

ORIGINAL

**Bank of America Merrill Lynch  
Response to the State of West Virginia  
Request for Purchasing Card Services –  
Financial/Revenue Proposal**

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**Bank of America**   
**Merrill Lynch**

**Response to the State of West Virginia  
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Section 3 Financial/Revenue

## **Section 3 Financial/Revenue**

Please see Schedules I, II and III provided in the Attachment section of our response.

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Attachment A

**Attachment A**

We have reviewed your Attachment A. Please see Schedules I, II and III provided in the Attachment section of our response.

## **Clarification**

### **Fixed Pricing/Terms and Conditions, Page 2**

Bank of America is pleased to offer the State of West Virginia a 5-year, fixed rate contract with the option to renew annually thereafter. At the end of the selected term, a discussion of the extension options will take place. At that time, the State may extend for one year or a multiple number of years based on need. Banking service costs quoted in this proposal will remain fixed for the term of the contract. Additionally, assessments and pass-through charges, including but not limited to, items such as Federal Deposit Insurance Corporation (FDIC) assessments and Association Interchange fees are variable. Bank of America may change them without advanced notice. The State will be notified of any changes by either mailing a notice to the current address on your statement, by including a notice with or on your statement or the new charge will be shown on your statement.

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Disclosures

## **Disclosures**

Please note that the information contained in this proposal is only valid for 120 days from the proposal due date, unless expressly reaffirmed in writing.

Some products and/or services offered within this proposal may be subject to credit approval. Please note that all corporate card services are offered by FIA Card Services, N.A., a Bank of America company.

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Attachments

**Attachments**

1. Schedules I, II and III

Instructions for completing fee schedule:

- 1) Select the **Standard Pricing Option (Schedule I)** with the appropriate billing and currency that applies to the client's card program and **DELETE this page and all other non-applicable Schedule I options prior to sending to the client. YOU MAY ONLY SELECT FROM THE PRICING LISTED. "PENCILED" IN PRICING WILL NOT BE ACCEPTED.**
- 2) Obtain client signature and execute pricing schedule.

**NOTES:**

- A) **EXCEPTIONS:** *If desired pricing is not one of the selections available under Fee, this is a product exception requiring product approval BEFORE executing the agreement with the client.*
- B) *If the exception pricing is not currently available on our system, a CUSTOM DISCLOSURE GROUP will need to be created. This process can take up to 3 weeks for corporate billed accounts and up to 5 weeks for individually billed accounts.*
- C) **STATE AND LOCAL GOVERNMENTS:** *Some State Regulations do not allow fees to be charged. Unique disclosure groups may need to be created. Please work with Product Management and set the appropriate timing expectations with the customer.*

**Contents:**

- Section I: General Schedule of Fees and Charges**
- Section II: Electronic Products Schedule of Fees and Charges**
- Section III: Schedule of Rebates**
- Section IV: Acknowledgements**



## I. GENERAL PRODUCT FEES AND CHARGES

<b>Corporate Billed – LCNAC515</b>	<b>Fee</b>
<b>Annual Card Fee</b>	Waived
<b>Late Fee</b> <i>(An account is assessed a late fee three (3) days after cycle. The fee will be assessed as a % of the past due amount for the current month's charges and any unpaid balances when the account is past due 01-30 days)</i>	2.5% of total due (minimum \$250; maximum \$3500)
<b>Late Fee Assessment</b>	➤ Assessed 3 days after <b>CYCLE</b> date
<b>Periodic Finance Charge Fee</b> <i>(Finance charges accrue on all balances that are 31-60 days past due)</i>	➤ Prime Rate + 3%
<b>Overlimit Fee</b> <i>(Assessed when aggregate charge limit is exceeded)</i>	➤ No Fee
<b>Cash Advance Fee</b>	➤ 2.5% of transaction amt (\$5 min/no max)
<b>Logo Fee</b> <i>(Choose <b>one</b> color from the following six colors: 1) black; 2) white; 3) blue; 4) red; 5) green; 6) burgundy).</i>	➤ \$150.00 ➤ Fee Waived
<b>Unique Custom Design Fee</b>	➤ As quoted
<b>Executive Cards</b> <i>(10 card limit)</i>	Fee Waived (maximum of 10 Cards) <i>Note: Requests for more than 10 cards require Product approval</i>
<b>Travel Rewards</b> <i>(Fee cannot be waived)</i>	➤ \$75.00 Annual Fee per card
<b>Return Payment Fee</b>	➤ \$29.00
<b>International Transaction Fee</b> <i>(Fee cannot be waived)</i>	Up to 1% of USD amount
<b>Expedited Card Delivery Fee</b> <i>(Fee cannot be waived)</i>	➤ U.S. Mail (Default)=No Fee ➤ Bulk Mail=No Fee ➤ Overnight=\$35.00 ➤ 2-day=\$20.00

## I. GENERAL PRODUCT FEES AND CHARGES

<b>Individual Billed – LCNAI707</b>	<b>Fee</b>
<b>Annual Card Fee</b>	Waived
<b>Late Fee</b> <i>(An account is assessed a fee three (3) days after due date The fee will be assessed when the account is past due 01-30 days)</i>	\$29.00 per occurrence (no min/no max)
<b>Late Fee Assessment</b>	➤ Assessed 3 days after <b>DUE</b> date
<b>Periodic Finance Charge Fee</b> <i>(Finance charges accrue on all balances that are 31-60 days past due)</i>	➤ Prime Rate + 3%
<b>Overlimit Fee</b> <i>(Assessed when aggregate charge limit is exceeded)</i>	➤ Waived
<b>Cash Advance Fee</b>	➤ 2% of transaction amt (\$5 min/no max)
<b>Logo Fee</b> <i>(Choose one color from the following six colors: 1) black; 2) white; 3)blue; 4) red; 5) green; 6) burgundy)</i>	➤ \$150.00 ➤ Fee Waived
<b>Unique Custom Design Fee</b>	➤ As quoted
<b>Executive Cards</b> <i>(10 card limit)</i>	Fee Waived (maximum of 10 Cards) <i>Note: Requests for more than 10 cards require Product approval</i>
<b>Travel Rewards</b> <i>(Fee cannot be waived)</i>	➤ \$75.00 Annual Fee per card
<b>Return Payment Fee</b>	➤ \$29.00
<b>International Transaction Fee</b> <i>(Fee cannot be waived)</i>	Up to 1% of USD amount
<b>Expedited Card Delivery Fee</b> <i>(Fee cannot be waived)</i>	➤ U.S. Mail (Default)=No Fee ➤ Bulk Mail=No Fee ➤ Overnight=\$35.00 ➤ 2-day=\$20.00

## I. GENERAL PRODUCT FEES AND CHARGES

<b>ePayables – LCNAC495</b>	<b>Fee</b>
<b>Annual Card Fee</b>	Waived
<b>Late Fee</b> <i>(An account is assessed a late fee three (3) days after cycle. The fee will be assessed as a % of the past due amount for the current month's charges and any unpaid balances when the account is past due 01-30 days)</i>	2.5% of total due (minimum \$250; maximum \$3500)
<b>Late Fee Assessment</b>	➤ Assessed 3 days after <b>CYCLE</b> date
<b>Periodic Finance Charge Fee</b> <i>(Finance charges accrue on all balances that are 31-60 days past due)</i>	➤ Prime Rate + 5%
<b>Return Payment Fee (NSF)</b>	➤ \$29.00
<b>International Transaction Fee</b> <i>(Fee cannot be waived)</i>	Up to 1% of USD amount

If you make a Transaction in currency other than U.S. dollars, Visa or MasterCard will convert the charge or credit into a U.S. dollar amount. The conversion rate on the processing date may differ from the rate on the date of your Transaction. The exchange rate used by Visa will either be (i) a rate selected by Visa from a range of rates available in wholesale currency markets for the applicable central processing date, which rate may differ from the rate Visa receives, or (ii) the government-mandated rate in effect for the central processing date. MasterCard will use an exchange rate of either (i) a wholesale market rate or (ii) a government-mandated rate. We may add a 1% fee to the U.S. dollar amount of any Transaction that is made in foreign currency or that is made outside the United States even if you pay in U.S. dollars (the "International Transaction Fee"). The International Transaction Fee will be shown in the Activity section on your billing statement.

The International Transaction Fee will be aggregated in the Other Fees category on the Summary section of your statement.

## II. ELECTRONIC PRODUCTS SCHEDULE OF FEES AND CHARGES

<b>Visa:</b>	
Works	➤ Fee Waived
Visa Information Management (VIM) Reporting	➤ \$15.00 per company per month ➤ Fee Waived
Visa File Feeds To Customers / Third Parties:	➤ \$100.00 per file type per month
• Statement Billing File	➤ \$50.00 per file type per month
• EDI 811	➤ \$25.00 per file type per month
• Travel Agency File	➤ Fee waived
• Visa Commercial Format (VCF)	

<b>MasterCard:</b>	
Works	➤ Fee waived
Smart Data Online (SDOL) with EMR Reporting	➤ \$15.00 per company per month ➤ Fee waived
MasterCard File Feeds To Customers / Third Parties:	➤ \$100.00 per file type per month
• Statement Billing File	➤ \$50.00 per file type per month
• EDI 811	➤ \$25.00 per file type per month
• Travel Agency File	➤ Fee waived
• Commercial Data Format (CDF)	

<b>Custom Requests:</b>	
Custom Development	➤ \$150.00 per hour
Custom Maintenance	➤ \$150.00 per hour

**END OF SCHEDULES I AND II**

### **III. SCHEDULE OF REBATES (Cycle and Grace Days)**

#### **REBATE DEFINITIONS:**

Capitalized terms, which are not defined in this Section III have the meanings ascribed in the applicable Card Agreement.

"Calculation Period" means, initially, the fourteen (14) month period commencing on the first day of the month after Bank of America receives a fully executed original of the Agreement and thereafter, each subsequent twelve (12) month period.

"Credit Losses" means any balances which remain unpaid by Company, Participant or a Cardholder six (6) billing periods after the closing date on the Billing Statement in which the Transactions, fees and charges appeared for the reporting period.

"Cycle Days" means the number of days from the start of the billing period to the Billing Statement date.

"Grace Days" means the number of days after the Billing Statement closing date within which payment is due.

"Large Ticket Interchange Transactions" means certain transactions which, based upon the type of merchant and/or transaction dollar amount, are subject to a Visa or MasterCard large ticket interchange program, as determined by and amended by Visa and MasterCard from time to time.

"Rebate Multiplier" means the multiplier corresponding to the Standard Transactions volume, Cycle Days and Grace Days as set forth in the Standard Transactions Rebate Multiplier Table below.

"Standard Transactions" means the Transaction Volume not meeting the criteria for Large Ticket Interchange Transactions.

"Total Credit Losses" means, for any Calculation Period, the sum of (i) Bank of America's Credit Losses on the Card Accounts for the Calculation Period and (ii) Bank of America's Credit Losses on the Card Accounts for any previous Calculation Period which have not been applied against any rebate payable under the Agreement.

"Transaction Volume" means, for any Calculation Period, the total dollar amount of purchase Transactions made with the Cards during the Calculation Period, less the total dollar amount of: returned purchases, credit adjustments, Transactions resulting from Unauthorized Use, and disputed charges. Cash advances and Convenience Checks are not included in Transaction Volume.

#### **REBATE CONDITIONS:**

During the Calculation Period, the program must meet all of the following conditions in order to qualify for a rebate:

- i. Company and Participant pay Bank of America the total amount of the new balance shown as due on each Billing Statement on or before the Payment Due Date; and
- ii. Neither Company nor Participant has breached any obligation, covenant, representation or warranty contained in this Agreement; and
- iii. Calculation Period Transaction Volume meets the minimum volume requirement as set out in the Standard Transactions Rebate Multiplier Table; and
- iv. The Agreement has not been terminated by either party prior to the completion of a rebate calculation period.

#### **REBATE CALCULATION AND PAYMENT:**

In the event that all of the above Rebate Conditions are met with respect to the Calculation Period, Bank of America will pay a rebate to Company, which shall be calculated at the end of the Calculation Period in accordance with the Standard Transactions Rebate Multiplier Table and using the following equation:

**((Transaction Volume for Standard Transactions x Rebate Multiplier) + (Transaction Volume for Large Ticket Interchange Transactions x forty basis points (0.40% or 0.004)) – Total Credit Losses**

The Standard Transactions rebate multiplier will be determined based on the Calculation Period cumulative total of all Standard Transactions volume, including Standard Transactions volume from travel rewards participants, however, Standard Transactions volume that is applied to travel rewards points will not be included in the rebate payout calculation. *This paragraph is applicable for products with Travel Rewards only.*

Payment of any rebate will be made by ACH credit or other means determined by Bank of America, within ninety (90) days following the end of the Calculation Period. No rebate will be paid to any Participant.

Should one or more of the above Rebate Conditions not be met, Bank of America will be under no obligation to pay any rebate, although Bank of America may, in its sole discretion, determine to pay a rebate in an amount determined by Bank of America. Bank of America's payment of a rebate in such circumstance will in no way obligate Bank of America to pay a rebate with respect to any subsequent Calculation Period.

**STANDARD TRANSACTIONS REBATE MULTIPLIER TABLE\***

West Virginia Annual USD Card Volume Tiers Excludes Large Ticket		Cycle days Grace days	7	14	14	30	30	30	30	30
			3	3	7	3	7	14	20	25
		REBATE BASIS POINTS								
\$2,000,000	\$49,999,999		119	115	111	107	103	96	90	85
\$50,000,000	\$99,999,999		129	125	121	117	113	106	100	95
\$100,000,000	\$149,999,999		149	145	141	137	133	126	120	115
\$150,000,000	\$199,999,999		154	150	146	142	138	131	125	120
\$200,000,000	\$249,999,999		159	155	151	147	143	136	130	125
\$250,000,000	\$299,999,999		164	160	156	152	148	141	135	130
\$300,000,000	\$349,999,999		176	172	168	164	160	153	147	142
\$350,000,000	\$399,999,999		179	175	171	167	163	156	150	145
\$400,000,000	\$449,999,999		180	176	172	168	164	157	151	146
\$450,000,000	\$499,999,999		182	178	174	170	166	159	153	148
\$500,000,000	+		183	179	175	171	167	160	154	149

**SIGNING BONUS INCENTIVE**

Bank will pay Company a signing bonus incentive as set out below, within ninety (90) days of the date of the first live (non-test) transaction of the Card program. This signing bonus is in addition to the rebates noted above. This signing bonus incentive is contingent on achievement of Year 1 transaction volume set out below. If the program fails to achieve the transaction volume target, then Company will pay back to Bank a proportional amount of the signing bonus incentive. For example, if the Year 1 transaction volume is 10% below the Year 1 target transaction volume, then 10% of the signing bonus incentive will be repaid to Bank at the end of the first annual calculation period.

Signing Bonus Incentive	Year 1 Volume Requirement	Five Year Average Annual Volume Requirement
Two Million Dollars (\$2,000,000)	Three Hundred Twenty-Five Million Dollars (\$325mm)	Three Hundred Forty Million Dollars (\$340mm)

\* Rebates for Transaction Volume from individual liability cardholders will be five basis points (0.05%) less than the Standard Transactions Rebate Multiplier for the applicable volume tier during the Calculation Period.

If, after Bank of America pays Company a signing bonus incentive, Company terminates the Agreement for convenience in accordance with the Agreement, or Bank of America terminates the Agreement for cause in accordance with the Agreement within five(5) years from the effective date of the Agreement, Company agrees that it will reimburse Bank of America a pro rata portion of the signing bonus incentive in accordance with the following calculation: Company may retain one-fifth of the signing bonus incentive for each completed year of the Agreement and will re-pay the remainder to Bank of America.

If the program fails to achieve the five-year average annual Transaction Volume requirement, then Company will pay back to Bank a proportional amount of the bonus incentive through a reduction of any rebate that may be due to Company, or, if rebate is insufficient, then Company will re-pay the remainder to Bank of America within ninety (90) days of the end of the fifth Card Agreement year. For example, if the five year average annual transaction volume is 10% below the average annual transaction volume requirement, then 10% of the bonus incentive, less any previous adjustments made by Company, will be repaid to Bank.

Nothing in this Schedule of Fees and Charges is intended to state a term for the Agreement. For the avoidance of doubt, any period of time set forth in the Schedule of Fees and Charges applies solely to pricing terms, but only to the extent the Agreement has not been terminated as set forth in the Agreement.

Notwithstanding anything to the contrary in the Agreement or this Schedule of Fees and Charges, all fees and charges are subject to change upon 30 days prior written notice to you if an event external to Bank of America increases the cost or decreases the revenue to Bank of America (e.g., decreases to interchange revenue paid to Bank of America by a card association, increases to funding costs due to interest rate changes or deterioration in your financial condition) in connection with providing this card program to you.

### END OF SCHEDULE III

### ACKNOWLEDGEMENT

By signature of an authorized representative(s), you agree to the terms and conditions of this Schedule of Fees and Charges presented herein. This form must be signed in ink by an authorized representative(s) and submitted with the original signature to your Bank of America representative.

#### COMPANY

**FIA Card Services, N.A., a Bank of America  
company**

\_\_\_\_\_  
[COMPANY NAME]

By: \_\_\_\_\_  
(Signature)

By: \_\_\_\_\_  
(Signature)

Name: \_\_\_\_\_  
(Print or Type)

Name: \_\_\_\_\_  
(Print or Type)

Title: \_\_\_\_\_  
(Print or Type)

Title: \_\_\_\_\_  
(Print or Type)

Date: \_\_\_\_\_

Date: \_\_\_\_\_