SERIAL 07122 IGA AMERICAN EXPRESS CARD PROCESSING SERVICES

DATE OF LAST REVISION: April 01, 2005 **CONTRACT END DATE: Good Until Cancelled by the Arizona State**

CONTRACT PERIOD BEGINNING APRIL 01, 2005
ENDING GOOD UNTIL CANCELLED BY THE ARIZONA STATE

TO: All Departments

FROM: Department of Materials Management

SUBJECT: Contract for **AMERICAN EXPRESS CARD PROCESSING SERVICES**

Attached to this letter is a listing of vendors available to Maricopa County Agencies utilizing the Arizona State Procurement Office Contract AD######. The using agency and other interested parties may access and electronic version of this contract from the Materials Management Web site at:
http://www.maricopa.gov/materials/Awarded_Contracts/search.asp.

Please note: Price Agreement Purchase Orders (PG documents) may be generated using the information from this list. Use NIGP CODE .

All purchases of product(s) listed on the attached pages of this letter are to be obtained from the listed contractor(s).

AGREEMENT FOR AMERICAN EXPRESS ® CARD ACCEPTANCE
STATE OF ARIZONA

This agreement (*Agreement*) applies to your acceptance of American Express® Cards. The words *we*, *our*, and **AMERICAN EXPRESS** mean **AMERICAN EXPRESS TRAVEL RELATED SERVICES COMPANY, INC.** *You*, *your* and *State* mean the **STATE OF ARIZONA** and its subsidiaries, affiliates and licenses which accept the card. *American Express Card* or *Card* shall mean any card or other account access device issued by American Express Travel Related Services Company, Inc., or its subsidiaries or affiliates or its or their licensees, bearing the American Express name or an American Express trademark, service mark or logo. *Cardmember* means the person whose name is embossed on the face of the card. Payments or purchases made with the Card are *Charges*.

You agree to accept the Card under the terms of this Agreement at all of the State of Arizona government departments or agencies listed in Exhibit A and political subdivisions (i.e., colleges, school districts, counties, cities, etc. listed in Exhibit B (which may be modified, changed or amended from time to time) in the United States, the U.S. Virgin Islands and Puerto Rico in payment for all goods and services sold (except as noted below). This includes payments or purchases made in person, by telephone, by mail, via the Internet or by any other method. Each location, web site, online network and any other method of conducting sales is a *Location*. Participation under this Agreement by political subdivisions (i.e., colleges, school districts, counties, cities, etc.) will be determined by each such political subdivision. Exhibits A and B can be amended through use of the State of Arizona participation forms, examples of which are attached as Exhibits C and D.

CARD ACCEPTANCE PROCEDURES

Procedures for Card Acceptance are set forth below. Any change in these procedures shall be by thirty (30) days' written notice and is subject to review and agreement by the State Treasurer. If such agreement is not forthcoming, American Express can terminate this Agreement.

Charge Records

For every Charge you agree to create either a paper record of Charge or an electronically reproducible record of Charge (*Charge Record*) containing: 1) the Card account number and expiration date via an imprinter, Card swipe device or data entry device; 2) the date the Charge was incurred; 3) the amount of the Charge, which must be the total amount of the payments or purchases on the Card plus applicable taxes; 4) the Authorization approval code number; 5) A predetermined mutually acceptable description of the goods or services purchased; 6) an imprint or other registration of your name, address, location number and/or store number; 7) the Cardmember's signature if presented in person; and, 8) the words "No Refunds" if you have a No Refund policy.

Card Present Charges

For Charges made in person, you agree to:

- Create a Charge Record as described above and verifies that the Cardmember's signature on the Charge Record reasonably matches the signature on the back of the Card;
- Verify that the Card is not visibly altered or mutilated;
- Ensure that the Card is being used within the valid dates shown on the face of the Card;
- Verify that the Card is signed in the same name as the name embossed on the front of the Card;
- Obtain Authorization as described below.

Card Not Present Charges

For charges where the Card is not present, such as Charges made by mail, telephone, Internet Order (as defined below) or at unattended Locations, you agree to:

- Create a Charge Record as described above, except with the words "Mail Order," "Internet Order," "Telephone Order" or "Signature on File," as applicable, on the Cardmember signature line; and
- Obtain Authorization as described below.

For the purpose of this Agreement, the term *Internet* shall include online services, worldwide web and other similar networks. An *Internet Order* occurs when Card payment information is taken online, usually via a web site payment page, e-mail or other online networks for payment for goods or services. Transactions where the goods or services are ordered online and electronically delivered online (e.g., images) are referred to as *Internet Electronic Delivery Transactions.*

In the event that a dispute arises involving a Card Not Present Charge that is an Internet Electronic Delivery Transaction, Full Recourse will be exercised immediately without first sending you an inquiry.

If the Cardmember denies making or authorizing a Card Not Present Charge for goods or services, and you have not obtained the Cardmember's signature for such Charge, we will have Full Recourse for such Charge. We will not have Full Recourse for such Charge based upon a claim that the goods or services were not received if you have: 1) verified that the address to which the goods or service were shipped is the Cardmember's billing address; and, 2) obtained a signed receipt verifying the delivery of the goods or services to the Cardmember at such address.

Automated Address Verification

Automated Address Verification *(AAV)* is a service that compares your customer's address with the Cardmember's billing address. This service is available solely for American Express Card transactions and is most useful in the Mail Order, Internet Order and telephone Order environments. If you desire to utilize AAV you must notify us and conform to our specifications as defined in our Credit Authorization Guide. You understand and acknowledge that AAV is merely intended as an additional method by which you may reduce the amount of fraudulent Charges incurred at your Location(s).

Authorization

You agree to obtain an authorization approval code number from us *(Authorization)* for all Charges regardless of amount and except as otherwise expressly provided herein. Each Authorization request must be for the total purchase price of the goods or services purchased plus applicable taxes. Authorization is not a guarantee that we will accept the Charge without Full Recourse, nor is it a guarantee that the person making the Charge is the Cardmember. You agree not to obtain

Authorization on behalf of any other entity except those entities listed on Exhibits A and B or that has signed Exhibit C or D.

If you are processing Card Present Charges electronically, you must transmit full magnetic stripe data with your Authorization request via a swipe of the Card through your electronic authorization terminal. If the magnetic strip is unreadable and you have to key the transaction to obtain an Authorization, you must make a manual imprint of the Card to validate Card presence. If you fail to take a manual imprint for any keyed transaction we will have Full Recourse for such Charge.

If your electronic authorization terminal is unable to reach our computer authorization system for Authorization, you agree to obtain Authorization for all Charges by calling us at our Authorization telephone number. You shall be charged sixty-five cents ($0.65) for each Charge for which you request Authorization by telephone unless such failure to obtain Authorization electronically is due to our computer authorization system being unavailable or inoperable.

For Charges for goods or services which are shipped or provided more than thirty (30) days after the order is made, you agree to obtain Authorization for such Charge at the time the order is made and again immediately before you ship the goods or provide the services to the Cardmember.

Credits

When you give a refund for a purchase made with a Card, you must credit that Card account (*Credit*). You must create a record of Credit (*Credit Record*) and submit the Credit to us within seven (7) days of determining that the Credit is due. We will deduct the full amount of the Credit, minus the applicable Discount, from your payment. If we are unable to deduct such amount, you must pay us promptly upon receive of our invoice. You agree to issue Credits only for Charges made with the Card. You agree not to give cash refunds for goods or service purchased with the Card.

Refunds

Your refund policy for purchases made with the Card must be at least as favorable as your refund policy for purchases made any other form of payment. You agree to disclose your refund policy to Cardmembers at the time of the purchase and in a manner that complies with applicable law.

Submission and Acceptance of Charges and Credits

You agree to submit all charges to us within seven (7) days of the date they are incurred, provided, however, that you agree not to submit any Charge until the goods or services purchased have been delivered to the Cardmember.

However, provided that you have clearly disclosed your intentions to the Cardmember and the Cardmember agrees, you may submit the following types of Charges to us before you deliver the goods or services purchased to the Cardmember: 1) Charges representing deposits on (i) custom and/or special orders (provided that in doing so you are in compliance with applicable law) and (ii) mail orders for items not in inventory at the time the order is placed; and 2) Charges representing advance, partial or full payment for items the Cardmember requests you to deliver at a later date.

If a Cardmember disputes any of these Charges, we will have the right to Full Recourse for such Charge. You also agree not to submit Charges or Credits on behalf of any other entity except those entities listed on Exhibits A and B or that have signed Exhibit C or D. You agree to submit Credits as described above in "Credits." Charges and Credits will be deemed accepted on a given business day if received and processed before our close of business for that day at the location we designate.

You warrant that all indebtedness arising from Charges that you submit is genuine and free of any liens, claims or encumbrances. You acknowledge that you have no right to bill and/or collect from any Cardmember for any purchase made with the Card unless we have exercised Full Recourse and you otherwise have the legal right to do so.

When you submit Charges and Credits electronically (*Charge Data*), you agree to do so over communications lines (*Transmission*). Even if you transmit Charge Data electronically you agree to still create and retain Charge Records and Credit Records.

Transmissions must comply with the specifications we provide and must contain information required by us, including but not limited to the Location number we assign to you and a mutually agreeable description of the goods or services purchased. At our request you agree to place additional, less or differently formatted information on transmissions within thirty (30) days written notice from us. We are not obligated to accept any Transmission that does not comply with our requirements.

Processors

You may retain, at your expense, a third party approved by us (*Processor*) for obtaining Authorizations and/or submitting Charge Data. You are solely responsible for any errors, omissions, delays or expenses caused by your Processor. You agree to provide us with all relevant information we request about your Processor and you agree to notify us promptly in writing if you change your Processor.

Recurring Billing Charges

If you offer automatic recurring billing for a series of separate purchases, Cardmembers must sign a consent form (*Consent Form*) authorizing you to charge their Card accounts for the same or different amounts at different or specified times (*Recurring Billing Charges*). You agree to obtain Consent Form before submitting the first Recurring Billing Charge. The Consent Form must include the Cardmember's name, Card account number and signature and a statement that the Cardmember may cancel the Consent Form at any time. You agree to retain Consent Forms for twenty-four (24) months from the date you submit the last Recurring Billing Charge. Before submitting each Recurring Billing Charge, you must obtain Authorization and complete a Charge Record except with the words "Signature on File" on the Cardmember signature line.

Document Retention

For each Charge and Credit, you agree to retain the original Charge Record or Credit Record (as applicable) and all document evidencing such transaction or reproducible records thereof, for twenty-four (24) months from the later of the date (i) you submitted the Charge or the Credit to us or (ii) you have fully delivered the goods or provided the services purchased. You agree to provide a copy of the Charge Record or Credit Record and other supporting documents to us within twenty (20) calendar days of our request and you acknowledge that we will have Full Recourse with respect to any Charge for which you fail to provide such documents within such time period.

Honoring Cards

You agree to honor Cards properly presented in accordance with this Agreement. When a customer asks what payment method you accept, you agree to mention the American Express Card as a

payment option. When a Cardmember makes or requests to make a purchase with the Card, you agree not to (i) try, in any way, to persuade the Cardmember to use any other payment method; (ii) offer to extend credit or charge services to the Cardmember for that transaction through your own or any other charge, credit, debit, or smart cards or similar card or service; (iii) criticize or mischaracterize the Card or any service or programs offered in connection with the Card; or, (iv) impose any restrictions or conditions on the use or acceptance of the Card that are not imposed equally on the use or acceptance of any other charge, credit, debit or similar card or service. You agree not to display, state, publish or otherwise exhibit a preference for any other charge, credit, debit or smart cards or similar card or service over the Card. Except for special promotions of limited duration funded by an issuer of another charge, credit or debit card, and subject to your compliance with the immediately preceding sentence, you agree not to promote the use of any other charge, credit debit or smart card or similar card or service (except for your own card which is issued solely by you and is usable only at your Locations) more actively than you promote the use of the Card.

If you display icons, signs, decals for other charge, credit, debit or smart cards or similar cards or service, you agree to display American Express icons, signs, decals and other identification as prominently and in the same manner as for other charge, credit, debit and/or smart cards and/or similar cards or services at your Locations.

When you display, mention or otherwise exhibit payment methods that you accept on your web site payment page, via email, or other online network location, you agree to display, mention or otherwise exhibit the American Express Card logo or icon as prominently and in the same manner as for other charge, credit, debit and/or smart cards and/or similar cards or services. Whenever and wherever you indicate payment methods you accept for goods or services, including but not limited to advertisements, direct mail, audio messages, and web sites, you shall display the American Express name, logo and other similar identification only as prominently as you display such identification for other charges, credit, debit and/or smart cards and/or similar card or service.

PAYMENT

We will pay you in United States dollars for the face amount of Charges you submit, minus: 1) any amounts you owe us; 2) any Credits you issue; and, 3) any amounts for which we have Full Recourse. You have elected to be paid in three (3) business days and you have elected the monthly gross payment option (*Monthly*). With the Monthly option, the Discount will not be deducted from the face amount of the Charges you submit. Instead, after each month, we will debit your Account for the aggregate Discount with respect to all of that month's Charges. In order to remain eligible for this option, you must: 1) submit all Charges to us electronically; 2) receive all payments electronically via ACH; and, 3) be paid on the Basic Payment Plan. We will send payment to you in accordance with the payment plan you select. Locations located in Canada must submit Charges in Canadian Dollars and will be paid in Canadian Dollars. You may not receive payment on behalf of any other entity except those entities listed on Exhibits A or B or that has signed Exhibit C or D.

Discount Rate

The Discount is the amount we charge you for accepting the Card. The initial Discount rate is 2.25%. Effective every April 1st (beginning after your first full calendar year of Card acceptance) we may adjust the Discount rate. We further have the right to adjust the Discount rate at any time upon thirty (30) days written notice to you.

Payment Method

Under the Electronic Pay program (*Electronic Pay*), funds are sent electronically via the Automated Clearing House of the Federal Reserve System (*ACH*). You must designate a demand deposit account (*Account*) at a domestic bank (*Bank*) that participates in ACH. You must also provide to us the required information about your Account and your Bank and you must notify your Bank that we may have access to the Account to make payments. American Express will initiate payment to your Account via ACH within three (3) calendar days (excluding Sunday and any Federal Reserve holiday) after we receive and process your charges. You may elect to be paid in fifteen (15) or thirty (30) calendar days by indicating your choice on the signature page of this Agreement. If your payment

date falls on a day that our bank is not open for processing ACH payments, we will initiate payment on the next day that our bank is open for processing ACH payments. We will not be responsible for any obligations, damages or liabilities over and above the amount of the applicable debit, credit or adjustment to your Account in the event that any such debit, credit or adjustment is not honored by your Bank or is improperly applied to your Account. If you request payment by check, we will charge a processing fee of ninety-five cents ($0.95) per check.

FULL RECOURSE

Full Recourse means that we have the right to payment from you for the full amount of each Charge subject to such right. You shall pay us promptly upon receipt of our invoice. We have the right to deduct, recoup and offset such amount from payments to you if any invoice remains unpaid. We shall have Full Recourse if you do not comply with the terms of this Agreement with respect to a Charge(s), even if we had notice when we paid you for the Charge(s) that you did not so comply and even if you obtained Authorization for the Charge(s) in question. We will also have Full Recourse as provided elsewhere in this Agreement.

DISPUTED CHARGES

If (i) we contact you regarding a claim, complaint, or question about any Charge (*Disputed Charge*) or (ii) we determine that we have sufficient information to resolve the Disputed Charge in favor of the Cardmember, and prior to contacting you, exercise our right to Full Recourse, then in either case (i) or (ii) above, you shall have up to twenty (20) calendar days after we contact you or exercise our right to Full Recourse to provide a written response to us. We will have Full Recourse for the amount of each such Disputed Charge or retain our previous decision to exercise Full Recourse for that Disputed Charge, if by the end of that time period, you have not provided us with a written substantive response to our inquiry that addresses all aspects of the Cardmember's claim, complaint or question and includes all documentation you do have or should have relating to the Disputed Charge which enables us to resolve the dispute.

If a Cardmember, despite your reply, continues to withhold payment for such Disputed Charge, we will make a final determination whether the Disputed Charge should be resolved in favor of the Cardmember or you.

You shall respond to us in writing within twenty (20) calendar days after we contact you. We will have Full Recourse for the amount of each such Disputed Charge if, by the end of that time period, you have not provided us with a written response to our inquiry that addresses all the aspects of the Cardmember's claim and includes all documentation you do have or should have relating to the Disputed Charge which enables us to resolve the dispute.

If a Cardmember, despite your reply, continues to withhold payment for such Disputed Charge and the Cardmember has the right under applicable law to withhold such payment, we will have Full Recourse for such Charge.

PROHIBITED TRANSACTIONS

You agree not to accept the Card for: damages, losses or any other costs or fees that are beyond the normal basic fee for the goods or services provided (plus applicable taxes); gambling credits (including but not limited to online gambling); cash; sales made under a different trade name, business affiliation and/or industry than indicated on the signature page hereof; sales by third parties; amounts which do not represent a *bona fide* sale of goods or services at your Location; illegal business transactions; or any transaction prohibited under Arizona law.

CONFIDENTIALITY

Each party shall keep confidential and not disclose to any third party the terms of this Agreement and any information it derives from the other party that is not publicly available pursuant to Arizona Public Records Laws (A.R.S. § 39-121, et al).

You agree that the names, addresses and account numbers are our sole and exclusive property. You must not use or disclose any Cardmember's name, address or account number with the association or identification as (1) an American Express Cardmember, or (2) for purposes of your or any other

party soliciting such Cardmember for any other charge, credit, debit or smart card or similar card or service, except as provided in this Agreement; provided however, that the State disclose such information if compelled by judicial or regulatory order, or as may be required pursuant to the Arizona Public Records Act (A.R.S. § 39-121, et al).

TRADEMARKS AND SERVICE MARKS

This Agreement does not give either party any rights in the other party's name, logo, service marks, trademarks, trade names, taglines or any other proprietary designation (*Marks*). No use may be made of either party's Marks without the prior written permission of that party. Where you mention the Card as a payment method you agree to use our marks, but only as described in our logo sheets. You agree that we may list the name and address of you and your Location(s), including but not limited to your web site address, in materials containing lists of Locations which accept the Card which we may publish from time to time.

NOTICES

Unless otherwise notified,
you will send all notices to:

Amrican Express Travel Related
Services Company, Inc.
1661 East Camelback
Phoenix, Arizona 85016
Attn: SE Maintenance Unit

Notices will be sent to you at:

State Treasurer's Office
Attn: Deputy State Treasurer
1700 West Washington Avenue
Phoenix, Arizona 85007

RISK AND LIABILITY

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

B. General Indemnification. To the extent permitted by law, the State of Arizona shall be indemnified and held harmless by the Contractor for its vicarious liability as a result of entering into this Contract. Each party to this Contract is responsible for its own negligence.

C. Indemnification - Patent and Copyright. To the extent permitted by law, the Contractor shall indemnify and hold harmless the State against any liability, including costs and expenses, for infringement of any patent, trademark or copyright arising out of Contract performance or use by the State of materials furnished or work performed under this Contract. The State shall reasonably notify the Contractor of any claim for which it may be liable under this paragraph.

D. Force Majeure.

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

2. Force Majeure shall not include the following occurrences:

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

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

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

3. If either party is delayed at any time in the progress of the work by force majeure, the delayed party shall notify the other party in writing of such delay, as soon as is practicable and shall specify the causes of such delay in such notice. Such notice shall be delivered or mailed certified-return receipt and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The time of completion shall be extended by Contract Amendment for a period of time equal to the time that results or effects of such delay prevent the delayed party from performing in accordance with this Contract.

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

TERMINATION

The Agreement will commence on the Effective Date and continue for a period of three (3) years (*Initial Term).* After the Initial Term, this Agreement may, at the discretion of the State Treasurer be extended for a maximum of three (3) one (1) year periods.

In the event that you display, state, publish or otherwise exhibit a preference for any other charge, credit, debit or smart card or similar card or service over the Card, and in addition to any and all other nights and remedies we may have under this Agreement and/or in law or equity, we shall have the right to immediately terminate this Agreement upon our sending written notice of such termination to you.

You agree that this Agreement is a contract to extend financial accommodations and that if bankruptcy proceedings or similar proceedings are filed with respect to your government entity, this Agreement is automatically terminated. If you cease or adversely alter your operations, or if you sell all or substantially all of your assets or stock, or if you become insolvent, or if we receive a disproportionate number of Cardmember inquiries or complaints relating to Charges at your Locations, or if we have reasonable cause to believe that you will not be able to perform all your obligations under this Agreement, we may, in our discretion, immediately terminate this Agreement. You must notify us immediately if any of the above events occur.

Upon termination, you must: 1) remove all American Express identification and return our materials and equipment immediately; 2) submit any Charges incurred prior to the termination in accordance with this Agreement; and, 3) submit any Credits relating to these Charges in accordance with this Agreement. Our rights under the sections entitled "Full Recourse," "Disputed Charges," "Confidentiality," "Risk and Liability," and "Termination" shall survive termination of this Agreement.

COMPLIANCE WITH LAWS

The headings in this Agreement are for purposes of reference only and shall not in any way limit or affect the meaning or interpretation of any of the provisions of this Agreement.

ASSIGNMENT

Either party may assign this Agreement to its respective parent corporation and/or any of its respective subsidiaries or affiliates, which entity is engaged in the same business at the time of such assignment as the assigning party is engaged in as of the Effective Date hereof and which is fully capable of performing all the assigning party's financial and business obligations hereunder.

NO WAIVER

Failure to enforce any term or condition of this Agreement shall not be a waiver of the right to later enforce such term or condition or any other term or condition of this Agreement.

CHANGING THIS AGREEMENT

Any change(s) to this Agreement must be in writing and must be duly signed by both parties.

ENTIRE AGREEMENT

This Agreement including Addendum No. 1 is the entire agreement with respect to the subject matter hereof and supersedes any previous agreement with respect to the subject matter hereof.

AUTHORITY TO SIGN

Each party represents that the individual who signs this Agreement has authority to do so and to bind it to the terms and conditions of this Agreement. You further represent that you are authorized to sign and enter into this Agreement on behalf of your subsidiaries, affiliates and licensees that accept the Card.

STATE OF ARIZONA

By: _____
Carol Springer
State Treasurer

AMERICAN EXPRESS TRAVEL RELATED SERVICES COMPANY, INC.

By: _____
Stephen J. Squeri
President, Canada & U.S.
Establishment Services

EXHIBIT A

STATE OF ARIZONA PARTICIPATING GOVERMENT DEPARTMENTS AND AGENCIES

NAME	ADDRESS

EXHIBIT B

STATE OF ARIZONA PARTICIPATING POLITICAL SUBDIVISIONS

NAME	ADDRESS

EXHIBIT C

AGENCY PARTICIPATION AGREEMENT
FOR AMERICAN EXPRESS CARD ACCEPTANCE

This instrument (the "Agency Participation Agreement") is between **AMERICAN EXPRESS TRAVEL RELATED SERVICES COMPANY, INC.**, ("we", "us" or "our"), and the **STATE OF ARIZONA** _____.
(Name of government department or agency)

For good and valuable consideration, receipt of which is hereby acknowledge, you and we agree as follows:

1. The terms and conditions of the Agreement for American Express Card Acceptance (the "Master Agreement") between the State of Arizona and us shall be incorporated herein by this reference as if fully set forth herein.

2. All terms used herein shall have the same meaning as in the Master Agreement, unless specified to the contrary.

3. For purposes of this Agency Participation Agreement, the terms "you" and "your" under the Master Agreement shall mean the State of Arizona _____
(Name of government department or agency)
_____.

4. You agree to accept the Card under the terms of the Master Agreement, at a minimum, at all your locations where you accept any other charge, debit or credit car payment methods in payment for all goods and services sold (except as noted in the Master Agreement). In addition, we agree to forward this agreement to the State Treasurer's Office for the necessary approvals prior to entering into this Agency Participation Agreement.

5. Notwithstanding anything to the contrary contained herein, this Agency Participation Agreement shall continue in effect for so long as the Master Agreement is in full force and effect. If

the Master Agreement terminates for any reason, this Agency Participation Agreement shall also immediately terminate without further notice. Either party may terminate this Agency Participation Agreement at any time upon sixty (60) days prior written notice.

6. All terms and conditions of the Master Agreement shall remain unchanged and in full force and effect.

State Agency	State Treasurer
Date	Date

EXHIBIT D

POLITICAL SUBDIVISION PARTICIPATION AGREEMENT FOR AMERICAN EXPRESS CARD ACCEPTANCE

This instrument (the "Political Subdivision Participation Agreement") is between AMERICAN EXPRESS TRAVEL RELATED SERVICES COMPANY, INC., ("we", "us" or "our"), and the STATE OF ARIZONA _____.
(Name of political subdivision)

For good and valuable consideration, receipt of which is hereby acknowledge, you and we agree as follows:

2. The terms and conditions of the Agreement for American Express Card Acceptance (the "Master Agreement") between the State of Arizona and us shall be incorporated herein by this reference as if fully set forth herein.

2. All terms used herein shall have the same meaning as in the Master Agreement, unless specified to the contrary.

3. For purposes of this Political Subdivision Participation Agreement, the terms "you" and "your" under the Master Agreement shall mean the State of Arizona _____

_____.
(Name of political subdivision)

4. You agree to accept the Card under the terms of the Master Agreement, at a minimum, at all your locations where you accept any other charge, debit or credit car payment methods in payment for all goods and services sold (except as noted in the Master Agreement).

5. Notwithstanding anything to the contrary contained herein, this Political Subdivision Participation Agreement shall continue in effect for so long as the Master Agreement is in full force and effect. If the Master Agreement terminates for any reason, this Agency Participation Agreement

shall also immediately terminate without further notice. Either party may terminate this Political Subdivision Participation Agreement at any time upon sixty (60) days prior written notice.

6. All terms and conditions of the Master Agreement shall remain unchanged and in full force and effect.

_____

Political Subdivision

_____

Date

STATE OF ARIZONA ENTITY FORM
EXHIBIT E

Name: _____

Main Address: _____

Primary Contact Name: _____ **Phone Number:** _____

Signature: _____

Processor/Terminal Provider Name: _____

Contact Name: _____ Phone Number: _____

Banking Information:

Depository (ACH) Account for American Express deposits:

ABA No. _____ DDA No. _____

Banking Contact: _____ Phone Number: _____

Payment Information

_____ Gross Pay-Director Deposit of Account (following month) _____ Net Pay

Reporting Information

How often would you like to receive reports from American Express (please circle)?

Daily Weekly Monthly

Report Recipient: _____

Address: _____

Phone Number: _____

Would you like information on PC/Internet/Electronic reporting options? Yes No

Supply Information: Send POP (decals and plaques):

_____ Directly to Locations _____ To Address Above

Please fax the completed forms to Lynn B. Grubb, American Express, NBP, Government Services, (800) 404-7562; telephone number (800) 404-7562. Receipt of fax will be verified.

STATE OF ARIZONA ENTITY FORM
EXHIBIT E

Name: _____

Main Address: _____

Primary Contact Name: _____ Phone Number: _____

Locations (areas and addressed where American Express will be accepted):[1]

Area of Acceptance/DBA	Address	Area's Gross Revenue or Credit Card Revenue
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8		
9.		
10.		

Please fax the completed forms to Lynn B. Grubb, American Express, NBP, Government Services, (800) 404-7562; telephone number (800) 404-7562. Receipt of fax will be verified.

[1] Please attach additional pages, if more space is needed to list locations)

ADDENDUM NO. 1

This Addendum No. 1 amends the Contract between **AMERICAN EXPRESS** and **THE STATE OF ARIZONA**, dated _____, 2001. The terms and conditions set forth in this Addendum No. 1 shall be a part of said Contract and shall govern in the event of any conflict with the terms and conditions of said Contract.

I. Non-Availability of Funds

Every payment obligation of the State under this Contract is conditioned upon the availability of funds appropriated or allocated for the payment of such obligation. If funds are not allocated and available for the continuance of this Contract, this Contract may be terminated by the State at the end of the period for which funds are available. No liability shall accrue to the State in the event this provision is exercised, and the State shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.

II. Audit of Records

Pursuant to A.R.S. § 35-214, the Contractor shall retain and shall contractually require each subcontractor to retain all data, books and other records ("records") relating to this Contract for a period of five years after completion of the Contract. All records shall be subject to inspection and audit by the State at reasonable times. Upon request, the Contractor shall produce the original of any or all such records.

III. Cancellation for Conflict of Interest

Pursuant to A.R.S. § 38-511, the state, its political subdivisions or any department or agency of either may, within three years after its execution, cancel any contract, without penalty or further obligation, made by the state, its political subdivisions, or any of the departments or agencies of either if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the state, its political subdivisions or any of the departments or agencies of either 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 a consultant to any other party of the contract with respect to the subject matter of the contract. A cancellation made pursuant to this provision shall be effective when the Contractor receives written notice of the cancellation unless the notice specifies a later time.

IV. Non-Discrimination

The Contractor shall comply with all applicable Federal employment laws, rules, and regulations, including the Americans with Disabilities Act. The Contractor shall take affirmative action to ensure that applicants for employment and employees are not discriminated against due to race, creed, color, religion, sex, national origin or disability.

V. Third Party Antitrust Violations

The Contractor assigns to the State any claim for overcharges resulting from antitrust violations to the extent that such violations concern materials or services supplied by third parties to the Contractor toward fulfillment of this Contract.

VI. Applicable Law

This Contract shall be governed and interpreted by the laws of the State of Arizona, including the Arizona Procurement Code (A.R.S. §§ 41-2501, *et seq.*) and the administrative rules promulgated thereunder (A.A.C. R2-7-901, *et seq.*)

VII. Arbitration

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

STATE OF ARIZONA

By: _____
Carol Springer
State Treasurer

AMERICAN EXPRESS TRAVEL RELATED SERVICES COMPANY, INC.

By: _____
Stephen J. Squeri
President, Canada & U.S.
Establishment Services