



Board of Public Works and Safety

Agenda Item

Cover Sheet

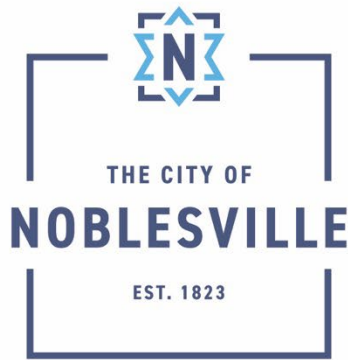
MEETING DATE: March 12, 2024

- Consent Agenda Item
- New Item for Discussion
- Previously Discussed Item
- Miscellaneous

ITEM #: 8

INITIATED BY: Caitlin Moss

- Information Attached
- Bring Paperwork from Previous Meeting
- Verbal
- No Paperwork at Time of Packets



TO: Members of the Board of Public Works and Safety
FROM: Caitlin Moss, Deputy Controller
SUBJECT: JP Morgan Chase N.A. Commercial Card Agreement
DATE: March 12, 2024

I recommend the Board of Public Works approve the attached new agreement with a current vendor for an existing service to the City.

The City currently holds a credit card account that is administered by JP Morgan Chase N.A., under which various employees of the City, in accordance with §30.08, are issued credit cards to make purchases on behalf of the City. The City benefits from this agreement through efficiency in purchasing and a rebate earned on purchases. In 2023, the City received a rebate of \$8,392 based on its purchases during the 2022 calendar year.

The current agreement with JP Morgan Chase N.A. was established via the Purchasing & Travel Program through the State of Indiana Department of Administration and is expiring at the end of March 2024. The Office of Finance & Accounting would like to continue using JP Morgan Chase N.A. as the vendor for this service and is now seeking to finalize an agreement directly with the bank.

A copy of the agreement is attached for your review.

I am available at your call for any questions about this agreement.

Attachment

CM/jt

**Commercial Card
Application & Agreement | JPMORGAN CHASE BANK, N.A.**

V1.7

Client	CITY OF NOBLESVILLE, INDIANA
Address Line 1	16 South 10 Street – Ste. 270
Address Line 2	
City	Noblesville
State	IN
Zip Code	46060
Phone	(317) 776-6328

REBATES

Please identify a Business Account to which rebates associated with Client’s Commercial Card rebate program should be deposited. Deposits will be made via Wire Transfer only.

Business Account at:	(Enter the name of Client’s Financial Institution)
ABA:	(Enter ABA for Client’s Financial Institution)
Business Account Number:	(Enter Client’s Business Account Number)
Business Account Name:	(Enter the name of Client’s Business Account)

Please enter the Financial Institution and Business Account Name exactly as it appears on Client’s account.* Black ink only.

*Requests to modify the account information set forth above must be provided to J.P. Morgan in writing and sent to the following address: CCS.Rebate@jpmchase.com. A form will be provided to Client upon receipt of Client’s request to modify the business account information. Client will be instructed to complete the form and return it to J.P. Morgan at the address specified. Changes to the business account information will be effective when J.P. Morgan has a reasonable opportunity to act upon such request.

SIGNATURE

This Application must be signed by an acting officer, partner, or owner of the Client with the authority to bind Client to the terms and conditions of the following Commercial Card Agreement. I hereby certify that I am a duly authorized and acting officer, partner or owner of this Client with the authority to bind Client to enter into and perform the obligations of the Commercial Card Agreement. I have read and agree to the terms and conditions of the Commercial Card Agreement. Black ink only.

Signature of Authorized Officer:	Date:
Name:	
Title:	

CLIENT ATTESTATION

The undersigned, a duly authorized officer or representative of this Client, does hereby certify that the person signing above on behalf of Client has been duly authorized to bind Client and to enter into and perform the obligations of the Commercial Card Agreement and that the person signing above on behalf of this Client, whose execution of this Commercial Card Agreement was witnessed by the undersigned, is an officer, partner, owner, or other representative of Client possessing authority to execute this Commercial Card Agreement.* Black ink only.

Signature:	Date:
Name:	
Title:	

*Note: The person signing the attestation shall be someone different from the person signing above on behalf of Client.

This Commercial Card Agreement (the "Agreement") sets forth the terms and conditions under which JPMorgan Chase Bank, N.A. (the "Bank") shall provide commercial card services to Client who executes this Agreement and/or one or more of such Client's Affiliates. This Agreement is made as of the date of the first signature above (the "Execution Date") and is effective as of April 1, 2024 (the "**Effective Date**"). By signing this Agreement, Client hereby agrees to be bound by the terms and conditions referenced herein.

1. Definitions. Each capitalized term used in this Agreement shall have the following defined meanings set forth below or as otherwise set forth herein.

Account means each account established in the name of Client pursuant to the Agreement.

Affiliate means an entity controlling, controlled by, or under common control with, directly or indirectly, a party to this Agreement. For this purpose, one entity "controls" another entity if it has the power to direct the management and policies of the other entity (e.g., through the ownership of voting securities or other equity interest, representation on its board of directors or other governing body, or by contract).

Agreement means the Commercial Card Agreement in each case as amended, supplemented or replaced from time to time.

Applicable Law means for any country, all federal, state, provincial and local laws, statutes, regulations, rules, executive orders, supervisory requirements, licensing requirements, export requirements, directives, circulars, decrees, interpretive letters, guidance or other official releases of or by any government, any authority, department or agency thereof, or any regulatory or self-regulatory organization, that apply to a party's obligations under the Agreement.

Business Day means a day on which Bank is open for business.

Card means a Network-branded card that is issued to Cardholders by Bank upon the request of Client and approval by Bank, and includes any plastic card bearing a card number and Accounts with no associated plastic card, which includes Virtual Card Accounts.

Cardholder means: (A) an individual in whose name a Card is issued, and (B) any person or entity authorized by Client or named Cardholder to use a Card.

Cardholder Agreement means documentation provided by Bank to Client or Cardholder governing use of a Card by such Cardholder.

Cardholder Credit Limit means the maximum spending limit established in relation to a Cardholder.

Corporate Liability means Client is solely liable for the Transactions, subject to the Agreement and any Cardholder Agreement.

Credit Limit means the maximum spending limit established for Client in connection with the Program.

Cycle means the monthly period ending on the same day each month or, if that day is not a Business Day, then the following Business Day or preceding Business Day, as systems may require, or such other period as Bank may specify.

Fraudulent Transactions means transactions made on a Card by a person, other than Client or Cardholder, who does not have actual, implied, or apparent authority for such use, and for which neither Cardholder nor Client receives direct or indirect benefit.

Joint and Several Liability means Client and Cardholder are jointly and severally liable for the Transactions, subject to the Agreement, and the Cardholder Agreement.

MCC means merchant category code.

Network means either MasterCard International, Inc. or Visa U.S.A., Inc.

Program means the commercial card system composed of Accounts, Card-use controls, reports to facilitate purchases of and payments for business goods and services, and related services, all as established in connection with the Agreement.

System means the system through which Client can access Account and Transaction data and reports.

Transaction means a purchase, a cash advance, fees, charges or any other activity charged to an Account with respect to a Card.

Virtual Card (or Single-Use Account) means a one-time virtual card number generated for a single transaction.

2. Conditions Precedent

Prior to the commencement of the Program rendered by Bank pursuant to this Agreement, Client will provide the information listed on the Application, included with this Agreement, and additional documents as required by Bank, and will certify to the accuracy of such information.

3. Certain Bank Services

- A. Subject to prior financial, risk management and compliance approvals by Bank, Bank shall: (i) establish Accounts in the name of Client; (ii) issue Cards to Cardholders designated by a person authorized to bind Client to these terms and conditions (an **"Authorized Person"**); (iii) implement the Credit Limits specified by an Authorized Person from time to time and accepted by Bank; and (iv) deliver Cards and billing statements only to a U.S. address. Notwithstanding anything contained in this Agreement to the contrary, Bank shall not be obligated to extend credit to Client in violation of any limitation or prohibition imposed by Applicable Law or Bank policies and procedures.
- B. **Extension of Program.** Upon Client's submission of a request from time to time in the form required by Bank and following Bank's agreement to do so, Bank will extend Program to Client's Affiliates. Client is responsible as principal obligor for all obligations under the Agreement (including, without limitation, as principal obligor with respect to all payment and other obligations as the same relate to its Affiliates and their respective Cardholders and waives any defenses or offsets available to such Affiliates). Client shall cause each of its Affiliates and their respective Cardholders to comply with the Agreement.
- C. Notwithstanding the foregoing, Bank shall not be obligated to provide any Account to Client or any Client Affiliate or any Card to an employee or authorized representative of Client or any Client Affiliate or to process any transactions in violation of any limitation or prohibition imposed by Applicable Law, including, but not limited to, the regulations issued by the U.S. Department of Treasury's Office of Foreign Assets Control ("**OFAC**").
- D. **Receipt Image Services.** For purposes of this section, "**Receipt Image Services**" means the optional services provided through Bank to allow Client the ability to attach and maintain image(s) of receipt(s) on the System, and "**Receipt Image(s)**" means an image of a receipt produced by a Transaction through use of Accounts and maintained on the System. Receipt Images will be stored and made available to Client through use of the System. In order for Bank to make Receipt Images available through the System, Client shall first fax and/or upload to the System images of Client's receipts through use of its own devices. Client is responsible for verifying the accuracy of the image of its receipts and any other information uploaded and entered into the System. Client shall ensure that the information contained in the image of the receipt accurately reflects the applicable Transaction. Receipt Image will be made available online through the System for a maximum of thirty-six (36) months (the "**System Image Accessibility Period**"). The System Image Accessibility Period includes the month of the Transaction Date. Bank may, in its sole and absolute discretion, reject Receipt Images provided by Client to be posted on the System. In addition, Bank may suspend Client's use of the Receipt Image Service at any time without prior notice to Client.

4. Obligations of Client

In connection with the Program, Client shall:

- A. Notify each Cardholder at the earliest opportunity: (i) that Cards are to be used only for business purposes; (ii) of the Cardholder Credit Limit and any other applicable limit; (iii) of the extent, if any, to which Bank will provide Transaction and Account information to third parties at Client's request; and (iv) to collect and destroy any Cards which are no longer required.
- B. Client represents that the Cards to be issued under this Agreement are substitutes for an accepted credit card or will be issued in response only to a written request or application for such Card, by a prospective Cardholder, which Client has obtained in accordance with the requirements of Section 226.12(a) of Regulation Z of the Federal Truth in Lending Act. Client further represents that Client will retain the applications (paper or electronic) for any Card, when such application is not provided to Bank, for a period of two (2) years after the application has been received and acted upon.
- C. Client will immediately notify Bank by telephone of any lost, stolen, misappropriated, improperly used, or compromised Cards.
 - i. **Liability for Fraudulent Transactions Following Notification.** Notwithstanding anything to the contrary contained herein, Client shall not be liable for any Fraudulent Transactions occurring on a Card after the effective time of such notification to Bank of such Fraudulent Transaction.
 - ii. **Liability for Fraudulent Transactions Prior to Notification.** Subject to the terms and conditions contained in subsection (iii) below, Client shall not be liable for Fraudulent Transactions occurring on a Card prior to the effective time of such notification to Bank of such Fraudulent Transactions.
 - iii. Bank reserves the right, in its sole and absolute discretion, to hold Client liable for Fraudulent Transactions should Bank determine that subsequent to implementation of Client's Program and at the time that the Fraudulent Transaction occurred, Client failed to operate Client's Program in accordance with Bank's fraud reduction requirements as set forth below:
 - a. Client must block high risk MCC's identified by Bank and presented to Client;
 - b. Client must maintain reasonable security precautions and controls regarding the dissemination, use and storage of Card and Transaction data; and
 - c. Client must comply with all other requirements as Bank may reasonably require from time to time.

If Client fails to comply with Client's obligations described in this subsection (iii), and Bank determines Client to be liable for Fraudulent Transactions, Bank will either: (i) invoice Client for the amount of such Fraudulent Transaction minus any amounts collected, or (ii) deduct the amount of such Fraudulent Transaction from Client's rebate.

- D. Notify Bank of any Transaction that Client disputes as soon as practicable after the last day of the Cycle during which such Transaction is charged to Client and, in any event, within sixty (60) days of such day. Client shall use commercially reasonable efforts to assist in obtaining reimbursement from a merchant. Client or, subject to any Cardholder Agreement and in the case of Cards under any Joint and Several Liability Accounts, the Cardholder, shall not be relieved of liability for any disputed Transaction if the charge-back is rejected in accordance with the applicable Network's charge-back policy. Bank shall not be liable to Client where notice is received after such sixty (60) day period. Client shall not make a claim against Bank or refuse to pay any amount because Client or the person using the Card may have a dispute with any merchant.
- E. Unless previously provided to Bank, obtain and provide to Bank such information as Bank may reasonably request for the purposes of investigating the identity of an actual or prospective Cardholder or Client, evidencing authority for Card issuance requests, and assisting in any review of Bank by a regulator with relevant jurisdiction. Any information provided by Client to Bank shall be, to the best of Client's knowledge, information and belief, accurate and complete in all material respects.
- F. Make payments for all Transactions posted to Accounts no later than the payment date (the "**Payment Date**"), as specified in the periodic statement. In the event that Client makes payments other than as contemplated by the periodic statement, Bank may require, and Client shall provide, such documentation as reasonably required by Bank to reconcile such payments to the amounts stated as due in the periodic statement by the Payment Date. Any amount due which is not received by the Payment Date shall be subject to the late fees and delinquency fees as set forth in the fees schedule of Exhibit A attached hereto. If collection is initiated by Bank, Client shall be liable for payment of Bank's reasonable attorneys' fees and other costs and expenses of collection.
- G. In the case of any Joint and Several Liability Account, Client shall pay Bank within ten (10) days of written notice, for any Transactions not paid by a Cardholder within one hundred and twenty (120) days of the first billing with respect to the relevant Transaction.
- H. Unless otherwise provided to Bank, provide Bank with such financial statements and other related information requested by Bank in form and in such detail as Bank may reasonably request, from time to time.
- I. Client represents and warrants that it will use commercially reasonable efforts to ensure that such applicants to whom it requests Bank issue Cards and whom Client authorizes to use the Cards/Accounts are not identified on a prohibited government sanctions list, are not located or resident in a sanctioned country, or otherwise subject to a sanctions program applicable to Client.

5. Credit Limits and Certain Bank Rights

- A. Bank may establish a Credit Limit and Cardholder Credit Limit and may establish other limits from time-to-time. Client will not exceed the Credit Limit; provided however, that if Client exceeds the Credit Limit, Client shall pay all amounts exceeding the Credit Limits.
- B. Bank may at any time: (i) increase or decrease any Credit Limit or the Cardholder Credit Limit or any other limit in connection with any Card or any Account or the Program; (ii) refuse to authorize Transactions; (iii) vary the payment terms, or require the provision of security or additional security; (iv) suspend or terminate any Card or any Account; (v) decline to open any Account or issue any Card; or (vi) require MCC authorization restrictions in connection with a Program.

6. System Access

- A. Client shall adhere to all applicable license agreements, security procedures, and terms and conditions regarding the System.
- B. Client agrees that any access, Transaction, or business conducted on the System is presumed by Bank to have been in Client's name for Client's benefit.
- C. Except for unauthorized use by a Bank employee, Client is solely responsible for the genuineness and accuracy of all instructions, messages and other communications received by Bank via the System. Bank may rely and act upon all Client instructions and messages issued with valid credentials.
- D. From time to time, Bank may suspend the System when Bank considers it necessary to do so (including, without limitation, for maintenance or security purposes). Bank will use reasonable efforts to provide Client with notice prior to the suspension.

- 7. **Notices.** All notices and other communications required or permitted to be given under this Agreement shall be in writing except as otherwise provided herein, and shall be effective on the date on which such notice is actually received by the party to which it is addressed. All notices may be sent to Client by ordinary mail, electronic transmission, through internet sites, or by such other means as Client and Bank may agree upon from time to time, at the address of Client provided to Bank. Unless otherwise arranged, all notices to Bank must be sent to Client's relationship manager or program coordinator team managing the relationship or to any other address notified by Bank to Client in writing from time to time, and may be sent by ordinary mail, by electronic transmission or by such other means as Client and Bank agree upon from time to time.

- 8. **Representations and Warranties.** Client represents and warrants that this Agreement constitutes a legal, valid, and binding obligation, enforceable against Client, in accordance with its terms, and that execution and performance of this Agreement: (i) does not breach any agreement with any third party; (ii) does not violate any law, rule, or regulation, or any duty arising in law or equity applicable to it; (iii) is within Client's organizational powers; and (iv) has been authorized by all necessary organizational action.

9. Fees. Client agrees to pay the fees and charges incurred by Client as specified by Bank, from time to time, on a periodic invoice. The fees initially applicable are specified in Exhibit A attached hereto. Bank may change the fees and charges payable by Client at any time, provided Bank notifies Client at least thirty (30) days prior to the effective date of the change.

10. Term and Termination. This Agreement shall have an initial term of five (5) years from the Effective Date unless otherwise terminated pursuant to the provisions of this paragraph. Thereafter, this Agreement shall be successively renewed for one (1) year terms upon the anniversary of the Effective Date. This Agreement may be terminated by either party at any time for any reason. In the event this Agreement is terminated, Client shall immediately pay all amounts owing under this Agreement, without set-off or deduction, and destroy all physical Cards furnished to Cardholders. After this Agreement is terminated or expires, the terms of this Agreement that expressly or by their nature contemplate performance after termination or expiration will survive and continue in full force and effect. All of the City's obligations under this Agreement shall be subject to annual appropriation and shall not constitute a general obligation or indebtedness of the City.

11. Limitation of Liability

- A. Subject to Section 11.B below, Bank shall be liable only for Client's actual damages which Client suffers or incurs as a direct result of Bank's negligence or willful misconduct and shall not be liable for any other loss or damage of any nature.
- B. TO THE MAXIMUM EXTENT PERMITTED BY LAW, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER UNDER ANY THEORY OF TORT, CONTRACT, STRICT LIABILITY OR OTHER LEGAL OR EQUITABLE THEORY FOR ANY EXEMPLARY, PUNITIVE, SPECIAL, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES OR THE LIKE, INCLUDING, WITHOUT LIMITATION, LOST PROFITS, EACH OF WHICH ARE EXPRESSLY EXCLUDED BY AGREEMENT OF THE PARTIES HEREIN REGARDLESS OF WHETHER SUCH DAMAGES WERE REASONABLY FORESEEABLE AND WHETHER EITHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

12. Confidential Information; Consents.

- A. **Confidential Information.** "Confidential Information" means and includes all non-public information furnished by either party in connection with this Agreement, the Program or Transactions. The term Confidential Information does not include information which is already lawfully known when received without an obligation of confidentiality other than under this Agreement, is or becomes publicly available by means other than Bank's breach of this section, information Bank develops independently without the use of Confidential Information, is in aggregate form non-attributable to the disclosing party, or information Bank obtains from a third party that is not reasonably known to have confidentiality obligations for such information.
- i. Except as expressly provided in this Agreement, each party will maintain Confidential Information in the same manner it maintains its own confidential information.
- ii. Client authorizes Bank and its agents, employees, officers and directors and affiliates to use Confidential Information: (i) to provide and administer the Program, (ii) for any operational, risk or Client credit management purposes, (iii) for due diligence, verification or sanctions or transaction screening purposes, (iv) for the prevention or investigation of crime, fraud or any malpractice, including the prevention of terrorism, money laundering and corruption, (v) to improve and develop products or services, including, but not limited to using data analytics, (vi) for compliance with any legal, regulatory or tax requirements or tax reporting or any industry standard, code of practice, or internal policies, (vii) as provided in the Cardholder Agreement or other Cardholder-related documentation, or (viii) with prior consent of the Client.
- iii. In connection with the permitted uses set forth in subsection (b), Client authorizes Bank and its agents, employees, officers and directors and affiliates to disclose Confidential Information to: (i) any subcontractor, consultant, agent, or any other unaffiliated third party or service provider, including the transmission of information to other banks and clearing houses and through channels and Networks operated by third parties that Bank reasonably believes is required in connection with the Program services and provided that such parties are subject to equivalent confidentiality obligations; (ii) to Bank's professional advisors, auditors or public accountants; (iii) Bank's subsidiaries, affiliates and branches and their relevant parties as set forth in subsections (i) and (ii) herein; and (iv) with the consent of Client.
- iv. In addition to the foregoing, Bank may use and/or disclose Confidential Information as required by: (i) applicable law or courts of competent jurisdiction; (ii) governmental or regulatory or supervisory authorities, or law enforcement agencies with jurisdiction over Bank's or Client's businesses; or (iii) to establish, exercise or defend claims, enforce legal rights, or satisfy the legal obligations of Bank.
- B. **Consents.** When required by applicable law, Client represents and warrants that prior to submitting to Bank information about natural persons (including, but not limited to Cardholders), Client shall have obtained such consents as may be required, where not otherwise obtained by Bank, for Bank to process and/or use the information for purposes of providing the Program services.

13. Miscellaneous

- A. If any provision of this Agreement is found by a court of competent jurisdiction to be unenforceable, such provision shall not affect the other provisions, but such unenforceable provision shall be deemed modified to the extent necessary to render it enforceable, preserving to the fullest extent permissible the intent of the parties set forth in this Agreement. The failure of either party hereto to enforce any right or pursue any remedy hereunder shall not be construed to be a waiver thereof.
- B. In the regular course of business, Bank may monitor, record, and retain telephone conversations made or initiated to or by Bank from or to Client or Cardholders.

- C. The terms and provisions of this Agreement shall be binding upon and inure to the benefit of Client and Bank and their respective successors and assigns. This Agreement, or any of the rights or obligations hereunder, may not be assigned by Client without the prior written consent of Bank.
- D. This Agreement embodies the entire agreement and understanding between Client and Bank and supersedes all prior agreements and understandings between Client and Bank relating to the subject matter thereof.
- E. This Agreement may be signed in one or more counterparts, each of which shall be an original, with the same effect as if the signatures were upon the same document. Facsimile signatures shall have the same force and effect as the original.
- F. If applicable, to the extent that Client would have been able to claim sovereign immunity in any action, claim, suit, or proceeding brought by Bank, Client irrevocably waives and agrees not to claim such immunity.
- G. Neither Bank nor Client shall be liable for any loss or damage to the other for its failure to perform or delay in the performance of its obligations under this Agreement, if such non-performance or delay is caused directly or indirectly by an act of God, act of governmental authority, de jure or de facto, legal constraint, war, terrorism, catastrophe, fire, flood or electrical, computer, mechanical or telecommunications failure, or failure of any agent or correspondent, or unavailability of a payment system, or other natural disaster or any cause beyond its reasonable control.
- H. **CHOICE OF LAW.** THIS AGREEMENT AND ANY CLAIM, CONTROVERSY, OR DISPUTE ARISING UNDER OR RELATED TO THIS AGREEMENT, THE RELATIONSHIP OF THE PARTIES, AND/OR THE INTERPRETATION AND ENFORCEMENT OF THE RIGHTS AND DUTIES OF THE PARTIES SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS (AND NOT THE LAW OF CONFLICTS) OF THE STATE OF INDIANA, BUT GIVING EFFECT TO FEDERAL LAWS APPLICABLE TO NATIONAL BANKS. TO THE EXTENT PERMITTED BY APPLICABLE LAW, EACH PARTY HEREBY WAIVES ANY AND ALL RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING OF ANY KIND ARISING OUT OF, BY REASON OF, OR RELATING TO THIS AGREEMENT, THE INTERPRETATION THEREOF OR TO ANY TRANSACTIONS HEREUNDER. THIS WAIVER IS KNOWINGLY, WILLINGLY, AND VOLUNTARILY MADE BY THE PARTIES.
- I. Client acknowledges that Bank prohibits the use of Cards under any Accounts to conduct transactions (including, without limitation, the acceptance or receipt of credit or other receipt of funds through an electronic funds transfer, or by check, draft or similar instrument, or the proceeds of any of the foregoing) that are related, directly or indirectly, to unlawful internet gambling. The term "unlawful internet gambling," as used here, shall have the meaning as set forth in 12 C.F.R. Section 233.2(bb).
- J. Certain services may be performed by Bank or any affiliate, including affiliates, branches or units located in any country in which Bank conducts business or has a service provider. Client authorizes Bank to transfer Client information to such affiliates, branches or units at such locations as Bank deems appropriate. Bank reserves the right to store, access, or view data in locations it deems appropriate for the services provided.
- K. **International Transactions and Fees.** International Transactions include any transaction made in a foreign currency or that is made outside the United States of America even if it is made in U.S. Dollars. If an international transaction is made in a currency other than U.S. Dollars, the Network will convert the transaction into U.S. Dollars using its respective currency conversion procedures. The exchange rate the Network uses to convert currency is a rate that it selects either from the range of rates available in the wholesale currency markets for the applicable processing date (which rate may vary from the rate the respective entity itself receives), or the government-mandated rate in effect on the applicable processing date. The rate in effect on the applicable processing date may differ from the rate on the date when the international transaction occurred or when the Account was used. Bank reserves the right to charge an international transaction fee, as specified in Exhibit A. Bank may charge a commission on the relevant currency amount at the rate provided to it by the Network as set forth in the fee schedules attached hereto. The international transaction fee will be calculated on the U.S. Dollar amount provided to Bank by the Network. The same process and charges may apply if any international transaction is reversed.
- L. This Agreement and Cards are non-transferable, non-assignable, and shall remain the property of Bank.
- M. **USA PATRIOT Act Disclosure.** Section 326 of the USA PATRIOT Act mandates that Bank obtain, verify and record information that identifies each business or person that opens a new account. By signing this Agreement, Client agrees to provide and consent to us obtaining, if necessary from third parties, any and all information reasonably necessary to verify Client's identity.
- N. **Compliance With E-Verify Program.** Pursuant to IC 22-5-1.7, Bank shall enroll in and verify the work eligibility status of all newly hired employees of Bank through the E-Verify Program ("Program"). Bank is not required to verify the work eligibility status of all newly hired employees through the Program if the Program no longer exists.
 - (i) Bank and its subcontractors shall not knowingly employ or contract with an unauthorized alien or retain an employee or contract with a person that Bank or its subcontractor subsequently learns is an unauthorized alien. If Bank violates this Section 5.23, City shall require Bank to remedy the violation not later than thirty (30) days after City notifies Bank. If Bank fails to remedy the violation within the thirty (30) day period, City shall terminate the contract for breach of contract. If City terminates the contract, Bank shall, in addition to any other contractual remedies, be liable to City for actual damages. There is a rebuttable presumption that Bank did not knowingly employ an unauthorized alien if Bank verified the work eligibility status of the employee through the Program.
 - (ii) If Bank employs or contracts with an unauthorized alien but City determines that terminating the contract would be detrimental to the public interest or public property, City may allow the contract to remain in effect until City procures a new Bank.
 - (iii)
- O. This Agreement may be amended or waived only by notice to Client, in writing from Bank.

EXHIBIT A to the Commercial Card Application & Agreement FEES & INCENTIVES

1. **DEFINITIONS.** For the purposes of this Exhibit, the following terms will have the meaning given below. Capitalized terms herein that are not otherwise specifically defined herein shall have the same meanings as set forth in the Agreement.

“Contract Year” means a twelve (12) month period beginning on the Effective Date of the Agreement or any anniversary of such date.

“Credit Losses” means all amounts due to Bank in connection with any Card that Bank has written off as uncollectible excluding amounts due with respect to Fraudulent Transactions.

“Discount Interchange Rate Transactions” means Transactions made on any and all Cards or Accounts with either an interchange rate below 2.00% under applicable Credit Card Network rules or a Supplier Fee below 2.00%. Those Transactions include but are not limited to Large Ticket Transactions, level 3 Transactions, Network Partnership programs, and any other programs entered into by the Networks, Client, merchants, Bank or others whereby the parties to those programs have agreed to interchange rates or Supplier Fees below 2.00% for certain transactions.

“Discount Interchange Rate Transaction Volume” means total Discount Interchange Rate Transactions made on any and all Cards or Accounts, net of returns, cash advances, convenience checks and Fraudulent Transactions. **Discount Interchange Rate Transaction Volume** is comprised of two categories based on the interchange rate or Supplier Fee of each transaction:

- **“Discount Interchange Transaction Volume Category 1”** covers all **Discount Interchange Rate Transaction Volume** with interchange rate or Supplier Fee at or above 1.00% (interchange rates or Supplier Fees from 1.00% - 1.99%).
- **“Discount Interchange Transaction Volume Category 2”** covers all **Discount Interchange Rate Transaction Volume** with interchange rate or Supplier Fee below 1.00% (interchange rates or Supplier Fees from 0.00% - 0.99%).

“J.P. Morgan Virtual Connect Network” means Bank’s proprietary payments technology platform to which merchants may register to receive payment from Client in connection with Client’s Program(s).

“Settlement Terms” means the combination of the number of calendar days in a billing cycle and the number of calendar days following the end of a billing cycle to the date the payment is due. Settlement Terms are expressed as X & Y, where X is the number of calendar days in the billing cycle and Y is the number of calendar days following the end of a billing cycle to the date the payment is due.

“Supplier Fee” or **“Merchant Transaction Fee Rate”** means the fee established by Bank, in its sole discretion, payable by merchant accepting payment from Client for Transactions made through the J.P. Morgan Virtual Connect Network.

“U.S. Net Charge Volume” means total charges made on any and all U.S. Dollar issued Cards or Accounts, net of returns, cash advances, convenience checks and Fraudulent Transactions. U.S. Net Charge Volume does not include Discount Interchange Rate Transaction Volume.

“U.S. Total Charge Volume” means the sum of U.S. Net Charge Volume and Discount Interchange Rate Transaction Volume.

2. REBATES

A. Volume Rebate

Bank will pay Client a rebate based on the annual U.S. Total Charge Volume achieved according to the following schedule. The rebate will be calculated as the Volume Rebate Rate (as determined according to the following schedule) multiplied by the annual U.S. Net Charge Volume, subject to the rebate adjustments below.

U.S. One Card Program	
	Volume Rebate Rate applied to annual U.S. Net Charge Volume by Program Settlement Terms
Annual U.S. Total Charge Volume at or above:	@ 30 & 25 Settlement Terms
\$250,000	0.13%
\$500,000	0.25%
\$1,000,000	0.65%
\$2,000,000	0.75%
\$3,000,000	0.80%
\$4,000,000	0.85%
\$5,000,000	0.90%
\$6,000,000	0.92%
\$7,000,000	0.94%
\$8,000,000	0.96%
\$9,000,000	0.98%
\$10,000,000+	1.00%

B. Discount Interchange Rate Transaction Rebate

Should Client achieve the minimum annual U.S. Total Charge Volume required to earn a Volume Rebate as stated above, Bank will pay Client a rebate based on annual Discount Interchange Rate Transaction Volume. The rebate will be calculated as the Discount Interchange Rate Transaction Rebate Rate (with categories as determined according to the following schedule) multiplied by the annual Discount Interchange Rate Transaction Volume for each respective category, subject to the rebate adjustments below.

U.S. One Card Program	
Discount Interchange Rate Transaction Volume Category	@ 30 & 25 Settlement Terms
Category 1	0.30%
Category 2	0.15%

3. REBATE ADJUSTMENTS

A. Interchange Rate or Supplier Fee Adjustment

In the event of a reduction in either interchange rates by the Network or Supplier Fees, Bank reserves the right to adjust the rebate rates and fees accordingly.

4. GENERAL REBATE TERMS

A. Annual Rebates

i. Rebates will be calculated annually in arrears. Rebate payments will be made in USD within the ninety (90) day period after the end of the Contract Year (the "**Rebate Calculation Period**") via wire transfer to a business account designated by Client and authenticated by Bank. Payment is contingent upon Bank receiving Client's wire instructions, and Bank's authentication of such instructions, prior to the end of the Rebate Calculation Period.

ii. Rebate amounts are subject to reduction by all Credit Losses. If Credit Losses exceed the rebate earned for any Contract Year, Client shall pay to Bank the amount in excess of the rebate, which invoice shall be due and payable in accordance with the terms of such invoice. If Client is participating in more than one program, Bank reserves the right to offset any Credit Losses from one program against any rebate earned under any other program. In no event will Bank pay Client a rebate for the year in which the Agreement is terminated.

B. To qualify for any rebate payment, all of the following conditions must be met:

- i. Client is not in default under the Agreement at the time of rebate calculation and payment.
- ii. Account(s) must be current at the time of rebate calculation and payment.
- iii. Settlement of any centrally billed Account(s) must be by automatic debit.
- iv. Payment must be received by Bank in accordance with the Settlement Terms. Late payments shall be subject to fees as specified in the Fees Section of this Exhibit. Settlement Terms for the U.S. One Card Program(s) are 30 & 25.

5. FEES – U.S.

The following are the fees associated with the U.S. One Card Program(s):

STANDARD SERVICES AND FEES	
Late payment charge	Central bill: None Individual bill: \$15 late fee at the end of the first cycle
Delinquency/Finance charge	Central bill: Prime + 2.0% is applied to the average daily balance and will be charged on the cycle date. Average daily balance is calculated as follows: the sum of the outstanding balances on each day in the cycle (including any new spend, fees, and payments) / number of days in the cycle. Individual bill: Prime + 6.4% is applied to the average daily balance and will be charged on the cycle date. Average daily balance is calculated as follows: the sum of the outstanding balances on each day in the cycle (including any new spend, fees, and payments) / number of days in the cycle.
International transaction	1% surcharge
Standard card	\$0.00
ADDITIONAL SERVICES AND FEES	
Cash advances	2.0% of amount advanced (\$3.00 minimum with no maximum)
Executive card	\$75 annual fee per card
Convenience check	2% of check amount (\$1.50 minimum with no maximum)

If Client requests services not listed in this schedule, Client agrees to pay the fees associated with such services.

EXHIBIT B to the Commercial Card Application & Agreement SUPPLIER RECRUITMENT AUTHORIZATION

1. **DEFINITIONS.** For the purposes of this Exhibit, the following terms will have the meaning given below. Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the Agreement.

“**Claim(s)**” means any and all past, present and future claim(s), loss(es), liability(ies), obligation(s), expense(s), attorney or other fee(s), suit(s), debt(s), lien(s), contract(s), agreement(s), promise(s), demand(s) or damage(s), of any nature whatsoever, known or unknown, suspected or unsuspected, fixed or contingent, including legal fees to the full extent permitted by law.

“**Client Information**” means information provided by Client to Bank for purposes of Supplier Recruitment (as defined below), including, but not limited to: (i) contact information for Client and/or Supplier(s); (ii) accounts payables details (e.g., payment summaries, amounts/counts, invoice numbers, billing account numbers and current and future payment terms); and (iii) payment preferences for Client and/or Supplier(s).

“**Supplier Data Enrichment**” means a recruitment service utilizing internal and external data sources to obtain supplier contact information for the purpose of Supplier Recruitment (as defined below). Bank will: (i) use commercially reasonable efforts to enrich supplier data provided by Client via the Supplier Data Enrichment process, and (ii) provide on a weekly basis a report of supplier data that is captured during the acceptance process for further verification from Client.

“**Supplier(s)**” means Clients’ supplier(s) and/or vendor(s) identified in accounts payable documentation, or other documentation provided to Bank by Client.

“**Third Party**” (or “**Third Parties**”) means a payment solution partner of Bank.

2. SUPPLIER RECRUITMENT

Client asks and authorizes Bank and/or Third Party to communicate with Suppliers through various methods on behalf of and in the voice of Client for the purpose of requesting that Suppliers accept payment using wholesale payments products offered by Bank, including but not limited to commercial card and automated clearing house (“**Supplier Recruitment**”). For the sole purposes of Supplier Recruitment, Client consents to Bank’s disclosure of such Client Information to Third Parties and Suppliers. Bank reserves the right to refuse or discontinue Supplier Recruitment and/or Supplier Data Enrichment services at any time.

3. CLIENT ENGAGEMENT

Client shall be deemed to have accepted and agreed to the following:

- i. Client will commit to having internal resources available to address recruitment needs;
- ii. Client will provide, to the extent commercially reasonable, complete and accurate Client Information including, but not limited to, Supplier name, remittance address, contact name, phone number, and email addresses in a format consistent with Bank instruction;
- iii. Should Client not have complete and accurate Supplier contact information, Bank will offer Supplier Data Enrichment;
- iv. Client is solely responsible for validating Bank obtained Client Information, including but not limited to Supplier contact information during Supplier Data Enrichment and prior to issuing payment to that Supplier. Client acknowledges that Supplier contact information is deemed to be accurate once payment has been requested.

4. TERMS AND CONDITIONS

A. Obligations and Liabilities

- i. Despite anything to the contrary in the Agreement, Client, on its behalf and on behalf of each of its Affiliates, to the extent permitted by law:
 - a. will indemnify and hold Bank and each of its Affiliates harmless against Claims, except in the event of Bank’s gross negligence, that may arise related to: (1) Supplier Recruitment; (2) Supplier Data Enrichment; or (3) a third-party Claim related to the disclosure of Client Information for the purpose of Supplier Recruitment.
 - b. agrees to reimburse Bank and each of its Affiliates for any direct damages Bank incurs related to Claims arising from third parties under clause 4.A.i.(3).
 - c. releases and forever discharges Bank and each of its Affiliates from any and all liability for indirect, special, punitive, or consequential damages in any form or under any circumstances, even if Bank has been advised of the possibility of such damages, except to the extent that such Claims arise from the gross negligence of Bank or its Affiliates.

B. Use of Client Logo. Client grants Bank a non-exclusive, limited, non-transferable, and revocable license to use Client’s marks (whether registered or not) for the sole purpose of Supplier Recruitment.

C. Authorizing Transfers. Client represents and warrants that Client has obtained the consent required to authorize Bank to disclose Client Information, including information about and Supplier(s), for purposes of Supplier Recruitment.

D. Giving Bank Notice. Despite anything to the contrary in the Agreement, Client agrees that it will provide Bank with notice to revoke this Exhibit, which shall have the effect of terminating Supplier Recruitment. Bank will have a reasonable period of time to act on Client’s notice after Bank receives it. The Agreement shall remain in full force and effect unless otherwise terminated as set forth in Agreement.

All of which is approved by the Board of Public Works and Safety of the City of Noblesville this
_____ day of _____ 2024.

JACK MARTIN, PRESIDENT

JOHN DITSLEAR, MEMBER

LAURIE DYER, MEMBER

ROBERT J. ELMER, MEMBER

RICK L. TAYLOR, MEMBER

ATTEST:

EVELYN L. LEES, CLERK
CITY OF NOBLESVILLE, INDIANA