

## PURCHASING CARD PROGRAM AGREEMENT

THIS PURCHASING CARD PROGRAM AGREEMENT (“Agreement”) is made this \_\_\_\_ day of \_\_\_\_\_, 20\_\_ (the “Effective Date”) by and between the MICHIGAN PURCHASING CARD CONSORTIUM, INC., a Michigan corporation whose address for purposes of this Agreement is 1001 Centennial Way, Suite 200, Lansing, Michigan 48917-9279 (the “Association”) and \_\_\_\_\_ whose address is \_\_\_\_\_, Michigan \_\_\_\_\_ (the “Member” and collectively with other Members, the “Members”).

WHEREAS, the Association and PFM Financial Services LLC, a limited liability company duly formed and existing under the laws of the State of Delaware (“PFM”) have entered into a certain Marketing Referral Agreement (the “Marketing Agreement”) in order to develop and implement a Purchasing Card Program for the benefit of the Association and the Members, whereby each Member must apply for and be issued commercial cards by BMO Harris Bank, a national banking association (“the Bank”) for purposes of purchasing goods and services from any merchant that accepts such commercial cards (the “Program”); and

WHEREAS, pursuant to the Marketing Agreement, the Association shall receive royalties from PFM based upon the annual charge volume achieved by all Members (the “Royalty”); and

WHEREAS, pursuant to this Agreement, the Association shall annually disburse a portion of the Royalty to the Members (the “Rebate”); and

WHEREAS, the Member desires to participate in the Program pursuant to the terms and conditions of this Agreement and the terms and conditions of a certain Commercial Card Agreement between the Member and the Bank of even date herewith (the “Card Agreement”).

THEREFORE, for valuable consideration received, the parties agree as follows:

1. Member Responsibilities. The Member shall abide by and adhere to the terms and conditions of the Card Agreement. The Member is solely responsible for its payment and performance obligations under the Card Agreement and acknowledges that the Association is not liable or responsible for any payment or performance obligations of the Member under to the Card Agreement. The Member shall provide written notice to the Association if the Card Agreement is terminated for any reason.

2. Association Responsibilities. The Association, at its sole discretion, shall receive and administer the Royalty. The Association reserves the right, at its sole discretion, to terminate the Program and the Marketing Agreement. The Association shall provide written notice to the Member if the Marketing Agreement is terminated for any reason.

3. Rebate. The Association shall determine the amount of the Rebate, if any, and the timing of its annual disbursement. In order for the Member to receive the Rebate, the Marketing Agreement and the Card Agreement must be in force on the date the Rebate is disbursed to the Member.

4. Term. This Agreement shall commence on the Effective Date and shall remain in force until such time as either the Card Agreement or the Marketing Agreement are terminated. This Agreement shall terminate without action of either party as of the earlier of the date either the Card Agreement or the Marketing Agreement is terminated.

5. Relationship of Parties. The parties are acting as independent contractors and independent employers. Nothing contained in this Agreement shall create or be construed as creating a partnership, joint venture or agency relationship between the parties and no party shall have the authority to bind the other in any respect.

6. Limited Liability. The Association's liability arising from or relating to this Agreement and the Program shall be limited to actual damages and shall be further limited to the amount of the annual Rebate payable to the Member. The Association shall not be liable for any special, indirect, consequential, punitive or exemplary damages.

7. Indemnification. To the extent allowed by law, the Member shall defend, indemnify and hold harmless the Association its successors, assigns, officers, employees and directors from and against any and all claims, counter-claims, suits, debts, demands, actions, judgments, liens, liabilities, costs, expenses, including reasonable attorneys fees and actual expert witness fees, arising out of or in connection with the acts and omission of the Member and its employees, officers and agents arising from or relating to the Program, the Card Agreement and any violation of any of the terms of this Agreement.

8. Miscellaneous Provisions. This Agreement contains all of the agreements of the parties and cannot be amended or modified except by a written agreement signed by both parties. Member may not assign this Agreement without the prior written consent of the Association. The failure of either party to enforce any covenant or condition of this Agreement shall not be deemed a waiver thereof or of the right of either party to enforce each and every covenant and condition of this Agreement. The provision of Sections 1, 6 and 7 shall survive the termination of this Agreement. No provision of this Agreement shall be deemed to have been waived unless such waiver be in writing. The covenants, conditions and agreements contained in this Agreement shall bind and inure to the benefit of the parties and their respective successors and permitted assigns. The unenforceability, invalidity, or illegality of any provision shall not render the other provisions unenforceable, illegal, or invalid. This Agreement shall be construed and interpreted in accordance with the laws of the State of Michigan.

WHEREFORE, the parties have executed this Agreement as of the date first set forth above.

**ASSOCIATION:**

MICHIGAN PURCHASING CARD CONSORTIUM, INC.,  
a Michigan corporation

By: \_\_\_\_\_

Its: \_\_\_\_\_

**MEMBER:**

\_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_