

**State of Wisconsin
2008 Enterprise Banking Services Contract**

This 2008 Enterprise Banking Services Contract (the "Contract") is made and entered into as of the 1st day of July, 2008, by and among the State of Wisconsin Depository Selection Board (the "Board"), and U.S. Bank National Association (the "Contractor").

Whereas, the Board, on behalf of the State of Wisconsin and its departments and agencies (collectively, the "State"), has requested official sealed proposals pursuant to Request for Proposal for Enterprise Banking Services #27889-CE (the "RFP"); and

Whereas the Contractor, on behalf of itself and its wholly owned subsidiary, Elavon, Inc., has submitted its proposal dated November 7, 2007 (the "Proposal"); and

Whereas, the Board has determined that the Contractor's Proposal received the highest score from the evaluation committee,

Now, therefore, in consideration of the mutual covenants contained herein, the parties mutually agree as follows:

A. Incorporation by Reference. The RFP (including all appendices, exhibits and addendums), the Proposal, and the U.S. Bank Additional Terms and Conditions (consisting of (i) U.S. Bank Treasury Management Terms and Conditions, (ii) Elavon's Terms of Service, (iii) Elavon's Bill Payment Addendum to the Terms of Service, and (iii) Elavon's PIN-Based, Online Debit Card Addendum to the Terms of Service) are hereby incorporated herein by reference as if they were set forth in full herein and are hereby made a part of this Contract. In the event of any conflict among the provisions of the Proposal as accepted by the Board, the RFP, the U.S. Bank Additional Terms and Conditions and this Contract, the provisions of this Contract govern those of the RFP, the Proposal as accepted by the Board and the U.S. Bank Additional Terms and Conditions; the provisions of the U.S. Bank Additional Terms and Conditions control the Proposal and the RFP, and the provisions of the Proposal as accepted by the Board govern those of the RFP. The enterprise banking services described in the RFP and the Proposal are hereafter referred to as the "Services" and includes the Merchant Acquiring and Card Transaction Processing Services described in the RFP and the Proposal, which are hereafter referred to as the "Merchant Services."

B. Term. This Contract shall commence on July 1, 2008, and shall continue, unless terminated sooner by the Board or the Contractor, until June 30, 2014. In addition, the Depository Selection Board may, at its discretion, extend the Contract for two (2) additional two (2) year terms until June 30, 2016, and June 30, 2018, respectively.

C. Termination. The Board may terminate this Contract at any time in its sole discretion by delivering at least 180 days written notice to the Contractor. Upon termination, the Board's liability shall be limited to the pro rata cost of the services performed as of the date of termination. For Merchant Services, the Board remains liable for all chargebacks, returns, adjustments, fees, fines and penalties occurring post-termination related to Transactions processed prior to termination. The Contractor may terminate this Contract at any time in its sole discretion by delivering at least 24 months written notice to the Board except that for Merchant Services, the Contractor may terminate such Merchant Services as set forth in Elavon's Terms of Service. Upon such termination, the Contractor shall refund to the Board, within 30 days of such termination, all payments made hereunder by the Board to the Contractor for work not completed or not accepted by the Board.

D. Cancellation. The Board reserves the right to cancel this Contract in whole or in part without penalty due to nonappropriation of funds by the State or for failure of the Contractor to comply with the terms, conditions, and specifications of this Contract (subject to the progressive contract administration actions outlined in Section 13.3 of the RFP). For Merchant Services, the Board may

cancel the Merchant Services portion of the Contract in accordance with Section B(15)(b) of Elavon's Terms of Service.

E. Subletting or Assignment of Contract, Intermediaries. The State must approve in writing, any subcontractor that will perform services under this Contract. In addition, the Contractor shall remove a subcontractor from performing services under this Contract if the subcontractor has been placed on the ineligible list for state contracts per sec. 16.765 (8) Wis. Stats. The Contractor shall promptly notify the Contract Administrators in the event it intends to change the intermediaries, subcontractors or payment systems used in providing the services under this Contract. In no event will any subcontractor of Contractor, as of the date hereof and in the future, be knowingly debarred from providing services to the Board. Notwithstanding anything to the contrary herein, this section E shall not apply to subcontractors, if any, which Contractor may have already contracted with to provide certain operational aspects of banking services or Merchant Services to all its customers, nor does it apply to those Merchant Services provided by Contractor's wholly-owned subsidiary, Elavon, Inc. The Contractor and the State shall determine a mutually acceptable lead-time that is sufficient for the State to complete any work necessary to implement the change. Contractor may provide any Service using any payment system or intermediary it reasonably selects. The Contractor's performance of Services is subject to the rules and regulations of any such system or organization. The State shall comply with all laws, rules and regulations in connection with said Services. The State may choose Services to which the rules of the National Automated Clearing House Association (NACHA) are applicable. The State agrees to be bound by such rules, and agrees that no entries which violate United States law may be initiated.

F. Additional Services and Pricing. The Contractor shall not charge for services not identified in the Cost Proposal Worksheet provided in response to Section 12.2 of the RFP, and the additional cost items listed in Appendix 3 of this Contract. The Board reserves the right to negotiate with the Contractor reasonable fees for services that did not exist at the time of the awarding of the Contract. Upon failure to arrive at a negotiated fee schedule for these services that is satisfactory to both parties, the State may, at its option, contract for them separately.

G. Service Quality. The State shall continually monitor the quality of the Services delivered under this Contract. State agencies shall be instructed to report all service delivery problems to the Contract Administrator. In addition, the Contractor shall immediately report service delivery problems, including delays in lockbox processing, to the Contract Administrators and to the effected state agencies. The State shall promptly notify the Contractor in writing of any error in connection with any Service and any discrepancies between any records maintained by the State and any notice the State receives from the Contractor with respect to any Service, and shall provide the Contractor with any information it may reasonably request in connection therewith.

H. Visits to the Contractor. The Board or any one or more of the persons who serve as its staff or advise it shall have the right to, upon 24 hours advance notice, visit the Contractor at any time to observe and inspect the operations in providing service under this Contract. With respect to Merchant Services, any visits to Contractor must occur within normal business hours, with ten days advance written notice, at the Board's expense, and in compliance with Contractor's security procedures.

I. Legislative Audit Bureau or Outside Auditors. The Contractor shall cooperate with and, upon 24 hours advance notice, make space available for auditors from the Wisconsin Legislative Audit Bureau, federal agencies or any outside auditors employed by the Board. For Merchant Services, Contractor will, with at least ten days prior written notice, at the Board's expense, and in compliance with Contractor's security procedures, supply the Board with records and information pertaining to Transactions processed under the Contract.

J. Computer Programs and Other Software. All computer programs and other software which are developed by the Contractor solely for the operations contemplated under this Contract shall belong to and upon request shall be delivered both in written and electronic form to the State 24 months prior to the termination of this Contract (except for Merchant Services, as no computer programs or software will be developed solely for use by the State). The Contractor shall provide to the State upon

request all lockbox procedures and related documentation. If the Contractor is not awarded the next Enterprise Banking Services Contract, it shall reasonably assist the State and the successor throughout the conversion process. If any Service requires equipment or software to be operated by the State, the provision of the Service by Contractor shall be conditional on the proper use and maintenance of such equipment or software by the State. If the Contractor supplies equipment or software (other than software developed solely for the State), the Contractor shall remain the owner of such equipment or software, and the State shall insure it, use it solely in the manner specified by the Contractor and in connection with the relevant Service, not remove or modify any name or identifying mark on it, and return it to the Contractor upon termination of the Service.

K. Contract Administration. The Wisconsin Department of Administration - State Controller's Office shall oversee the contract administration for day to day operational issues and overall performance. The initial Contract Administrator for the Wisconsin Department of Administration - State Controller's Office shall be Jeff Anderson, Asset Management Supervisor. The initial Contract Administrator for the Contractor shall be James Spredemann, Vice President and Relationship Manager. The Contract Administrator for Merchant Services issues will be Janet Swanson, Client Executive.

L. Indemnification and Hold Harmless. The Contractor shall indemnify and hold harmless the State and all of its officers, agents, and employees from all suits, actions, or claims of any character brought for or on account of any injuries received by any person or property resulting from the negligent or willful operations of the Contractor or of any of its employees or agents in performing work under this Contract, except to the extent such suit, action or claim is caused by the negligence or willful misconduct of the State, its officers, employees or agents. For Merchant Services, Contractor's indemnification is limited to those suits, actions or claims resulting from the negligent or willful operations of the Contractor.

M. Standard of Care, Limitation of Liability. Contractor shall exercise ordinary care in providing Services and will be responsible for any loss sustained by the State only to the extent such loss is caused by Contractor's negligence or misconduct. The Contractor and the State acknowledge that damages may be incurred by the State due to nonperformance of Contract specifications. In no event shall the Contractor be responsible for any liability, loss or damage resulting from any delay in or failure of performance which is caused by any act of God or other catastrophe beyond the reasonable control of the Contractor. Notwithstanding the foregoing, with respect to Merchant Services, Contractor will not be responsible for any alleged damage due to additional costs to procure alternate Merchant Services, and further the provisions of Section B(8)(c) of Elavon's Terms of Service apply.

N. Security Procedures and Communications. Commercially reasonable procedures, including the use of identification codes, encryption, passwords, logon identifications, personal or location identification numbers, repetitive codes, tokens (including SecurID® Tokens) and other security devices, systems and software (the "Security Procedures"), designed to verify the origination (but not errors in transmission or content) of instructions, orders and other communications (each, a "Communication") sent by the Contractor and the State may be used in connection with Services. Contractor must provide commercially reasonable security measures. The Contractor shall not be obligated to act on a Communication not transmitted in accordance with the Security Procedures and may refuse to act on any Communication where the Contractor reasonably doubts its authorization, contents, origination or compliance with the Security Procedures. The Contractor shall have no duty to discover, and shall not be liable for, errors or omissions by the State. If Contractor complies with the Security Procedures in respect of a Communication, Contractor shall be entitled to act on that Communication and shall not be obligated to verify the content of such Communication, establish the identity of the person giving it, or await any confirmation thereof, and Contractor shall not be liable for acting on, any Communication sent in the name of State. Contractor reserves the right to issue new Security Procedures and/or to cancel or change any Security Procedures from time to time. Whenever the Security Procedures include the assuming by State of any confidential password, logon identification, identification code, personal or location identification number, repetitive code, token or similar security device, State shall not disclose such security device except to employees or agents authorized to act for State in connection with Services to the extent allowed by law. State shall implement such safeguards as are reasonably necessary to ensure the confidentiality and integrity of such Security devices, and shall immediately notify

Contractor if the confidentiality or integrity of any such security device is breached or threatened. The State shall be solely responsible for the safekeeping of such security devices and assumes all risk of accidental disclosure or inadvertent use of such security devices by any party whatsoever, whether such disclosure or use is on account of the State's negligence or deliberate acts or otherwise, Contractor shall not be liable for any loss or damage resulting from fraudulent, unauthorized or otherwise improper use of any security devices by the State.

O. Severability and Headings. If any provision of this Contract shall be found to be in violation of law, such provisions shall be considered to be a separate part of this Contract and shall be considered deleted, and the remainder of this Contract shall remain in full force and effect during the entire term of this Contract. Headings in this Contract are not to be considered a part of this Contract but are placed herein only for the convenience of the reader.

P. Code of Ethics. The Contractor shall not engage directly or indirectly in any financial or other transaction with any state official or employee which would violate the Wisconsin Code of Ethics for Public Officials and Employees, as set forth in Subchapter III of Chapter 19 of the Wisconsin Statutes, or Chapter ER-MRS 24 of the Wisconsin Administrative Code. The Contractor shall not offer any state officers or employees access to luxury boxes, corporate tents, special seating at sporting, concert or other entertainment events, or any other thing of value.

Q. Dispute Resolution. In the event that Contractor fails to provide the Services in material accordance with the Contract, the following escalation procedures shall be followed:

1. Contractor shall be immediately informed of the problem and shall contact the Board representative via telephone no later than five (5) business days after notification of the problem to discuss the resolution of the matter in dispute; and
2. If the parties cannot arrive at a mutually satisfactory solution within ten (10) business days after expiration of the notice provided above, the Board representative shall contact the next level executive of Contractor, stating that the dispute has still not been resolved and requesting a plan for the resolution of the problem. Further the Board representative may request a meeting at the Board's offices between the Board representative and such next level executive of Contractor in five (5) business day(s) from receipt of such request to resolve the problem.

Appendix 1: Privacy and Confidential Information

Appendix 2: Electronic Payment Gateway Services

Appendix 3: Additional Cost Items

Appendix 4: U.S. Bank Additional Terms and Conditions

U.S. Bank Treasury Management Terms and Conditions

Elavon Terms of Service

Elavon Bill Payment Addendum to the Terms of Service

Elavon Pin-Based, Online Debit Card Addendum to the Terms of Service

Appendix 5: Participation Agreement for Local Governments

In witness whereof, the parties have caused this Contract to be duly executed, intending to be bound thereby.

Accepted:

State of Wisconsin Depository Selection Board

By: Michael L. Morgan
Michael L. Morgan, Secretary
Department of Administration

By: Roger M. Evin
Roger M. Evin, Secretary
Department of Revenue

By: Dawn Marie Sass
Dawn Marie Sass, State Treasurer
Office of the State Treasurer

U.S. Bank National Association

By: James Spuh

Title: Vice President

Attest: Charlene Brewster

Title: Vice President

