terminated or whose Corporate Purchasing Card has been canceled. You are liable for payment to us for all Charges incurred from the date an Employee’s authority to incur expenses on your behalf is terminated through the date we receive notification from you of such termination.

3. PROGRAM ADMINISTRATOR(S)

You agree to designate Program Administrator(s) to actively manage the Account on your behalf. You agree and acknowledge that such Program Administrator(s) are authorized by you to act on your behalf with respect to the Account and with respect to any other billing product accounts we may provide to you, and that we may rely on all directions and information we receive from Program Administrator(s) regarding the Accounts or accounts. The Program Administrator(s) responsibilities shall include:

- using American Express® Work® to conduct maintenance transactions and access reports for your Corporate Purchasing Card Program; and
- promoting awareness and use of Manage Your Card Account to Corporate Purchasing Cardmembers.

We reserve the right to charge a fee for granting a Program Administrator’s request for expedited delivery of Corporate Purchasing Cards.

4. USE OF CORPORATE PURCHASING CARD

You agree that Corporate Purchasing Cards issued hereunder will be used only for the purchase of goods and services on your behalf and in accordance with your policies. You agree to instruct the Employees in writing on your policies concerning the use of the Corporate Purchasing Card, including that Corporate Purchasing Cards may only be used in accordance with your policies and in strict conformity with the Corporate Purchasing Card Terms and Conditions (“Terms & Conditions”) included with each Corporate Purchasing Card issued hereunder. In the event any of the terms and conditions of this Agreement conflict with those of the Corporate Purchasing Card Terms and Conditions, this Agreement will prevail.

5. DEPARTMENT ACCOUNT

The provisions of this Section 5 shall take effect on the date of execution of the Department Account Application (“Application”). By signing the Application, the parties

agree to the establishment of Department Account(s) in accordance with the terms and conditions of this Agreement and, except as specifically provided otherwise herein, the terms of this Agreement which are applicable to the Account and/or Corporate Purchasing Cards shall apply to Department Account(s).

5.1. We shall establish Department Account(s) ("Department Account(s)") for the billing of purchases from certain merchants ("Suppliers") that accept payment via Department Accounts.

5.2. You agree to pay us in full for all Charges made to the Department Account(s), including without limitation Charges which result from the unauthorized use or misuse of the Department Account(s) by any person currently or formerly employed by you or any person who at any time was given access to a Department Account number or authorization to use the Department Account by you, not including Suppliers and their employees.

5.3. You warrant and agree that the Department Account(s) established pursuant to this Section 6 will be used only for your business and commercial purposes, and not for personal, family or household purposes.

5.4. Except as otherwise provided by applicable law, we shall not be liable for any act or omission of any Supplier including, without limiting the generality of the foregoing, any defect or deficiency in goods or services.

6. PAYMENT TERMS / SETTLEMENT

You agree to pay all Charges shown on each consolidated monthly statement (the "Consolidated Statement") within 14 calendar days after the Closing Date specified on the applicable Consolidated Statement.

You agree that the payment terms set forth herein supersede any agreement with regard to payment terms established between you and the seller of goods or services or any payment terms that might be imputed to you and the seller under applicable law for goods or services purchased using the Corporate Purchasing Card.

You must pay us in U.S. Dollars by wire transfer, Automated Clearing House ("ACH"), money order, draft or check drawn on a United States bank in the United States. If we accept a payment made in some other form, payment will not be credited to the Account until the payment is converted into one of the forms described above. You agree to pay to us any costs we incur in so converting the payment.

You agree not to deduct or withhold, without our prior approval, any amount shown as due on any Consolidated Statement. If you believe any Charge shown on a Consolidated Statement is in error or in dispute with the seller, you may request, and we may institute and maintain for a reasonable period, a temporary credit on the Account in the amount of the disputed portion of the Charge while we investigate the error or you seek to resolve the dispute. Acceptance of late payments, partial payments or any

payment marked as being payment in full or as being a settlement of a dispute will not affect any of our rights to payment in full.

You agree to mail any check remittance to the remittance address specified below and on the applicable Consolidated Statement. You agree to make any electronic remittances to the bank account and in accordance with the banking information specified below, unless, and until you are notified otherwise in writing by a duly authorized officer of American Express. The current address for payments is as follows:

Check Remittances
American Express
CPC Remittance Processing
20002 N. 19th Avenue; A-21
Phoenix, AZ 85027-4250

ACH Payments
Bank of Boston
Boston, MA
ABA Routing Number XXXXXXXX
TMS Electronic Payment Account
Account Number XXXXXXXXXXXX

Federal Reserve Wire Transfers

Chase Manhattan Bank
New York, NY
ABA Routing Number XXXXXXXX
TMS Concentration Account
Account Number XXXXXXXXXXXX

7. LATE FEES

If Charges on a Consolidated Statement remain unpaid, we may assess a late fee. The amount of the late fee depends on the length of time the Account has remained unpaid and the address to which your bill is sent. Late fees will accrue as follows, unless prohibited by applicable state law:

A. If any amount totaling more than \$35.00 is unpaid for thirty (30) days or more from the Closing Date, then the late fee will be the greater of \$29 or 2.75% of all amounts unpaid for at least thirty (30) days; and

B. If any amount totaling more than \$35.00 is unpaid for sixty (60) days or more from the Closing Date, then there will be an additional late fee of the greater of \$29 or 2.75% of all amounts unpaid for at least thirty (30) days. Late fees will not exceed the maximum allowed by law.

8. PROBLEMS WITH GOODS OR SERVICES

You agree to resolve any disputes concerning goods or services purchased using the Corporate Purchasing Card directly with the seller.

9. CHARGES MADE IN FOREIGN CURRENCIES

If you incur a Charge in a foreign currency, it will be converted into United States dollars on the date it is processed by us or our agents at a rate set by us based on an interbank, tourist or (where required by law) official rate; the amount of such Charge will then be increased by up to 2%. Amounts converted by common carriers, such as airlines, will be billed at rates the carriers use.

10. TERMINATION

Either party may terminate this Agreement at any time by providing thirty (30) days prior written notice to the other party. This Agreement will continue to apply to Charges incurred prior to its termination.

Either party may terminate this Agreement effective immediately on the occurrence of any of the following: (1) the liquidation or dissolution of the other party, (2) the insolvency of the other party or the filing of bankruptcy proceedings or similar proceeding with respect to the business of the other party, or (3) any material adverse change in the financial condition of the other party.

11. ACCESS TO INFORMATION

We may compile and convey to you certain information provided to us by the sellers of goods and services you purchased using the Corporate Purchasing Card, such as, for example, a seller's tax identification number and SIC number and the seller's status as a minority-owned or woman-owned business. We do not guaranty the accuracy of any such information and, by conveying such information to you, do not undertake to perform on your behalf any reporting, compliance or other obligation or requirement applicable to you pursuant to any law, regulation, executive order or court order.

12. NOTICES

All notices required or permitted under this Agreement will be in writing to the other party to the address specified below and will be deemed given (a) if delivered personally (including by overnight express or messenger), upon delivery, (b) if delivered by first class, registered or certified mail (return receipt requested), upon the earlier of actual delivery or three days after being mailed, or (c) if given by telecopy, upon confirmation of receipt by telephone of automatic transmission report.

- (a) To American Express:
American Express Travel Related Services
Company, Inc.
Travel Group Service Center
20022 North 31st Avenue, Mail Code 203
Phoenix, AZ 85027
Attn.: Corporate Purchasing Card Unit
Facsimile No.: (623) 492-1777
- (b) To the Company:
Maricopa County
Department of Materials Management
Attn: Director of Purchasing
320 West Lincoln Street
Phoenix, Arizona

Either party may change its address by giving notice to the other party in accordance with this Section.

13. ASSIGNMENT

Neither party may assign this Agreement, in whole or in part, without the prior written consent of the other party, provided, however, that without your consent we may assign this Agreement, in whole or in part, to our parent, subsidiaries or affiliates.

14. CONFIDENTIALITY

Each party agrees to preserve the confidentiality of all the terms of this Agreement, including all financial provisions, and any information it has received from the other party in the performance of this Agreement which is not publicly available. You agree that we may use your name in promotional materials and discussions regarding the Corporate Purchasing Card Program. This provision will survive the termination of this Agreement.

15. ACCOUNT INFORMATION

Upon your written request, we agree to forward your account information to a third party data consolidator ("Consolidator") that will process your account information for the purposes of generating reporting on your behalf. You represent and warrant that prior to delivering any such request, you will have entered into a separate agreement with such Consolidator that requires the Consolidator to: (i) maintain the confidentiality of the account information, (ii) implement appropriate security measures to protect the use and maintenance of the account information, and (iii) use the account information only for the purposes of providing reporting to you and not to provide or sell the account information to third parties or use the account information for other internal use, such as marketing.

16. PROGRAM MODIFICATION

We reserve the right to modify the Program in order to comply with changes in applicable law or to effect systematic or other changes, which affect the American Express® Corporate Purchasing Card Program as it is offered to customers generally. We will not make any change to the Program that treats you less favorably than our other customers and we have no right to unilaterally change any provision of this Agreement, including the Exhibits and Appendices hereto.

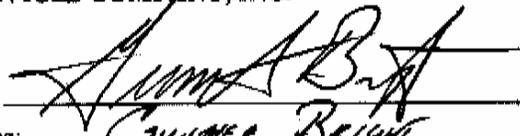
17. GOVERNING LAW

This Agreement will be governed by and construed in accordance with the laws of the State of Arizona without reference to the choice of law doctrine of such state.

18. FINANCIAL ARRANGEMENTS

The financial arrangements between the parties are located in Exhibit A, which is made a part of this Agreement.

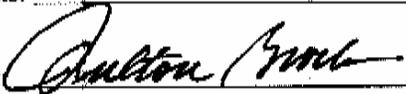
CORPORATE SERVICES, A BUSINESS UNIT OF AMERICAN EXPRESS TRAVEL RELATED SERVICES COMPANY, INC.

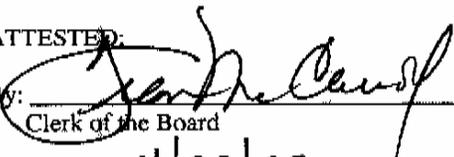
By: 
Name: GUNNER BRIGHT
Title: Senior Vice President
Date: 4/16/03

MARICOPA COUNTY

By: _____
Director, Materials Management

Date: _____

By: 
Chairman, Board of Supervisors
Date: 4/29/03

ATTESTED:
By: 
Clerk of the Board
Date: 4/29/03 021903

APPROVED AS TO FORM:

By: Terry E. Eckhart
Date: 4/29/03

EXHIBIT C

FORM

CORPORATE PURCHASING CARD ACCOUNT AGREEMENT FOR THE UNITED STATES

This Agreement, dated _____, is between **CORPORATE SERVICES, A BUSINESS UNIT OF AMERICAN EXPRESS TRAVEL RELATED SERVICES COMPANY, INC.** (“we,” “us,” “our”, and “American Express”) and _____ (“you”, “your”, and “Company”) and covers your participation in the American Express Corporate Purchasing Card Program (“Program”) for Cards issued in the United States of America.

1. CORPORATE PURCHASING CARD ISSUANCE

Upon prior financial approval, we will establish an American Express Corporate Purchasing Card Account (“Account”) in your name and will issue American Express® Corporate Purchasing Cards (“Corporate Purchasing Cards”) to certain of your employees who are designated by you and who are authorized by you to incur expenses on your behalf (“Employees”) in accordance with this Agreement. You agree that a report about your finances, and the finances of any of your subsidiaries or affiliates for which you request us to establish a Corporate Purchasing Card Account hereunder, may be requested from a credit reporting agency or other agency and reviewed by us in connection with this Agreement. Upon your written request, we will also establish an account in the name of, and issue Corporate Purchasing Cards to certain employees of, your subsidiaries and/or affiliates which are approved by us and which agree in writing to be bound by this Agreement. You represent that you have the authority to execute this Agreement on behalf of each of your subsidiaries and affiliates designated by you to receive Corporate Purchasing Cards hereunder. You further agree to cause each such subsidiary and/or affiliate to comply with this Agreement and you are liable to us for any breach of this Agreement by any such subsidiary and/or affiliate.

We reserve the right to cancel or suspend any Corporate Purchasing Card at any time with or without cause and with or without prior notice. We will issue renewal or replacement Corporate Purchasing Cards, subject to the preceding sentence, until you or the Employee(s) advise us to stop issuance. Notwithstanding the foregoing, we may cancel all inactive Corporate Purchasing Cards prior to card re-issuance or renewal. Inactive cards are defined as Corporate Purchasing Cards with no charge activity for the previous 12-month period.

2. CHARGES

All amounts charged to Corporate Purchasing Cards including, without limitation, purchases, fees, and delinquency assessments are called “Charges”. You are liable for payment to us for all Charges, except for Charges resulting from an unauthorized use of a Corporate Purchasing Card. Unauthorized use means any use of a

Corporate Purchasing Card that does not benefit you and that was incurred by someone who was not your employee or who did not have actual, implied, or apparent authority to use the Corporate Purchasing Card.

You will also notify us if an Employee’s authority to incur Charges on your behalf terminates (due to termination of employment or any other reason). You will use reasonable efforts to collect and dispose of Corporate Purchasing Cards issued to Employees whose authority to incur expenses on your behalf is terminated or whose Corporate Purchasing Card has been canceled. You are liable for payment to us for all Charges incurred from the date an Employee’s authority to incur expenses on your behalf is terminated through the date we receive notification from you of such termination.

3. PROGRAM ADMINISTRATOR(S)

You agree to designate Program Administrator(s) to actively manage the Account on your behalf. You agree and acknowledge that such Program Administrator(s) are authorized by you to act on your behalf with respect to the Account and with respect to any other billing product accounts we may provide to you, and that we may rely on all directions and information we receive from Program Administrator(s) regarding the Accounts or accounts. The Program Administrator(s) responsibilities shall include:

- using American Express® Work @ to conduct maintenance transactions and access reports for your Corporate Purchasing Card Program; and
- promoting awareness and use of Manage Your Card Account to Corporate Purchasing Cardmembers.

We reserve the right to charge a fee for granting a Program Administrator’s request for expedited delivery of Corporate Purchasing Cards.

4. USE OF CORPORATE PURCHASING CARD

You agree that Corporate Purchasing Cards issued hereunder will be used only for the purchase of goods and services on your behalf and in accordance with your policies. You agree to instruct the Employees in writing on your policies concerning the use of the Corporate Purchasing Card, including that Corporate Purchasing Cards may only be used in accordance with your policies and in strict conformity with the Corporate Purchasing Card Terms and Conditions (“Terms & Conditions”) included with each Corporate Purchasing Card issued hereunder. In the event any of the terms and conditions of this Agreement conflict with those of the Corporate Purchasing Card Terms and Conditions, this Agreement will prevail.

5. DEPARTMENT ACCOUNT

The provisions of this Section 5 shall take effect on the date of execution of the Department Account Application ("Application"). By signing the Application, the parties agree to the establishment of Department Account(s) in accordance with the terms and conditions of this Agreement and, except as specifically provided otherwise herein, the terms of this Agreement which are applicable to the Account and/or Corporate Purchasing Cards shall apply to Department Account(s).

5.1. We shall establish Department Account(s) ("Department Account(s)") for the billing of purchases from certain merchants ("Suppliers") that accept payment via Department Accounts.

5.2. You agree to pay us in full for all Charges made to the Department Account(s), including without limitation Charges which result from the unauthorized use or misuse of the Department Account(s) by any person currently or formerly employed by you or any person who at any time was given access to a Department Account number or authorization to use the Department Account by you, not including Suppliers and their employees.

5.3. You warrant and agree that the Department Account(s) established pursuant to this Section 6 will be used only for your business and commercial purposes, and not for personal, family or household purposes.

5.4. Except as otherwise provided by applicable law, we shall not be liable for any act or omission of any Supplier including, without limiting the generality of the foregoing, any defect or deficiency in goods or services.

6. PAYMENT TERMS / SETTLEMENT

You agree to pay all Charges shown on each consolidated monthly statement (the "Consolidated Statement") within 14 calendar days after the Closing Date specified on the applicable Consolidated Statement.

You agree that the payment terms set forth herein supersede any agreement with regard to payment terms established between you and the seller of goods or services or any payment terms that might be imputed to you and the seller under applicable law for goods or services purchased using the Corporate Purchasing Card.

You must pay us in U.S. Dollars by wire transfer, Automated Clearing House ("ACH"), money order, draft or check drawn on a United States bank in the United States. If we accept a payment made in some other form, payment will not be credited to the Account until the payment is converted into one of the forms described above. You agree to pay to us any costs we incur in so converting the payment.

You agree not to deduct or withhold, without our prior approval, any amount shown as due on any Consolidated Statement. If you believe any Charge shown on a Consolidated Statement is in error or in dispute with the seller, you may request, and we may institute and maintain for a reasonable period, a temporary credit on the Account

in the amount of the disputed portion of the Charge while we investigate the error or you seek to resolve the dispute. Acceptance of late payments, partial payments or any payment marked as being payment in full or as being a settlement of a dispute will not affect any of our rights to payment in full.

You agree to mail any check remittance to the remittance address specified below and on the applicable Consolidated Statement. You agree to make any electronic remittances to the bank account and in accordance with the banking information specified below, unless, and until you are notified otherwise in writing by a duly authorized officer of American Express. The current address for payments is as follows:

<u>Check Remittances</u>	<u>ACH Payments</u>
American Express	Bank of Boston
CPC Remittance Processing	Boston, MA
20002 N. 19th Avenue, A-21	ABA Routing Number XXXXXXXXX
Phoenix, AZ 85027-4250	TMS Electronic Payment Account
	Account Number XXXXXXXXXXXXX

Federal Reserve Wire Transfers
 Chase Manhattan Bank
 New York, NY
 ABA Routing Number XXXXXXXXX
 TMS Concentration Account
 Account Number XXXXXXXXXXXXX

7. LATE FEES

If Charges on a Consolidated Statement remain unpaid, we may assess a late fee. The amount of the late fee depends on the length of time the Account has remained unpaid and the address to which your bill is sent. Late fees will accrue as follows, unless prohibited by applicable state law:

- A. If any amount totaling more than \$35.00 is unpaid for thirty (30) days or more from the Closing Date, then the late fee will be the greater of \$29 or 2.75% of all amounts unpaid for at least thirty (30) days; and
- B. If any amount totaling more than \$35.00 is unpaid for sixty (60) days or more from the Closing Date, then there will be an additional late fee of the greater of \$29 or 2.75% of all amounts unpaid for at least thirty (30) days. Late fees will not exceed the maximum allowed by law.

8. PROBLEMS WITH GOODS OR SERVICES

You agree to resolve any disputes concerning goods or services purchased using the Corporate Purchasing Card directly with the seller.

9. CHARGES MADE IN FOREIGN CURRENCIES

If you incur a Charge in a foreign currency, it will be converted into United States dollars on the date it is processed by us or our agents at a rate set by us based on an interbank, tourist or (where required by law) official rate; the amount of such Charge will then be increased by up to 2%. Amounts converted by common carriers, such as airlines, will be billed at rates the carriers use.

10. TERMINATION

~~Either party may terminate this Agreement at any time by providing thirty (30) days prior written notice to the other party. This Agreement will continue to apply to Charges incurred prior to its termination.~~

~~Either party may terminate this Agreement effective immediately on the occurrence of any of the following: (1) the liquidation or dissolution of the other party, (2) the insolvency of the other party or the filing of bankruptcy proceedings or similar proceeding with respect to the business of the other party, or (3) any material adverse change in the financial condition of the other party.~~

11. ACCESS TO INFORMATION

~~We may compile and convey to you certain information provided to us by the sellers of goods and services you purchased using the Corporate Purchasing Card, such as, for example, a seller's tax identification number and SIC number and the seller's status as a minority-owned or woman-owned business. We do not guaranty the accuracy of any such information and, by conveying such information to you, do not undertake to perform on your behalf any reporting, compliance or other obligation or requirement applicable to you pursuant to any law, regulation, executive order or court order.~~

12. NOTICES

~~All notices required or permitted under this Agreement will be in writing to the other party to the address specified below and will be deemed given (a) if delivered personally (including by overnight express or messenger), upon delivery, (b) if delivered by first class, registered or certified mail (return receipt requested), upon the earlier of actual delivery or three days after being mailed, or (c) if given by telecopy, upon confirmation of receipt by telephone of automatic transmission report.~~

~~(a) To American Express:
American Express Travel Related Services
Company, Inc.
Travel Group Service Center
20022 North 31st Avenue, Mail Code 203
Phoenix, AZ 85027
Attn.: Corporate Purchasing Card Unit
Facsimile No.: (623) 492-1777~~

~~(b) To the Company:
Client Name:
Address
City, State Zip Code
Attn:
Facsimile No.:~~

~~Either party may change its address by giving notice to the other party in accordance with this Section.~~

13. ASSIGNMENT

~~Neither party may assign this Agreement, in whole or in part, without the prior written consent of the other party, provided, however, that without your consent we may assign this Agreement, in whole or in part, to our parent, subsidiaries or affiliates.~~

14. CONFIDENTIALITY

~~Each party agrees to preserve the confidentiality of all the terms of this Agreement, including all financial provisions, and any information it has received from the other party in the performance of this Agreement, which is not publicly available. You agree that we may use your name in promotional materials and discussions regarding the Corporate Purchasing Card Program. This provision will survive the termination of this Agreement.~~

15. ACCOUNT INFORMATION

~~Upon your written request, we agree to forward your account information to a third party data consolidator ("Consolidator") that will process your account information for the purposes of generating reporting on your behalf. You represent and warrant that prior to delivering any such request, you will have entered into a separate agreement with such Consolidator that requires the Consolidator to: (i) maintain the confidentiality of the account information, (ii) implement appropriate security measures to protect the use and maintenance of the account information, and (iii) use the account information only for the purposes of providing reporting to you and not to provide or sell the account information to third parties or use the account information for other internal use, such as marketing.~~

16. PROGRAM MODIFICATION

~~We reserve the right to modify the Program in order to comply with changes in applicable law or to effect systematic or other changes, which affect the American Express® Corporate Purchasing Card Program as it is offered to customers generally. We will not make any change to the Program that treats you less favorably than our other customers and we have no right to unilaterally change any provision of this Agreement, including the Exhibits and Appendices hereto.~~

~~17. FINANCIAL ARRANGEMENTS~~

~~The financial arrangements between the parties are located in Exhibit A, which is made a part of this Agreement.~~

~~CORPORATE SERVICES, A BUSINESS UNIT OF
AMERICAN EXPRESS TRAVEL RELATED
SERVICES COMPANY, INC.~~

~~By: _____~~

~~Name:~~

~~Title: Vice President & General Manager~~

~~Date:~~

~~COMPANY~~

~~By: _____~~

~~Name:~~

~~Title:~~

~~Date:~~

EXHIBIT C

Letter of Acknowledgement

WHEREAS, _____ is a Participating Agency of the US Communities (USC) Government Purchasing Alliance Intergovernmental Agreement, and;

WHEREAS, American Express Travel Related Services Company, Inc. (“American Express”) has executed an Administration Agreement for Procurement Card Services pursuant to Maricopa County Request for Proposal Number 02059 with the US Communities Government Purchasing Alliance; and

WHEREAS, _____ desires to subscribe to the Maricopa County/USC Contract for Procurement Card Services Number 02059-RFP AERTS (the “Agreement”), appended hereto, and amendments as may time-to time be issued, and to abide by all terms and conditions, including the Financial Incentives set forth in Exhibit A, as if _____ had signed the Agreement itself; and

WHEREAS, American Express desires to provide Procurement Card services to _____ in accordance with said Agreement;

NOW, THEREFORE, the parties agree as follows:

Terms and Conditions of the Agreement

_____ agrees to abide by all terms and conditions of the Agreement, including the Financial Incentives set forth in Exhibit A, as if _____ had signed the Agreement itself. _____ acknowledges and agrees that the Certificate of Insurance requirement set forth in Section 4.1.3.1 shall only apply to Maricopa County and that any Notices to be provided pursuant to Section 12 of the Agreement shall be provided to Maricopa County.

Except as specifically set forth above, the terms and conditions of the Maricopa County Contract/Master Agreement Number 02059-RFP AERTS shall remain unchanged. _____ and American Express duly executed this Letter of Acknowledgement by and on their behalf by their duly authorized representatives. The Effective Date shall be the date of last authorized signature.

<p>Signatory is a duly authorized representative of:</p> <p>CORPORATE SERVICES, A BUSINESS UNIT OF AMERICAN EXPRESS TRAVEL RELATED SERVICES COMPANY, INC.</p> <p>By: _____</p> <p>Name: Gunther Bright</p> <p>Title: Senior Vice President</p> <p>Date:</p>	<p>Signatory is a duly authorized representative of:</p> <p>By: _____</p> <p>Name:</p> <p>Title:</p> <p>Date:</p>
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AMERICAN EXPRESS, 1400 ELM AVENUE, MANHATTAN BEACH, CA 90266
TRAVEL RELATED SERVICES CO INC., 20022 N 31ST AVENUE MAIL CODE 203, PHOENIX, AZ 85027

PRICING SHEET P06 16 04 B0605938

Terms: NET 30

Vendor Number: **W000005311 X**

Telephone Number: ~~602/492-8100~~ **877/264-3302**

Fax Number: ~~623/492-1777~~ **877/264-3302**

Contact Person: Chris Ryan

E-Mail: Chris.X.Ryan@aexp.com

Certificates of Insurance Required

Contract Period: To cover the period ending **February 28, 2008 2013.**